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The Economic Legacies of Business Events – Measuring the Iceberg

We know as leaders in our industry that events do create legacies for individuals and destinations, but it's only recently that we're really starting to prove what those legacies are, and realising the truth behind our words.

Tracy Halliwell MBE, Director of Tourism, Conventions & Major Events,
London & Partners

In the early stages of the business events industry there was scant directly relevant literature on ways of measuring the economic impacts generated by events. Research from other fields was used to inform economic impact studies, however many of these studies used sometimes conflicting and inaccurate assumptions about visitor expenditure. This made it difficult for practitioners to accurately determine the economic impacts generated. Over recent decades, however, the industry has become an important area of economic activity. As it has grown, so too has scholarly interest around development of tools and processes to accurately measure the economic contributions made (e.g. Dwyer *et al.*, 2000; Jago & Dwyer, 2006; Jago, 2012), and to a lesser extent, the non-economic ones (Deery *et al.*, 2005; Foley *et al.*, 2010; Foley *et al.*, 2014a).

This new research is providing deeper understandings of legacy creation and the broad range of economic advantages possible when business events are strategically planned, leveraged and delivered. Many industry players are recognising that tourism/delegate spend is just the tip of the iceberg in terms of the economic benefits their events can generate and are developing clever initiatives aimed at creating long-term economic advantages for stakeholders. Business events are being used to energise or revitalise local industry sectors, attract external entities (residents, businesses or employment talent) and enhance international reputations in industries, activities or pursuits. Whilst the impacts of such activities are

not immediately apparent, it is now understood they often bring significantly higher long-term economic benefit and, hence, warrant further study.

The following comment from the Director of Tourism, Conventions & Major Events at London & Partners illustrates why it is important to understand the full economic impact of business events.

The events industry is constantly questioned – by marketers who question the importance of live events as part of their marketing budgets, by economic development organisations who have to balance time and resource on promotional activity, by governments who need to decide where to concentrate their efforts and funds, and by individuals who may be deciding on their future careers. Business events not only contribute to tourism economic benefit for a destination, but they also help to underpin economic growth for countries, highlighting sectors of excellence, attracting investment, and facilitating education and networking opportunities.

(Tracy Halliwell MBE personal comment, March 2021)



Photo: London Tech Week, Tech Night Party entrance at Shoreditch Town Hall (courtesy of London & Partners)

The following case study examines the performance of London Tech Week in terms of creating long-term economic, commercial and destination benefits for London. Essentially, the event aims to position London as Europe's tech capital by raising awareness within the sector of the opportunities London offers around innovation, employment and investment. The case study looks at the 2017 and 2016 events and provides insights into Gross Value Added (GVA), Foreign Direct Investment (FDI) and messaging outcomes of the event. It also discusses job creation, reputation enhancement and the long-term social, economic and community benefits generated. Against the background of the case study, broader

issues relating to economic impact assessment, both at national and sub-national level, are discussed later in the chapter, as well as ways to plan for, track and measure the economic contributions of business events.

Case study: Economic legacies of London Tech Week

Business event(s)	London Tech Week 2016 and 2017
Location(s)	London, United Kingdom
Type of business event(s)	Europe's largest business event of live tech, presented as a week-long series of events held in various venues across London for close to 50,000 visitors
Business event purpose	To celebrate London's booming, diverse and vibrant techscene and showcase the best of the city to attract new talent
Primary audience	Direct foreign investment entities seeking to invest in London tech enterprises and international tech companies looking to expand there
Primary business event legacy	To position London as the tech capital of Europe
Additional legacies (beyond tourism)	Job creation within the tech sector. Raise awareness within the tech sector about opportunities the London tech industry offers. Create long-term economic benefits for the city.
Summary quote	"The business event has added value to London as a destination for tech talent, innovation and investment by showcasing the best of tech ... and creating opportunities."
Lessons learned	More comprehensive and long-term evaluative tools are needed to appropriately plan for intended outcomes and to measure short and long-term impacts.

This case study (CS) was adapted from: Thiebault, A. (2018).

Introduction

London Tech Week is Europe's largest festival of live tech events. This large-scale business event showcases hundreds of unique events taking place in different venues all across the city and represents the entire local technology ecosystem. In 2016, more than 300 events brought together 40,500 people, while the 2017 festival attracted close to 50,000.

Whilst many who visit this unique and multi-layered event may view it as little more than a great way to celebrate London's booming, diverse and vibrant tech scene, those working behind the scenes have greater goals front of mind.

By bringing together the best the region has to offer in terms of technological brilliance, innovation and potential, and combining it with financial development opportunities, business strategy advisors and the magic that is London, organisers hope to use the event to bring investment, knowledge, talent, job growth and enthusiasm to London and to position the city as the focal point of technological development in Europe.