

## BIZZ EVENTS

### SEAUTON OPENS OFFICES IN LISBON AND AMSTERDAM

## Growing in a shrinking market

At a time when many rival agencies are cutting back due to the crisis, the Seauton events agency has embarked on its own successful growth story. At the beginning of this year, Seauton opened an office in Lisbon, to be followed by Amsterdam at the end of the year.

BENNY DEBRUYNE



**The Seauton management team: Inge Samyn (managing director), An Lambrechts (project manager), Jan Samyn (sales director) and Margo Heremans (marketing and business development)**

You may still remember the pictures of a group of Belgian students last year who were stranded in New York as a result of the Icelandic ash cloud and who invited their compatriots to come and sing “*Ik hou van u*” (I love you) in Times Square. The whole thing was an idea put forward by Seauton, the Leuven-based agency that organises events and conferences. The 150 or so students from Howest University were on a study tour to America, divided into three groups. “While the group flying from San Francisco to Atlanta was still aboard the plane, we made sure that they would be met by a coach to take them to a youth hostel that we had booked during their flight,” recalls Jan Samyn, founder and sales director of Seauton. “For the group stuck in New York, we organised a tour of the city and the singalong in Times Square.” The agency provided the students’ parents with daily updates. And when the airspace was finally opened again, all of the students were aboard the first flight out.

Seauton, founded in 1998, also organised the European Business Summit in May. This is an annual event featuring some 1500 delegates, where Europe’s top politicians are able to get together with business leaders. Other agency clients include Merck Serono, Econocom and USG People.

With many of the agency’s rivals in the economy-sensitive events sector busy sounding the alarm, Seauton has been putting in a growth spurt. While the agency’s gross margin had continued to increase steadily, rising from €134,000 in 2005 to €206,000 in 2008, it made a quantum leap to €351,255 in the

crisis year of 2009. "Actually, we weren't really affected by the crisis," says Samyn. "There may not have been any spectacular events, but we have more clients now than we did before the crisis began."

On 1 January, Seauton, serving its clients with a staff of fourteen, opened its first office outside Belgium. The opening of the Lisbon branch is part of a ten-year plan. By the end of this year, there will be another office in Amsterdam, focusing on the Northern European market, while a further branch for Central Europe is planned for 2012. So, how is Seauton able to buck the trend in the industry and keep growing?

### **Rather than rationalise, we opt for quality**

"In 2008, the sector started to come under pressure because some companies were starting to cut back on incentives and events," says Antoon Van Eeckhout, founder of the Association of Flemish Travel Agencies (VVR), the industry federation that also represents events. "A number of agencies disappeared and those travel agencies that had an events department switched their attention to other activities."

As the major players began to make savings, the smaller companies started dropping their prices. Seauton was the exception, according to Samyn. "By lowering your prices, you depend on the volume that you sell. This takes you into a downward spiral. We have been stubborn and kept our prices where they were. In fact we even refused some projects if we thought that we would not be able to provide sufficient added value." Did the agency lose clients in a shrinking market? "As a result of the crisis, companies are running fewer events and activities, but when they do decide to organise something, it has to be really good. So while our rivals are busy rationalising, we stand out from the crowd by opting for quality. We'll also invest in travelling to the proposed location to take a look, even for a pitch."

Lots of other agencies are also trying to save on staffing costs by using software that puts together standard programmes for clients. Seauton swears by tailored proposals and a personal approach.

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### **Don't pull back, go international!**

"Portugal is a country in a deep crisis, which is why Seauton received a warm welcome when it opened its office in Lisbon," relates Samyn. The way he views things, going international is best. He sees three reasons for this: first, the level of service in Belgium is very high. "Belgian agencies have a good reputation internationally," confirms Van Eeckhout from the VVR. Second, the organisation has a strong management team, consisting of four out of the fourteen members of staff. With Samyn's sister Inge acting as managing director, brother Jan believes that the agency has all the flexibility it needs. The third reason is that Seauton fine-tuned its method of working during its first ten years of operations on the Belgian market. Seauton is funding its expansion with profits and input from the Bank of Brabant. "In principle, we are not working with external capital," says Samyn. "We are profitable. The legislation governing travel agencies is also very strict. Agencies that are unable to present good figures are not able to obtain the required insurance cover. Precisely because we are financially healthy, we are able to advance large sums for our clients."

### **Don't simply be a yes-man, question the client properly**

Seauton sees itself as an extension of its clients and also has the courage to question what they ask for. "Some agencies score well with clients by solving problems on the spot. We like to be as well prepared as possible so that no problems can crop up." A number of clients have subcontracted their travel and conference support to the Leuven agency. Others are asking that Seauton work exclusively for them in their sector. Van Eeckhout can see yet another difference between Seauton and its competitors. "In the travel industry, the norm is for the travel agency to book flights and hotels and then bill those costs on to the client. Instead, Seauton usually positions itself as an adviser, so that clients make their own bookings for hotels and flights. This means that Seauton earns less, because the clients themselves then pocket any discounts from the hotels and flights." This advisory function makes sense, according to Jan Samyn. "Our business model is not based on getting discounts, but on providing advice."