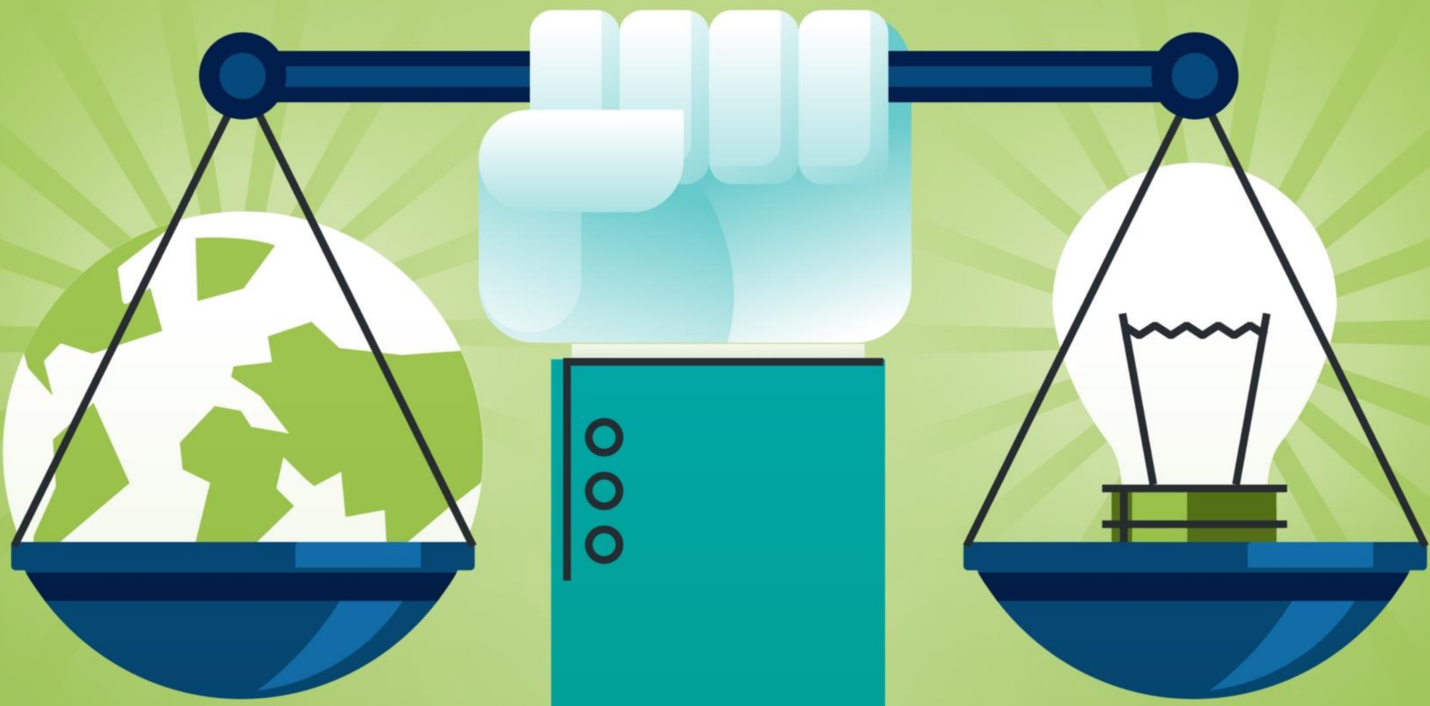
NET ZERO CARBON EVENTS



The Trade Show Travel balance:

Measuring the B2B Trade Show Industry's Role in Saving Attendees' Travel, Time and Money

January 2024

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This document is released by the Net Zero Carbon Events (NZCE) initiative and shares the results and learnings from a two-year pilot project from a NZCE subgroup focused on the concept of travel consolidation.

Members of the group were Clarion, Emerald, Informa, RX and Tarsus (now part of Informa) with the ongoing coordination through UFI, The Global Association for the Exhibition Industry, and support from management consultancy Clarasys.

Results are shared as a project update and in the spirit of transparency so that others can follow and help us scale the study so that the results across the industry represent a greater range of events than the ten in the sample.

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INTRODUCTION

It has long been recognised, and emphasised by the pandemic, that people want to meet in person. Face-to-face connection creates more engagement, trust, innovation, understanding, enjoyment and ultimately more business.

The rapid return of audiences to B2B trade shows since 2022 is clear evidence of this: UFI's Global Barometer Report 2024[1] highlight the full recovery of the industry in 2023 in most places around the world, with revenues reaching a comparable level to 2019, on average,and expected to overcome pre-pandemic level in 2024.

In 2022, UFI set up a working group of B2B event organisers to explore the prevailing views that:

- Travel to trade shows saw a more rapid recovery following the pandemic than general global business travel, perhaps because of the unique value proposition of these events, allowing for more networking opportunities at one time in one place.
- That B2B trade shows provide a unique opportunity for participants to save time away from home and the office, money and effort is the fundamental reason people continue to attend.
- Digital events continue to play a role as an additional tool to maintain relationships and knowledge sharing rather than a direct replacement of the in-person events.

When looking at the impact of trade shows, environmental impacts must be considered. This is something that many event organisers have been working to better understand, and the industry-wide Net Zero Carbon Events (NZCE) initiative[2], established in 2021 and now supported by more than 650 organisations in the events industry, is working to help the industry improve its impact on climate change through collaboration and knowledge sharing.

One area of focus is greenhouse gas emissions, with attendee travel recognised by NZCE and others as the largest contributor to those emissions for most events. The counter-balance to this is that the industry strongly believes that major events act as 'travel consolidators', saving attendees multiple trips to see contacts by meeting in one place at one time.

This paper shares the results of initial work by the NZCE working group to better understand and measure if and how events consolidate travel. It also provides next steps for event organisers looking to measure their own level of travel consolidation, to become part of the working group's efforts, to scale the work to date and create an increasingly accurate picture of the trade show industry's role in creating time, travel and financial savings.

1 Global Barometer – UFI The Global Association of the Exhibition Industry
2 www.netzerocarbonevents.org

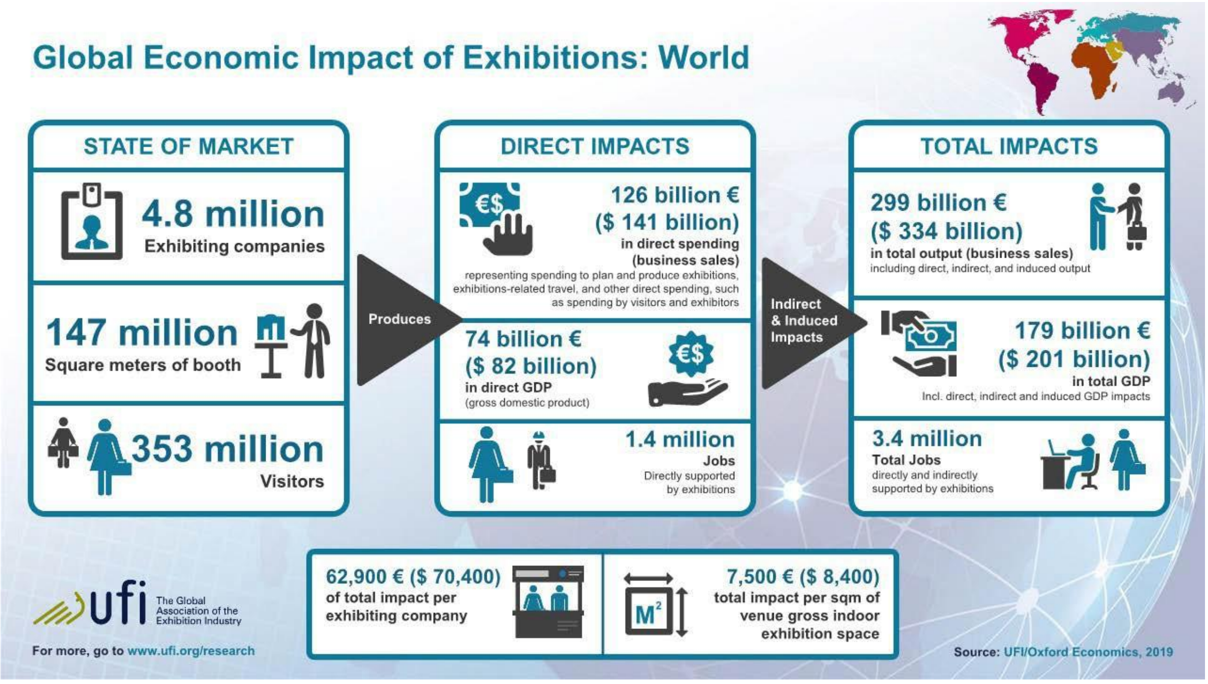
THE VALUE OF EVENTS

Humans have always gathered together to share ideas, trade, and build and maintain relationships. Hundreds of years ago, this would happen at the junctions of rivers or roads, in harbours or at borders. Now this happens in trade shows and convention centres in major cities around the world.

> *"Our global exhibitions industry delivers enormous social and economic benefits. We believe it is an essential engine for connection, knowledge transfer, trade, learning and employment, creating millions of jobs and billions in economic activity. Our activities foster understanding and tolerance while stimulating investment, competition, and innovation. Whole communities rely on our events to help markets function effectively."*

Events offer huge business value. People appreciate the efficiency of being able to convene a whole industry in one place, face-to-face. The theory has always been that this saves them flights, and therefore time, money and carbon, compared to achieving the same business value by travelling to hold multiple meetings individually.

Globally, the exhibition industry contributed more than €179 ($201) billion to GDP in 2019 and supported approximately 3.4 million jobs whilst connecting 353 million people[3]. Exhibitions facilitate trade, cooperation, research and development, and human interaction.



3 UFI/Oxford Economics: Global Economic Impact of Exhibitions - Economic Impact Studies – UFI The Global Association of the Exhibition Industry

THE JOURNEY TO OUR UNDERSTANDING SO FAR

The convening power of B2B trade shows has been acknowledged for as long as they've existed, however the first known studies to seek to quantify how effective they were have only been carried out in the last decade. Prior to this, there was little independent academic literature to draw on so the industry has developed an approach to exploring this area itself.

TIMELINE OF THE GROUP'S WORK SO FAR

2019/2020

The first large scale studies were published in 2020 by one of NZCE's members. 10,000s of attendees were surveyed across 15 events and there was clear evidence of those events saving customers travel.

2021

At the request of the CEOs of five of the largest B2B trade show organisers in the world – Clarion, Emerald, Informa, RX and Tarsus – these organisations came together to coordinate a wider study within the NZCE initiative. Working with UFI, the Global Association for the Exhibition Industry, and Explori, the largest customer insight consultancy for events, the questions from the 2020 studies were embedded within 100s of post-show surveys across the five organisers to gather data on travel consolidation at scale. Results showed some level of travel consolidation but that the impact of the pandemic on global business travel patterns was still being felt.

Early 2022

Explori continued the initial analysis of data coming back from events and identified significant changes to the levels of travel consolidation compared to the pre-pandemic studies in 2019/2020. It was unclear whether this is a result of the expanded data set, misinterpretation of the questions or ongoing impacts from the disruption to global travel patterns and associated budgets. Early analysis did suggest that there was a gradual return to pre-pandemic levels of travel consolidation later in 2021 but further work was needed.

Late 2022

The group crowdfunded a study by international consultancy Clarasys. Clarasys conducted 580 onsite, in-depth interviews with exhibitors and attendees across 10 events in the US and Europe. These interviews sought to understand how the travel of B2B event attendees changes as a result of coming to the event and how to best measure it. The top level findings of this report are shared in this paper.

2023

To help the industry, the working group has chosen to publish this summary report as well as open source the new questions to allow all members of NZCE and the wider industry to contribute and consider how they improve their impacts.

FINDINGS: B2B TRADE SHOWS CAN CONSOLIDATE TRAVEL

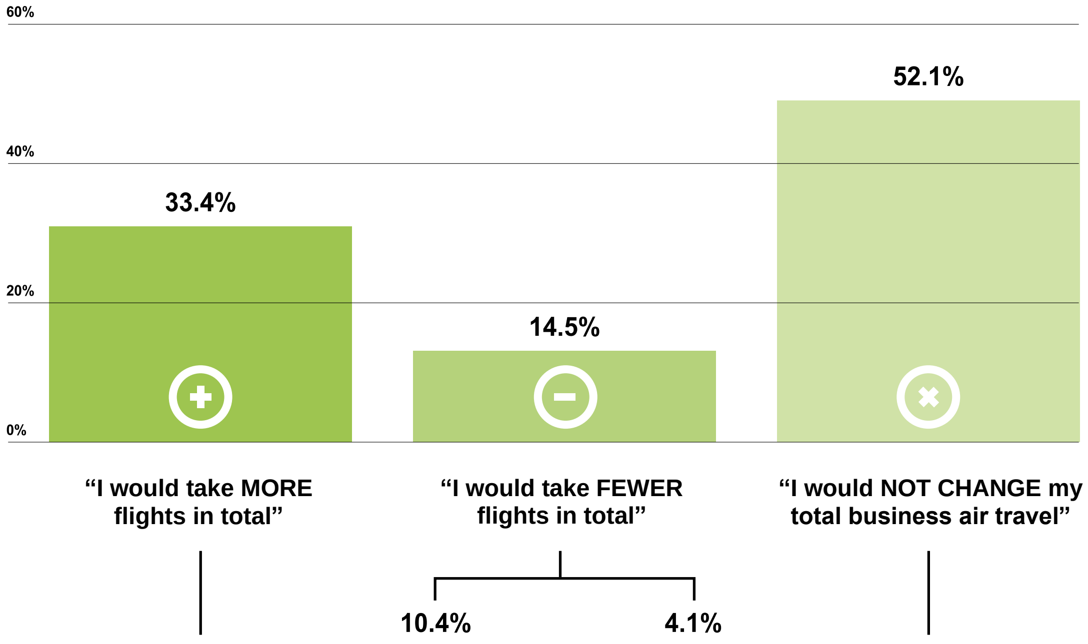
The results of the study by Clarasys are clear – across the sample of ten events, which were chosen to be representative of the larger type of event, B2B trade shows do appear to consolidate travel even with the most cautious interpretation of the results.

Gathering further data in 2024 will help us understand this more. The five founding organisations (now four given Tarsus and Informa have merged) are expanding data collection to more events.

Within the ten events initially studied[4], there are wide variances in the results depending on the sector, country, size of event and nature of the reason for its existence. This implies that some trade shows are greater travel consolidators than others, and may indicate that certain features of events drive travel consolidation in particular. If these key factors can be identified and scaled across more events, it has the potential to help the industry improve its overall levels of travel consolidation.

Clarasys found that the most accurate way of identifying levels of travel consolidation is to ask participants what they would do if the event didn't exist. The study also sought to identify a series of personas to understand why an event changes an individual's travel patterns.

FEEDBACK FROM 580 PARTICIPANTS WHEN ASKED IN INTERVIEW "IF THIS EVENT DIDN'T EXIST, HOW WOULD THIS IMPACT YOUR OVERALL BUSINESS AIR TRAVEL?"



Persona A	Persona B	Persona B/C	Persona C
Travel Consolidator. The event is a consolidator for me.	Travel Generator. I generate more flights because I attend this event.	'Just my flight to the event.' I increase travel due to the event because I take the return flight to the show, that I wouldn't take otherwise. I either answered B or C in the survey.	The event doesn't change my travel.

[4] The 10 events were chosen to give a varied sample of large B2B trade shows across sectors, organisers and within the US, EU and UK.

PERSONA A: I WOULD FLY TO VISIT SOME OF THEM AND CONNECT WITH OTHERS ONLINE.

"I would probably visit some of them because there's certain products you need to be able to touch and feel."

"I'd fly mostly for existing customers who have significant strategic value for the company."

"I like very hands on personal connections, going to stores and meeting them in person, showing them the collection in person, It's crucial to the business."

PERSONA B: I WOULD ONLY VISIT THOSE LOCALLY WHERE I DID NOT NEED TO FLY.

"I would visit local and connect online with anybody else - as a small company we have budget restrains."

"I would only visit local due to business and time constrains."

PERSONA C: I WOULD JUST CONNECT WITH THEM ONLINE.

"We would do a lot online, we work with independent sales reps across the country so we have people down in Florida selling for us, we don't have to fly on a regular basis."

"I wouldn't fly to come and meet someone, because you don't know whether it's going to turn out to be a success."

PERSONA D: MY BUSINESS CONTACTS WOULD FLY TO ME.

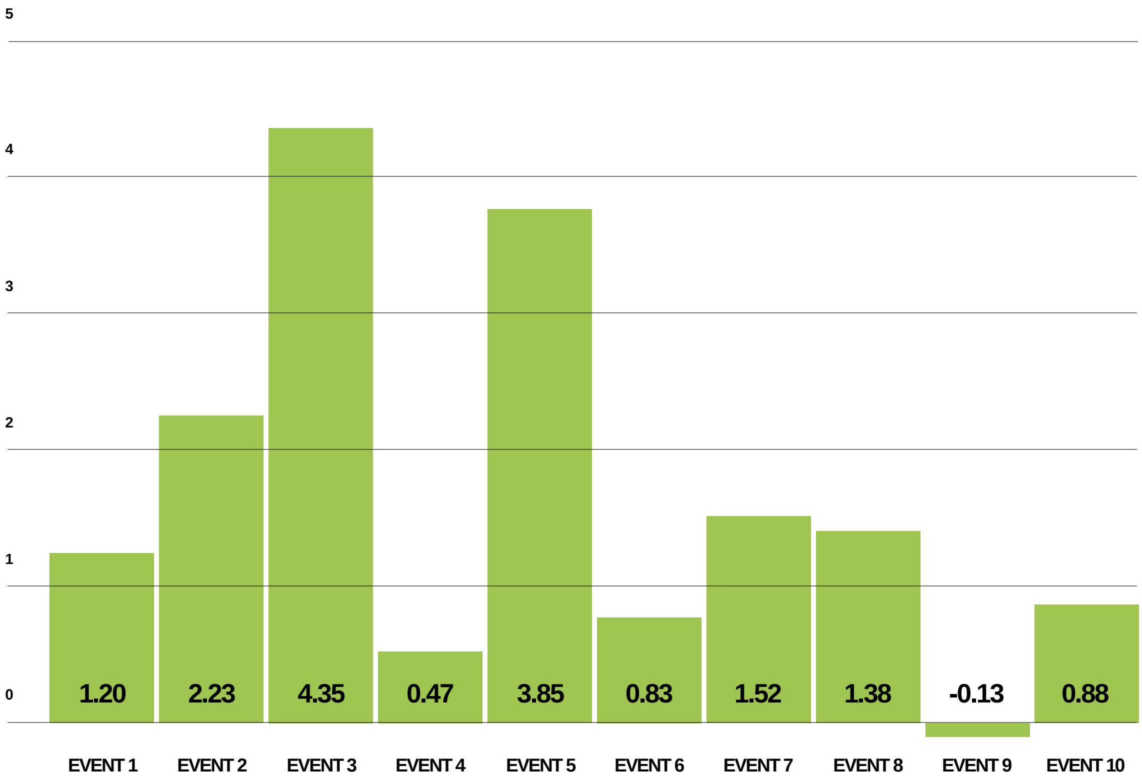
"Usually customers are visiting so they want to see the production, the process, the quality of the product right on the spot."

"Well, yeah, even for a big supplier, I wouldn't go to them, I would, I want them to come see me."

With the results of the initial question, Clarasys then took the number of flights saved or increased as a result of the event, as reported by the interviewees, and scaled this by the proportion of people giving each answer. This was then netted off against the estimated number of flights taken to each event. Wherever possible, the lower of the estimates were used to reduce overstatement.

The results show that nine of the ten events did save flights with a very small flight increase resulting from one event. Future work will explore why there were such big variances.

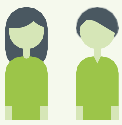
AVERAGE NET FLIGHTS SAVED PER PERSON, PER EVENT



The chart shows the sum of flights **saved** by attending the event, *minus* the sum of flights **generated** by attending the event, averaged out on a per attendee basis. These numbers have also been adjusted to exclude any flights taken to travel to the event.

1.66

net flights saved on average, per attendee across all events.



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average number of people interviewed per event.

KEY LEARNINGS:

The role of events as travel consolidators	
1	33% of respondents to the survey viewed the events they were attending as travel consolidators. This is substantially higher than the levels seen in earlier studies. NZCE's working group hypothesize that this may be due to increased appreciation of live events as a result of the pandemic, although this has not as yet been investigated by Clarasys.
2	In interviews, respondents generally saw the events as highly efficient and of high business value. Many felt that this makes their flight to the event more efficient for business purposes.
3	52% of people said that attendance at the event didn't change the number of flights they took overall. Anecdotally this may be because it's hard to quantify. A significant proportion of interviewees found it hard to quantify the impact on overall travel but recognised the value in meeting in person.
4	15% of people report that the event increased their travel, such as those who then go on to travel to meet leads who they met at events. They are outweighed nearly 2:1 by those who save travel. There was discussion in the working group about whether these 'travelling sales people' would always travel to see customers and the event allows them to better qualify leads before making business trips but further work is required to investigate this.
5	Many interviewees felt that they couldn't fly more, even if the event didn't exist, due to the cost and time commitment. For some, the event is irreplaceable without changing their business model and so quantifying potential changes in travel patterns due to the event was particularly hard.
6	Travel consolidation is only one component of the value proposition of events but it is also a highly prized, highly recognised aspect and shouldn't be understated.
7	Event attendees break into fairly distinct personas, some of whom save significantly more travel than others depending on their goals at event.

The challenges of getting data	
1	Post-show surveys are currently the best viable method of getting the data on travel consolidation, but there are inherent drawbacks around low response rates and the complexities and nuances of this agenda.
2	It is important to ask people if they saved or increased travel as simply asking about saving travel introduces a biased answer and there are definitely some personas at events who do generate more travel.
3	It's also important to net off the travel taken to get to the event from any travel saved by attending the event and any increase in travel as a result of being at the event, otherwise it's not possible to know the overall level of travel saved.
4	Many people responding to both the original and revised questions about travel consolidation were second guessing them or misunderstanding them. The simplified question set at the end of this report is designed to get the best answer possible without overly complex or in person interviews.

EXPANDING MEASUREMENT AND NEXT STEPS

The studies over the last 4 years have revealed a great deal about how to measure the level of travel consolidation that an event provides, and we have insights into what aspects of an event might drive that level higher.

The working group now aims to expand the study across more events and invite other event organisers to join through the NZCE initiative.

The next step is to open source the question set developed which we have done later in this document. In the future, the hope is to create a means to share data, potentially though a 'black box' provided by an independent third party, that will allow greater analysis of the level of travel consolidation at events. This would be aimed at:

1. Determining if levels of travel consolidation have returned post-pandemic.
2. More comprehensive measuring beyond the initial sample of events to see if the wider industry does indeed consolidate travel.
3. Examining the characteristics of events that are the best and least effective at travel consolidation, to identify what more can be done to improve events, if that's appropriate.
4. Inputting the levels of travel consolidation into the discussion of the benefits and challenges arising from events.
5. Considering the relative carbon footprint from running events compared to the levels of carbon saved through consolidated travel as part of a more sophisticated conversation on the net impacts of events. Whilst the accounting rules for carbon do not allow one to be netted off against the other, it's still an important consideration as part of the narrative.

There is additional opportunity to:

1. Undertake further customer insights research to explore key personas and identify ways event organisers can optimise business value and reduce carbon emissions.
2. Consider how the B2B trade show industry can evolve its value proposition to create higher quality events that also enable better travel and carbon decision making. This might go as far as consolidating events with peers or creating multi-channel offerings to meet the needs of different personas.

IN CONCLUSION

The initial findings of the study are encouraging in support of the notion of trade shows as travel consolidators. The working group is excited about the opportunities that will come from future collaboration and extension of this work more widely across the global industry.

For more information, please contact:
UFI at advocacy@ufi.org
NZCE at info@netzerocarbonevents.org

RECOMMENDED QUESTIONS TO MEASURE TRAVEL CONSOLIDATION

We've put the travel consolidation questions developed by Clarasys and the NZCE working group below. These were created through an iterative series of in person interviews and aimed to create questions that were clear, brief and gave reasonably accurate answers.

The questions should not be changed at all as this risks them being misinterpreted by the users and would not allow the results to be consolidated or benchmarked across the industry.

We also strongly recommend that all four questions are asked to allow consistency of results and because the pilots have shown that asking these questions in this order deliver the best results. Question 1, for example, prepares the audience to answer the following questions by getting them in the right mindset. Question 2 is the most important because it gives the balance of people who travel consolidate or not. Questions 3 and 4 must be asked together to give the event organiser the ability to quantify the results of travel consolidation and makes it auditable because both increase and decrease in flights are measured, making it unbiased.

If you have no choice but to ask only 2 or 3 questions, we recommend asking question 2 as the most important followed by questions 3 or 4 depending on the answer given in question 2. However, we must stress that this may reduce the accuracy and comparability of the results, particularly if not asking question 1.

The group intends to provide translated versions of the questions in several languages to try to ensure that translation alters the results as little as possible.

The group hopes that UFI, Explori or Net Zero Carbon Events will be able to consolidate results anonymously across the industry to be able to analyse the industry impact on travel consolidation at scale but this is a project for late 2024 or 2025.

RECOMMENDED INTRODUCTION AND QUESTIONS

[EVENT] is interested in understanding how attending this event might impact your total business travel over the next 12 months. Attending a trade show has travel associated with it. Attending this event might help you avoid business travel as it can provide a single location to connect with multiple business contacts in one trip and might reduce your need to travel multiple times to visit each business contact separately. However, attending this event might also create more business travel as you might arrange more trips based on meeting people at [EVENT] that you would not otherwise have taken.

For the purpose of this survey, your 'total business travel' includes any:

- Direct travel – the journey you make to / from [EVENT]
- Avoided travel – any potential travel you avoid as a result of meeting people at [EVENT]
- Created travel – any potential follow-up travel you need to make as a result of meeting people at [EVENT] (this does not include your travel to and from the event)

Question 1: If [EVENT] didn't exist, how would you have chosen to connect with your business contacts? (Select one)	
A	I would fly to visit some of them, and connect with others online
B	I would only visit those where I didn't need to fly, and connect with others online
C	I would just connect with them online
D	My business contacts would fly to me
E	Other

Question 2: If [EVENT] didn't exist, how would this impact your total business air travel?	
A	I would take MORE flights in total
B	I would take FEWER flights in total
C	I would NOT CHANGE my total business air travel

Question 3: If [EVENT] didn't exist, how many more return flights would you have to make to visit an equivalent number of business contacts in the next 12 months?	
A	No more flights
B	1-5
C	6-10
D	11-15
E	>15

Question 4: If [EVENT] didn't exist, how many return flights would you avoid making in the next 12 months?	
A	Just my flight to this event
B	1-5
C	6-10
D	11-15
E	>15

PRINCIPLES FOR QUESTION DESIGN

In developing and refining the questions from the original set in 2019/20, Clarasys factored in several aspects and iterated through a series of test question sets when working with 580 interviewees. This created a clearer, shorter and more accurate set of questions that could be asked in writing in the post-show survey. These iterations included considerations such as:

- **Unbiased** – Focussing on creating a set of questions that would not lead respondents to any particular response. This includes providing a complete picture of the events' impacts on travel – positive and negative – to avoid introducing bias.
- **Giving context** – Providing respondents with sufficient context to understand the concept of 'travel consolidation' and purpose of the survey. The intent to improve respondents' comprehension and subsequently the accuracy and reliability of their responses.
- **Exploring 'total business travel'** – Giving respondents a complete view of all travel that is considered in scope for the survey to provide clear instructions on what travel they need to consider when responding. This enables them to answer the questions more fully and accurately.
- **Understanding the hypothetical** – 'If the event didn't exist' or 'If you were not able to attend' framing of questions is designed to encourage respondents to consider what their alternative travel behaviours would be, given that the concept of travel consolidation requires people to compare a hypothetical scenario with reality.

CALCULATING THE LEVEL OF 'NET FLIGHTS SAVED'

In any analysis, we recommend the net travel impact is calculated as follows:

- Net flights saved = Estimated flights saved – flights taken to event – estimated flights increased.

Where:

- Flights taken to event = Proportion of attendees who said they flew to the event (e.g. in post-show survey) * total number of attendees
- Estimated flights saved = Total number of people in band 1 for who said they'd increase flights if the event didn't exist (Q3) * middle of band 1 + total number of people in band 2 who said they'd increase flights if the event didn't exist (Q3) * middle of band 2... and so on for all bands (see below for middle number for each band).
- Estimated flights increased = Total number of people in band 1 who would avoid flights if the event didn't exist (Q4) * middle of band 1 + total number of people in band 2 who said they'd avoid flights if the event didn't exist (Q4) * middle of band 2 .... and so on for all bands (see below for middle number for each band). Note that 'just my flight for this event' counts as 0 as this is always netted off by not needing to travel.
- Note that every «flight» refers to a «return flight» for simplicity and we found that it becomes overcomplicated to consider situations with connecting or looping flights. The word "journey" could be used, but it doesn't always translate well.

For the bandings, the following numbers are required for the calculation:

Band	Answer to question chosen	Number for use in calculation
	Just my flight to this event	0
1	1-5	3
2	6-10	8
3	11-15	13
4	>15	17