

Impact of the Corona Crisis on the Belgian Event Sector

Results of the December 2021 survey with Belgian event professionals

Current state of affairs & evolution

KdG Research
University of Applied Sciences and Arts

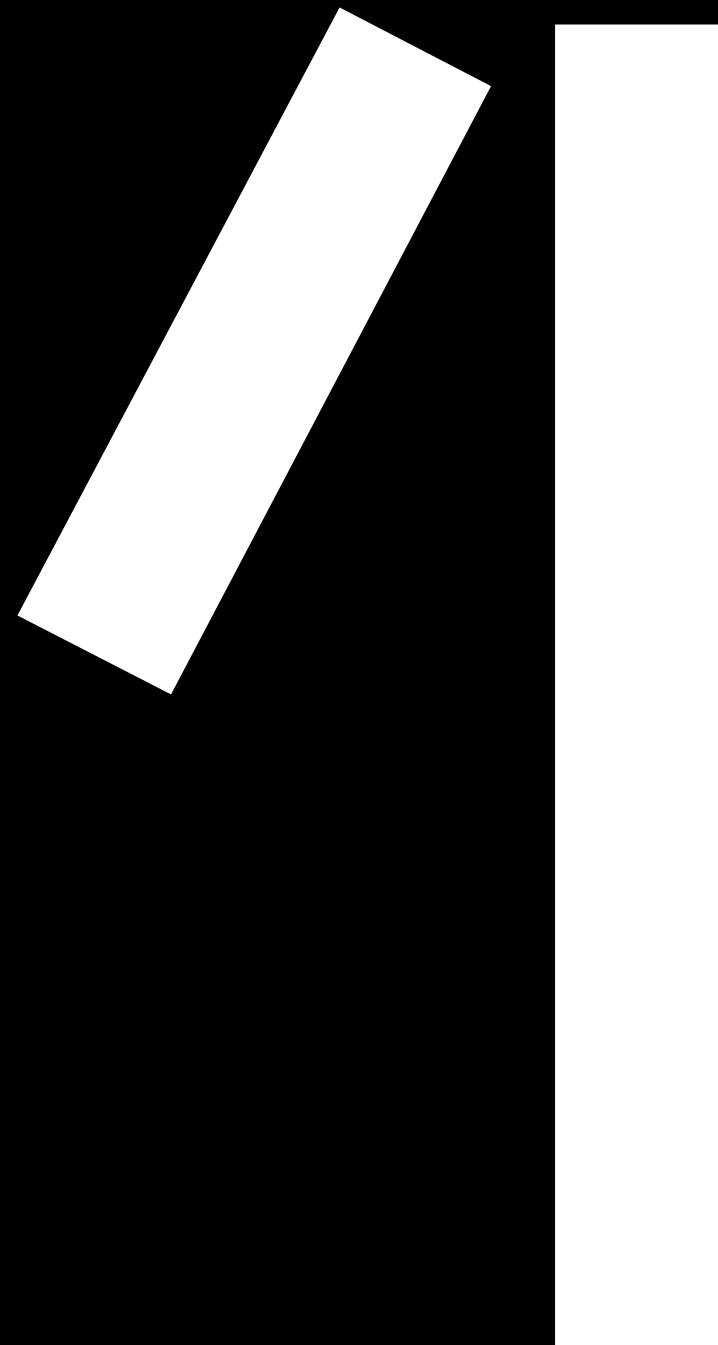
Research centre
Public Impact



Content

1. Methods
2. Results
3. Key findings

Methods



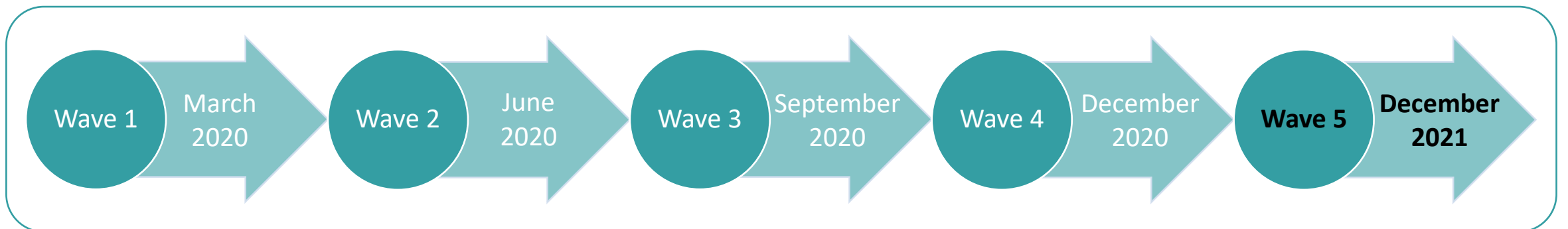
The study

What is the impact of the corona crisis on the Belgian event sector?

During the first year of the corona crisis (2020), the centre of expertise Public Impact of KdG University of Applied Sciences and Arts conducted this impact study each quarter (waves 1 to 4). As from 2021, the study will be conducted once a year to assess the current state of affairs and evolution of the crisis on this sector.

The results in this report refer to the study conducted in **December 2021 (wave 5)**. Where appropriate, results are reported compared to those resulting from one or more previous survey in 2020. When no referral is made to one or more waves, reporting concerns the December 2021 survey.

Survey waves:



Survey introduction

Klik op de knop rechts om de taal aan te passen

Cliquez sur le bouton à droite pour changer la langue de l'enquête

Dear event professional,

Thank you for being here.

The corona crisis has put serious pressure on the event sector over the past two years. With this survey, we want to assess the impact of the corona crisis on the event sector in Belgium. This way we can further map the current state of affairs and push policy makers to increase support.

All answers will be treated in confidence and will be anonymised. Filling out this questionnaire will only take a few minutes of your time. By doing so, you help us to help you and the sector.

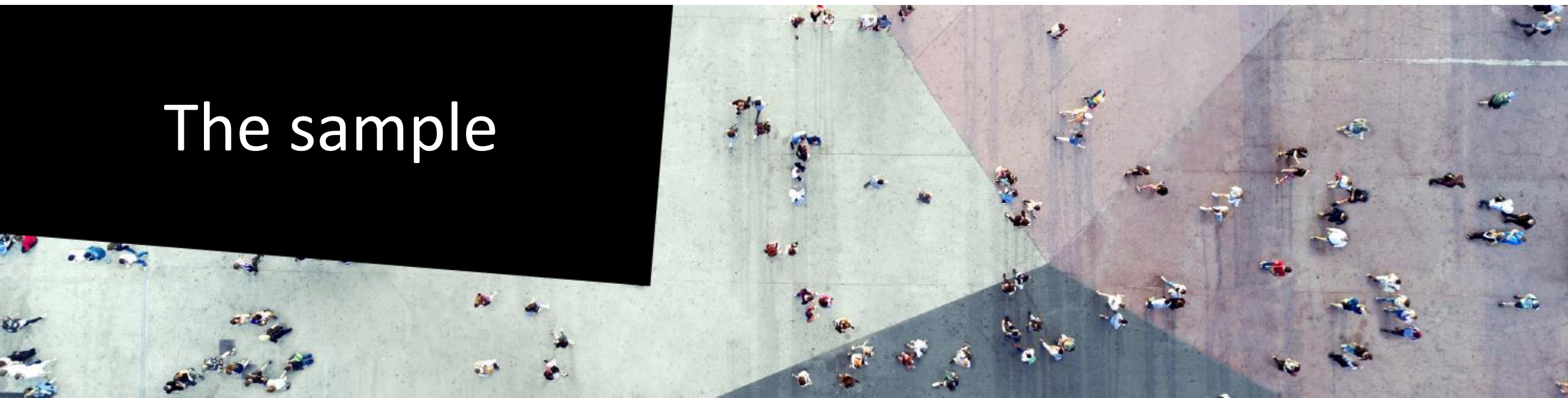
As a token of our appreciation, we will send you a summary of the research results in January. If you are interested in these results, please fill out your email address at the end of the survey.

Many thanks for supporting us to help the event sector!

Centre of expertise Public Impact

Karel de Grote University of Applied Sciences and Arts - In association with Event Confederation

The sample



Who is included in the survey?

Are you professionally active or involved in the organisation, supplying to and/or hosting of events, conferences, exhibitions, festivals, incentives, meetings and/or other types of events?

No



Yes



Was more than half of the **2019** annual turnover (excl. VAT/BTW/TVA) of your company/organisation derived from event-related activities? (annual turnover = 'jaaromzet' = 'chiffre d'affaires annuel')

No



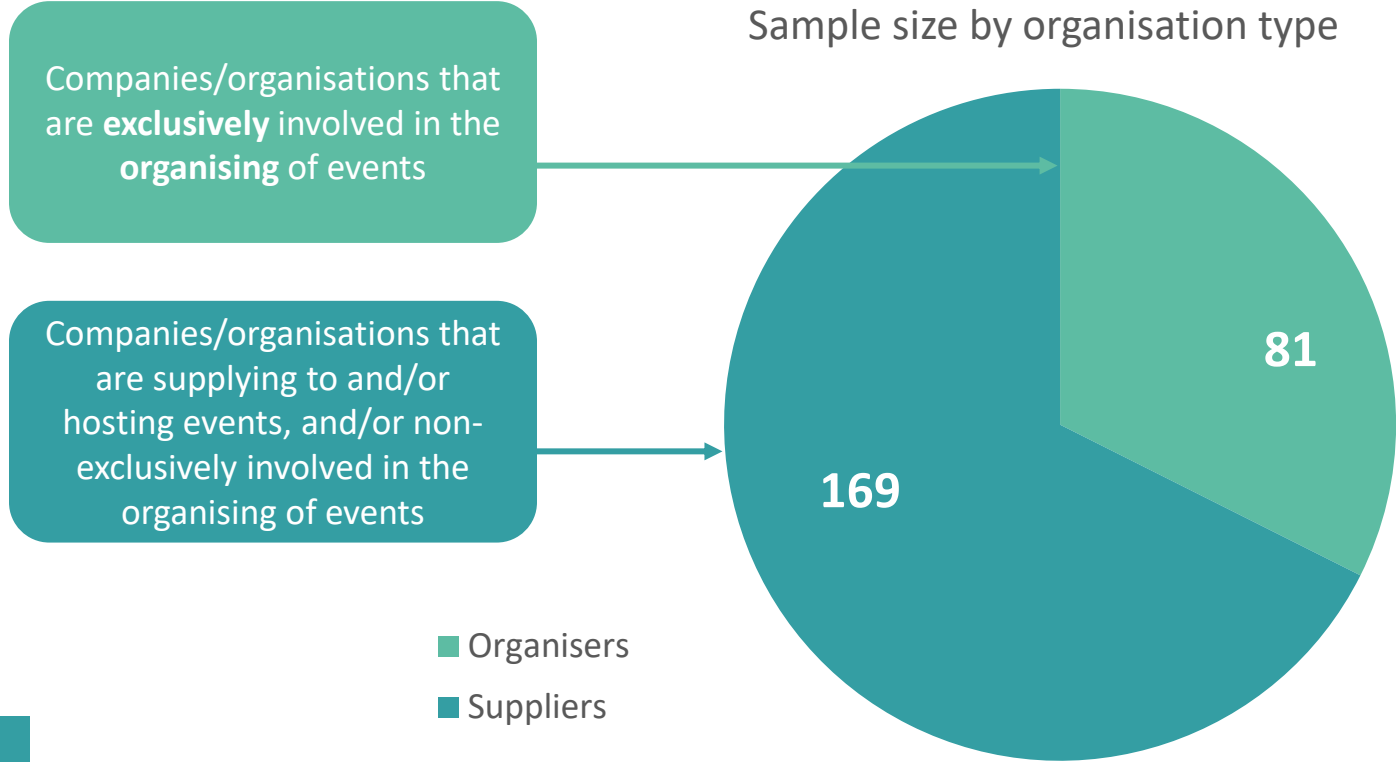
Yes



Excluded from analyses

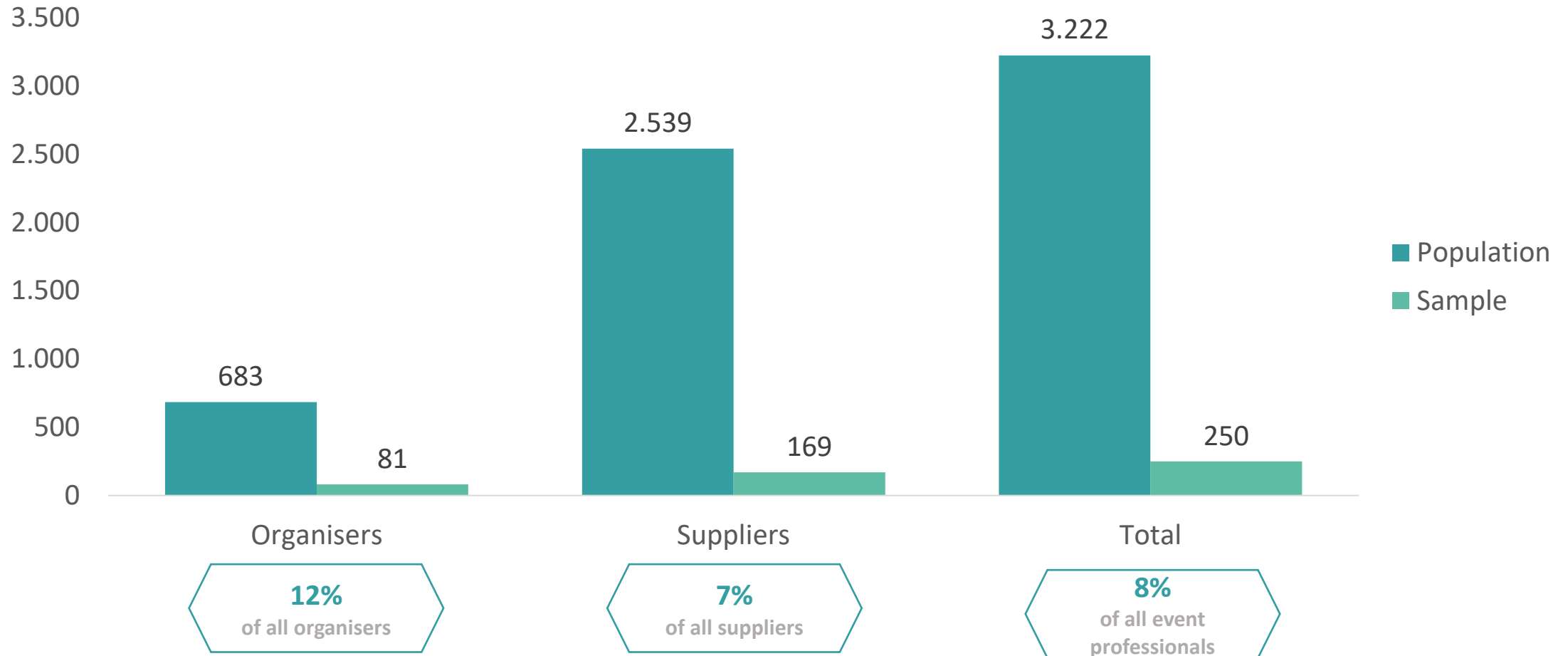
Sample size

Sample size by organisation type



Total sample size = **250**

Sample sizes vs population size*



* Population size assessed in KdG/BESA study 2018. More info: www.publiekeimpact.be.

Margin of error*

5,95%

Assuming a completely random selection of respondents, we can apply a margin of error of 5,95%, at a confidence level of 95%

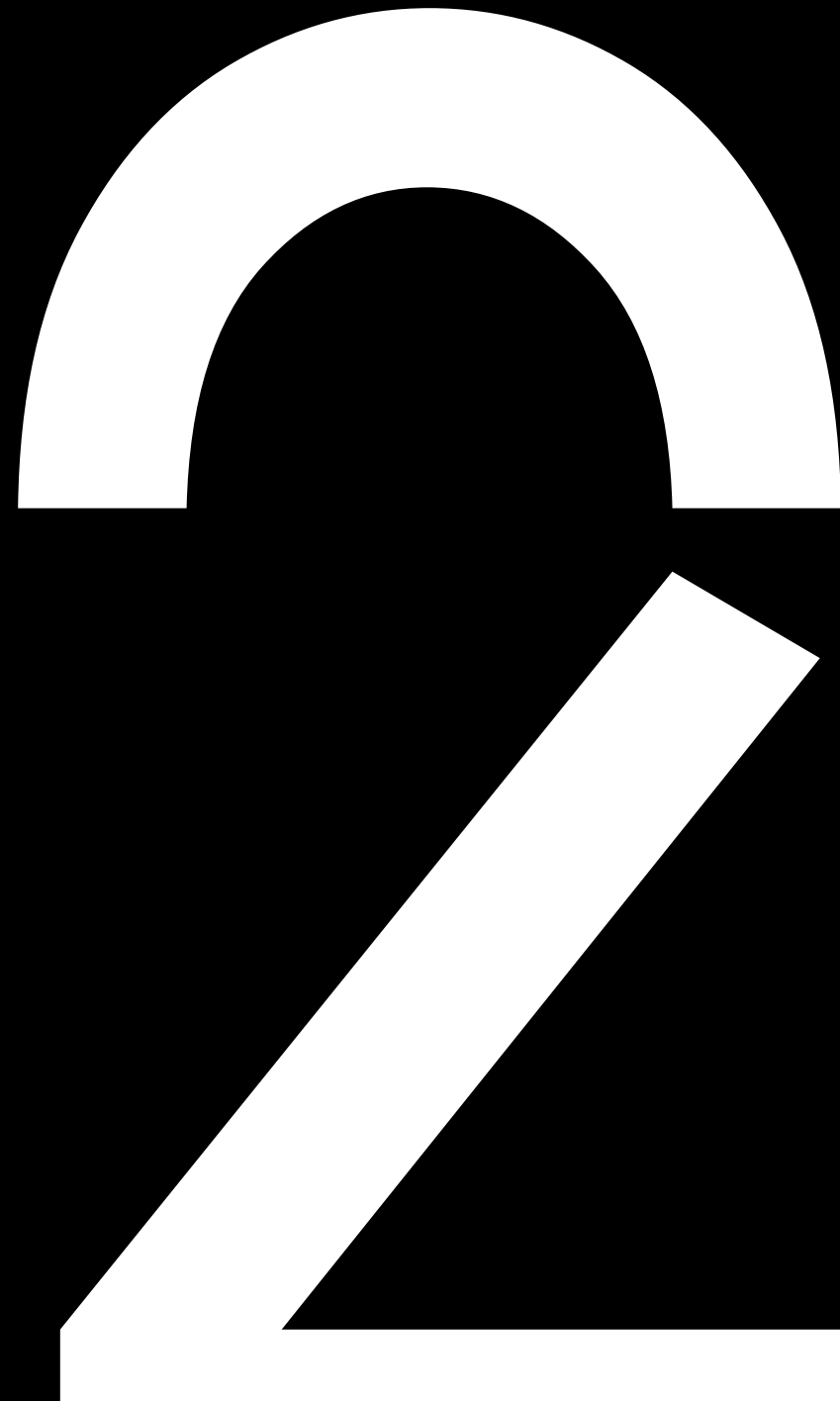
If we would repeat this study 100 times, a percentage reported in this study would be found in 95 of the other studies, within a range of +/- 5,95%

We can be 95% sure to extrapolate a given percentage to the entire population, with a margin of +/- 5,95%

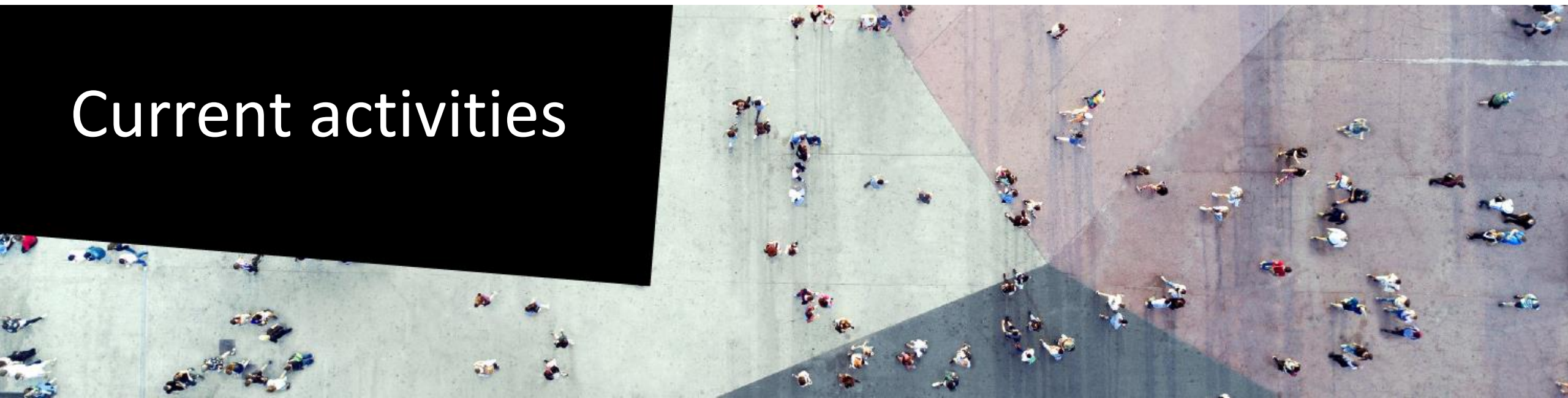
For instance: if the survey suggests that 50 % of the respondents is worried about the future, 44,05%-55,95% of the people in the population will be worried. We can be sure of this for 95%

5,95% is the maximum margin of error, assuming a 50%/50% distribution. The more extreme the percentages are (e.g. 80%/20%), the smaller the margin of error will be

Results



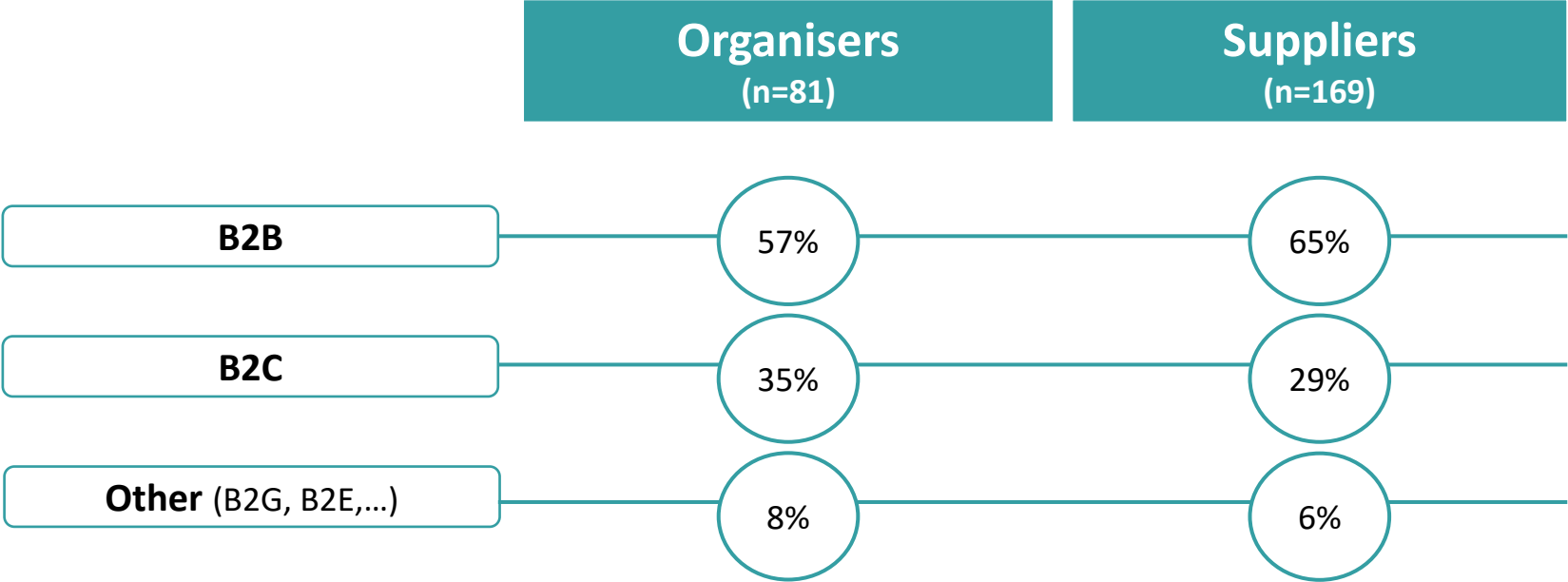
Current activities



B2B accounts for the largest share of annual turnover for most event professionals (62%)

Main sector working in

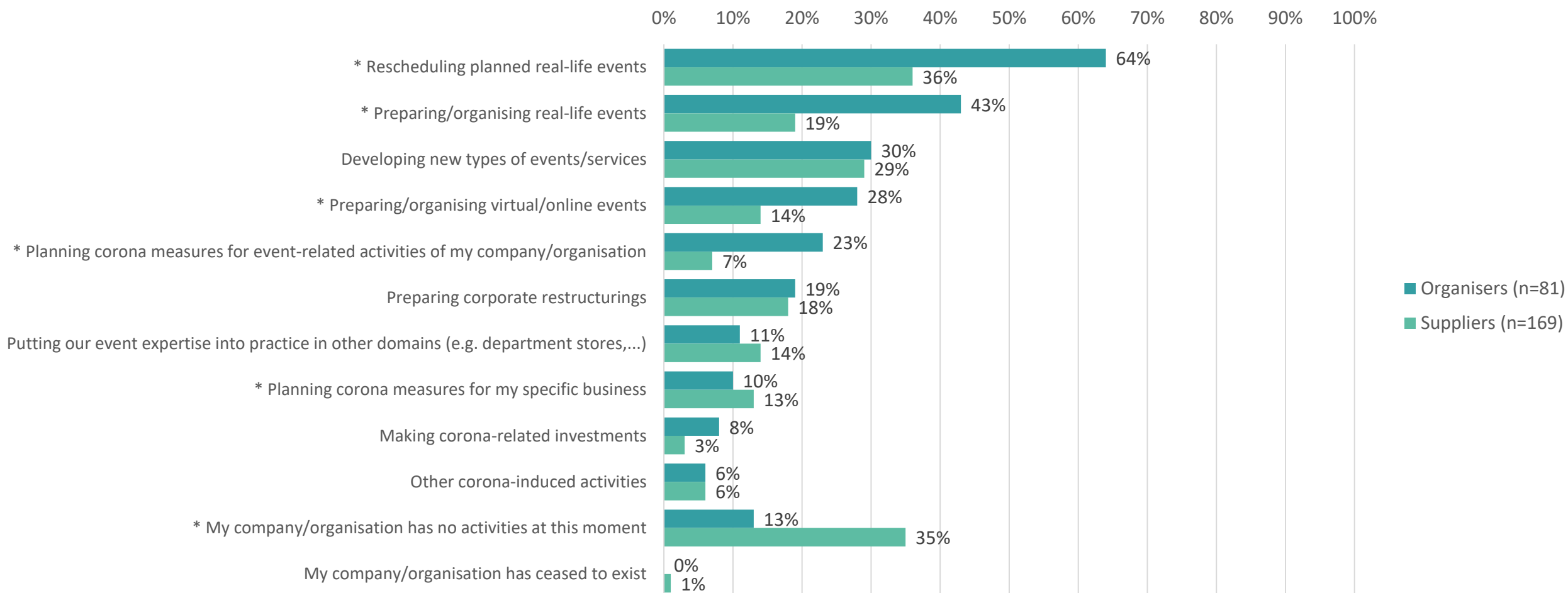
In normal, pre-corona times, which of these sectors generate the largest part of the annual turnover for your company/organisation?



Current activities

in December 2021, 43% of the organisers were still active in preparing/organising real-life events

Which of the following activities is your company/organisation currently undertaking?

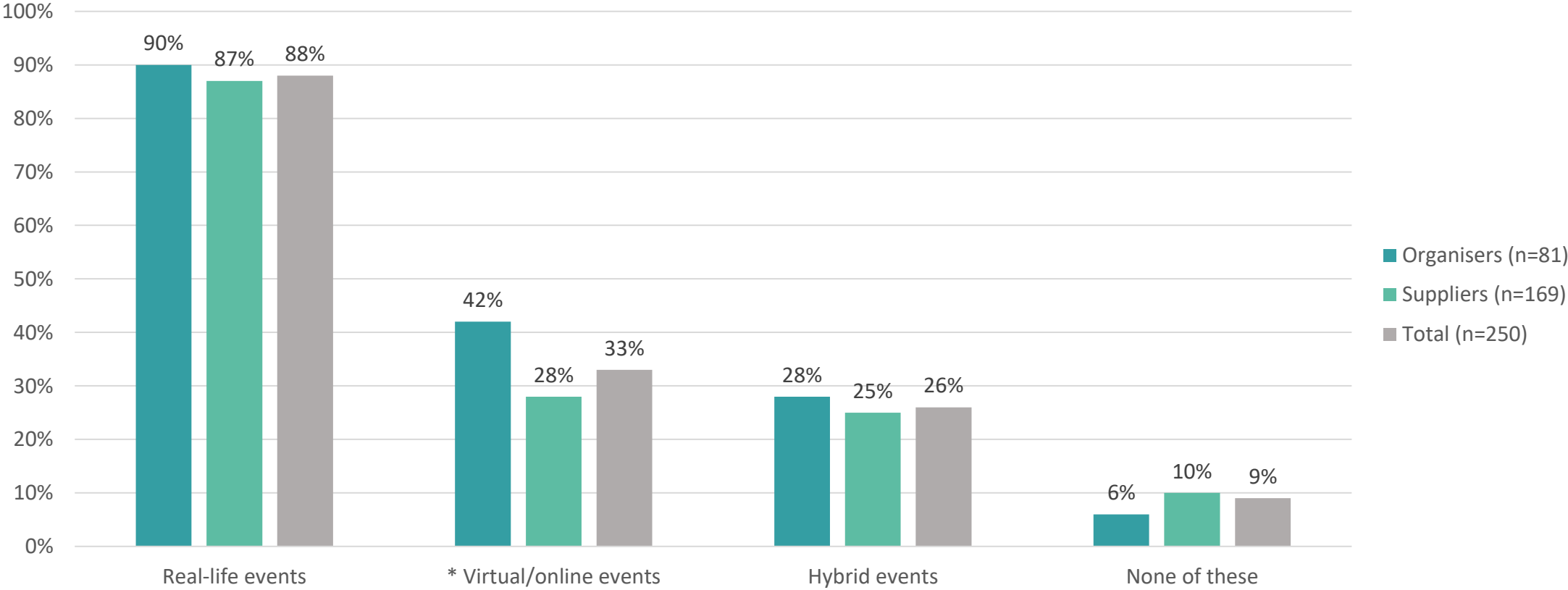


For items with ' * ' the difference between organisers and suppliers is statistically significant

hybrid and virtual events
are still less popular than
real-life events

2021 activities

Which of these types of events has your company/organisation been involved in (by preparing, supplying and/or organising) in 2021?



For items with ' * ' the difference between organisers and suppliers is statistically significant

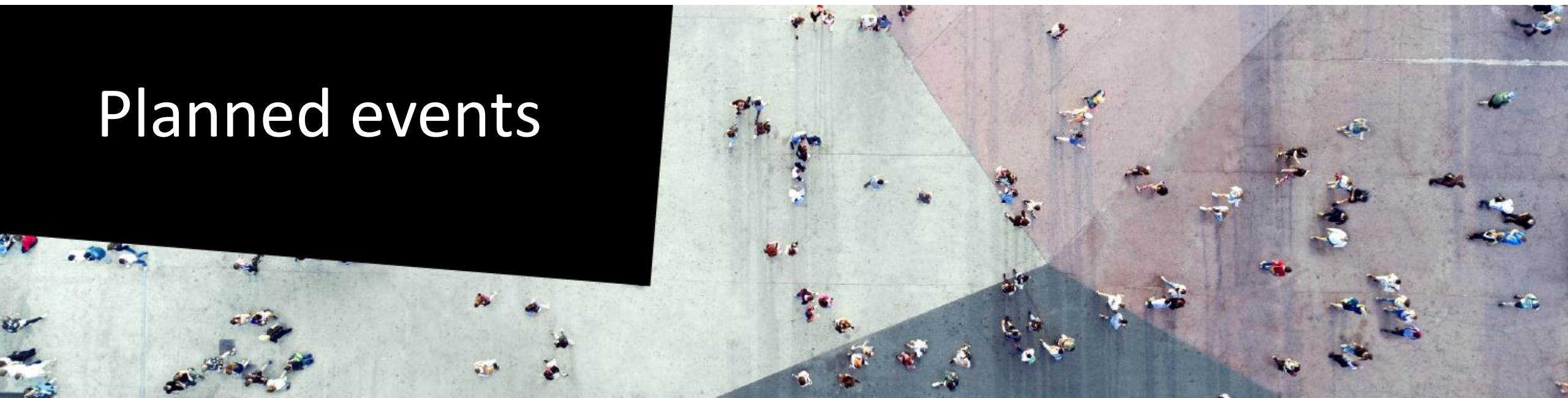
in 2021 almost 90% of the event professionals were active in real-life events, whereas in 2020 it was less than 40%

2021 activities vs. 2020

Which of these types of events has your company/organisation been involved in (by preparing, supplying and/or organising) in 2021 (December '21)/in the past few months (December '20)?

	Organisers		Suppliers	
	December '20 (n=67)	December '21 (n=81)	December '20 (n=150)	December '21 (n=169)
Real-life events	40%	90%	35%	87%
Virtual Events	45%	42%	37%	28%
Hybrid Events	33%	28%	21%	23%
None of these	33%	6%	41%	10%

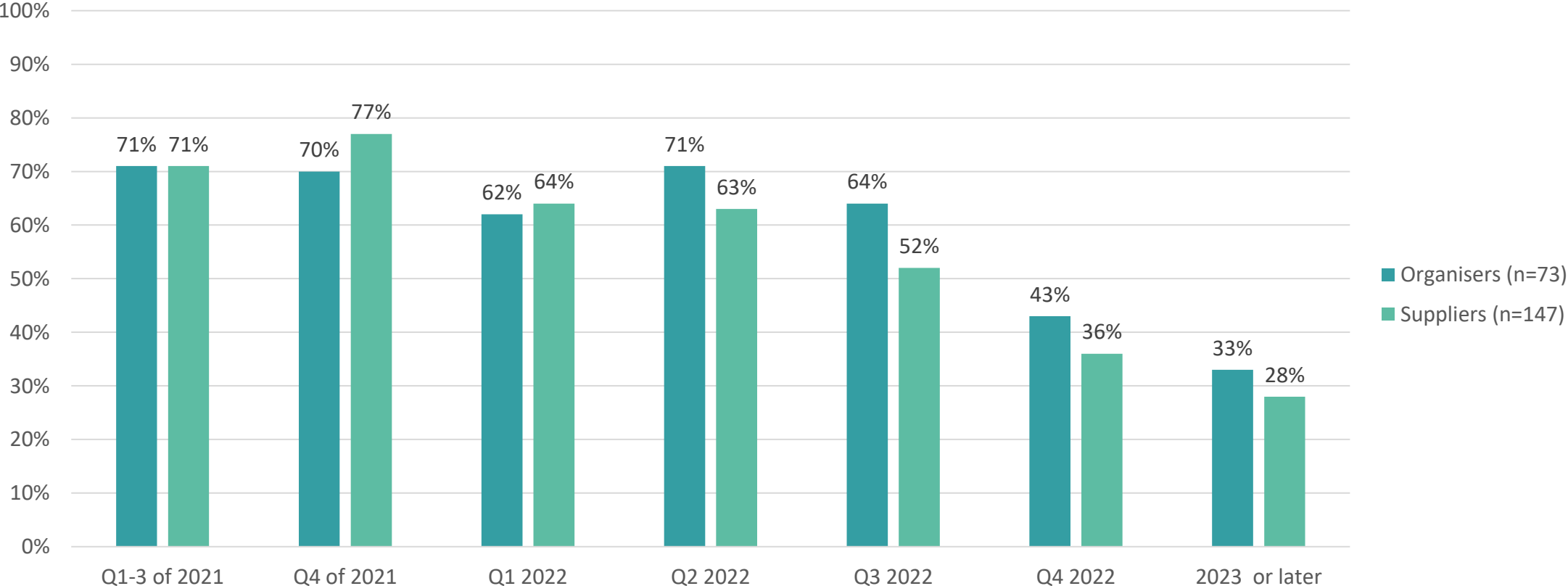
Planned events



2/3rd of the organisers who are still organising real-life events are planning these events for the first two quarters of 2022

Planned real-life events

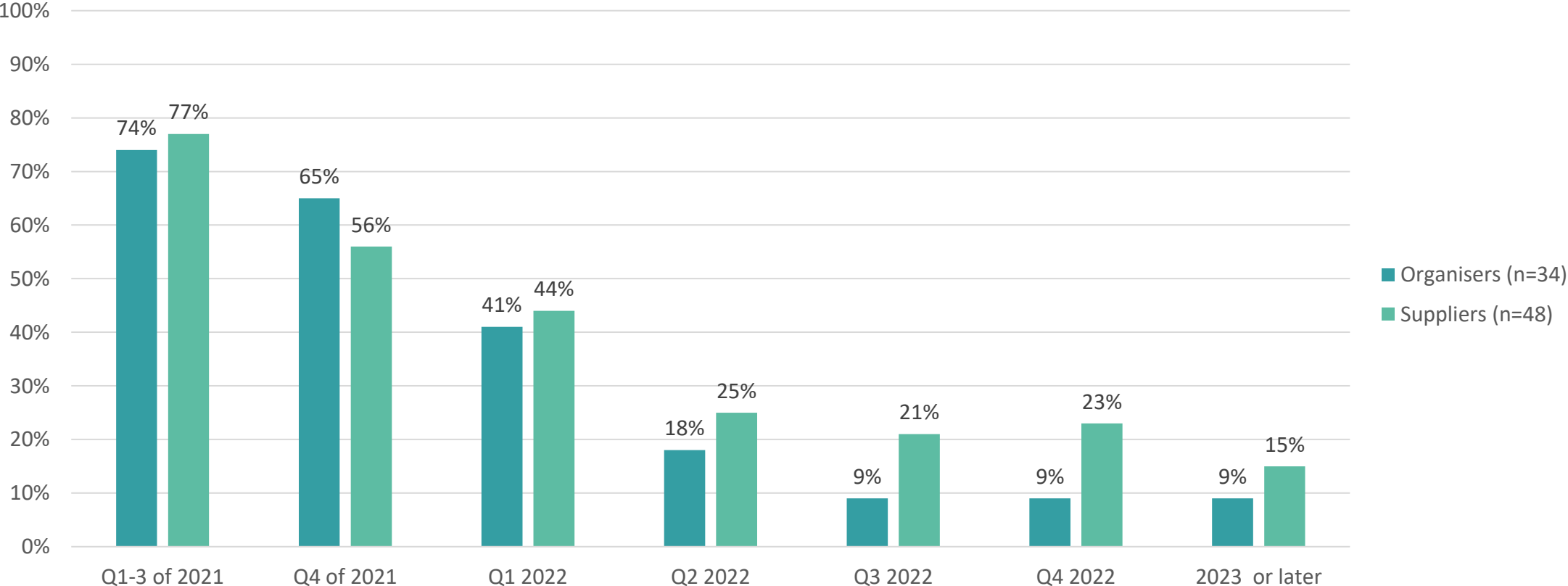
For which period is (has) your company (been) planning the supplying to, or organisation of these events in 2021? REAL-LIFE events



organisers are planning to organise increasingly less virtual/online events as the year 2022 progresses

Planned virtual/online events

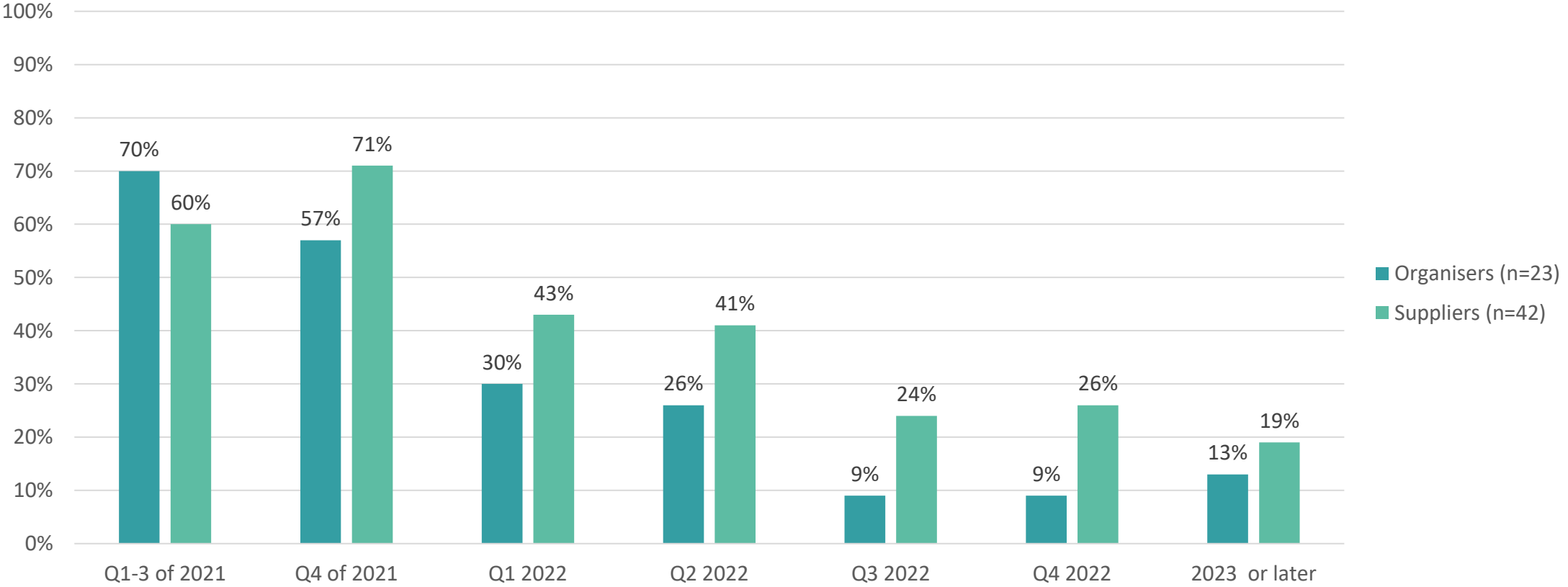
For which period is (has) your company (been) planning the supplying to, or organisation of these events in 2021? VIRTUAL/ONLINE events



increasingly less organisers are currently planning to organise hybrid events in 2022

Planned hybrid events

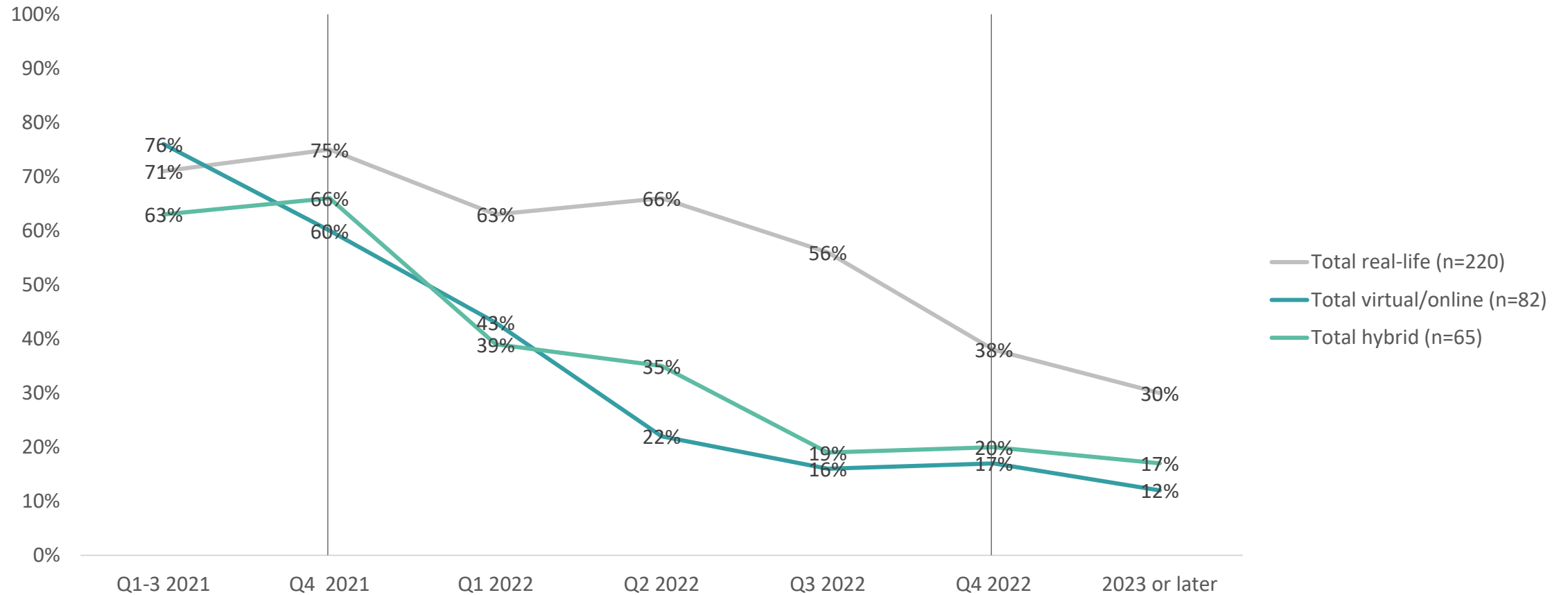
For which period is (has) your company (been) planning the supplying to, or organisation of these events in 2021? HYBRID events



Planned events compared

compared to Q4 of 2021, the relatively share of hybrid and virtual/online planned events drops with more than 70% by Q4 of 2022

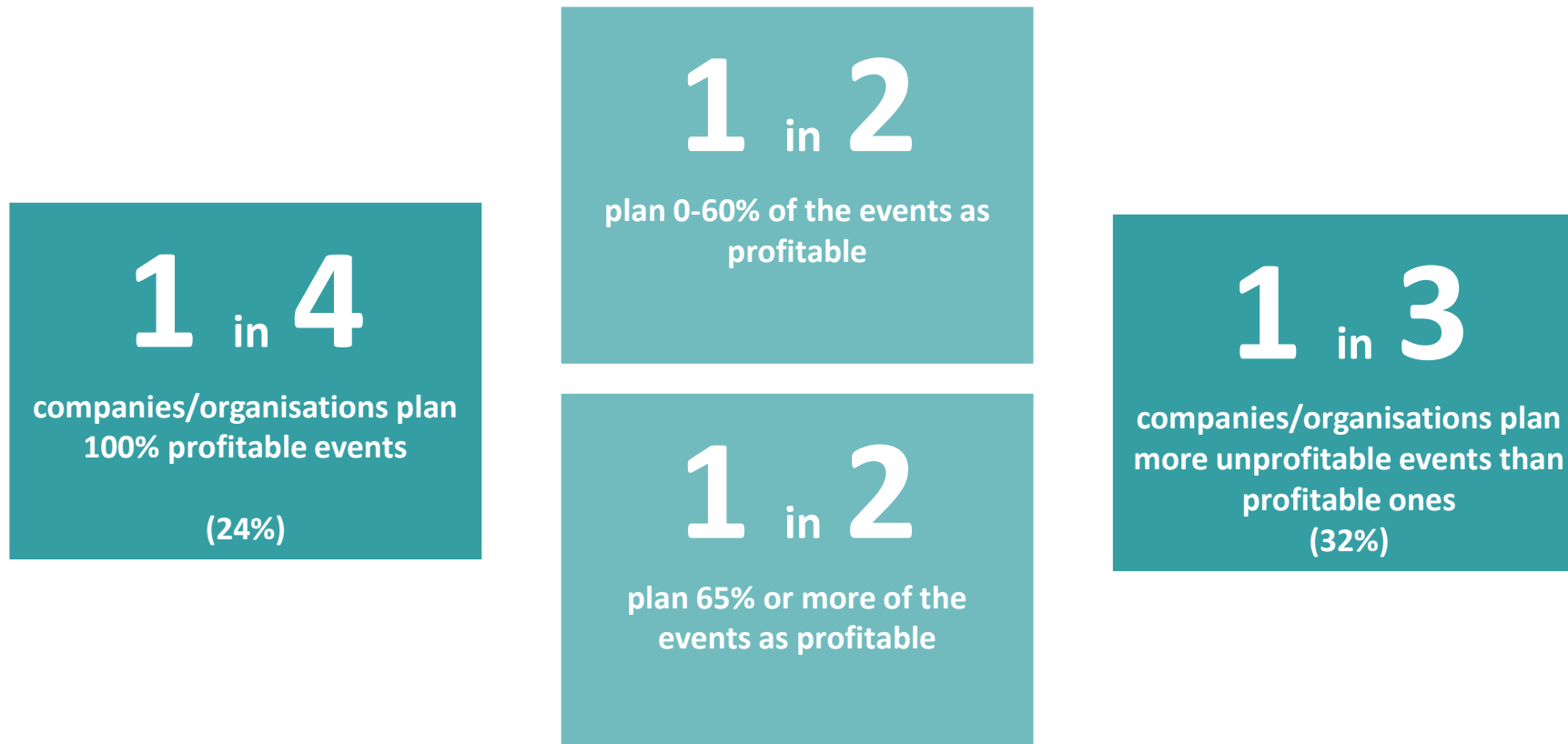
Comparison planning of different event types 2020 – 2022 or later



Profitability of planned real-life events (organisers + suppliers)

1/3rd of all event professionals estimate they will work on more unprofitable than profitable real-life events

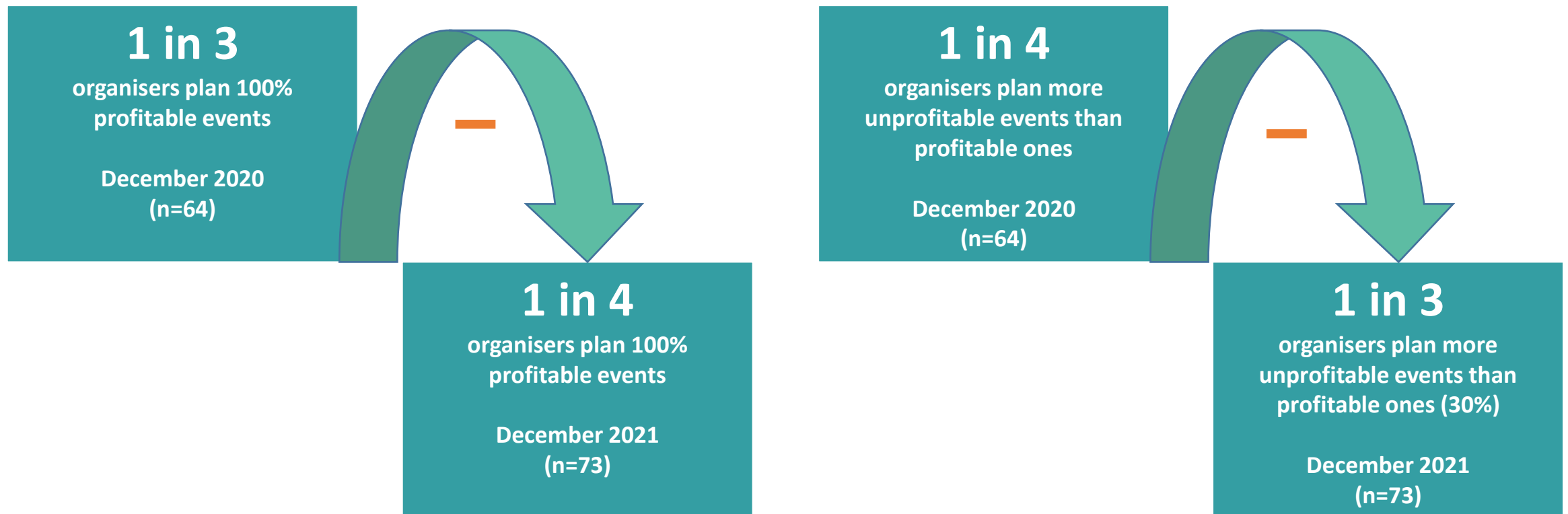
Which percentage of these real-life events are planned as economically viable events (break-even or with profit)? (n=219)



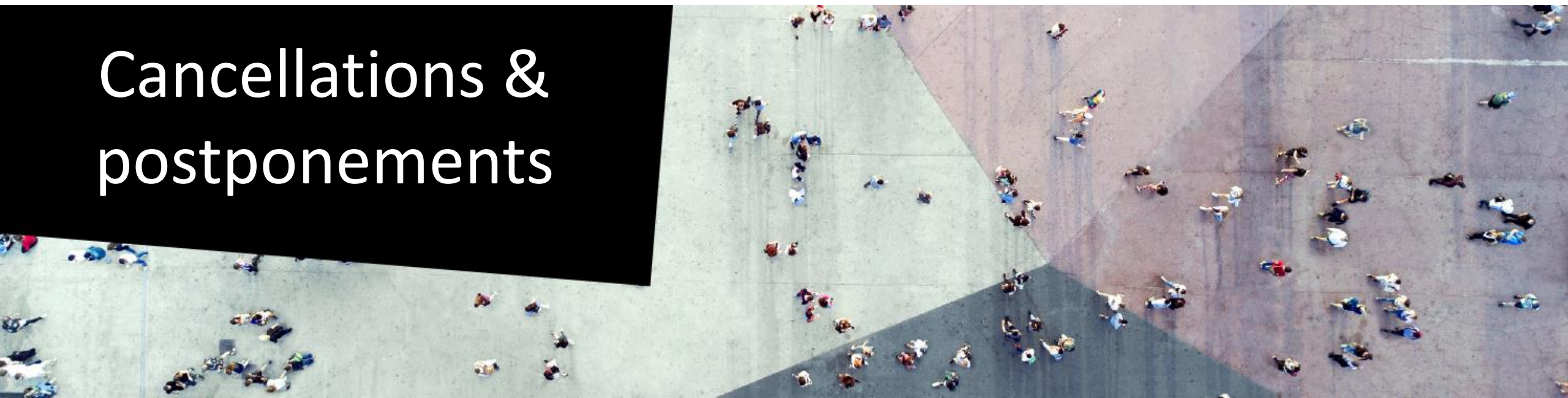
Profitability of planned real-life events (organisers - '21 vs. '20)

more organisers are less optimistic about the profitability of their real-life events than one year ago

Which percentage of these real-life events are planned as economically viable events (break-even or with profit)?



Cancellations & postponements



Real-life events cancelled or postponed in 2021

on average, an organiser had to cancel or postpone 30 real-life events in 2021 due to the corona crisis

In total, how many real-life events was your company/organisation supposed to be organising and/or supplying to in 2021 and have been cancelled or postponed due to the corona crisis?

Organisers

(n=81)

30

events on average

Lowest = 0; highest = 200

Median = 15

Suppliers

(n=169)

99

events on average

Lowest = 0; Highest = 2 200

Median = 40

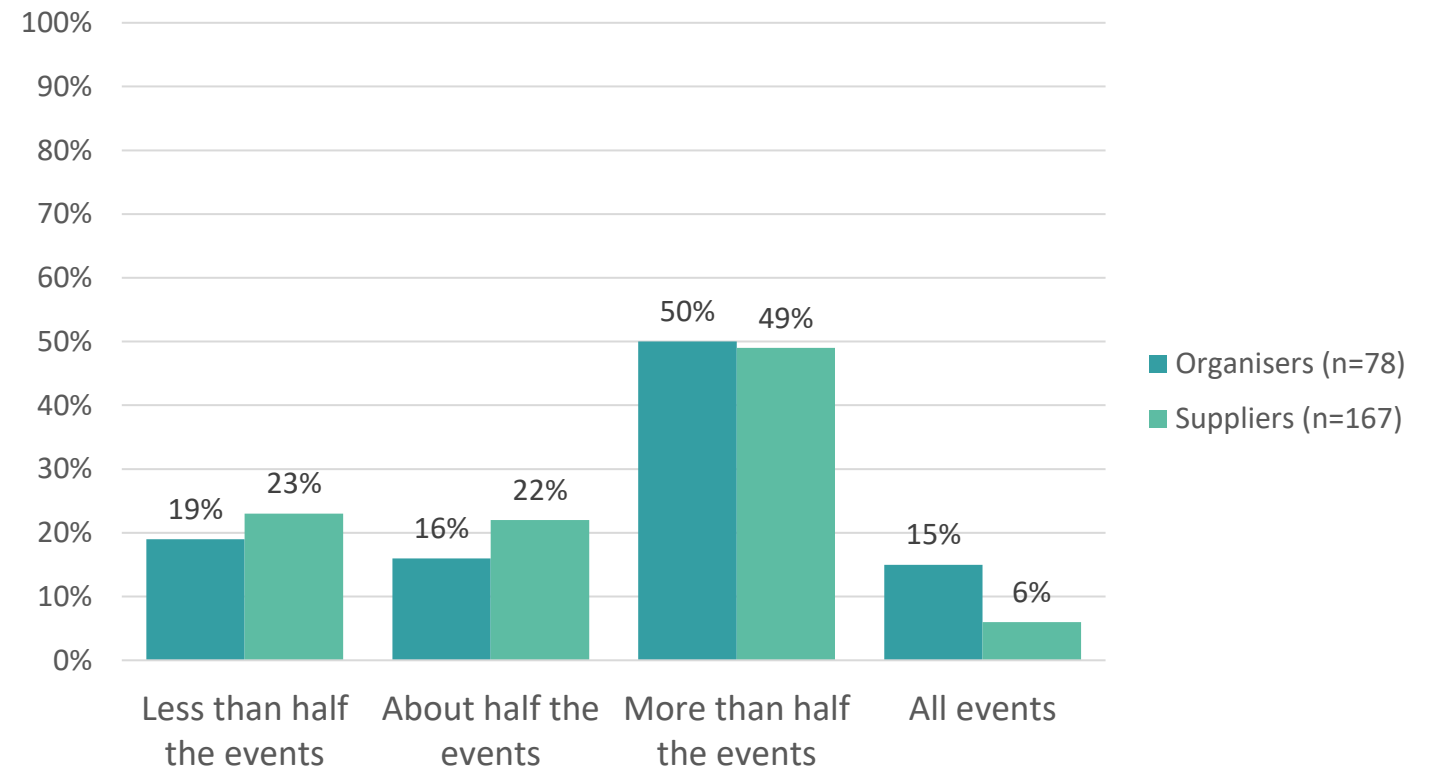
Share of cancelled or postponed real-life events in 2021

60% of all event professionals cancelled or postponed half or more real-life events in 2021 due to the crisis

65% of all organisers canceled half or more events in 2021
(n=78)

55% of all suppliers canceled half or more events in 2021
(n=78)

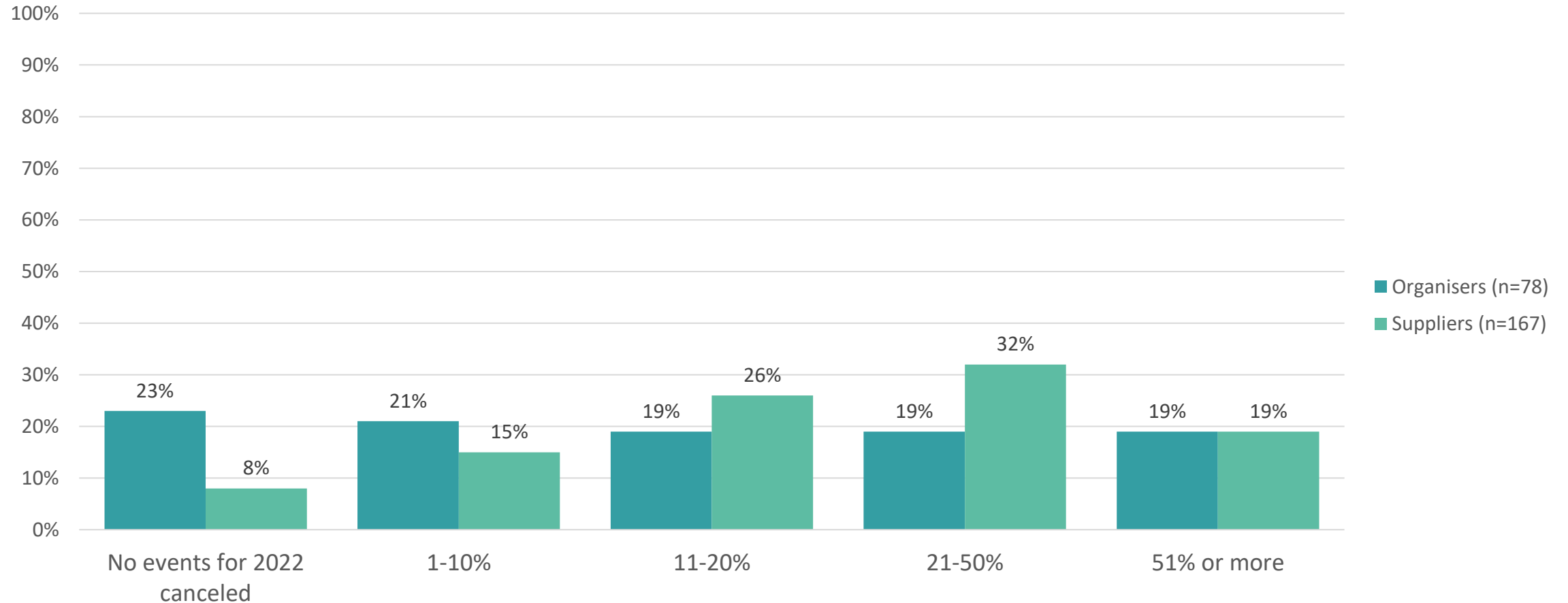
These cancelled/postponed real-life events make out ... of the total amount of planned real-life events in 2021



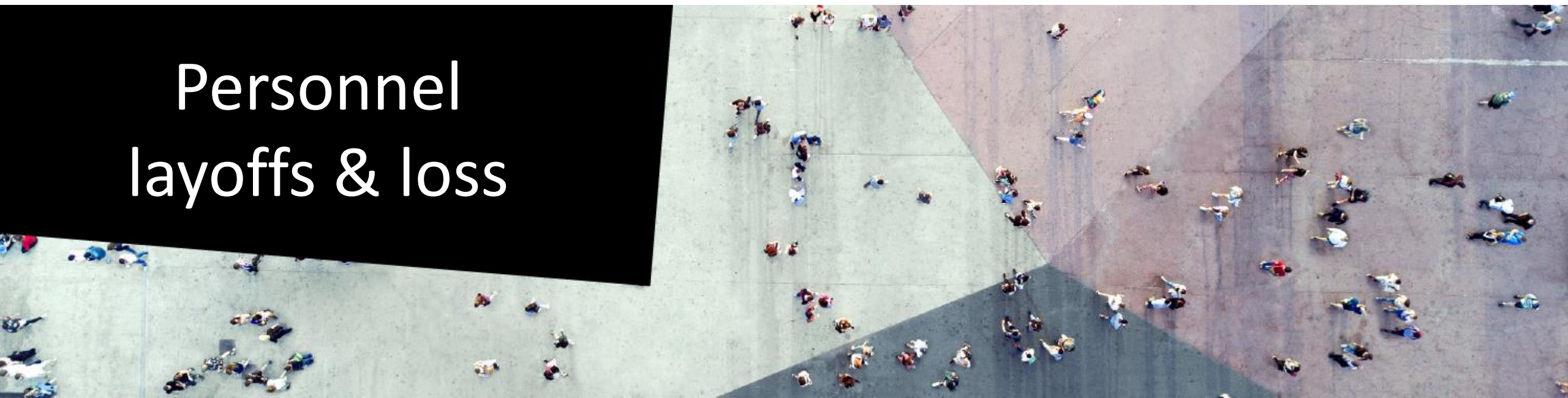
Share of cancelled or postponed real-life events for 2022

only 13% off all event professionals did not yet have to cancel or postpone events for 2022 in December 2021

What percentage of events for 2022 has already been cancelled or postponed?



Personnel layoffs & loss



Firing/dismissing of personnel

in 2021, 51% of all event professionals had to fire/dismiss or terminate contracts

Did your company/organisation had to fire/dismiss employees and/or terminate contracts with fixed freelancers in 2021?

Organisers
(n=81)

52 %

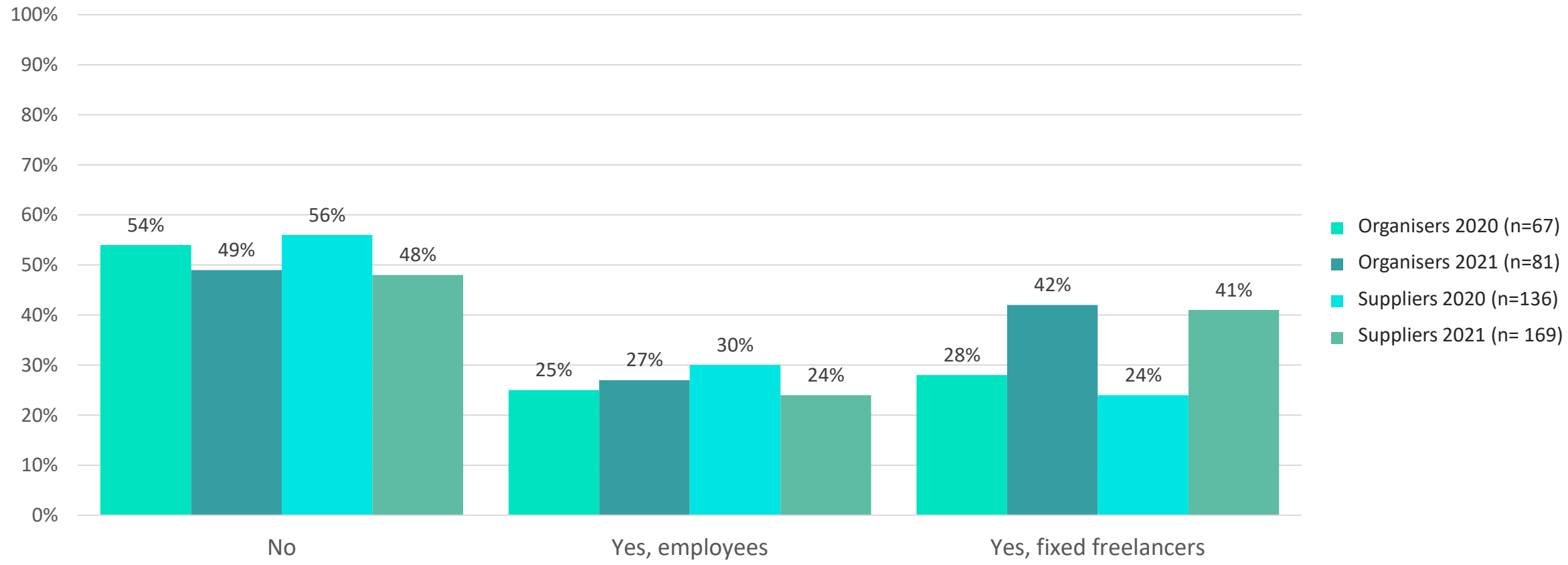
Suppliers
(n=169)

51 %

in 2020, 'only' 47% of all event professionals had to fire/dismiss or terminate contracts

Firing/dismissing of personnel

Did your company/organisation had to fire/dismiss employees and/or terminate contracts with fixed freelancers since the start of the crisis in March 2020 / in 2021?



Firing/dismissing of personnel

In companies/organisations where **employees** had been dismissed, on average **4,2 personnel** members were laid off. This represents over **one third** of the total average workforce in these companies/organisations

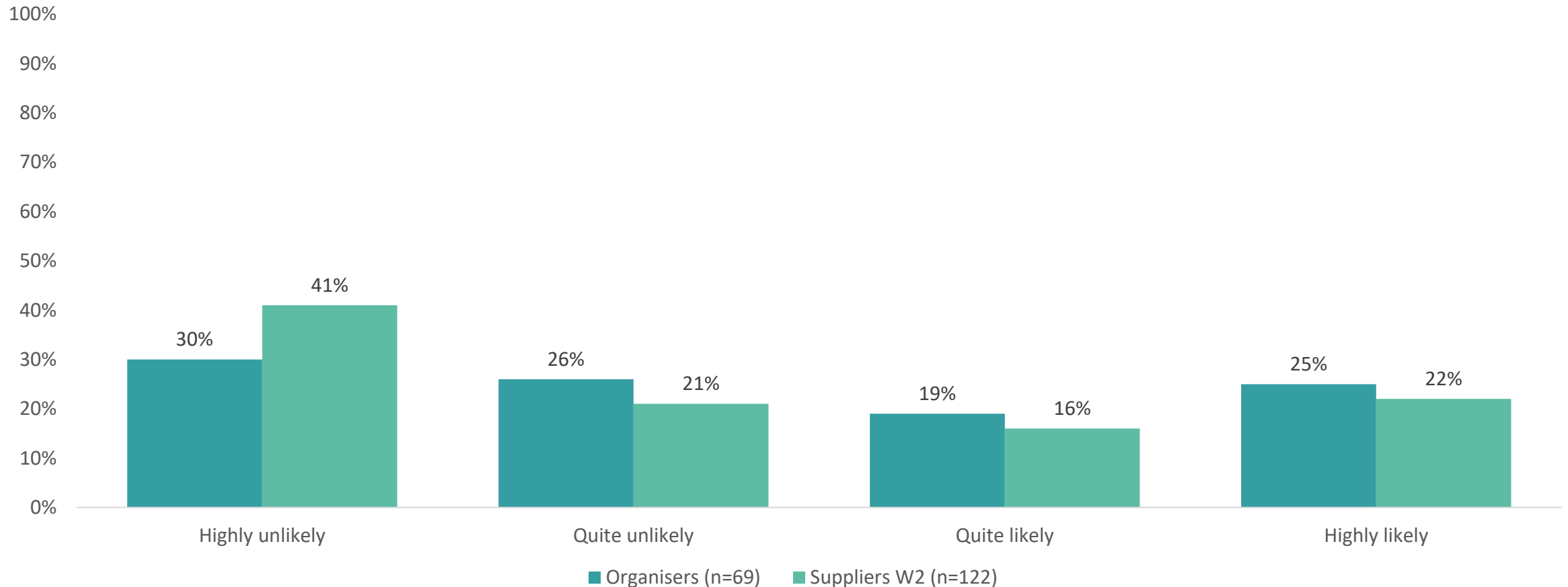
In companies/organisations where contracts with **fixed freelancers** have been terminated, on average **13,4 freelancers** were dismissed. This represents over **three quarters** of the total average amount of freelancers in these companies/organisations

	EMPLOYEES (n=54)		FIXED FREELANCERS (n=104)	
	Dismissed	Remaining	Dismissed	Remaining
Mean	4,2	8,1	13,4	3,8
Median	2	2	5	0

Future dismissal of personnel

31% of all event professionals think they will (quite/highly) likely have to let people go in the upcoming months

How likely or unlikely is it that your company/organisation will have to let people go in the upcoming months, due to the corona crisis?



due to the corona crisis,
in 16% more
companies/organisations
personnel has left in 2021
than in 2020 *

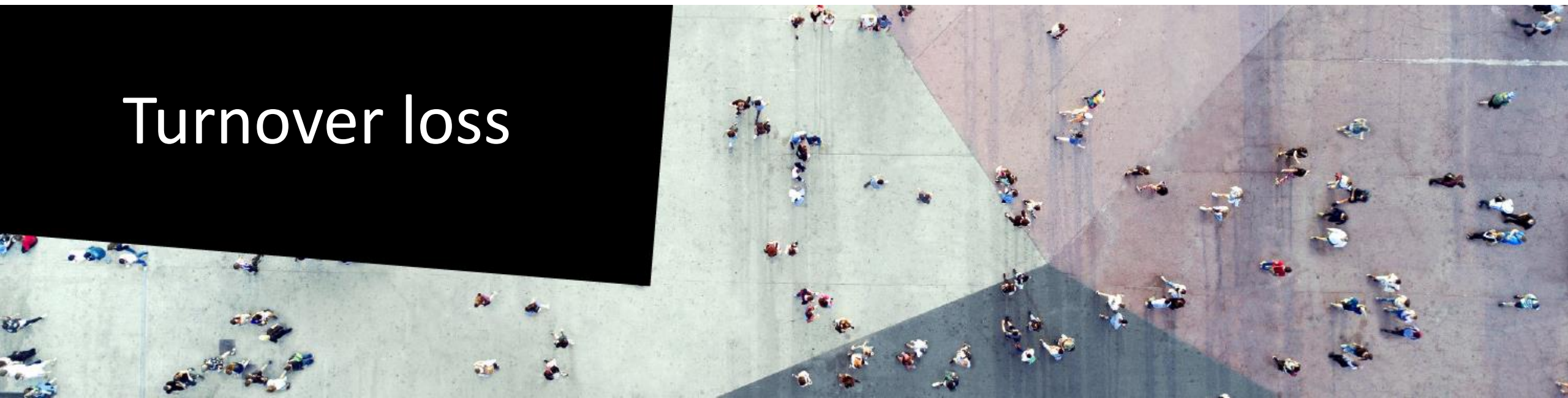
Loss of personnel

Has one or more members of your personnel left your company/organisation due to the corona crisis (e.g. to improve their personal job stability) in 2021?



* with exclusion of 'don't know' & 'not applicable'

Turnover loss



Expected turnover loss 2021 vs. 2019

Compared to 2019 (pre-corona), how much higher or lower do you think the total 2021 turnover (excl. VAT) will be? % 2021 vs 2019 (cumulative %; n=239)

88%

expects 2021 turnover to be

lower than in 2019

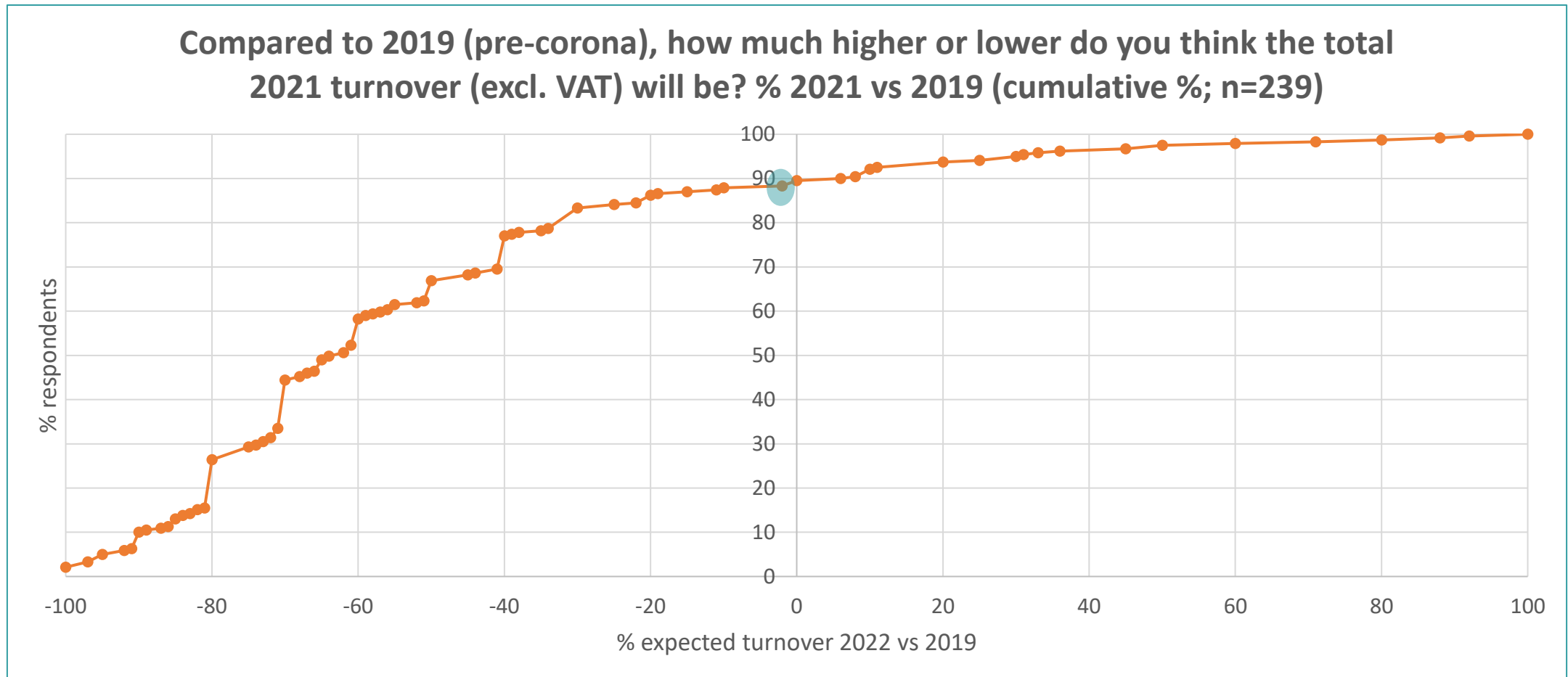
10%

expects 2021 turnover to be

higher than in 2019

Expected turnover loss 2021 vs. 2019

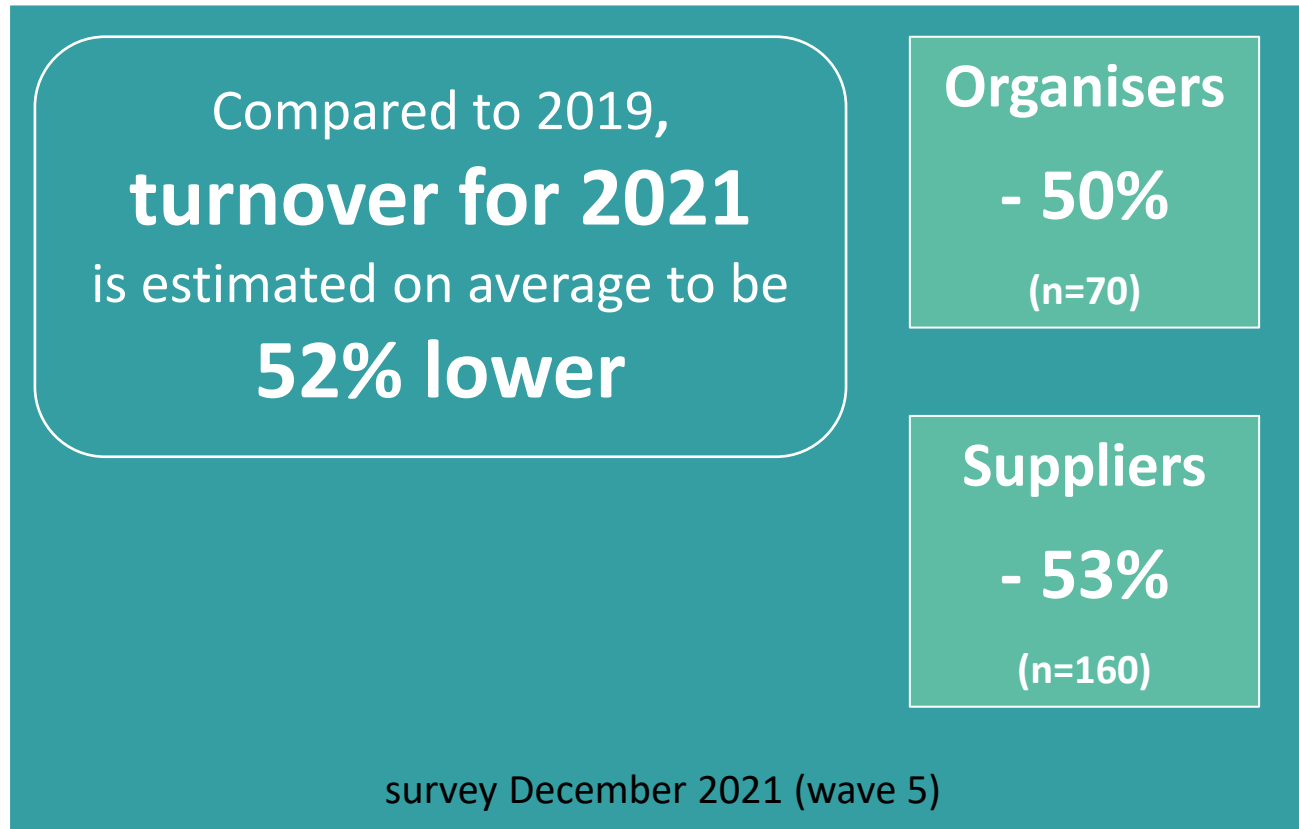
88% of all event professionals expect 2021 turnover to be lower than in 2019



Expected turnover loss 2021/2020 vs. 2019

Compared to 2019 (pre-corona), how much higher or lower do you think the total 2021 turnover (excl. VAT) will be? % 2021 vs 2019

Compared to 2019, how much lower do you think your 2020 turnover (excl. VAT) will be?



Expected turnover loss in 2021 vs. 2019 (average)

Organisers

Average 2019 turnover = € 3 652 673

– 50%
=
€ 1 826 337

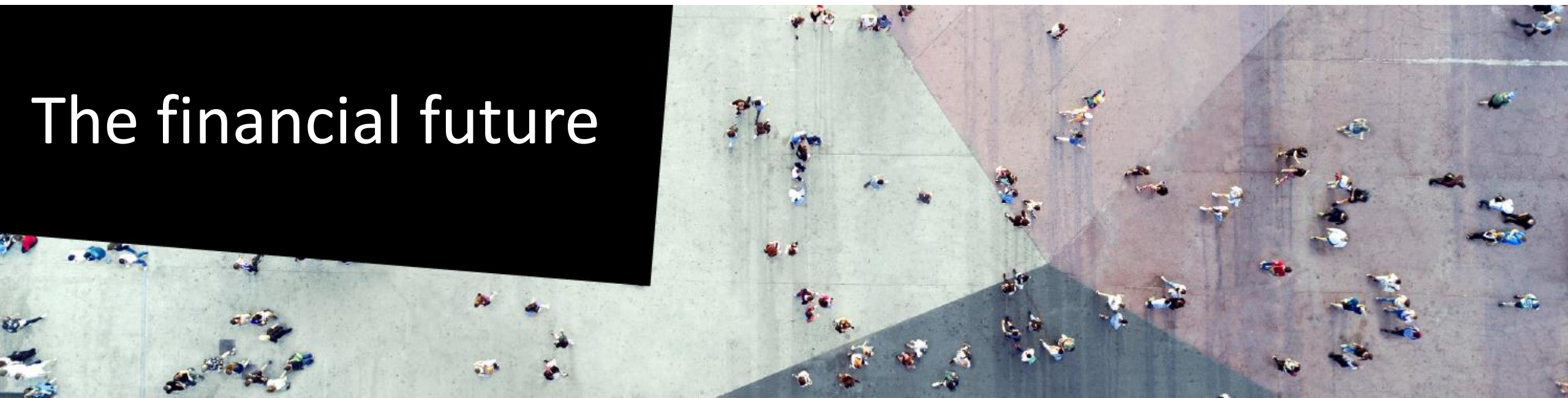
Suppliers

Average 2019 turnover = € 2 601 659

– 53%
=
€ 1 378 879

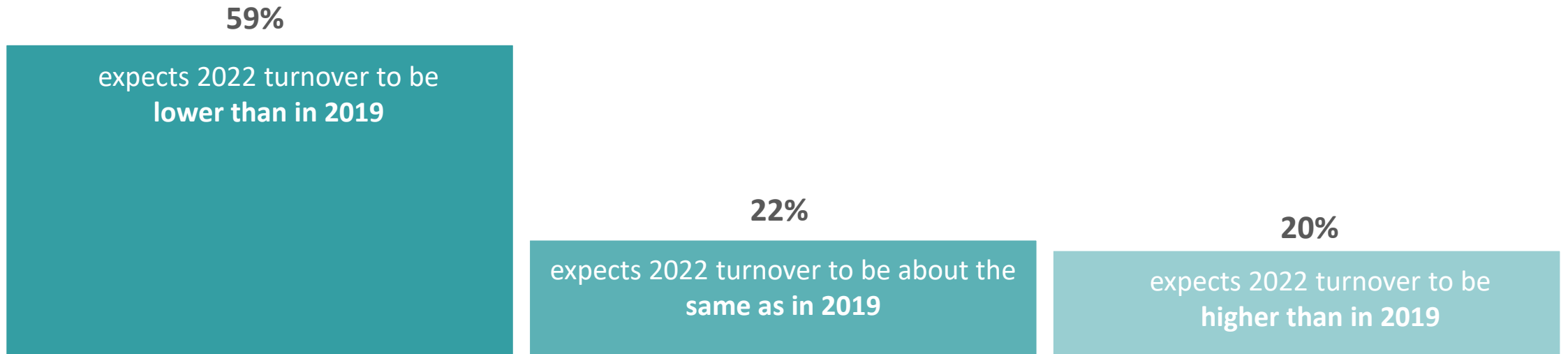
March 2019 survey (wave 1) turnover averages are used for this calculation and those on the following slide.

The financial future



Expected turnover 2022 vs. 2019

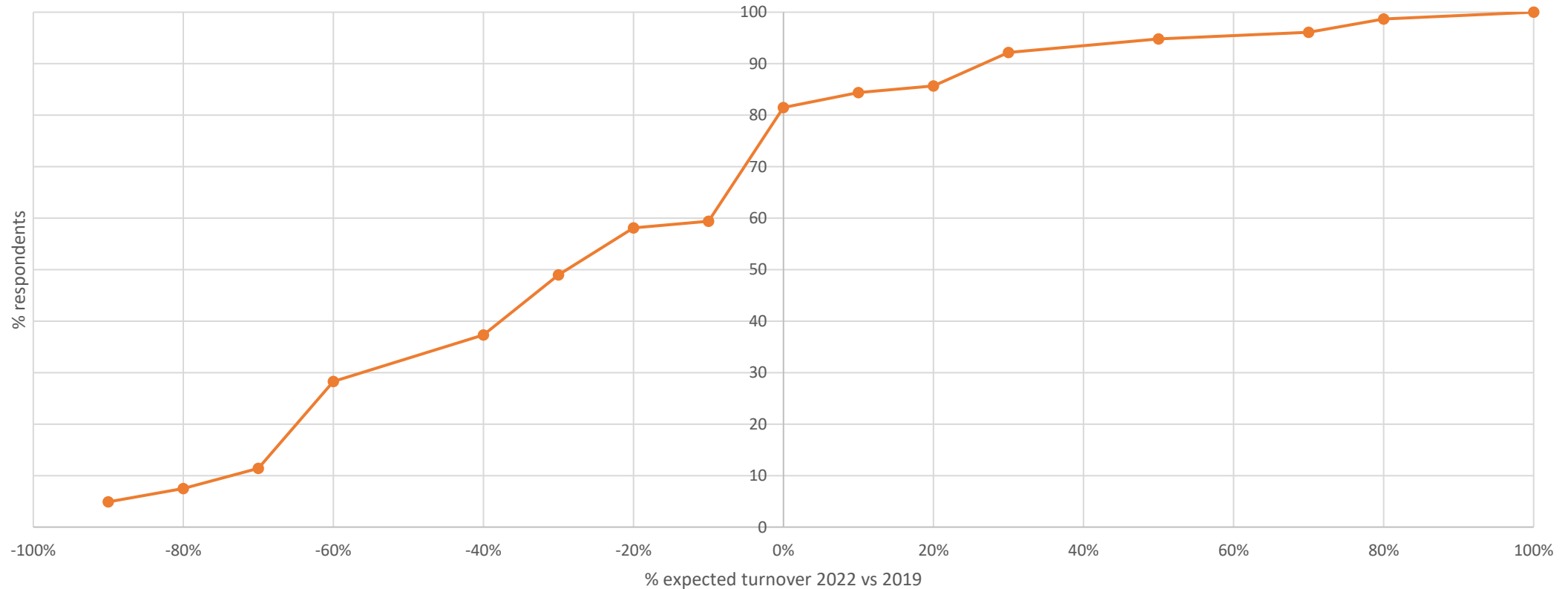
What are your expectations for next year's turnover (2022) of your company/organisation, compared to 2019?



Expected turnover 2022 vs. 2019

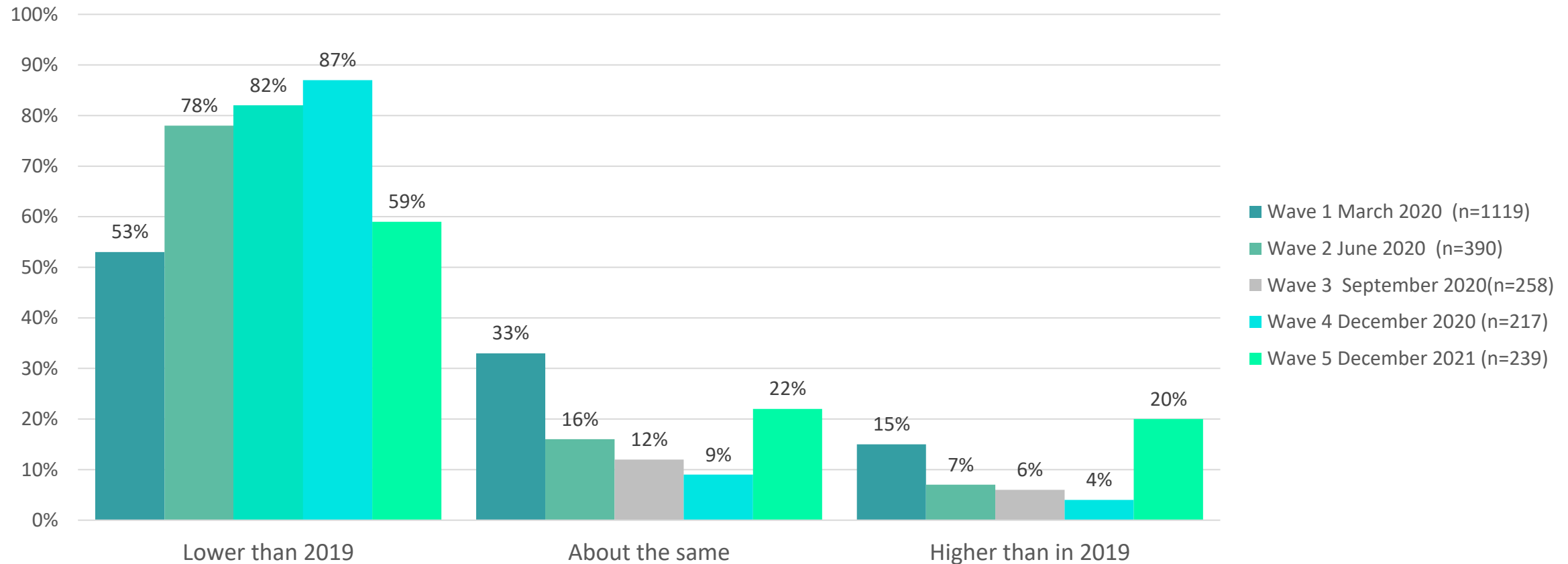
What are your expectations for next year's turnover (2022) of your company/organisation, compared to 2019?

Expected turnover 2022 vs 2019 (cumulative %; n=239)

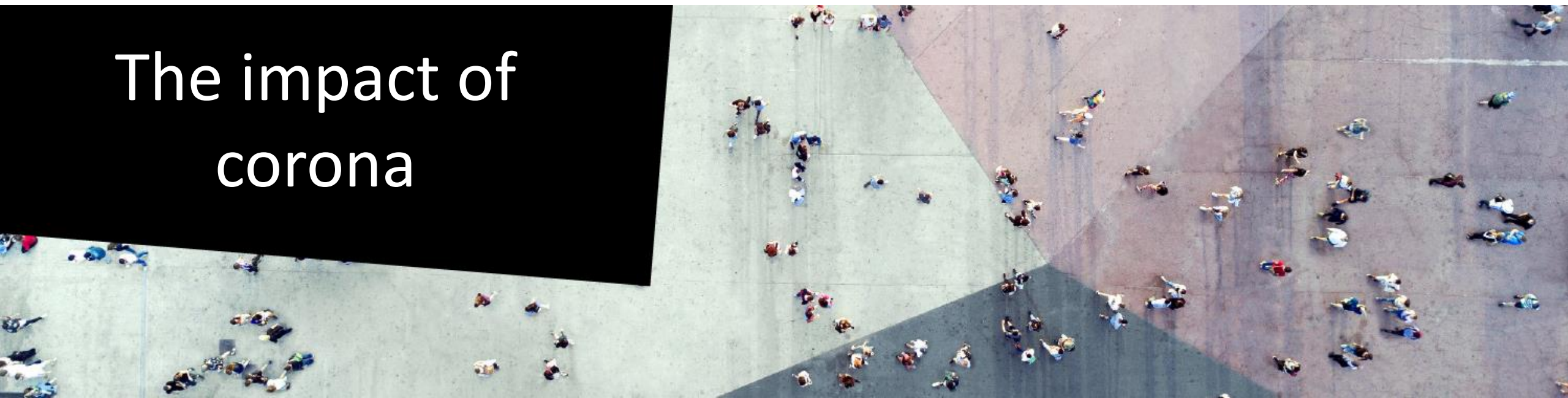


Expected turnover 2022 vs. 2019

What are your expectations for next year's turnover (2022) of your company/organisation, compared to 2019?



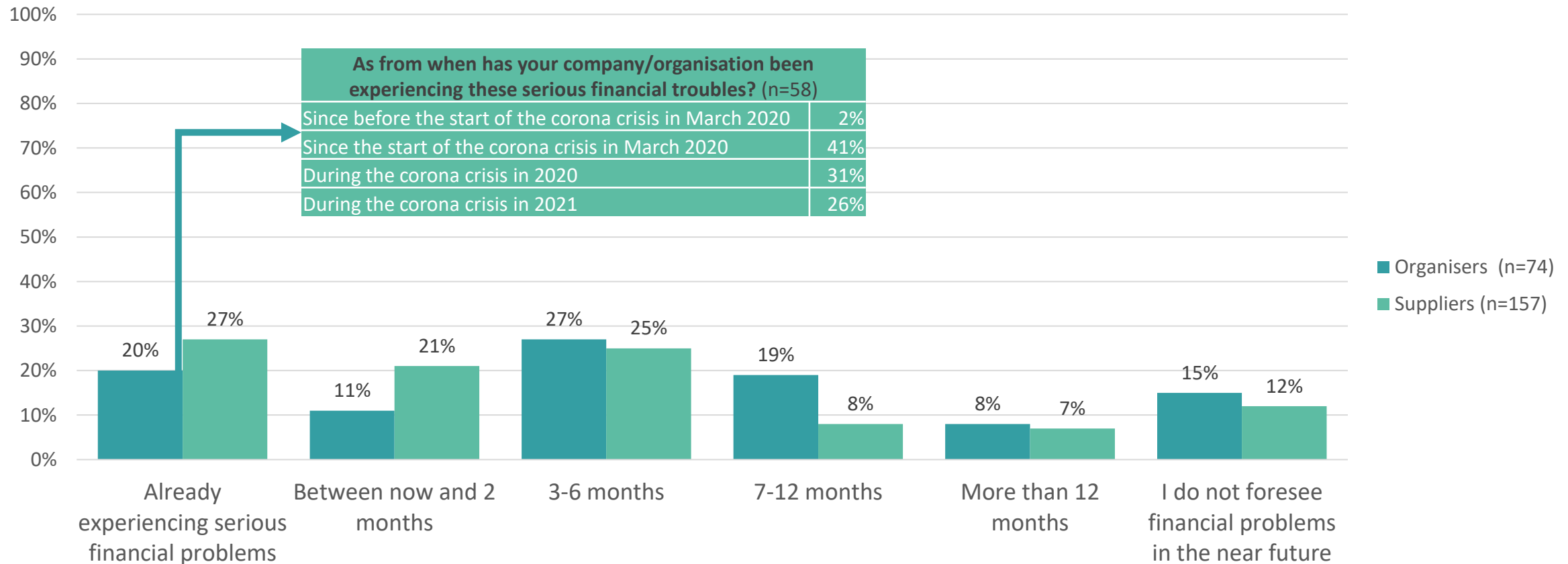
The impact of corona



Financial problems

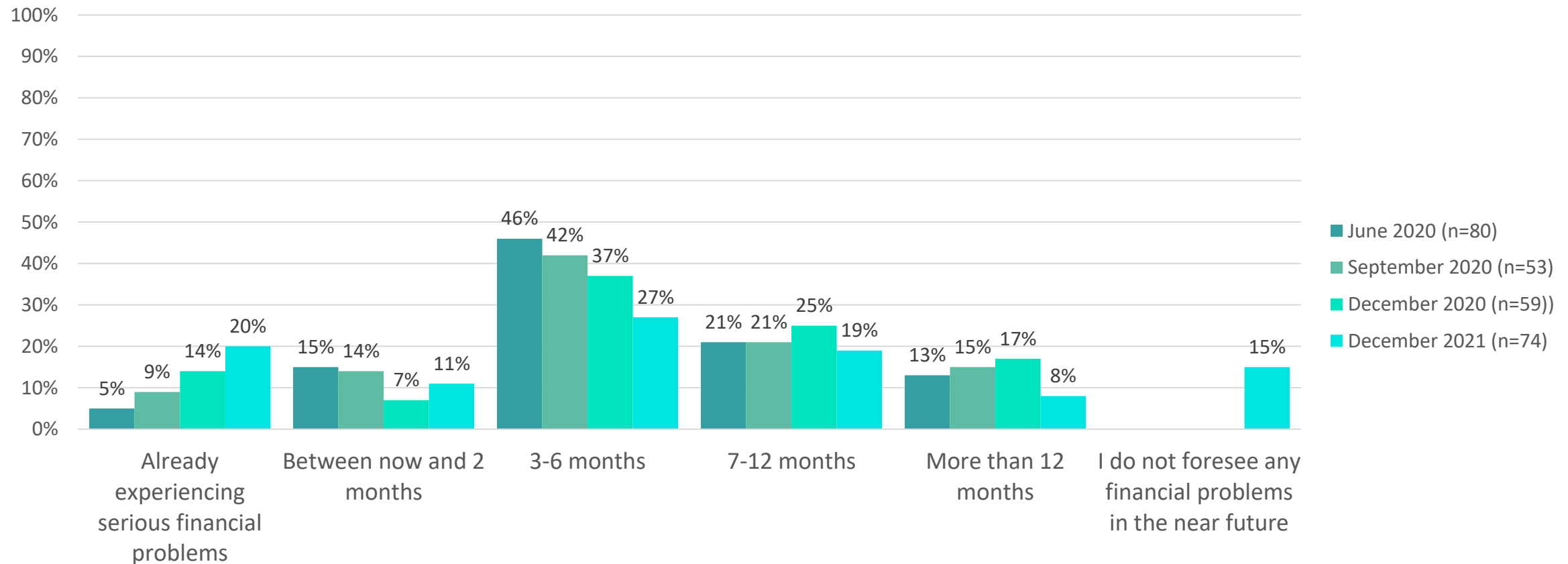
25% of all event professionals are already experiencing serious financial troubles and 43% expect to be in trouble within 6 months

How long do you think your company/organisation will be able to continue to operate without getting into serious financial problems?



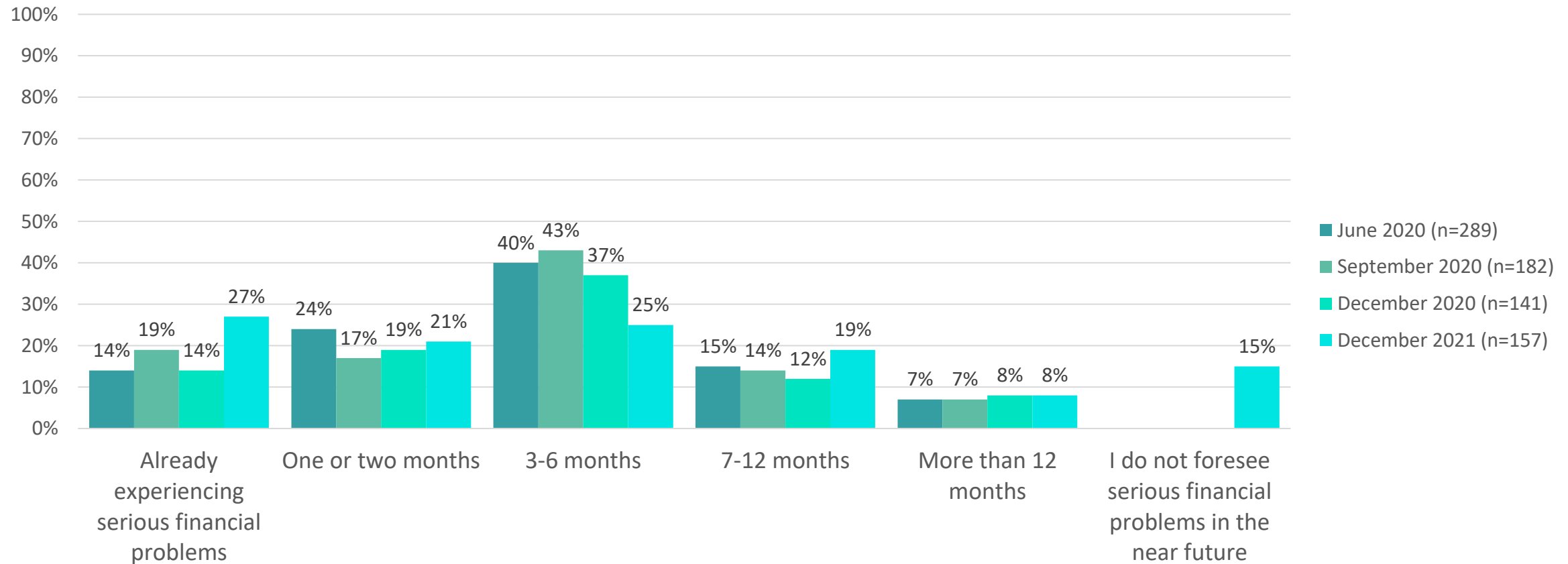
Financial problems (comparison - organisers)

How long do you think your company/organisation will be able to continue to operate without getting into serious financial problems?



Financial problems (comparison - suppliers)

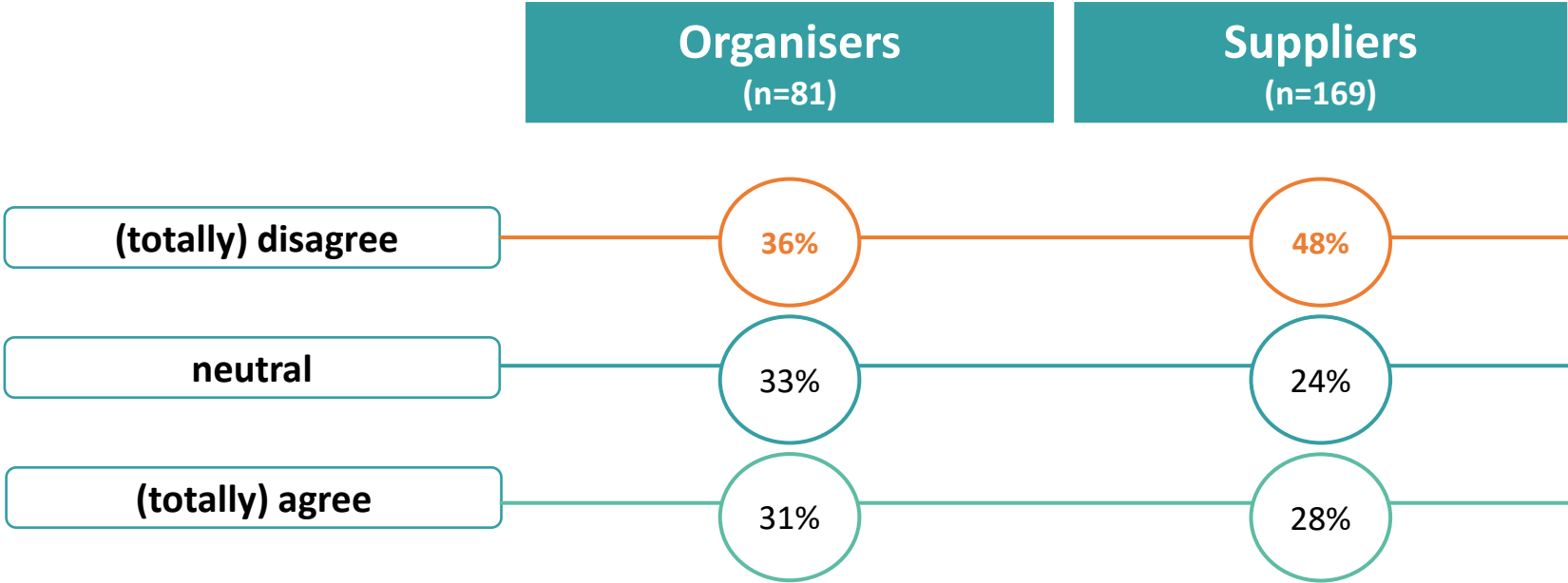
How long do you think your company/organisation will be able to continue to operate without getting into serious financial problems?



44% of all event professionals are not confident they have sufficient reserves available to get through this crisis

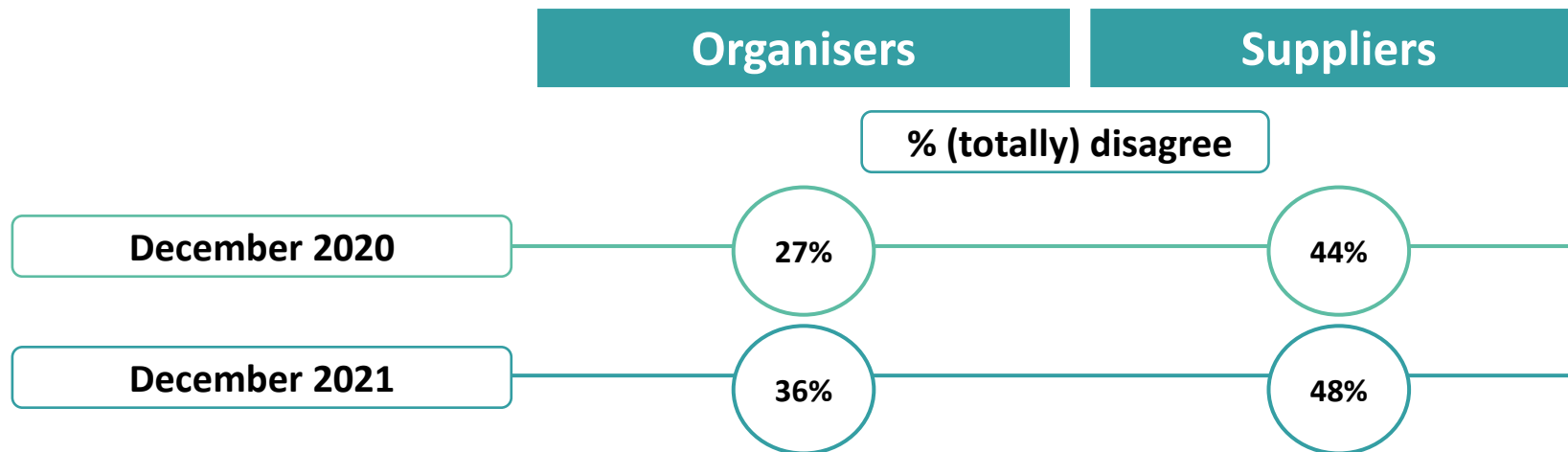
Financial reserves

I am confident that our company/organisation has sufficient reserves available to get through this crisis



Financial reserves Comparison '20 – '21

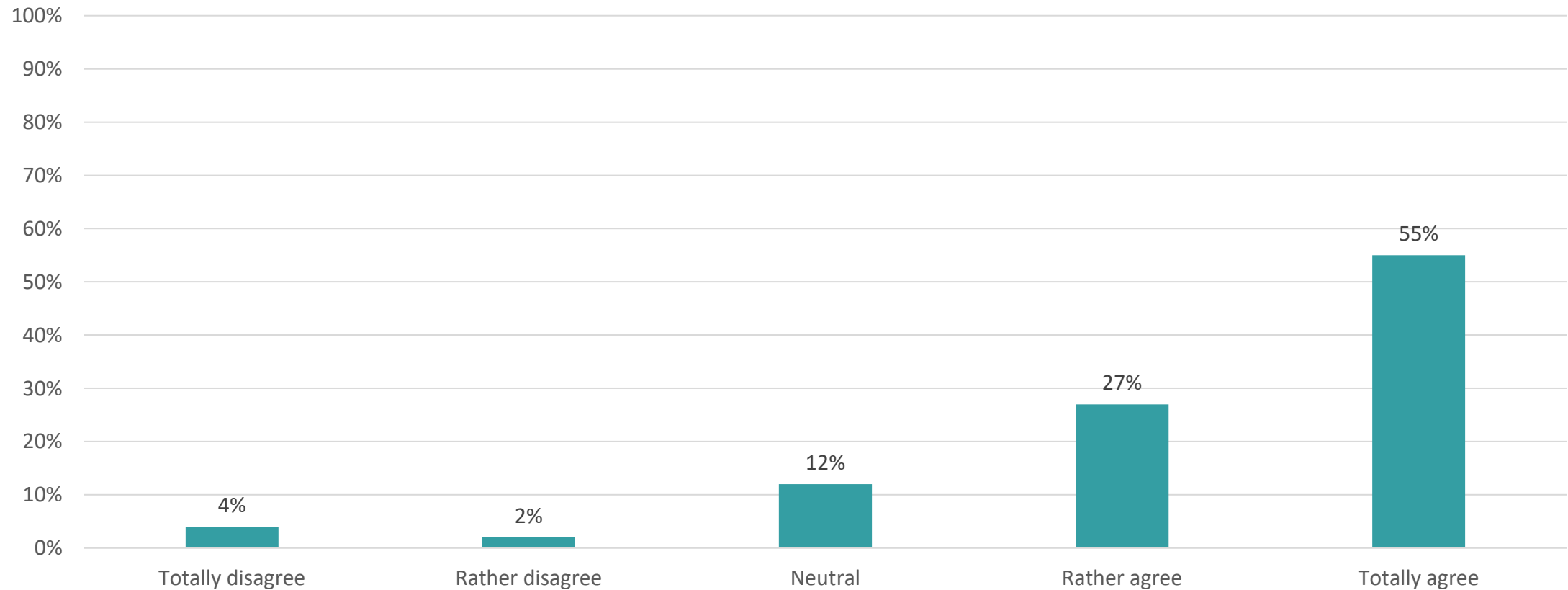
I am confident that our company/organisation has sufficient reserves available to get through this crisis



Government support

82% of all event professionals emphasise that government support is indispensable at the moment

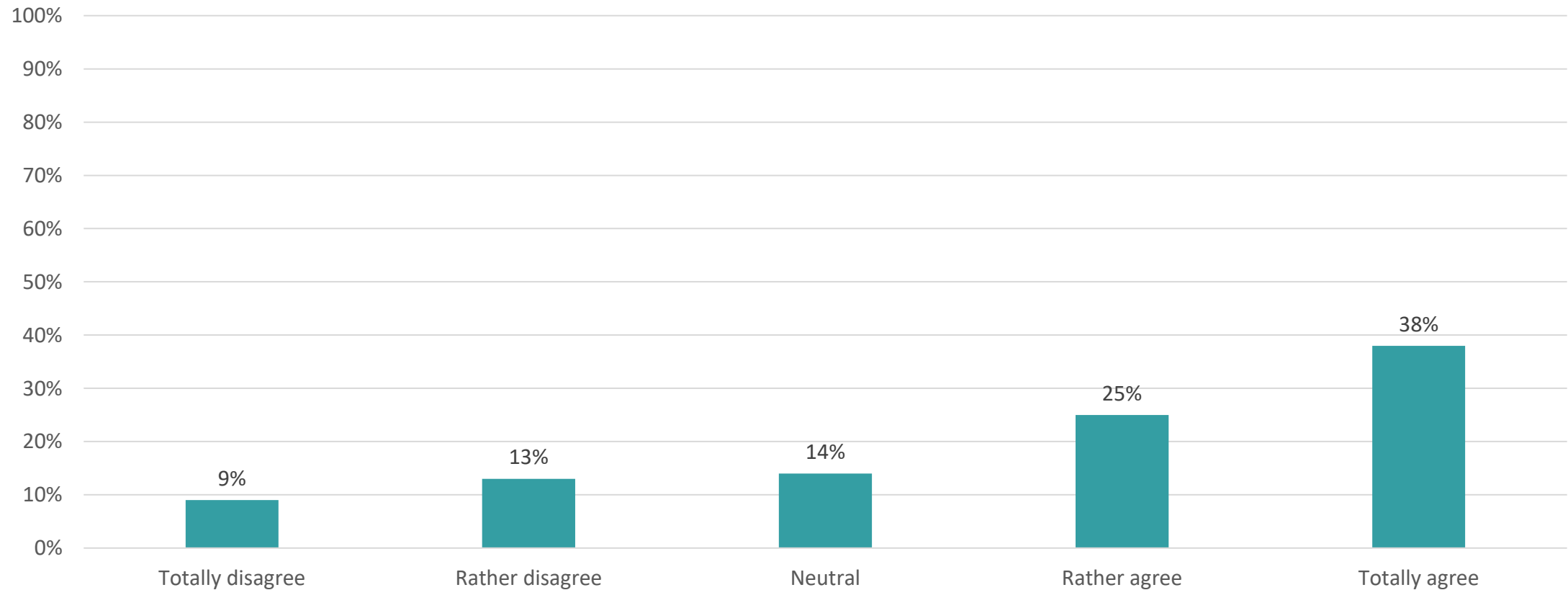
Government support for my company/organization is indispensable at this moment (n=250)



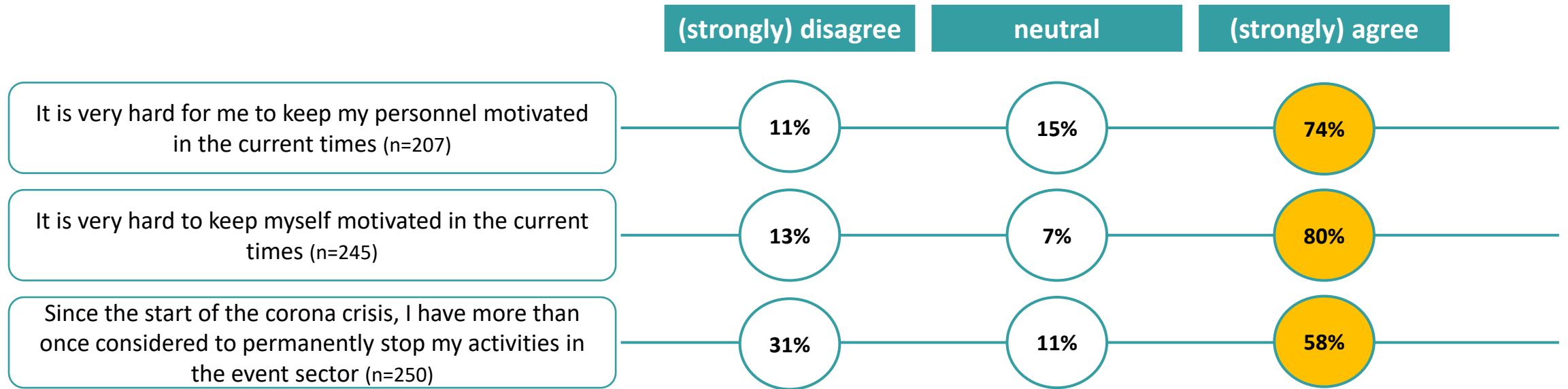
Government support

63% of all event professionals claim that it would be better for them to close and receive support, than keep open

It would be better for my company/organisation to close and receive government support, than to keep open under the current regime (n=245)

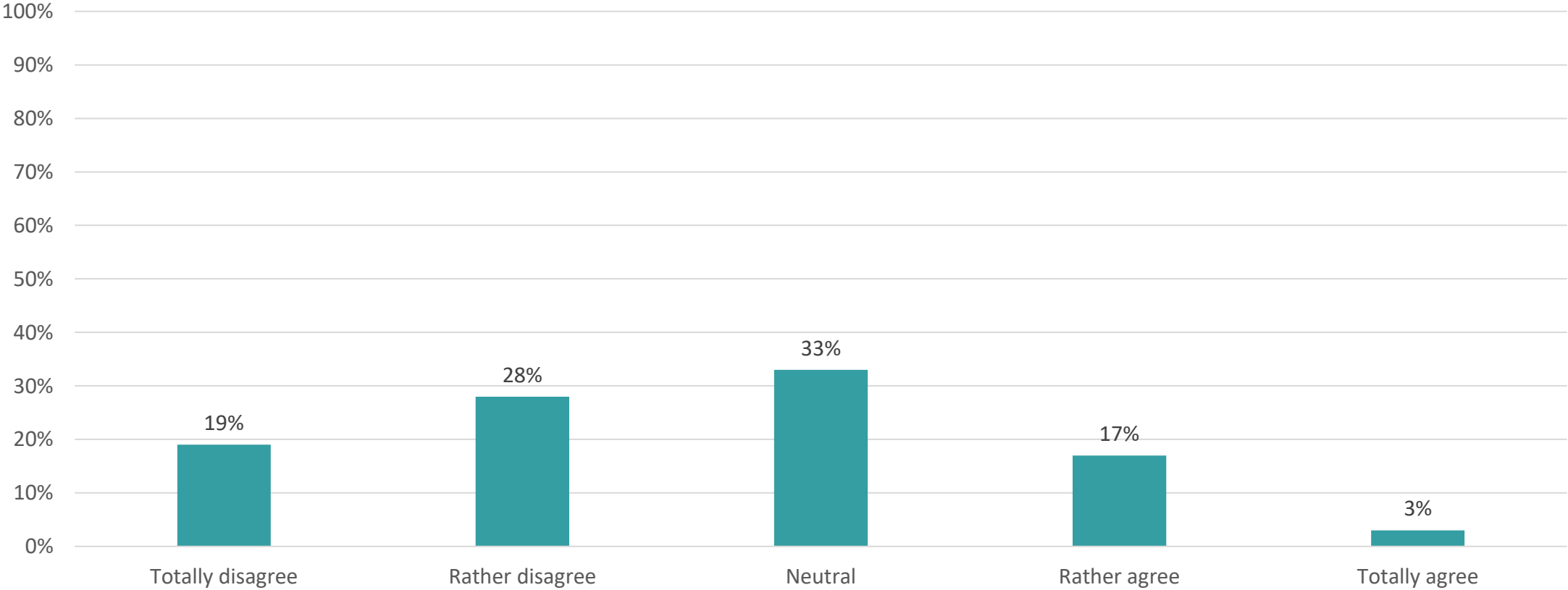


Impact on motivation

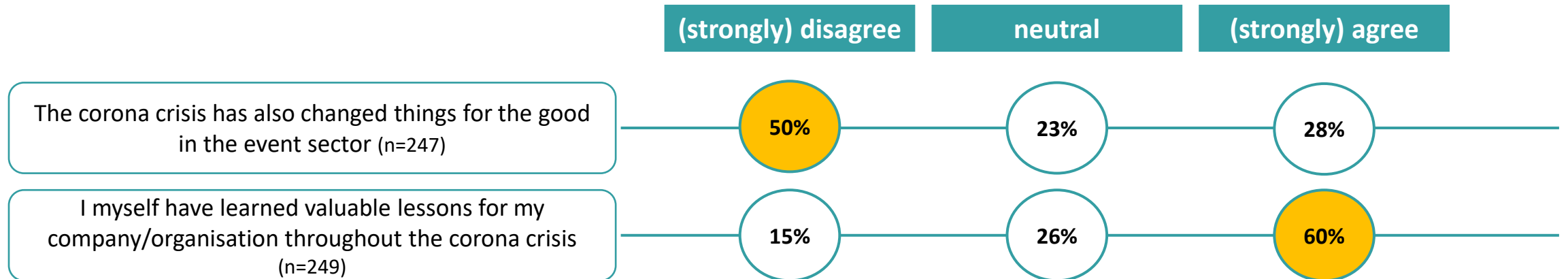


This corona wave: the final blow?

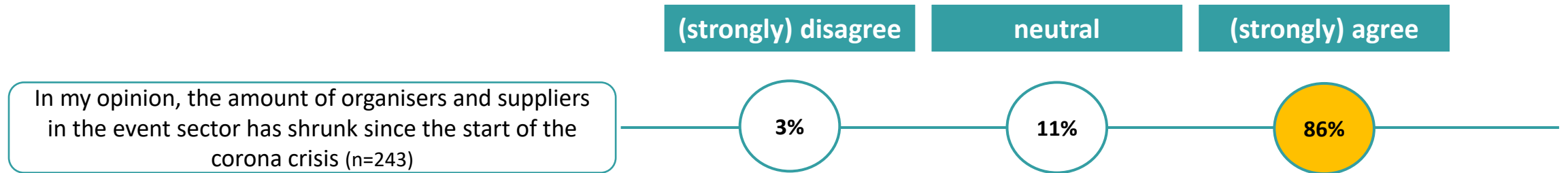
The current corona wave will be the final blow for my company/organisation (n=250)



Lessons learned?

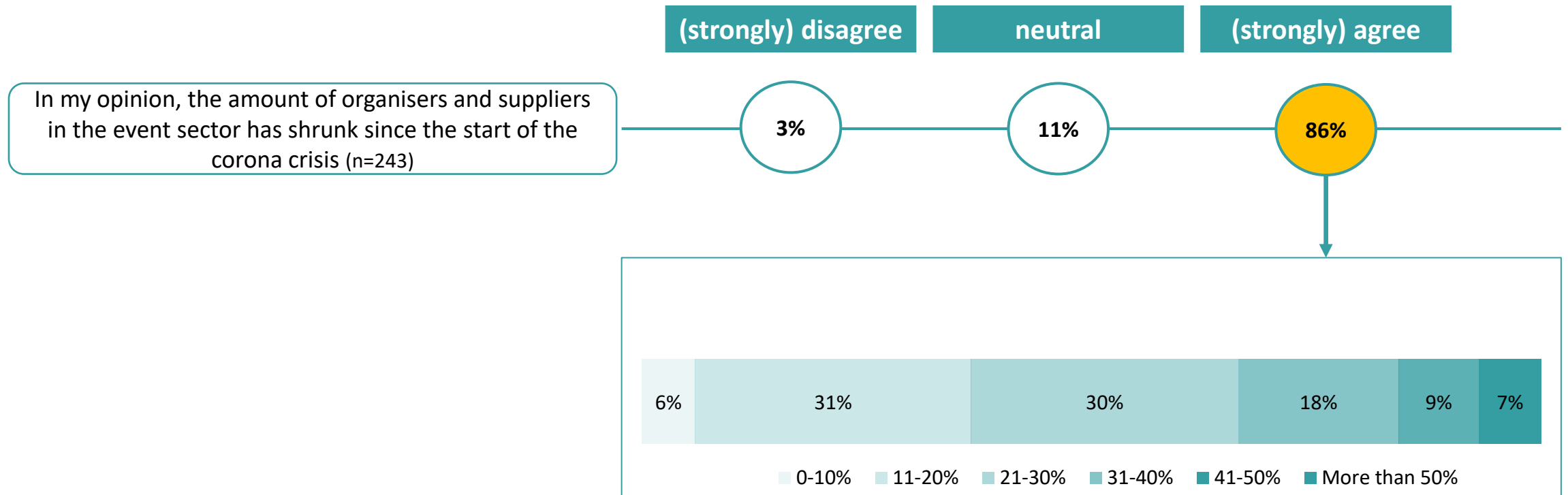


Shrinking event sector



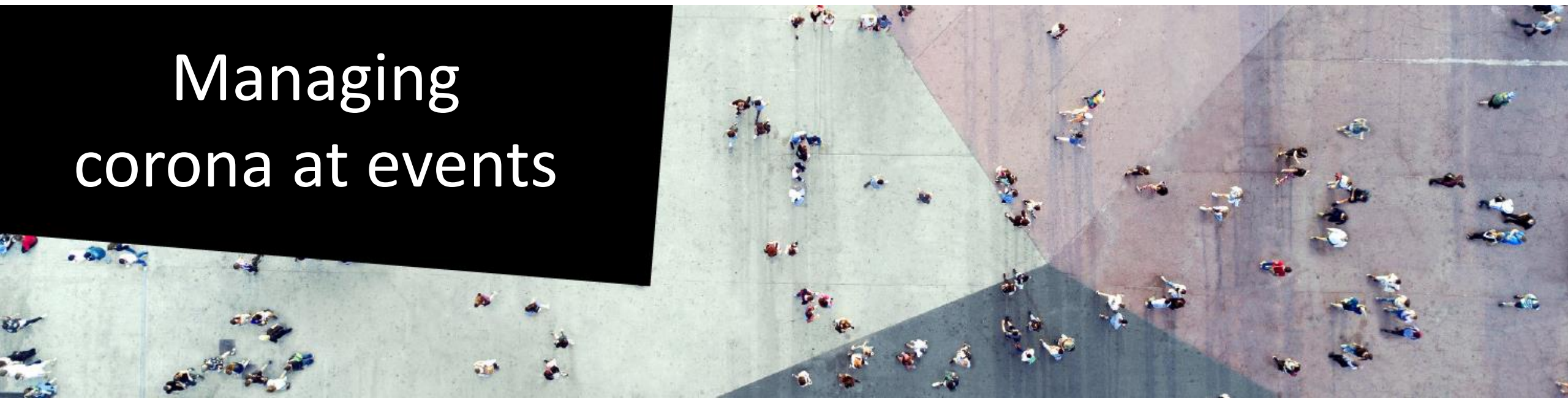
Shrinking event sector

86% of the event professionals think the sector has shrunk since the start of the crisis with on average 30%

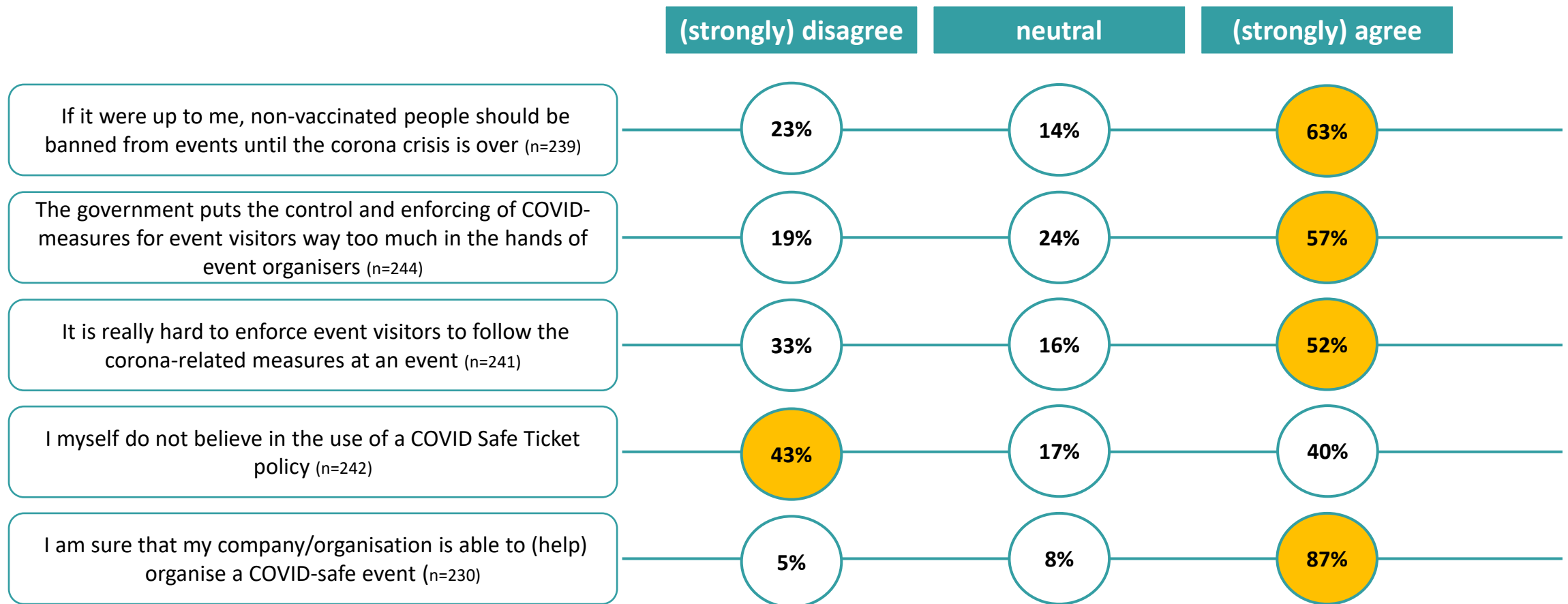


In your opinion, with which percentage has the Belgian sector of event professionals shrunk since the start of the corona crisis? (n= 175)

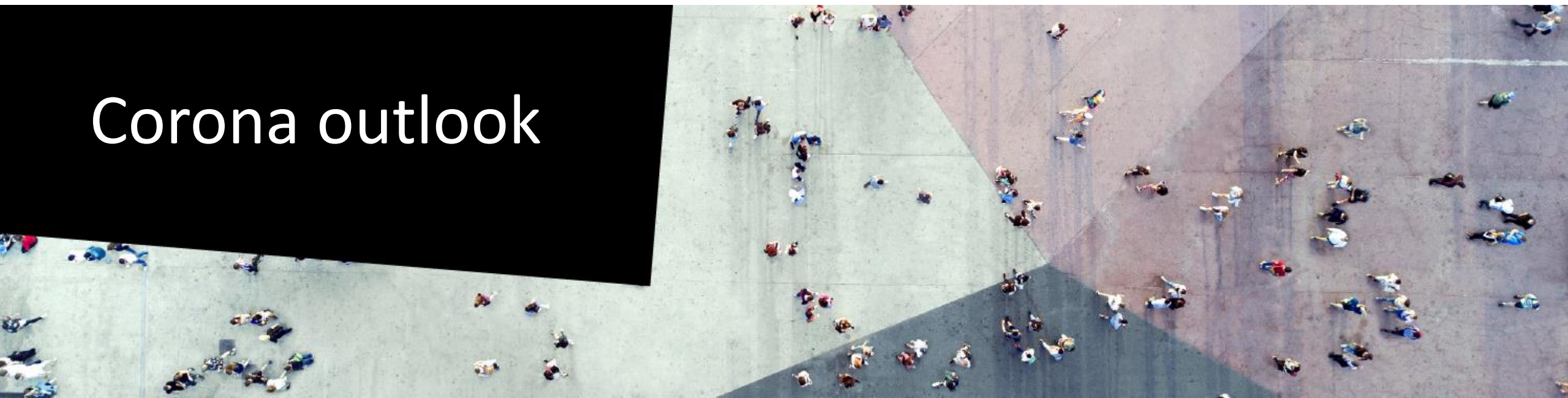
Managing corona at events



Managing corona at events



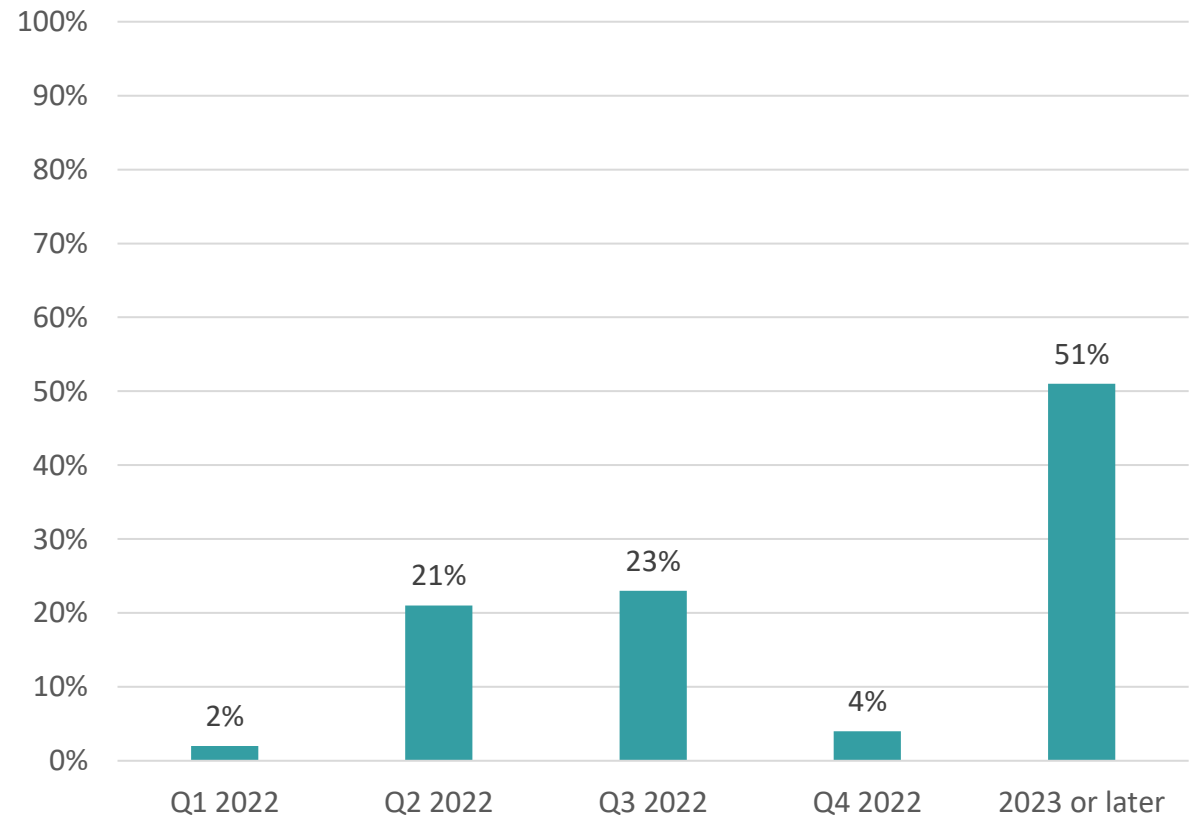
Corona outlook



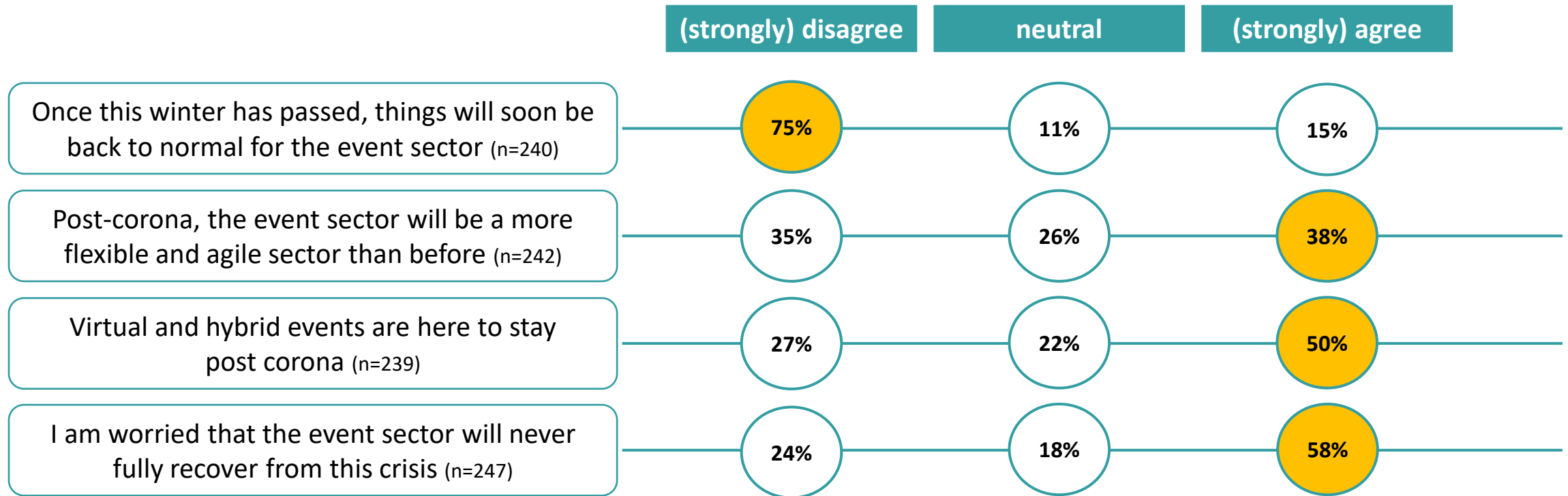
Reopening event sector

When do you expect the event sector to be back in business as usual? (n=214)

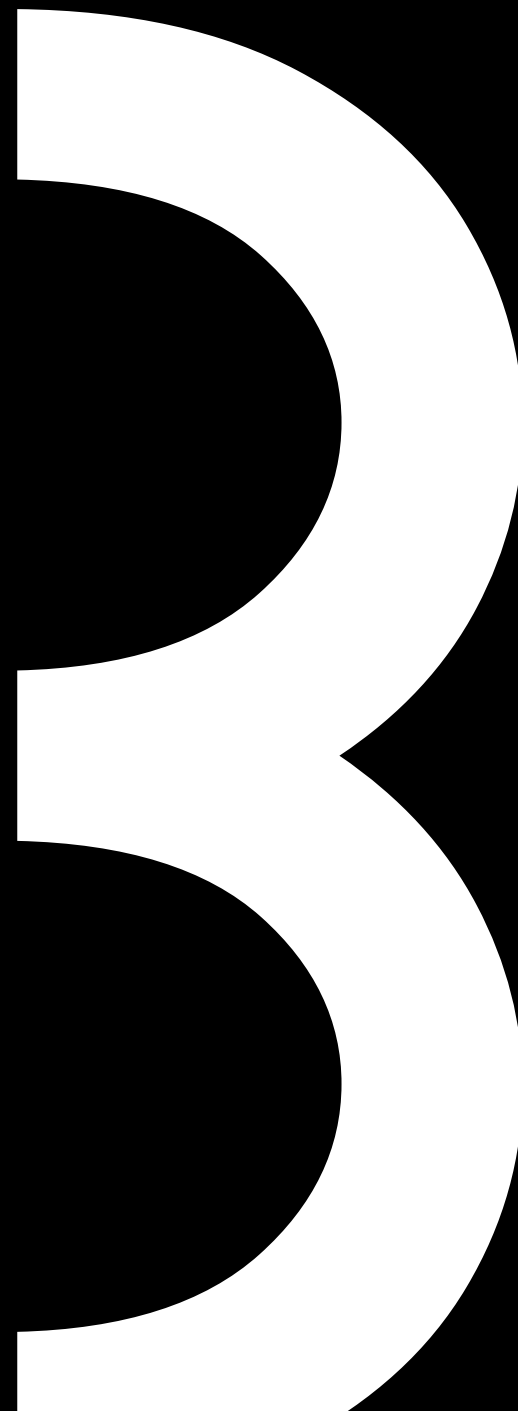
More than **one in two**
of all event professionals think
it will take until 2023
for the event sector to be back in
business as usual



Event sector post corona



Key findings



Current activities



- In December 2021, 43% of the organisers were still active in preparing/organising real-life events. About one in three suppliers and two in three organisers were busy rescheduling planned real-life events. Only one and two in five of suppliers and organisers respectively were also busy preparing real-life events.
- B2B accounts for largest share of annual turnover for most event professionals (62%).
- Over a quarter of all organisers were also planning virtual/online events at the time. However, hybrid and virtual events are still less popular than real-life events. Virtual/online have been organised by over two in five organisers and over a quarter of suppliers. This is about the same as in 2020. Hybrid events were also worked on by about one in four event companies/organisations, also more or less equal to the previous year.
- Over one in three suppliers had no activities whatsoever in December 2021.
- In 2021, almost 90% of the event professionals were active in real-life events, whereas in 2020 it was less than 40%. Still, one in ten had no such activities throughout the entire passed year.

Planned activities



- 2/3rd of the organisers who are still organising real-life events are planning these events for the first two quarters of 2022.
- Organisers are planning to organise increasingly less virtual/online events as the year 2022 progresses.
- Increasingly less organisers are currently planning to organise hybrid events in 2022.
- Compared to Q4 of 2021, the relatively share of hybrid and virtual/online planned events drops with more than 70% by Q4 of 2022.
- 1/3rd of all event professionals estimate they will work on more unprofitable than profitable real-life events.
- More organisers are less optimistic about the profitability of their real-life events than one year ago.

Cancellations & postponements



- On average, an organiser had to cancel or postpone 30 real-life events in 2021 due to the corona crisis.
- 60% of all event professionals cancelled or postponed half or more real-life events in 2021 due to the corona crisis.
- Only 13% of all event professionals did not yet have to cancel or postpone events for 2022 in December 2021.

Personnel layoffs & loss



- The surge of layoffs from 2020 continues in 2021: 51% of all companies/organisations had to fire/dismiss employees or terminate contracts with fixed freelancers in 2021, even more than in 2020.
- About one in three dismissed employees; about as many as a year earlier. Two in five terminated contracts with fixed freelancers; much more so than in 2020.
- 31% of all event professionals think they will (quite/highly) likely have to let people go in the upcoming months.

Turnover loss & financial future



- In 2021, almost nine out of ten companies/organisations expect their turnover to be lower than in 2019. Compared to 2019, the turnover for 2021 is estimated on average to be 52% lower. This is about the same as predicted in the survey of March 2020 (wave 1), at the very start of the corona crisis.
 - An average 50% turnover loss per organiser in 2021 equals over 1,8 million euros.
 - An average 53% turnover loss per supplier in 2021 equals almost 1,4 million euros.
- In 2022, almost six out of ten companies/organisations expect also their turnover to be lower than that of 2019. Only one in five thinks that 2022 will be a more lucrative year than 2019.

The impact of corona



- 25% of all event professionals are experiencing serious financial troubles and 43% expect to be in trouble within 6 months.
- Less than one in three event companies/organisations is relatively sure to be having sufficient reserves available to get through the corona crisis. 44% of all event professionals are not confident at all.
- Over four out of five event professionals indicate government support to be indispensable for them at this moment.
- More than six out of ten companies/organisations would prefer to close and receive government support, than to keep open under the corona regime in December 2021. 58% of all event professionals have considered more than once about ending their event activities permanently since the start of the corona crisis.
- Over three quarters of them has difficulties to keep themselves and their personnel motivated.
- Only half of the event professionals believe that the corona crisis has also changed things for the good in the event sector. 60% claim that they have learned valuable lessons for their company/organisation.
- 86% of the event professionals think the sector has shrunk since the start of the crisis with on average 30%.

Managing corona at events



- Almost two thirds of event professionals think that non-vaccinated persons should be banned from events for as long as the corona crisis is ongoing.
- 57% of them think that the control and enforcing of COVID-measures is put way too much in the hands of event organisers by the government. About as many indicate that it is really hard to enforce event visitors to follow the corona-related measures at events.
- Two in five event professionals do not believe in the use of a CST-policy.
- Almost nine in ten event professionals emphasise that they are sure that their company/organisation is able to (help) organise a COVID-safe event.

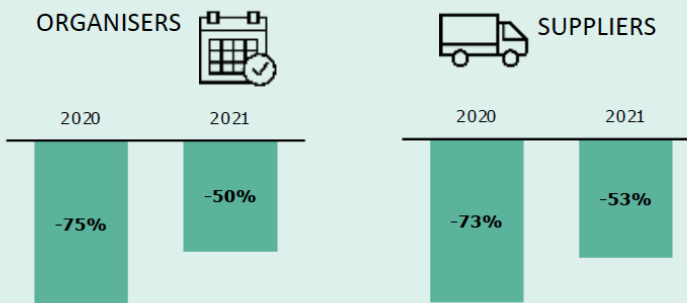
Corona outlook



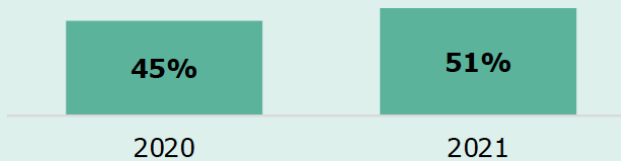
- More than one in two of all event professionals think it will take until 2023 for the event sector to be back in business as usual. Only 15% thinks that once this winter has passed, things will soon be back to normal.
- 38% thinks that post corona, the event sector will be a more flexible and agile sector than before. Half of the event professionals even think that virtual and hybrid events are here to stay.

Event sector in Belgium

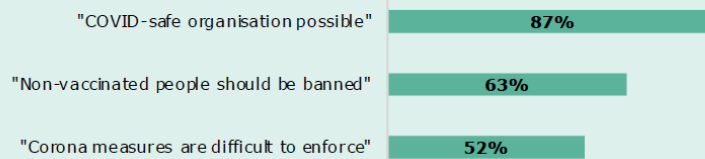
Expected loss in turnover due to corona crisis (versus 2019)



Organisations that had to dismiss personnel due to corona crisis



Dealing with corona at events



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Data based on a survey completed by organisations who are for more than 50% of their turnover professionally involved and/or active in the organisation of events. Research conducted by the centre of expertise Public Impact of Karel de Grote Hogeschool in December 2020 (n=223) and December 2021 (n=250).

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