

Miles Clarke Business Events Communication Award 2009

Highly Commended Entry

THE CONSEQUENCES OF CLIMATE CHANGE FOR THE BUSINESS EVENT SECTOR – TAKE CONTROL OR WEAR THE CONSEQUENCES

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The Impacts of Climate Change on Business Events

Although the Global Financial Crisis currently dominates the front pages of the daily press, climate change is recognised as the issue posing the greatest long term threat for society. Even if we were to cease all emissions tomorrow, IPCC figures show that the climate will continue to warm with devastating effects based on the carbon already released into the atmosphere. Whilst the impacts of climate change will affect all sectors of industry and all have a responsibility to improve environmental performance, Australia's Business Event (BE) Sector is particularly vulnerable given its reliance on long haul travel. Already there are examples of activist groups, particularly in the UK and Germany, publicising the problems associated with long haul flights to destinations such as Australia. Given the substantial increase in the number and capacity of BE venues in recent years and the consequent increased competition for business, there is pressure on Australia's BE sector to minimise its carbon footprint and to publicise its achievements to counter negative messages from competitor destinations. If Australia's BE sector does not demonstrate its preparedness to take control of minimising its carbon footprint, there is every chance that the government will impose regulations or some form of guidelines, which may not be in the best interests of the sector. It is critical, therefore, that the BE sector takes control of its own destiny in this area.

Research Study

In order to increase the BE sector's understanding of issues relating to climate change and to underpin adaptation and mitigation activity in the sector, the Centre for Tourism and Services Research at Victoria University has embarked on a multi-year research project with the support of BECA. This project will examine climate change from multiple BE perspectives including organisers, suppliers, delegates, associations, government and the media. The first stage, completed in November 2008, was based on in-depth interviews with a wide range of key informants from most areas of the sector, including convention centres, convention and visitor bureaux, exhibitions, organisers and industry associations.

Based on these interviews, it was clear that the sector has done much to improve its level of sustainability in terms of recycling and waste management and that there is a growing awareness of the threat posed by climate change. That said, however, there was a high level of uncertainty as to who is driving the process and what needs to be done.

There was a great deal of confusion about which green practices are feasible, practical and affordable. There was also confusion about which practices really are as green as they seem – for example, giving out press kits to journalists on memory sticks instead of on paper is widespread, in the belief that this is

better for the environment. However, this is not necessarily the case. Further confusion has been caused by the recent proliferation of carbon offsetting schemes. The sector needs to work together to come up with guidelines on which green practices, facilities and schemes are recommended, and which are not.

Anecdotally, suppliers seem to believe that customers are demanding greener products. But, the research showed that although the provision of greener products is becoming more important for corporate meetings, currently this does not appear to be a major issue for domestic or international association conferences, or exhibitions. According to interviewees, consumers don't seem willing as yet to cover the costs of increased event sustainability. Suppliers also gave reasons for being involved in sustainability programs as gaining a competitive edge, media pressure and feeling that it is 'the right thing to do'. Since the extent of any competitive edge is currently debatable (green is often seen as a 'nice to have' rather than a deal breaker, and may become a hygiene factor in years to come), the study pursued the other notions – that suppliers feel that it is the right thing to do and that the media is exerting pressure on suppliers to be greener.

This research certainly suggests that there are a small number of committed individuals for whom the environment is an important personal issue and who champion this in their business. This may be spurring on the competition, leading to an overall increase in the uptake of green practices. The sector should engage more fully with these individuals, using them as role models or mentors for others in the business wanting to become greener or implement climate change mitigation measures.

With regard to the influence of the media, interviewees certainly felt that this was an important factor. A subsequent assessment of the coverage of sustainability and climate change in the trade media over the last two years was carried out which found that coverage of sustainability has increased substantially over this period and is overwhelmingly positive in tone, often including tips and lists of measures that companies can take to be more sustainable. When it comes to climate change, however, coverage is more likely to be negative in tone, linking climate change with difficult global issues such as the economic downturn and high fuel costs. The BE sector needs to work harder to promote the good work that has been done, not just in sustainability but also to reduce BE's contribution to climate change. There is also the need to stress that climate change mitigation is within the control of individual operators and suppliers. The visible increase in sustainability (like recycling and waste management), therefore, can be mirrored by a visible increase in climate change mitigation (like carbon offsets and using alternative sources of energy).

Challenges

The BE sector is a substantial contributor to Australia's economic and social wellbeing. The NBES showed that the sector generated \$17.3 billion expenditure per year and this does not include many of the long term industry development and trade benefits. Given the enormous investment that Australia has made in the physical and human infrastructure underpinning business events, it is critical that the sector remains competitive. To do this, the BE sector must engage in the climate change debate, be proactive in minimising its carbon footprint and be recognised to be doing so. Failure of the sector to take control of its engagement with this key issue could see its demise as a key sector of the Australian economy.

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