

New IMEX Global Insights Report finds senior managers both realistic and confident about 2010

- Majority expects event numbers to remain steady
- Urge to find perfect blend of virtual plus real
- Social media dominates future thinking
- Shift from operational ROI to commercial proof

The first in a series of new Global Insight Reports from leading meetings, incentive travel and events exhibition, IMEX, suggests that business directors, association leaders and agency directors are feeling realistic yet confident about their business prospects for 2010.

The first ever IMEX Global Insight Report asked a standing panel of 45 senior meetings industry and corporate professionals [****see end notes**] for their views about the year ahead. Its findings suggest that the shockwaves of late 2008 and early 2009 are over and that most have adjusted their expectations and behaviours to accommodate the 'new normal' that now prevails.

The report found that panel members also hold strong views on how the meetings and events industry needs to respond to this modified business landscape. Few believe the meetings and events industry will progress without radical and fundamental changes in the months ahead.

Budgets remain steady

Looking forward to 2010, 57.1% of the panel anticipate the number of meetings, events and incentives arranged by their organisations to remain the same. 33% however confidently expect the number of events to be higher next year.

31% of these senior professionals also see no further reductions in budgets and expect spending levels to remain the same. Although 29% of them expect slight budget cuts, 19% actually foresee a small rise in the budgets available to them, reflecting their confidence that the worst is now past.

Asked to describe which factors are currently having the strongest influence on their decision-making, 21% said that uncertainty about the global economic outlook is the over-riding and "most important"

issue they are facing, with a further 52% seeing it as “quite important”. Nevertheless, spending patterns suggest this concern is not affecting their plans dramatically.

The need to demonstrate return on investment (ROI) in a way that management understands is considered “extremely important” for 37% of the panel’s respondents, although similar proportions - 30% - feel it’s either “quite important” or “neither important nor unimportant”. This finding suggests that, although ROI remains a big talking point within the industry, the application of consistent and credible ROI methods is not yet as widespread as many assume.

The IMEX Global Insight Report also questioned the panel on their attitudes to, and use of, virtual meetings. “How to blend face-to-face with virtual meetings and what is the best mix” preoccupies 47% who view it as “extremely important” while a further 20% believe it is “quite important”. Given the extraordinary growth of social media and Web 2.0 over the past year, IMEX fully expects to see this preoccupation with “blending” continue throughout 2010.

The place and purpose of social media has become a pressing concern for many respondents. However, the true benefit to their business is still not clear. 22% agreed with the statement, “my company wants to use every channel – but with no extra resource to support the added work”. 22% agree that “I use social media in a limited way for networking and professional credibility but it’s more of a personal tool.” 17% however endorsed the statement, “It allows me to keep close to industry trends and be more creative and informed.” Social media and the burgeoning spread of fast new tools such as Twitter shows no sign of abating. For meetings industry professionals, as with many others, the challenge lies not only in taking command of a host of new communications channels but also in accurately measuring or controlling their impact.

Light touch compliance

Complying with new meetings and events policies or new travel and expenses policies is not the all-pervading issue that might have been expected among the panellists. 19% and 22% respectively see complying with each of these policy changes as “extremely important” whereas, in each case, 32% and 35% deemed them only “quite important” implying that few companies have reacted by imposing tighter guidelines. When it comes to managing rising supplier costs and fees, 51% of respondents view this as “quite important.” Similar numbers are also trying to address “the need or instruction to cut costs”, although, again the issue is only deemed “quite important” by half of all respondents.

When questioned about the growing role of the procurement manager and the trend towards central purchasing in larger organisations, most see their greatest challenge as keeping events and meetings on

the procurement agenda (45%) and protecting their own commercial interests. A further 33% are concentrating on shielding their budgets from erosion. The IMEX Global Insight Report will track this important relationship closely throughout 2010 for signs of change.

Despite expectations that senior managers might be feeling under pressure to reduce their time away from the office, the Global Insight results indicate otherwise. Only 5% currently feel it is "extremely important" to avoid being out of the office for too long, whilst 30% feel it is "quite important" and 25% have no strong opinion either way.

Finally, panel members were asked to give individual replies to the following statement, "The corporate world is never going to be the same again. Everything's been 'reset' and the meetings industry needs to..."

Responses tended to group around several core themes. Many spoke of the need to shift away from traditional success measures based on operations or logistics metrics, and towards measures that define "content success". Said one respondent, "We need to focus more on reputation management and capturing clear evidence on how meetings deliver." Another commented on the need to "ensure that every meeting is measured in terms of its impact on driving organisational profitability."

One panellist called for the industry to "stop thinking of itself as part of the tourism industry and realise its part of the knowledge and communication economy now." Others urge more speed in adapting to change, rather than trying to revert to past 'norms'. Typical comments include, "Accept this is not a temporary shift - that we won't return to old ways of doing business and must be proactive in creating new business solutions and approaches." "Nothing has fundamentally changed for 25 years and being reactionary is not good enough anymore." And "Change is fast and constant. Events that provide value to their attendees will survive – others will not."

According to others, technology will be a key part of the solution. Comments include, "Incorporate social media to make maximum use of everything the net has to offer," and "Adjust to the reality that meetings and events will now and forever occur in a variety of both real and virtual formats."

** SENIORITY: The majority of respondents hold senior positions. 26 were at Director level (e.g. COO, Vice President of Managing Director). 16 of the panel are Managers of a business unit or specific service such as Events.

**COUNTRIES REPRESENTED: A large number of panel members are based in continental Europe (16). 10 panel members are from the USA and a further five from both the UK and the Middle East. Remaining panellists operate in Egypt, Australia, Russia, China and Asia.

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