



Switzerland.

Market situation United Kingdom.

Switzerland Convention & Incentive Bureau (SCIB).

MySwitzerland.com/meetings





1 MARKET SITUATION AND OUTLOOK.

1.1 Economic Situation

The current political situation in the United Kingdom is rather uncertain. While prime minister Rishi Sunak brought some stability back after a chaotic summer and autumn of 2022, changes in the cabinet are continuing. The UK continues to struggle with some key issues such as economic recovery, immigration as well as labour issues, resulting in frequent strikes in public transport and other sectors. The first general elections since 2019 are expected to be called in the second half of 2024, and it is widely expected that the Labour party will win a majority and call the next prime minister. The situation in Scotland is rather unstable as well as the former First Minister Nicola Sturgeon is involved in multiple scandals, and her successor Humza Yousaf who took over a year ago as the head of the Scottish Government is struggling to unite the Scottish National Party.

Economy

The UK continues to struggle with economic recovery. Taxes are higher than they have been since the Second World War, inflation is still rather high, and the GBP is weak against all major currencies and currently stands at CHF 1.10. The fall-out from far-reaching and enduring Covid restrictions and the effects of Brexit continue to take its toll. Even middle-class families are suffering from the “cost-of-living crisis”. House prices and rents continue to quickly increase all over the country. Empty nesters are generally okay, as they own their homes, while younger people are most cost-conscious.

Travel Industry

The UK market recovered slower than others, but since 2023 overnights in Switzerland are above pre-Covid times. Summed up, 2023 was the year of (most of) the Swiss cities, of the Lucerne Region and parts of the Bernese Oberland. What is not visible in the data of the *Swiss Federal Statistical Office*, but hopefully in the upcoming tourism monitor data, is a 20 to 25% increase in expenditure per passenger per trip compared to 2019, putting the real income from British visitors in Switzerland much higher than pre-Covid levels. The remarkable revival of the travel trade continues after Covid, both tour operators and travel agents are growing and hiring.

1.2 The Situation of the Meeting Industry & Trends.

The annual results of agencies for the past year of 2023 have been positively throughout. Agencies and companies have organised many events with fewer employees and is expected to return fully to this stage by 2024 (Deloitte). Even though most reports on the economic situation in the UK are negative due to Brexit, the MICE industry is surprisingly positive.

Whereas event planners expected hybrid events to be the seismic change the events industry needed, the fact is that the demand for in-person events has grown enormously. Accor's global business travel survey aligns with this return to pre-pandemic spend, as 57% of respondents expect an increase on travel budget in 2024 compared to 2023. Nevertheless, planners are carefully evaluating every trip in terms of ROI and ROE – no return, no flight.

In addition, many companies no longer have business premises or have drastically reduced their office space. As a result, many employees work from home. This makes it difficult to maintain or even develop one's own business culture. It is true that most employees enjoy not having to commute every day. However, a sense of togetherness is lost. Managers have recognised this situation and bring their employees – or just individual teams – together several times a year. The aim is to re-establish a sense of togetherness through shared experiences. Often, these experiences are financed with the money saved from abandoned office space.

The topic of sustainability is on the lips of everyone. Due to clients' Corporate Social Responsibility (CSR) regulations, agencies are increasingly faced with offering sustainable options for meetings, events, incentive destinations, and transport. Sustainable practices are increasingly important to clients and feature more frequently in Request for Proposals. Accordingly, they are dependent on finding sustainable solutions easy to offer to their clients. However, possible additional costs are rarely accepted by the clients. Therefore, service providers must come up with creative approaches to reduce electricity and energy as well as food and other waste. In the same context, there is the issue of "greenwashing".

Considering the economic situation, the aftermath of Brexit on the economy has only a limited impact on the MICE industry. Recent strikes in public transport are short-term annoyances. The British are dealing with these with pragmatism to find new solutions. In the longer term however, the strikes could lead to MICE organisers preferring to hold their events in those destinations where the planning is easier and more secure.

1.2.1 Megatrends

So-called mega-trends are listed here, which will have a long-lasting influence on the MICE industry. The International Congress and Convention Association (ICCA) has identified the following areas:

Sustainability

In the aftermath of Europe's hottest summer temperatures on record, environmental concerns are unsurprisingly at the forefront of many people's minds. An Accor survey of corporate clients revealed that 54% put carbon emissions as their number one CSR priority and "supplier sustainability performance for 2024 hotel sourcing and selection" was ranking as highly important in their booking decisions. The onus lies both on travellers and hosts, with both parties having to work together for more sustainable travel.

Legacy

Legacy is changing the narrative around how destinations and convention bureaus win new business. Legacy is also what associations want to leave behind when they exit the meeting space.

Diversity, Equity, and Inclusion (DEI)

More than almost any other industry, the hospitality industry stands for equity, diversity, and inclusion. All guests are equally welcome. On the part of the employees, each employer can also take appropriate measures and criteria based on its own CSR strategy. As a further example of inclusion, the commitment of HelmsBriscoe – a global agency association – should be mentioned here. With their commitment of HB Cares which supports the *National Autistic Society's Autism at Work Programme* to help autistic jobseekers into paid employment in the hospitality industry.

Innovation

While stabilised, staff shortage is still a challenge for venues and technology can help to increase efficiency and take away workload from the teams. Artificial Intelligence (AI) is likely to play an important role in making this happen in areas such as sales and finance and sometimes it is worthwhile to look at other industries to get inspired.

1.2.2 Trends

This section investigates the dynamics of emerging trends which play an important role for the Swiss MICE sector.

Travelling Abroad and “Bleisure”

In the past few years, the British have experienced their own country. Today, international events are taking place again and many desire to travel abroad again. By its quality of services, exceptional venues, and accessibility, Switzerland is therefore one of the European destinations coveted by the British.

“Bleisure” is one of the buzzwords for 2024 MICE trips. Combining meetings with purposeful leisure time means delegates are staying longer, doing more, and going down a gear to make the most of the carbon output. Being mindful of value, sustainability and striking a balance of work and leisure that ensures the wellbeing of employees, businesses can uplift revenue. There is an inestimable potential for Switzerland as a “Bleisure”-Destination.

Creativity and Experiences

As companies scramble to retain and recruit staff, incentives are tied directly to corporate goals. Collaborative, innovative, and creative thinking will become even more essential as it is critical that venues focus on the overall experience, they are able to deliver for clients. Therefore, unusual event locations should continue to be highlighted in the future as clients are looking more and more out of the ordinary experience.

1.2.3 Challenges

With progress and economic change, new challenges emerge that must be monitored and addressed.

The Difficulty of Recruiting and Keeping Talent

Staff shortage is still a challenge within the event industry. With the growth of opportunity in the market, companies face difficulty in retaining employees. Indeed, there are now more jobs than ever to apply for. Employees are seeking not only self-improvement and better work, but also a better salary. Moreover, it seems that the younger generation is less likely to stay with the same company for several years. The wellbeing of the employees and the improvement of the company’s team culture are now at the centre of “the retaining talent” strategy. This will be more important than ever as executives in the hospitality industry seek to attract and retain talent in their sector.

The Future of Meetings

While technology is key to bookings across the board, people are still hesitant to replace their in-person meetings with hybrid, tech-centred events. Research found that technology must be people-centric, designed to improve the process and the human touch should not be far away. Virtual meetings are an accepted part of the working landscape, but until the tech catches up and holograms can smile with feelings, deals are still being sealed with handshakes.

Further, collecting data before, during and after events will be an absolute must as it will help the organisers to decide which format is the best. As a matter of fact, data is helpful for understanding the trend to pivots to live or virtual events. Some recent data show for example that shorter events with international speaker or events where networking is not a key component are more likely to be virtual. Moreover, most face-to-face events will have a hybrid element. In short, the industry must now consider virtual, hybrid and in-person meetings when launching an event and ensure that the right format is used.

Clients' Expectations

Short lead times and conversions will continue to be a theme for business meetings and events in 2024. Also, planners seem to have difficulties in planning. More and more, delegates register a couple of days before the event takes place. Clients are expecting excellent services, particularly where costs are higher than in the past. Supply chain or staffing shortage excuses are not something clients want to hear when they are paying the same cost or higher. Even if the event budgets have slightly increased, the main reason behind this are the “increasing prices”.

Hence, creating unforgettable experiences is even more vital. Success will be defined by making it easier for organisers to make decisions, providing compelling information, and generating memorable experiences.

1.3 RFP situation in the UK/Ireland.

By the end of 2023, SCIB UK/Ireland was aware of 88 requests. Of these, eleven were confirmed for 2023 and four for 2024. Furthermore, 16 requests were carried-out in 2023 with a realisation rate of 17%. These numbers show an increase from last year's situation. Most requests received are directly addressed via email which supports our strong database.

Since January 2024, SCIB UK/Ireland has received nine requests which are currently in progress. We anticipate a steady increase in inquiries throughout the rest of the year. As a result, one of our primary goals will be to keep track of the various requests received and collaborate with our partners to confirm as many requests as possible in Switzerland. Interest in 5-star hotel offerings are particularly strong, with rarely any request lower than a 4-star hotel.

For the year 2024, SCIB UK/Ireland is showing a strong presence with meeting events happening in the UK, in Switzerland as well as internationally where UK buyers get the chance to learn about meeting options in Switzerland. Furthermore, many UK buyers even get to experience Switzerland with events organised by SCIB UK/Ireland.

2 TARGETS.

2.1 Qualitative.

- Maintain a strong market presence and explore new paths where possible, both regarding KMM and KAM.
- Generate new awareness and keep existing clients' interest in Switzerland as a MICE destination, especially towards agencies.
- Develop new strategies to market SCIB and Switzerland as a MICE destination.
- Critically question existing sales formats and possibly develop new ones.
- Continue to support buyers with our much-valued quality service.
- Keep informed about changing industry landscape.
- Fast, pro-active, and professional approach towards the market.
- Regularly update, clean and evaluate client database.
- Improve quality of existing marketing activities and evaluate their benefits and use for an ever-changing landscape and industry.
- Focus on the UK association market in co-operation with head office as well as with SCIB-partners committed to this field.
- Target corporate clients who have a strong relationship to Switzerland.

2.2 Quantitative Goals

- Number of qualified contacts in the database: 4'400
- Qualified client contacts: 600
- Number of days with customers: 90
- Number of requests: 110
- Number of conferences, meetings and incentives in Switzerland: 60
- Number of directly influenced overnights: 2'664'000
- Web visits on meetings/incentives: 10,000
- Web visits destination weddings: 5,000

3 CURRENT DATABASE FIGURES.

Type	Contacts March 2024
Agencies	4,150 (4,018)
Corporates	1,079 (1,060)
Press	106 (106)
Associations	483 (464)
Wedding Planners	98 (97)
Others	1,171
TOTAL Qualified Contacts	7,087
Inactive	1,638

The figures in brackets refer to the previous year's situation.

4 DETAILED MARKETING ACTIVITIES.

Further details of past, present, and future marketing activities can be found on www.stnet.ch, accessed using your username and password.

Sources

- C&IT – Conference & Incentive Travel Magazine, Incentive travel challenges and trends for 2023, February 2023
- C&IT – Conference & Incentive Travel Magazine, Current industry trends affecting MICE Travel, August 2023
- MIA – “5 trends we have seen this year and 5 to expect in 2024”, December 2024
- CMW – Conference & Meetings World Magazine, January 2024