

# What's a congress worth?

By Barbara Maple



**W**hat's a congress worth? That's a question a lot of different people are asking these days, for a lot of different reasons.

If you're the operator of a convention centre, you need to know the answer in order to justify the cost of operations and marketing to your owner. If you're an association, you want to know what your event is worth to the host community and your members. And if you're a government owner, you need those numbers as a guide to what kind of return you're getting on the public investment in facilities like congress centres.

Whatever the need, the calculation process hasn't been an easy one, for the simple reason that the kinds of spending that take place in association with congresses is very broad and diversified, reaching into many different business sectors. And delegate spending – the most typically calculated figure – only represents one part of the overall economic equation.

Centres everywhere have increasingly been seeing the economic benefit calculation as a priority – and some interesting results have emerged as a result. But doing it right is a demanding process. Here are some of the elements that go into a comprehensive calculation;

First, delegate spending needs to be calculated on a site-specific basis. For too many years, the meetings industry survived on broad averages that had little direct relevance

to any particular location, each of which have their own cost structure and spending patterns. There's no way to get this information without surveying individual delegates and compiling the results, something that is demanding and time consuming.

Secondly, these surveys need to break out spending into a number of specific categories so that they can be fed into an Input-Output model that performs the actual economic impact calculation. And there's more; it's not enough to multiply the spending figures by the number of event days as there is often pre and post-trip stays added onto the actual convention period, and these are the direct result of conference attendance too.

But even when you have a solid delegate spending number, you're only part of the way there. There's also the spending by exhibitors and others that accompany the event – spending that wouldn't take place otherwise, and that therefore need to be added in. At the same time, there are all the costs associated with event production – things like presentations, services and banquets that are typically covered by delegate registration fees, but which don't show up in their local spending information. Both of these are often a major part of the economic equation – but were often left out in the past.

Finally, you need to figure out what kinds of economic impacts result from this spending, and for that, you need the

“Input / Output” model mentioned above. This computer model is generally maintained by governments figure out how expenditures work their way through the local economy and what kinds of overall economic effects they have, including things like employment and tax revenues to various levels of government. By putting in your spending numbers (the “Input”) you'll get all the induced effects (the “Output”) that allow you to compare yourself with what other industry sectors are generating.

Sounds like a lot of work – and it is. But as they say, if it's worth doing, it's worth doing right. Accuracy is key; there is a huge temptation to use industry average figures for calculating economic impact, and this has often been the case in the past. It's increasingly important to invest the time to get our numbers as accurate as possible. That's the only way we'll be taken seriously by people on the receiving end.

It's not enough just to have the information; it needs to be well presented in order to use it to best advantage. **e**



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