

International MICE Outlook from North America

The second annual International MICE Outlook poll from North America was conducted by IMEX amongst 50+ buyers of meetings and incentive travel in September 2006. Over 85% of respondents were from the USA (the balance from Canada), and among key titles were: President; Executive Vice-President; Managing Director; National Account Manager; Regional Director; Director; and Owner, Conference Resource Agency. Approximately three-quarters (73%) organise up to 10 events annually outside North America, the balance planning from 11-50. Around 80% of the events involved up to 250 participants, the balance involving from 251-500. Typically events comprised meetings and congresses (both corporate and association), plus incentives, but some decision-makers made reference also to exhibitions; sports events; corporate hospitality; and leadership training. It should be noted that being recent attendees of the IMEX exhibition those sampled are inherently disposed to planning outbound MICE events.

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The international vision of North American MICE planners continues to intensify with forces of globalisation identified as the prime explanation; however, concerns about safety and security are still paramount in destination selection. Respondents acknowledge interim ups and downs arising from subtly changing perceptions of economic and political stability, but underlying causes relate to expanding business interests (for corporates), and widening membership opportunities (for associations). Another general trend is that seen-it-all delegates are increasingly anxious to 'sample somewhere different'.

A more nuanced set of reasons for seeking overseas MICE locations is offered in **Table 1**, together with a comparison for 2005.

Table 1. Reasons for choosing international destinations (ranked order of influences)

	2006	2005
* We have strong international links and a global outlook	1 st	3 rd
* The exotic appeal of international destinations	2 nd	2 nd
* We already have visited the majority of North American destinations	6 th	6 th
* The better value of overseas destinations	3 rd	5 th
* To encourage a more global outlook within our organisation	4 th	1 st
* We like to be different and adventurous	5 th	4 th

Whilst figures representing only two consecutive years might mislead, there is a sense that the inevitability of globalisation has taken hold, and that therefore the case to have international networks, and to choose overseas destinations, is no longer a matter for debate. Corporates frequently identify the special ‘messaging effect’, or intended symbolism inherent in selecting a particular country, whilst associations often place emphasis on demographics – both the strength of local membership in that destination, and increasingly likely, the potential membership. A constraint affecting both strategies can be the likely travel times of attendees, and therefore their anticipated absence from work.

A related question as to the likely factors influencing the choice of destination suggests only relatively small changes in influence compared to 2005 (**Table 2**).

Table 2. How destinations are chosen (ranked order of influences)

	2006	2005
* Information gathered from an exhibition	3 rd =	3 rd
* Member recommendation	1 st	2 nd
* Brochures and advertisements	5 th	6 th
* Internet research	6 th	5 th
* Suggestions from agencies/professional advisers	3 rd =	4 th
* Own experience	2 nd	1 st

Clearly a key factor underlying the choice of locations is that of familiarity – whether that of those living locally or arising from an earlier personal trial of the destination. Well over a third (38%) of buyers also acknowledge the importance of well-organised fam - trips in helping them to reach favourable decisions. For such reasons it is perhaps significant that Europe and the Caribbean continue to retain the loyalty of buyers when they are asked **(Table 3)** to rank the perceived attraction of destinations for outbound MICE programmes.

Table 3. Which regions appeal for international events?

	2006	2005
Caribbean	2 nd	2 nd =
Central America	3 rd	6 th
Latin America	6 th	5 th
Europe	1 st	1 st
Asia/Far East	4 th	4 th
Africa	7 th	7 th
Middle East	8 th	8 th
Australia/New Zealand	5 th	2 nd =

Although changes from one year to the next may not represent a trend as such, it may be the case that Central America is benefiting from a sense that it has environmental appeal for delegates from many parts of North America. A number of organisers specifically cited a flight time of six to eight hours as being the most desirable, and certainly accessible through good connections.

preferred destinations

In more detail buyers again voted for their 25 most preferred international destinations (cities or countries), with these identified (not in ranked order) as follows: Amsterdam, Barbados, Barcelona, Berlin, China, Costa Rica, Delhi, Dubai, Fiji, Florence, Greece, Lima, London, Mexico, Namibia, Paraguay, Paris, the Philippines, Portugal, Rio de Janeiro, Rome, Singapore, Stockholm, Sydney, Venice. A frequently repeated emphasis amongst respondents is the requirement that the selected location has to feel safe and secure, and enjoy a stable political scene. At the same time, chosen destinations are expected to display a 'unique proposition and an intriguing cultural personality'.

challenging problems

As in 2005 survey respondents noted what they felt were the most challenging problems to be faced when organising international events. Ten frequently mentioned examples are (typical comments): 'time taken to get final RFP proposals and costings'; 'making sure that meetings spaces fulfil all criteria, especially IT requirements'; 'getting the liability issues covered in a contract because US business views this as imperative'; 'setting supplier response levels for expected services'; 'clients who cannot adjust to time differences'; 'delegates who do not realise that walking will be extensive and a must in Europe!'; 'the devaluation of the US dollar'; 'visa issues'; 'language and cultural differences when dealing with suppliers'; and 'multi-cultural considerations such as different ethics, styles of service, laws and regulations, and contrasting meanings when communicating'. Asked to suggest one issue (aside from budget fluctuations) that could encourage or discourage future demand for global events, the IMEX buyers highlight: 'limited routing of flights'; 'exchange rates – the need for improved dollar value'; plus 'acts of terrorism and world affairs generally'. A further ranking of contextual concerns that are now influencing MICE decision-makers suggest a changing emphasis over 2005. Security concerns remain 'of paramount importance', but now considered 'much more relevant' are challenges associated with multi-culturalism. Similarly, the use and integration of advanced technology into events has been rated as having more importance than last year; and considered on average 'somewhat important' to buyers are concerns over the environment, and over social responsibility.

satisfaction

In contrast, organisers were also asked to identify what gives them most satisfaction when organising international events. Five characteristic answers are: 'seeing multiple

cultures come together'; 'the uniqueness of the destination and its non-US environment'; 'flawless performances and renewal of contracts'; 'learning about the culture and history of another country'; 'becoming friends with people from elsewhere'; and 'reaching a meeting of international minds plus a sense of co-ordination and collaboration'.

tips

Important organisational tips offered to others by the US buyers include (verbatim comments): 'check all visa and customs procedures carefully, and well in advance'; 'make friends with the staff of the selected venue'; 'understand that – and how – business is done differently in different countries'; 'always use a DMC in the host country'; 'details – details – details'; 'be flexible and have several options for dealing with difficult people'; and 'do not display arrogance – you do not always know best'.

suggestions for governments

Finally, poll respondents offered suggestions for governments on how to encourage the development of MICE demand worldwide. Summarised, the ten most mentioned points are (characteristic comments): 'promote the benefits of multi-cultural interaction'; 'emphasise the advantages that come from international trade opportunities'; 'airlines to offer site inspection fares'; 'VAT reclaim'; 'print sufficient promotional material to send to prospective attendees'; 'always emphasise a country's uniqueness – don't be somewhere else'; 'make the air travel experience less difficult and more pleasant and welcoming (plus reduced customs processing), and airport staff less adversarial'; 'make laws and regulations more clear and user-friendly'; 'stop changing the tax rules'; and 'train MICE staff generally to be more hospitable'.

In conclusion, two factors seem currently to dominate the international outlook of North American buyers of meetings and incentive travel. One is the sheer scope and scale of present and future global demand (summed up by one with the phrase 'MICE is a Big Pie'), and the other is the growing recognition of the complexities that arise inevitably through the intermingling of peoples (summed up with the phrase 'respect cultural differences'). The consensus seems to be that given the former, and solving the latter surely will guarantee exciting possibilities for the sector in the years ahead.

- Ends.