



MARKET: United Kingdom

The current situation – feedback from agency interviews

What are your biggest challenges right now?

- The biggest challenge is uncertainty. Government regulations change all the time and the directions they give are «fuzzy». The industry needs clear, written down guidelines specifically for the events industry, not just the hospitality sector.
- We had some small events for 30pax in the pipeline, but following Boris' latest announcements the clients have cancelled them all.
- Virtually all our live events have been cancelled or postponed to 2021. Initially it was Q3 2020, but now we are looking at next year.
- We have arranged some virtual events and although the margins are higher, the revenue is much lower.
- As an agency owner I am looking for additional work to supplement my income, even if I am busy rescheduling and cancelling events.
- Many of my clients are big conservative companies, and although individuals want to travel, the company is too worried about the risk of their reputation.
- Moving guidelines make it very difficult for venues to invest in a Covid secure environment. Full design changes are too expensive to warrant when they can change very quickly again.

How are the interest/requests for Norway now in the time ahead?

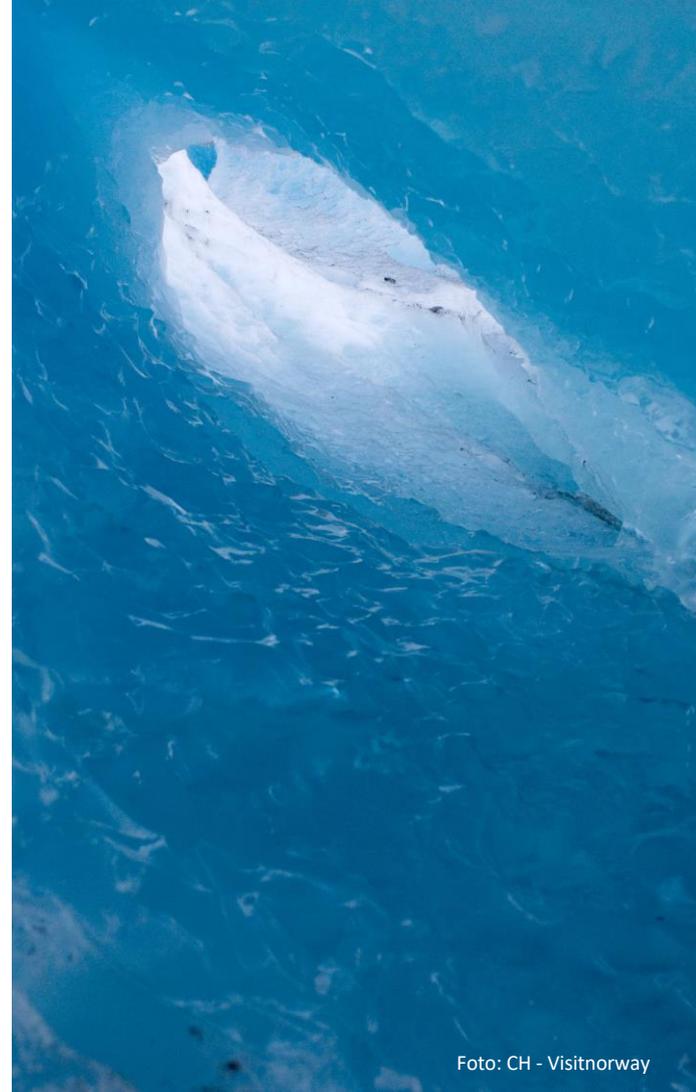
- At a time when we are all being requested to work from home the interested in international travel is non-existent and this includes Norway.
- The changes in travel corridors makes international travel impossible. Although the insurance companies cover medical expenses related to Covid, they do not cover other cost such as flights, hotel rooms etc.
- Lack of flights will be a challenge for the international business for some time.
- However, when international travel does come back, countries that are seen to have handled the crisis well such as Ireland, Norway and New Zealand might well be in a favourable situation.
- When we find a solution to the Covid situation, either through controlling the virus with test and trace or eliminating it with a vaccine, there will be pent up demand for live events. There might be shortage of capacity across the board.

Do you see any new trends compared to before Corona?

- Events will be smaller and more targeted. Instead of one big medical conference, it is likely to be smaller but hopefully more frequent events targeting specialities.
- Hybrid events are here to stay. Initially they will be a reaction to the Covid crisis, but even after Covid companies will realise that they can attract a much wider audience than through pure live events. In addition the content will live on.
- On-line events will evolve, and rather than seeing a flat picture, it will take on a more broadcasting style to make it more interesting.
- Virtual/hybrid events will enable much better data capture and ultimately improve live events.
- It will take a very long time for big events to return and in the short to medium term, medium size hotels are likely to be in demand rather than large convention centres.
- Hotels have in the past focused on tourism campaigns, this crisis is likely to make them appreciate how much business they get through events and therefore prioritise it higher.

Do you see any new trends compared to before Corona? (cont.)

- Events will be automatized, business cards are obsolete, check in will be automated. Challenge will be to still make them feel welcoming and human.
- Thermal cameras and air filtration will be a must.
- All event companies will have to document that they have had Covid “health & safety training”.
- Contracts will become much more flexible.
- Increased focus on pre-event engagement to ensure consumers feel safe.



Views on sustainability

- Clients will be choosier in how we spend their budget. In the past we jumped on planes willy nilly, now we will be more appreciative. Less travelling will be good for the environment.
- There is a lot of talk about how Covid will make us all behave in a sustainable way. I disagree, at least in the short term. Yes, we will travel less, but the number of single serve packaging, plastic masks, single use plastic etc will not benefit the environment. 2020 and 21, is going to be such a difficult year that sustainability will take a back foot. However, it will come back.

What do you need from Norwegian partners/suppliers in the time to come?

- Keep in touch and let us know what measures you are taking with regards Covid. That way we can reassure our clients that Norway is safe.
- It would be useful to get an instant message if anything changes.
- Please note that our clients will require UK governments standard, if these are stricter than the Norwegian standards.

Is there anything else you want to share with us?

- I think we will see clients carry out many of their “normal” events in 2021 as they have contractual commitments. 2022 will be the interesting year as we expect many clients will implement new strategies with regards event.

How is business affected in the UK market?

The UK event industry is worth £70 billion and employs ca. 700 000 people. Prior to Covid it has been a very fragmented industry with many different associations and organisations, however following the devastation of the industry there has been a coming together of the various trade bodies lobbying the government and raising the profile of the industry amongst the general population. There have been demonstrations around the UK with venues lighting up in red, social media campaigns highlighting the importance of the industry, company owners are provided with a template so send to their MPs etc. Senior figures within the industry have also set up support groups for individuals affected by the crisis and there are campaigns to support peoples mental health, #Eventwell20.

Until the end of September it looked like events were picking up and there was some optimism in the industry. There was a hybrid event “UKickstart” supported by 12 industry associations, venues and the publishing house C&IT and attended by 1419 event professionals. The government had communicated that events up to 200 pax would be allowed from the 1st of October and 3 pilot events were held, overseen by Public Health England to ensure that Exhibitions, Conferences and Gala dinners could be carried out in a Covid secure way. But following a sharp increase in infections, Boris Johnson introduced new stringent rules on the 22nd of September. He also postponed the opening of events for over 30pax until further notice. This has further devastated the events industry and we can expect to see an increase in bankruptcies and mass unemployment in the following months.



How is business affected in the UK market?

New Job Support Scheme

Six month scheme starting on 1 November

Jane normally works 9am to 5pm. 8 hours a day, 40 hours a week



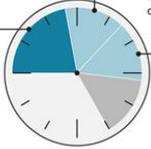
From November she will be asked to work less -
13.3 hours a week, or 2 hr 38 min a day



Jane
Works
2hrs 38m a day
(1/3)

Her employer
Will also pay 1hr 47 min
of her unworked
hours (1/3)

The Government
Pays 1hr 47 min
of her unworked
hours (1/3)



She will be paid for at least 77% of her working day

Source: BBC research



The UK introduced a furlough system in the beginning of lock down. This has gradually been eased out with companies having to progressively contribute more to the scheme. At the end of October the furlough system is being eased out and replaced with a “**Job Support Scheme**” that will last for 6 months. This allows companies to take back employees on a part-time basis (33%). The company will have to pay full rate for the hours the employees works, a third of the salary for hours not worked and the government will top this up with the same amount, meaning that employees retain nearly 80% of their normal salary. In addition, employers get a £1000 bonus for any employees they take back after being furloughed.

The chancellor Rishi Sumak also revealed that the hospitality sector will continue to benefit from lower VAT (5% rather than 20%) until March 2021 and that the repayment for the government emergency loans given to companies will be extended from six to ten years.

Despite these measures there is no doubt that the event industry will face a very tough winter and many bankruptcies and redundancies will take place. It is estimated that of the 700 000 jobs, 126 000 have already disappeared (Meetings Industry Association).

How is business affected the UK market?

Industry figures have expressed disappointment in the latest announcement from the chancellor.

Chris Skeith, CEO of the UK's Association of Events Organisers:

“The Chancellor’s proposals today fail to provide the support the UK events sector desperately needs. Given that no UK events are permitted to take place until March 2021 at the earliest, a wage subsidy is of little use to events businesses that are not able to trade at all and the sector is facing an existential threat to its viability. Without targeted action the future looks bleak for a sector that employs 600,000 people across the UK, with widespread business insolvencies and job losses a certainty. This is a desperate day for the industry.”

M&IT acting editor Paul Harvey

“Now we hear that the October 1st reopening has been scrapped, and it’s a real hammer blow. Already, everywhere you turn, it’s clear eventprofs are struggling. Agencies and venues are closing, trade shows are being postponed or cancelled. LinkedIn is awash with people looking for work – and not much to be found.

With no business events and conferences for six months, as the PM suggested, there is little light at the end of the tunnel. Event professionals need more support now – before it’s too late.”

Rules for social distancing in UK

UK has a devolved administration so there are different rules for England, Scotland and Northern Ireland.

Rules and guidance on meeting up

	England	Scotland	Wales	Northern Ireland
 How many people outdoors?	Six from multiple households	Up to six aged 12+ from two households No household limit for groups of six aged 12 to 18	Up to 30 outdoors	Six from two households in a private garden Up to 15 people in public spaces
 At what distance?	1m 'plus'	2m apart (less in some premises)	2m apart – age 11+ only (less in some premises)	2m apart
 Indoors	Six from multiple households	No social visits to private homes Up to six aged 12+ from two households at other venues	Four households can form one 'extended household' - maximum of six aged 11+ together at one time	No social visits to private homes Up to 15 people at other venues

UK travel advice

The travel advice in the UK is changing and quarantine rules change all the time with short notice. It also varies depending on which part of the country you are living in. The overall advice is:

COVID-19 travel guidance

The Foreign, Commonwealth & Development Office (FCDO) currently advises British nationals against all but essential international travel. Travel to some countries and territories is currently exempted.

This advice is being kept under constant review. Travel disruption is still possible and national control measures may be brought in with little notice.



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