



Destination Northland Conference Seminar

**Conferences, PCO's and
everything else in
between**

Overview

- What is the conference market worth?

What is the conference market worth?

- The overall conference industry over \$1Billion annually
- 85% is domestic business
- The international portion of the overall market is \$250M
- The average daily spend for international delegate is 5 times that of the normal visitor and is in excess of \$700.00 per day

Where do they come from?

- Our biggest single market is Australia, with 60% of the international market arrivals
- There are 60,000 international arrivals in a year with an average length of stay of 7.23 days
- Most conferences are held between May and September

The Overall Market

- **How the market is segmented and who's responsible for what?**
- **conference market and incentive market**

The Incentive Market

- The **incentive market** may or may not include a conference at the point of destination
- the “incentive” for participants is to receive a reward for services rendered or sales targets met.

The Incentive Market

- play and more play, and at a very high level in dollar spend terms
- your product or service better be up to top international standards or at the very least, offer something unique

The Conference Market

- the **Corporate** market and **Association** market

The Corporate Market

- sales, marketing, management, franchise meetings
- smaller than the association conference, the range being roughly between 5 and 100 delegates
- does not usually include an exhibition
- corporation pays the bill from their own internal budget
- usually shorter in duration, average between 1 to 2 days
- **Corporate conferences make up about 75% to 80% of the total conference market**

The Association Market

- made up of non-profit associations, societies, organisations
- For this reason alone they are a different breed
- “shoe-string” budgets

The Association Conference

- longer in duration - 2 to 5 days
- larger than the corporate conference (average between 100 and 300 attendees but can be substantially larger)
- very intent on the business or scientific content
- many are medical or science related – CME accredited

The Association Market (cont)

- most include an exhibition
- are dependant on substantial exhibition and sponsorship income to fund the event
- delegate registration fees are paid by the individual delegate or by the institution for which they work (hospital, university etc).

The Association Market (cont)

- annual conference rotates around New Zealand, depending upon:
 - suitability of the venue
 - which city had it last
 - alternates between North & South island
 - whose turn is it etc.

Australasian Associations

- New Zealand associations who have “got into bed” with their Australian counterparts
- When the conference is a joint one, rotates between the Australian states and New Zealand with the conference being held in New Zealand around every five to seven years.

Who Handles What?

- **Association Conferences and the PCO**
- **The PCO will:**
 - **manage the conference on behalf of the association**
 - **manage the exhibition and the sponsorship programme, venue selection and management, catering, printing, accommodation, transport, tours, audio visual, insurance, staffing and accounting**

The PCO

- **Being a PCO is a complex and demanding business**
- **don't have a great deal of time to spend on approaches from individual operators in the field**
- **you had better be very slick and direct in your approach and make sure that what you have to offer is relevant to their clients**

The PCO

- Tendency to stick to the main centres
- There are two main reasons for this

Firstly, size

Secondly, access

The PCO

- rely on your local Tourism RTO such as Destination Northland, or Hotel, to lead you to the PCO
- leading PCOs include:

The Conference Company
Convention Management Services
Conference Innovators
Conferences & Events
Forum Meeting Planners

A full list of member PCOs is available from CINZ

The Incentive Operator

- The incentive market is both local (domestic) and International
- The domestic market is mostly operated by travel agents and the international market by specialised incentive operators

The Incentive Operator

some examples:

- ID Tours
- New Zealand Destinations
- The Extra Mile Company
- Pan Pacific
- General Travel
- Landmark Travel

The Incentive Operator

- This incentive market is an extremely complex one and you should not try and enter into it without excellent research and meticulous preparation
- If you think you have a product or service suited to the incentive market, talk to Destination Northland or one or more of the operators mentioned above

The Corporate Conference

- Corporations will either manage their event themselves in-house via sales managers or executive secretaries
- or will appoint a "Travel Management Company".

Travel Management Companies

Some prominent Travel Management Companies include:

- Air New Zealand Direct
- TQ3
- BTI New Zealand
- Atlantic and Pacific Radius
- American Express International (NZ) Inc
- FCM Travel Solutions

Travel Management Companies

- corporate conferences make up a large proportion of the total conference market
- TMC's control a very large proportion of the domestic conference market, much more so than the PCO
- Destination Northland produce a comprehensive listing of what is available in your region so make sure you are at the top of their list as far as your performance and service is concerned!

Marketing Solutions

- Tania and Sarah - Tourism Marketing Solutions Ltd.
- Further details are available on request.

In Summary

- the meetings market is a complex and varied one
- each of the categories have their own particular "modus operandi"
- it requires organised research and attention to detail if you are going to successfully sell your wares to them

PCOs

- PCOs are more clinical in their approach
- have an enormous amount of information and detail to manage on behalf of their clients
- will normally make contact with you if they think you have a product or service that they can make good use of
- contact through Destination Northland

Travel Management Companies

- will likely have done their research
- make sure that what you have to offer is freely available on the web and is well designed and easy to navigate
- your service or activity should be at the top of your RTOs list of preferred operators

Incentive

- high flyers
- work at the top end of the market
- expect total performance and are willing to pay for it
- product or service must be appropriate and at the top end of the market

Conventions and Incentives New Zealand (CINZ)

- CINZ is an association of those who provide services and products to the convention industry
- consider joining, if you are not already a member
- membership application forms are available to take away with you!
- Full information and applications forms are also available on our web site – www.conventionsnz.co.nz

CINZ

- **CAP & IAEG**
- **CAP (Conference Assistance Programme)**
- The CAP programme is funded by Government through the IAEG (Inter Agency Events Group)
- New Zealand associations who have both the inclination and ability to host an international conference
- will not come to New Zealand unless there is a local host body

CINZ CAP Programme

- financial feasibility
- bid documentation
- DVD