

# EXCLUSIVE: UK planners back internal events despite negative Pepsi coverage

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The UK events industry is positive about the value of internal corporate events, following a damning report published in the US.



An article in the US slammed Pepsi's 50th anniversary party

[While Pepsi was criticised by Fox News for hosting a lavish 50th anniversary party this week](#) (see video below), UK events industry professionals have hit back, pointing out that internal events provide a massive boost to businesses.

Nicky Whyman, commercial director of KDM Events, said that a well-rewarded and motivated workforce can improve company output. "Economists at the University of Warwick have found happiness increases productivity by around 12%," she explained, adding that a satisfied workforce encourages staff retention.

"UK average employee turnover rate is 15%, which costs employers dearly in replacement costs and in the value of the knowledge that good staff take away with them. Industry leaders track churn and monitor year-on-year trends, devising strategies to increase employee productivity and reduce turnover."

Following the recession, spending on lavish internal events became highly controversial in the UK, with a series of media reports slamming big businesses for hosting costly parties and functions. A report in *C&IT* at the end of last year showed that [almost half of CEOs still viewed corporate parties as a cost rather than an investment](#), particularly those in low-spend organisations. However, according to a report published by Involve in 2014, there is evidence to show that internal events, when used effectively, can influence employee engagement, revenue and profit.

Joy Thomas, director of corporate events at FICO, said events pay for themselves in employee satisfaction and productivity. "We held an event recently which enhanced team spirit and brought everyone together," she said. "It was great opportunity for our new employees to get involved and feel valued as part of the company. As well as uniting the company, it gave us the opportunity to ensure that everyone across the business understood the key messages."

This sentiment was echoed by Charlie Hepburn, managing director of Vivid Event Group, who said brand engagement should be at the core of all businesses. "Companies should treat their employees as they would treat their customers. In such a brand-focused world, it's essential that staff can understand and appreciate the company values."

Meanwhile, Charlie Berry, event director at Zing Events, pointed out that a company's employees were responsible for driving profits in the first place. "Why do we begrudge these same people the opportunity to celebrate on a platform that rewards the workforce? We've seen time and again the positive impact that corporate events and away days have on staff morale; employees can feel reinvigorated and experience that feeling of being valued, which is essential to productivity when they return to the workplace," he explained.

See the video from [www.foxbusiness.com](http://www.foxbusiness.com) with details of the news outlet's original report.