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THE TRANSFORMATION OF BUSINESS EVENT TRAVEL

Thomas Hazinski, MPP
President & Managing Director

This paper presents findings from a survey of business event participants conducted in February and March of 2023. The survey aims to explore changes in the frequency of travel, motivations for travel, and changes in travel behaviors. Results show promising growth in 2023 and that the desire to network with peers and destination appeal are the strongest factors influencing decisions to travel to business events.

The survey also reveals changes in travel behaviors, with respondents more likely to extend travel times for recreation, leisure, or work, to travel with family and friends, or to book more short-term rental accommodations. The paper concludes that online events will continue to play an important role in business interactions. But remote work and online event options will likely suppress the need to travel for certain types of business events. Further research is needed to understand the implications for different types of events.

Introduction

HVS Convention, Sports & Entertainment and Access Intelligence recently surveyed more than 350 business travelers to gain insight into how their travel habits and attitudes have changed in the wake of the pandemic.¹ The survey reveals that there has been a significant shift in the behavior of business event attendees, including those who attend conventions, conferences, exhibitions, tradeshow, corporate events, and sales meetings.

The survey results indicate that business travelers expect to attend significantly more in-person business events in 2023 than in 2022, with pandemic and health-related travel concerns becoming less of a deterrent. Furthermore, they are now more likely to mix business with leisure than they were before the pandemic. Many travelers intend to extend their stays and bring their families with them on business trips.

While participation in online business events is expected to remain an important part of business travelers' work lives, remote participation is not expected to grow in 2023. The survey respondents rated the effectiveness of online events slightly negatively, indicating that they are not a perfect substitute for in-person events but continue to perform an important role in business communication. Networking was cited as the primary reason people attend in-person business events, which online meetings do not provide.

The survey also reveals that destination appeal is the most important factor influencing people's decision to attend in-person business events. Other factors such as costs, travel distance, time of year, and loss of work and family time also play a role. Health and safety concerns are found to have a limited impact on decision-making.

Over one-third of respondents work from home, and one-quarter have a hybrid home/office work pattern. Remote work was found to have a negative impact on the frequency of travel to business

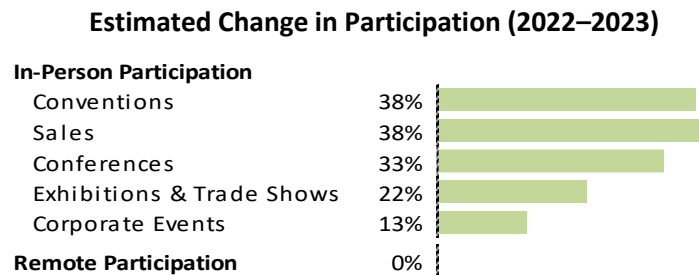
¹This survey research was conducted by Access Intelligence and HVS Convention, Sport & Entertainment in February, and March of 2023. We obtained responses from 357 business travelers in the United States. Survey responses were solicited through emails, which provided a link to an online survey. Respondents represent a wide range of industry sectors, job levels, company sizes, and firm revenues.

events. Additionally, 40% of travelers have pursued "nomadic working" situations in the past 12 months, which is the choice to work away from home and office for extended periods.

Overall, the survey results suggest that there has been a significant transformation in the behavior of business event attendees. While online events have become a staple of business communication, they are not a perfect substitute for in-person events.

Change in Participation

Survey participants were asked to compare the frequency of their anticipated event attendance in 2023 to their actual attendance in 2022. The survey results were then used to estimate the overall percentage change in participation for five types of in-person events, as well as remote participation. The figure below visually represents these results.



Source: HVS and Access Intelligence

The survey reveals expectations of a significant increase in attendance to conventions (38%), sales meetings (38%), and conferences (33%) in 2023, reflecting the fading of pandemic-related travel concerns and the continued growth of the US economy with strong employment growth. However, the increase in participation in exhibitions and trade shows (22%) and corporate events (13%) is expected to be slower, possibly reflecting a more cautious approach to business spending and limitations on travel.

Among the survey respondents who are able to influence business travel policies (44% of respondents), over half indicate that their event travel budgets will increase, and only 6% said that budgets would decline. On average, conference, convention, exhibition, and trade show travel budgets are expected to increase by approximately 15%. Despite a trend toward increased budgets, approximately half reported that their travel policies had changed in the past six months to discourage or cut back on travel, or that travel requests now require higher approval levels.

Why People Attend Events

The survey asked respondents to rate the strength of their motivations for participation in each of five types of events, using a scale of one to five, where one represented the lowest level of motivation, and five represented the highest. The results were then used to create the figure below, which visualizes the average ratings for each event type.

Why People Decide To Go To Events (Average Response on a Scale of 1 to 5)

Reason for Attending	Conferences	Conventions	Exhibitions & Tradeshows	Corporate Events	Online Events
Network with business contacts	↑	↑	↑	↑	↓
Content of the programs	↑	↑	↔	↔	↔
See vendors or suppliers	na	↔	↑	↑	na
Attendance is required	↓	↔	↓	↔	↓
As speaker or presenter	↔	↓	↓	↔	na
Get certification credits	↓	↓	↓	↔	↓
Place orders or make purchases	na	↓	↓	↓	na
Exhibitor or sponsor	na	↓	↔	↔	na
Training	na	na	na	↔	na
Customer appreciation/entertainment	na	na	na	↔	na

Source: HVS and Access Intelligence

Networking with business contacts emerges as the primary motivator for attending all in-person events, except for online events. For conferences and conventions, the content of programs is also identified as a strong motivator. For exhibitions, tradeshows, and corporate event attendees, seeing vendors and suppliers is a priority.

The strength of reasons for attending online events is generally weaker than the reasons for attending in-person events. This is likely due to the loss of networking opportunities available at in-person events. Overall, the survey indicates that networking remains a crucial aspect of business events and is a key driver for many attendees.

Influences on Participation

The survey also asked respondents to rate the strength of influences on their decisions to attend events for each of the five types of events, using a scale of one to five, where one represented the lowest level of influence, and five represented the highest. The figure below visualizes the average rating of respondents.

Influences on Participation (Average Response on Scale of 1 to 5)

Influences on Participation	Conferences	Conventions	Exhibitions & Tradeshows	Corporate Events	Online Events
Destination Appeal	↑	↔	↑	↔	na
Cost of travel and participation	↔	↔	↑	↔	na
Travel distance	↔	↔	↔	↔	↔
Time of year	↔	↔	↔	↔	na
Loss of work and family time	↔	↔	↔	↓	↓
Health and Safety	↓	↔	↓	↓	↓

Source: HVS and Access Intelligence

The survey results indicate that destination appeal was the strongest influence on decisions to attend all types of in-person events, except for online events. But other factors such as costs, travel distance, time of year, and the loss of work and family time also play an important role in decision-making.

Interestingly, the survey finds that health and safety concerns do not strongly influence respondents' decisions to attend events. This could be due to the fading of pandemic-related travel concerns and increased confidence in the measures being taken to ensure the safety of attendees at events. Nonetheless, the ever-present threat of emerging health and safety concerns should still be a consideration for venues, event organizers, and attendees alike.

Change in Travel Behavior

In addition to revealing expectations of increased travel to business events, the survey indicates that post-COVID travel behaviors are changing in many significant ways. Respondents were asked to indicate whether they were more or less likely to extend travel times for recreation, leisure, or work, to travel with family and friends, or to book more or less short-term rental accommodations. The figure below shows the average net change, which is the difference between those who are more likely and those who are less likely to engage in these activities.

Change in Travel Behavior (2022–2023)

When attending business events are you more or less likely to do following?	2022–2023 Net Change*
Extend travel time for recreation and leisure	33%
Travel with family and friends	32%
Extend travel time for work	22%
Book short-term rental accommodations	17%
*Weighted average of all respondents by type of event	

Source: HVS and Access Intelligence

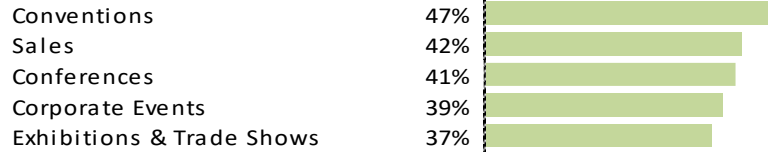
The survey results indicate that many significant changes have occurred in travel behaviors, with 33% of business travelers being more likely to mix leisure and business travel than before the pandemic. Although the data cannot confirm a causal relationship between the pandemic and travel behavior changes, it suggests that the pandemic may be a catalyst for new behaviors.

To estimate the impact of these behavioral changes on the extension of travel times, travel with family, and use of short-term rentals, we combine survey data on increased frequency of participation with behavioral changes.² The figure below visualizes the findings for four behavioral changes over five types of business event travel.

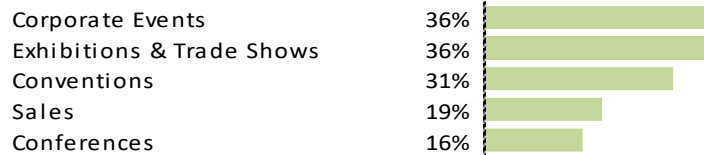
² For each type of event, we multiplied the net change in behavior by one plus the increase propensity to travel.

Expected Change in Travel Behavior* (2022–2023)

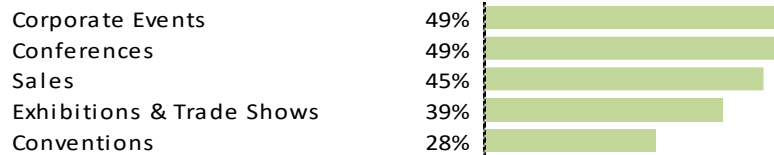
1) Travel with Family and Friends



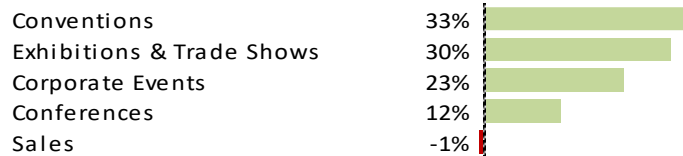
2) Extend Travel Time for Work



3) Extend Travel Time for Recreation and Leisure



4) Book Short-term Rental Accommodations



*Behavioral changes weighted by the propensity to travel.

Source: HVS and Access Intelligence

The data suggests that attendees of all types of events are more likely to extend their travel times for leisure, recreation, or work, with conventions and conferences showing the largest increases. Traveling with family and friends is also becoming more common across all types of events. These findings suggest that business travelers increasingly incorporate leisure and personal time into their trips, indicating a potential shift towards work-life integration.

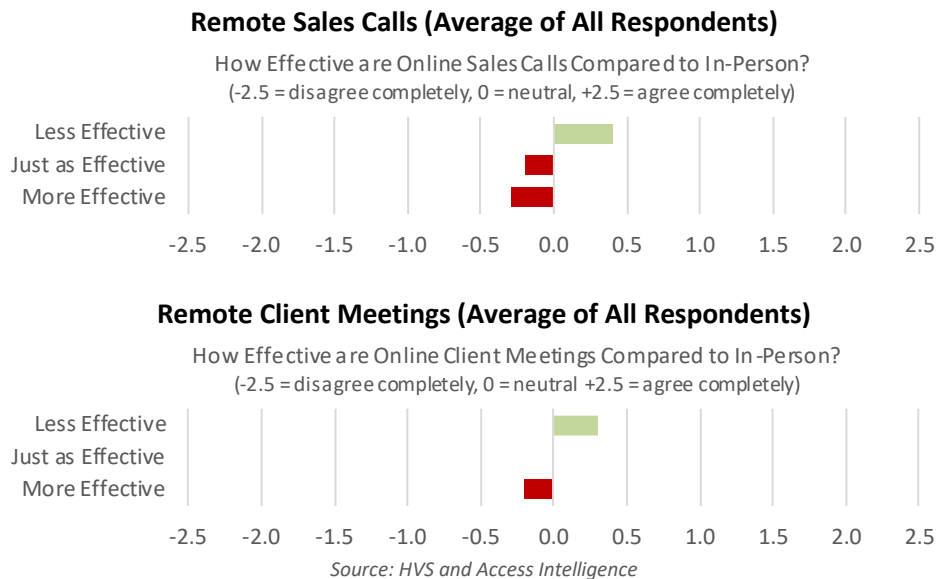
Furthermore, the increase in travel with family and friends may lead to a rise in spending on leisure activities, attractions, and shopping. These changes in spending patterns and the overall increase in travel are likely to positively impact local economies, particularly in destination cities hosting large business events. It is important for event organizers, destination marketing organizations, and local businesses to understand and adapt to these changes in order to maximize the economic benefits of business events.

Short-term rental accommodations, such as Airbnb and Vrbo, have become increasingly popular for business event travel, especially for conventions, exhibitions, and tradeshow. This trend has significant implications for the hospitality industry, as it affects the demand for traditional hotel room blocks and the ability to track spending on lodging. Meeting planners need to be aware of the impact of short-term rentals when negotiating contracts for room blocks. Hotels may need to adapt their strategies to compete with the growing popularity of these alternative accommodations.

Additionally, local governments may need to consider regulating short-term rental accommodations and better enforcing safety and zoning requirements.

On-Line Meetings

As shown in the first figure of this article, participation in online meetings, which grew dramatically during the pandemic, has leveled off. Survey respondents were asked to state their agreement or disagreement with statements about the effectiveness of remote interactions with in-person sales calls and meetings. The average level of agreement or disagreement with these statements is visualized in the figures below.



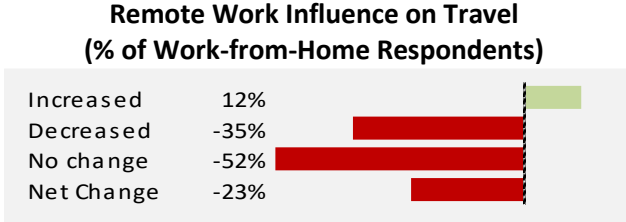
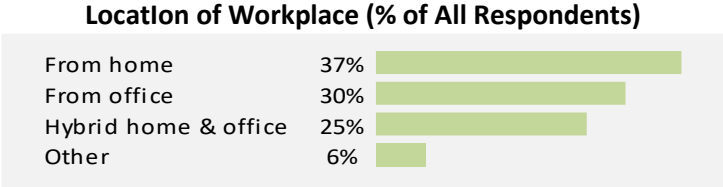
According to the survey results, both sales calls and client meetings are perceived as less effective compared to in-person meetings. Remote sales calls are viewed as less effective than remote client meetings. However, the strength of negative responses to the effectiveness of remote interactions is relatively weak (less than 0.5 points on a 5.0-point scale). This indicates that remote meetings are somewhat effective, albeit less than in-person interactions. Participants report that they most value the content of remote events and the reduction in travel costs as the primary reasons for participating in them. We conclude that remote events will continue to play an important role in business interactions, particularly when participants do not feel the need to generate new networks of personal contact. Consequently, remote events will selectively impact the need to travel for business events.

Remote Work

Recent research by Statista has shown that 35% of workers in the US have been offered full-time remote work options and 23% have been offered part-time remote work options.³ To investigate the influence of remote work on the necessity of attending business events, the survey asked

³ Statista Research Department, July 22, 2022.

respondents about their work location, whether they worked remotely, and whether it increased or decreased their requirement to travel to business events. The results are shown in the figures below.



Source: HVS and Access Intelligence

Consistent with the Statista research, our survey findings show that 37% of respondents work full-time from home and 25% use a hybrid home and office arrangement. Among those who work remotely, 12% think their work arrangement will increase their need to travel to business events, while 35% said it would decrease their need to travel, resulting in an average net decrease of 23%. Conversely, nearly 50% said the work-from-home trend would increase their need to participate in digital online events. It is clear that changing work habits will have a long-term impact on participation in business events. Further research is needed to understand better the impact on the various types of business events.

Conclusion

In conclusion, the survey results indicate that the attitudes and behaviors of people traveling to business events are in the process of transformation. While the desire to travel to business events shows a strong recovery from the pandemic years, the increased popularity of remote work and digital events have changed how people think about and participate in these events. Business travelers are seeking more leisure and recreation during their trips, and the increasing use of short-term rentals is changing the lodging behavior of participants. As the world recovers from the pandemic, it will be important to measure how these trends evolve and shape the future of business travel. Further research is warranted to understand better the impact of these changing attitudes and behaviors on the business events industry and the wider economy.



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About the Author



Thomas Hazinski, MPP is the President and Managing Director of HVS Convention, Sports, & Entertainment Facilities Consulting in Chicago, Illinois. His consulting practice is dedicated to the market and financial analysis of public assembly facilities. Mr. Hazinski has over 30 years of experience as both a public official and a consultant. He specializes in providing economic and financial research to public agencies and private developers involved in economic development initiatives. Mr. Hazinski holds a master's degree in Public Policy from the University of Chicago's Harris School of Public Policy where he has served as an adjunct professor at the Harris School teaching a graduate degree course in State and Local Government Finance.

Email: thazinski@hvs.com