



THE DIRECT ECONOMIC CONTRIBUTION FROM CONVENTIONS IN TASMANIA

**A SUMMARY OF INDEPENDENT RESEARCH
INTO
CONVENTION DELEGATE EXPENDITURE
IN TASMANIA**

**Tasmanian Convention Bureau
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TASMANIAN DELEGATE EXPENDITURE RESEARCH

In addressing the key challenges and opportunities for the development of business event tourism in Tasmania, the Tasmanian Convention Bureau adopted as one of its key objectives, 'to gain a greater commitment to the development of business event tourism from its major stakeholders.'

One of the key initiatives to assist achieve this was to ensure that governments, industry and the broader community were aware of the economic benefits of conventions.

This required the TCB to undertake research on the expenditure by convention delegates and establish the benefits to each category of its stakeholders.

This paper presents the results of an independent survey conducted by Enterprise Marketing Research Services at seven conferences, two in Launceston and five in Hobart during May and June.

Objectives of the Research

The objectives of the research were to:

- Measure delegate expenditure prior to, during and after their convention
- Determine number of accompanying persons and expenditure
- Discover attractions and places visited
- Identify key areas of expenditure

The methodology used provided the most comprehensive survey of delegate spending.

It involved face to face interviews at seven conferences to collect information from delegates on the days before the conference and during the conference, and an estimate of expenditure and activities after the conference. Subsequently delegates were telephoned upon their return home, to confirm the post conference data. In addition each conference organiser was then asked to supply the total expenditure from the delegate registration fee, made to suppliers in Tasmania.

This amount was then added to the individual delegates spend.

The sample was 234 delegates from seven conferences which attracted 2909 delegates.

Research Findings

Prior to the conference

37% of delegates arrived an average of 1.8 days before their conference and spent an average \$244 per day.

This adds 0.7 days to the stay over all delegates.

23,000 association delegates staying 0.7 days = 16,100 bed nights at \$244 per day.

Total expenditure pre conference = \$3.95M

During the conference

The average stay during the conference is 3.2 days and the delegate spend averages \$270 per day.

The amount spent by the conference organisers in Tasmania, on behalf of the delegates, averaged \$113 per day.

Adding the personal spend and that undertaken by the conference organiser shows that the total delegate spend during the conference is \$383 per day

23,000 delegates staying 3.2 days = 73,600 bed nights at \$383 per day

Total expenditure during the conference \$28.2M

After the conference

38% of delegates stayed an average of 1.8 days after their conference and spent \$392 per day.

This adds 0.7 days to the stay over all delegates.

23,000 association delegates staying 0.7 days = 16,100 bed nights at \$392 per day

Total expenditure post conference = \$6.3M

Accompanying Persons

27% of all delegates were accompanied by at least one person (some by more) and they stayed 5.8 days and spent \$222 per day.

This equates to an additional \$348 per delegate or \$80 per day over all delegates.

23,000 delegates staying 4.6 days and adding \$80 per day

Total expenditure by accompanying persons = \$8.5M

Total Spend – Association Conferences

23,000 association delegates in 2006/07, spent \$47M in Tasmania.

The average stay is 4.6 days.

The average total spend per delegate per stay is \$2043.

The average spend per delegate per day is \$445.

Spread of Expenditure

An average of 37% of delegates came early or stayed after their conference for an average of 3.6 days.

During that time they spent \$322 per day and it was in the following categories:

Accommodation	\$106
Entertainment (inc. restaurants)	\$47
Transport – Taxis	\$39
Transport – Hire	\$18
Transport – Buses	\$5
Meals (excl. restaurants)	\$27
Retail	\$50
Touring	\$10
Other	<u>\$20</u>
	\$322

Reasons for Coming Early or Staying After

21% of all delegates came early or stayed afterwards for a holiday; 4% came to visit friends and relatives; that is a quarter of all delegates getting a broad experience of Tasmania.

Spend by Organisers

When analyzing the spend by the organisers of \$113 per day, per delegate, this totals \$8.3M.

The spend includes:

Meals, morning and afternoon teas & beverages	53%	\$4.4M
Accommodation	5%	\$0.42M
Venue hire/theming	8.5%	\$0.75M
Audio visual and exhibition hire	21%	\$1.74M
Coach /car transfers	1.5%	\$0.12M
Entertainment	6.7%	\$0.56M
Local printing	4.2%	\$0.35M

Summary

Association conference delegates contributed an average \$445 per day during an average stay of 4.6 days, which in 2006/07 with 23,000 delegates was a total of \$47.1M.

In addition to the association market, last year Tasmania attracted 2000 higher yielding corporate delegates who contributed an estimated \$3.4M to make the industry, at the moment, worth \$51M per annum.

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