



■ ANTON LOCKWOOD



■ JAMES GOWER

■ JOHN ROSTRON
Image: © Jody Hartley

What lies ahead

Event professionals reveal their industry predictions for 2023

Rising costs, increasing ticket prices, a calmer supply chain, and a more settled events landscape. These are just some of the industry's predictions for the next 12 months that will impact on the event sector, and how it does business.

According to several events professionals, the industry is optimistic that life will begin to settle down, events will return with a bang, and good events will perform well. However, this is against a backdrop of rising inflation, financial pressures, tight margins, strikes, and other "disruptors".

Marie Lindqvist, SVP operations Europe at ASM Global, comments: "Overall, it is shaping up to be a strong year for live events, as the industry makes a definitive bounce back from the pandemic. Lots of shows are back to touring in full, both internationally and domestically.

"Of course, there'll be challenges and likely this year the entire industry will experience this in the form of rising costs, especially energy. Inflation, costs, strikes, and other disrupters are ongoing concerns that the industry will be keeping a close eye on and navigating accordingly.

"The cost-of-living crisis affects people at home, and in business, and could certainly impact ticket sales, although promisingly there is no sign of this yet, and there's still

a very real appetite for live entertainment with major must-see shows out there."

Steve Heap, general secretary of the Association of Festival Organisers (AFO), concurs with Lindqvist's point on ticket sales. He believes that the big trend in 2023 will be a £200+ weekend festival ticket and thinks that customers will swallow the price increase if organisers deliver a "unique experience".

"A flooded festival market is always an issue, but in real terms, only a tiny proportion of the 65 million people on this island have ever been to a festival. So, think about how you attract people for the first time," he comments. "The big stars on stage are no longer the first selling point. The experience, and the atmosphere are what counts. Create a unique experience by doing something completely different at your festival and market that first, rather than who your headline acts are."

Heap says that one of the biggest impacts will be a 15-25 per cent rise in hire costs, which is why he is encouraging organisers to make sure they have completed their budgets before they declare their ticket prices.

He adds: "The competition is an overseas holiday, city breaks, and the black screen in the corner of everyone's living room. Rise

up and challenge those and we will have a successful festival season."

RIISING COSTS AND PAYMENT PLANS

John Rostron, CEO of the Association of Independent Festivals, describes 2023 as an exciting year. He explains: "I predict independent festivals will become a priority for the music industry to develop and showcase artists. Like many in the event sector, festivals have had a lot to adjust to - rising supply chain costs, the energy crisis, skills shortages, and the cost-of-living crisis. But they are well-loved by their audiences, who are taking up offers of deposit schemes and payment plans - prioritising a trip to their favourite festivals when cutting other expenditure."

Stephen Freeman, CEO of Freemans Event Partners, says that despite the cost-of-living crisis and soaring inflation, demand will be at an all-time high for tier-one events and spectacles despite external pressures on personnel finances and soaring ticket prices.

Frankie Tee, director of EnTEertainment, states that 2023 will be a challenging year for events to make big profits but some clever working can ensure live events are still thriving and ensure a good return. She says: "I would like to see increases start to steady themselves but with the current



■ MARIE LINDQUIST



■ STEPHEN FREEMAN



■ SUSAN TANNER

cost-of-living crisis, I feel continued increases are inevitable."

EXTREME STRESS

Susan Tanner, CEO of the National Outdoor Events Association, recognises that the cost of doing an event is growing and margins are under extreme stress in an industry that is still trying to regain financial control post-pandemic.

She explains: "We do think this will be a major feature of 2023. But paradoxically, we also feel that more businesses will return to events, some of which will be new, others coming back from short-term diversification. There is a material and infrastructure resource issue within the industry and having innovative businesses with sustainable solutions for organisers could be a real plus point for the industry."

"We also believe we will start to see more talent coming into events as the industry continues to stabilise and people see the return of some of the event mega-brands. This is also a major positive and one which could have lasting benefits. We do need to keep bringing in creative talent with new ideas. If we do, we will have a stronger and more robust industry in the long run."

Heap predicts that the industry could see a shortage of trained staff to deal with the effects of Martyn's Law (Protect Duty). This is a point raised by Caroline Harding, consulting director at Symphotech, who suggests that 2023 will see the live events industry "scramble" to implement Martyn's Law measures.

SHOWER OF FROGS

James Gower, managing director of National Game Fair and Stable Events, comments that the event sector will continue to find a "new level" with strong events stabilising, the cull of weaker events complete, and innovations emerging to fill gaps and help modernise the industry. He says: "Attendances will remain strong with audiences remembering how much they missed events. The supply chain will settle down, but prices will rise under inflation with some contractors taking advantage and raising prices further. The result will be that many long-standing supplier relationships will be broken as organisers strive to protect margins."

"Where there is a choice, such as in the music festival sector, good events will perform well but consumers struggling with the cost-of-living crisis will be making selections and may not attend as many events."

He continues: "What's the outlook? Calm, mostly clear but with a few intermittent storms the odd unexplained shower of frogs and fish - it's the events industry after all!"

SUSTAINABILITY

Gower adds that marginal festivals will suffer and suggests that sustainability, the environment, and social drivers will continue to be important influences in decision-making and business modelling.

Freeman concurs and agrees that sustainability will continue to be a major focus for event providers as they continue to assess what influences consumer decisions and what green choices consumers are

more likely to make. For example, food and drink carbon footprint labelling on menus, paperless comms pre-event and during the event, recyclable or compostable packaging, plastic vs. cans, etc. Furthermore, regulations will have a huge influence on event costs which alongside inflation costs may be passed on to the consumer. For instance, the single-use plastic ban comes into force in 2023 and will provide more consistency around sustainability across events.

BE COMPELLING

Anton Lockwood, director of live at DHP Family, agrees with Gower. It's a challenging time but people still want to go to shows and festivals. When things are "miserable", people want to do something they enjoy even more.

He explains: "We're finding people are still buying tickets - people always want to watch live music but are being more selective about it. Lewis Capaldi sold out in minutes and we're solid on Bearded Theory."

"How I see it is that audiences might go and see a band they love on a Saturday night in a great venue and will pay the ticket price even if it's higher than before. But perhaps they won't go to a gig every Monday, especially when factoring in the cost of a pint and taxi home too."

He adds: "While Glastonbury can sell out even with a price hike, it's challenging for smaller festivals. What it means is that we need to make every event feel special, a can't miss event. We need to be more careful as a promoter and make sure everything we do is compelling as possible." ■