

# REALISING SOUTH AUSTRALIA'S BUSINESS EVENT POTENTIAL

## 1. EXPANDING ASIA

### INTRODUCTION

The potential for Asia, particularly China, to boost South Australia's visitor economy is significant. Business Events Australia reports that in the year to September, 2016, China was Australia's second largest market and growing, with more than 66,000 Chinese visitors attending business events here, and in doing so, spending \$393m<sup>1</sup>.

This market is largely driven by incentive tourism - defined as travel with business associates on a group tour, as part of a job-related reward or bonus provided by an employer or other corporate sponsor. Most commonly, this comprises groups of 70 - 2,000 people but some direct selling events can involve up to 12,000 people in several waves.

Unlike conference delegates who enjoy optional pre-and-post touring opportunities within Adelaide and South Australia's regions, incentive tourism guarantees attendance once selected within a group's schedule. This ensures the private sector will directly benefit from the Adelaide Convention Bureau (the Bureau) winning such events for Adelaide. Increased private sector membership of the Bureau is expected as a result.

The Bureau has already proven its ability to deliver results in this highly competitive Asian market with a relatively small funding injection. In 2017, the Bureau bid for and won a 3,000-person incentive group visit from China. This single event injected \$11.2m into the state's economy - shared across regions including the Adelaide Hills through strategic scheduling<sup>2</sup>.

Additional funding is required to realise the full potential of South Australia's business events infrastructure and its unique associated experiential offerings.

### DELIVERY

The business visitor market is well established and highly competitive as demonstrated by our competitors' presence and investment in the Asian market:

- **NSW:** 2 x Business Events Sydney employees based in Hong Kong and China;
- **Victoria:** 3 x Melbourne Convention Bureau employees, 2 x based in China and 1 x in Singapore;
- **Queensland:** 2 x Brisbane Marketing employees based in China;
- **Gold Coast:** 3 x Gold Coast Convention Bureau employees, 2 x based in China and 1 x in Japan; and
- **Northern Territory:** 1 x Northern Territory Convention Bureau consultant based in China.

Maximising the Asian opportunity for business events in South Australia requires two sales staff to be located in China and South-East Asia to build face-to-face relationships. This would also allow the Bureau to dramatically increase its in-market activity by attending more tradeshows, conducting more sales calls and hosting more famil programs specifically for the Asian market. Such an approach is vital to success given that the industry is built around 'business to business' trading platforms.

Increased investment is also required to support the business development team with marketing tools including a translated website and collateral<sup>3</sup> (to at least match that of other Australian destinations) and for strategically important bids to be well resourced within Asia. Supporting this initiative will place South Australia on a level footing with competing Australian markets through stronger promotion and greater bidding capacity for events to be held in Adelaide. It will also provide the resources required to achieve a significant return on the State's investment through the Bid Fund.

### INVESTMENT

**In order to achieve an increase in the number of corporate and incentive events the Bureau can attract to Adelaide, we seek an additional \$550,000 p.a. of program funding.**

<sup>1</sup> <http://www.tourism.australia.com/content/dam/assets/document/1/6/w/s/u/2002062.pdf?cid=DM619&bid=5967649>

<sup>2</sup> <http://www.adelaideconvention.com.au/wp-content/uploads/2017/03/ADELAIDE%E2%80%99S-FIRST-LARGE-SCALE-INCENTIVE-TOURIST-GROUP.pdf>

<sup>3</sup> <http://www.melbournecb.com.au/includes/content/docs/MEDIA/Melbourne-Values-You--Simplified-Chinese.pdf> - <http://besydney.cn/> - <http://www.melbournecb.com.au/incentives-chs/>