

Executive summary

Business Events in Australia highlights the contribution of Business Events and Incentive travel to the Australian tourism industry.

During 2008, Tourism Research Australia (TRA) included additional questions in the International Visitor Survey (IVS) and the National Visitor Survey (NVS) to provide more detailed information on the characteristics and travel behaviours of international and domestic Business Event and Incentive travellers. Most of the estimates in this publication are based on a single year of data, so it is not yet possible to infer any trends in Business Event activity. Once we have 2009 data available, the 2008 data will serve as a benchmark against which TRA will be able to measure changes in activity.

Business Event travellers are defined as international, domestic overnight and domestic day visitors who attended (or accompanied someone who attended) a conference, convention, seminar, trade fair or exhibition in Australia.

Incentive travellers are defined as international, domestic overnight and domestic day visitors who took a trip in Australia that was part of a reward provided by an employer for a high level of performance or as a job-related bonus.

Business Events in Australia provides an overview of results from the additional questions relating to Business Events and Incentive travel during 2008, along with some broader Business Event travel trends collected from the IVS and NVS surveys for the period since 2000.

Main findings

- There were 7.3 million international and domestic Business Event and/or Incentive travellers who spent 22.9 million visitor nights in Australia with expenditure of \$5.7 billion in 2008.
- Business Events and Incentive travellers accounted for 3% of all visitors, 5% of visitor nights and 7% of tourism expenditure in Australia in 2008.
- There were an estimated 6.1 million Business Event travellers in 2008. Of these, 2.8 million were domestic overnight visitors, 2.8 million domestic day visitors, and 377,000 international visitors.
- Business Events travellers spent \$4.7 billion in 2008 which was 5% of spending by all visitors, of which \$1.9 billion (41%) was contributed by international Business Events visitors.
- Business Events travellers are high yield visitors, spending on average \$234 per night compared with \$163 per night for the average traveller.
- Both international and domestic Business Events travellers were more likely to stay in a luxury hotel than the average traveller (43% compared to 27% for international, and 41% compared to 14% for domestic overnight travellers).
- Business Events play an important role in attracting visitors to Australia. Nearly three-quarters of international Business Events travellers would not have come to Australia at the time if not for the event.
- The report notes the influence of World Youth Day in July 2008 with a peak in international Business Events travellers in the September 2008 quarter.
- Conferences, conventions and seminars attracted the majority of international (87%), domestic overnight (86%) and domestic day visitors (69%), compared to trade fairs and exhibitions.

- There were 1.6 million visitors who took a trip that was part of a reward provided by their employer. Of these incentive travellers, 50% were domestic overnight visitors, 39% were domestic day visitors, and 11% were international visitors.
- International travellers contributed \$676 million (51%) of the total spending of \$1.3 billion by Incentive travellers in 2008, while visitor nights were evenly distributed between international and domestic overnight Incentive travellers.
- More than half (55%) of all international Incentive travellers gave leisure as their main reason for visiting Australia, and the majority of international (81%) and domestic overnight (80%) Incentive travellers did not attend a Business Event.

Conclusion

Of note, the majority of international (74%) and domestic overnight (83%) Business Event visitors would not have travelled if not for the event they were attending, and most international Business Event visitors did not limit their stay to attendance at the event.

The vast majority of those who attended an event for one to five nights spent extra nights in Australia before and/or after the event (87%). For domestic overnight Business Event travellers, more than two thirds (68%) reported they were likely to return to the destination where the event was held within twelve months, including 37% for a holiday.

The report also reveals that of all international visitors who stated they were a Business Event visitor in the 2008 supplementary, only 43% actually reported their main purpose of travel as attending a 'Conference, convention, seminar or exhibition' on their passenger card when entering Australia.

Similarly, only 24% of domestic overnight and 22% of domestic day visitors who reported in the 2008 supplementary that they were a Business Event visitor, actually nominated attending a Business Event as their main purpose of travel in that section of the National Visitor Survey.

This indicates that the main purpose of travel data from the IVS and NVS (available as an extended time series) understates the size of the Business Events sector and its contribution to the economy. Clearly, the additional Business Event and Job incentive questions in the IVS and NVS in 2008 provide a broader and more complete coverage of the Business Event and Incentive traveller sectors than previously existed. Consequently, TRA retained the questions in 2009 and will also include them in 2010.

Tourism Research Australia recommends this report be read in conjunction with *Business Events in Australia: User guide* go to www.tra.australia.com