

## Meetings Industry Outlook

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Large-scale IMEX analysis across Europe reports on the latest opinions, current market trends, and levels of business optimism within the events sector

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The inaugural Meetings Industry Outlook is the largest survey of the conference sector conducted to date by IMEX. Over 300 buyers in 19 countries across Europe (both EU and non-EU members) took part. The majority (74%) of respondents identified themselves as serious decision-makers (e.g. managing director; owner/proprietor; global account manager; business development director; convention manager etc.). In over three-quarters (76%) of cases the organisation of meetings accounted for 80% or more of their work in a typical year. Whilst the number of meetings that are planned annually by these specialists ranges from five to 1000, the largest grouping averages from 25-50 events. In terms of size, the represented meetings range from 10 delegates to 20,000 (a major association congress), with the leading segments being events involving 1-25 executives (approx. 41% of the total); and 51-100 (approx. 32%). Around 6% of events (mainly the association sector) exceeded 500 participants.

It should be noted that the survey sample was strongly representative of the international, rather than domestic meetings market. Confirming this insight are figures which reveal that an average of between 40% and 50% of meetings are said to take place in another country, with proportions of 80%-90% not being uncommon.

### factors

Meetings buyers were invited to reveal those considerations which shape their work. First, they were asked to rank in order of importance those factors that they feel most influence their selection of a particular venue. In sequence the answers were:

- good value for money that fits the necessary budget
- ease of access so that delegates are away least time from work
- a well-known venue that adds status and desirability to the event
- a venue where the facilities are most appropriate for the event concerned
- a safe and secure venue
- a venue that offers a price that is just too good to resist

Among other less frequently mentioned considerations are: the marketing competence of convention bureaux; proximity to international airports; and the quality of the cultural product at the destination.

Second, event organisers were asked to place in sequence those considerations that they feel are most likely to matter to delegates in their experience of the venue. The ranking was:

- a venue that achieves high standards of service
- a relaxed, comfortable setting that is conducive to hard work
- excellent facilities for dining and drinking
- high-technology presentation equipment available
- a venue with a high reputation that they can boast about afterwards
- the availability of a leisure club/pool/spa

Third, meetings planners were asked to place in order those factors which they think represent the most important outcome of an event. The hierarchy was as follows:

- delegates leave better informed
- delegates leave more motivated
- delegates leave having acquired new skills
- delegates leave feeling more bonded as a team
- delegates leave with a better opinion of their leaders and organisations
- delegates leave having enjoyed themselves

An additional comment was that delegates should leave 'looking forward to the next meeting'.

### **trends**

Given the number of countries represented, and the wide spectrum of types and sizes of events involved, the patterns that meetings buyers identify must be viewed in general terms, and not as specific data. The most frequently identified trends are the outcome of financial considerations. Meetings organisers are becoming more budget-conscious, and this is influencing delegate numbers (a tendency for fewer to be involved); the duration of the event (a tendency for less distance to be covered); and the quality of the hotel (now as likely to be three- or four-star, as five-star). From the perspective of an agent, 'clients are demanding more for less', adding ... 'they think we can organise meetings for the same price as five years ago.' Apparently with the anticipation of more attractive tariffs for short-notice bookings,

organisers are leaving decision-making about venues much later, often within a matter of weeks of commencement.

## **ROI**

A consequence of this focus on cost is the growth in the numbers of buyers who say that the analysis of return on investment (ROI) now matters more than hitherto. Whilst the suggestion is made that return on objectives (ROO) should come before ROI, nevertheless, evaluation is becoming more of a quantified discipline. Some use questionnaires at the end of an event to assess its success, to be followed by a second poll a month later. Others seek to quantify changes in post-event productivity and actual sales performance over the succeeding year, or even longer. In contrast, a number of organisers judge success using qualitative insights, for example, whether there has been increased employee motivation and participation by delegates; whether managers get to know and trust each other better; and whether staff tend to be retained longer because their loyalty has grown.

Interestingly there is still little apparent discussion or even awareness of the relevance of the 'real' costs incurred during a meeting, including those related to the lost working time of delegates, an appropriate proportion of their salaries, and the possible 'cost' of lost opportunities. Such issues would serve to place the worth of meetings even more strongly under the microscope. It seems likely, however, that such time analysis will increasingly begin to matter more.

## **'less fun, more work'**

Further trends confirm, less directly, the stronger emphasis on the anticipated business returns of each meeting, particularly in the corporate sector. Verbatim planner comments therefore include: 'less fun, more work', 'added efficiency'; and 'the need for higher technology to ensure that our message is effectively put across'. For similar reasons organisers emphasise that the factor of creativity has never mattered more. They say that there is a premium attracted to finding new destinations and devising innovative programmes. Both strategies serve to add to the impact of the event, and therefore its memorability.

There is a sense that the issues and challenges reported by meetings planners are growing in number, and hence the level of irritation that they bring about. In particular, criticisms are directed towards suppliers whose staff are said to change too often, act too inaccurately and

slowly in response to requests for proposals, and fail to keep precisely to their commitments. Some destinations are criticised for making exaggerated claims about the quality of facilities available. Agents offer a different agenda of frustrations; included are references to clients who go direct to venues, use the internet to undercut them, or too readily change allegiance despite years of a satisfactory relationship. Some accuse competitor agencies of stealing their ideas. However, both clients and intermediaries agree that nothing is worse than their experience of a minority of ill-mannered delegates who use laptops and cell 'phones during meetings, continue to talk to each other during the event, arrive late or leave early, and behave with poor grace towards the chairperson. Such rudeness increasingly appears to be international!

### **CSR**

The IMEX survey invited planners to comment on three issues that are surfacing more frequently in the media, namely concerns about the environment, social responsibility, and multi-culturalism. Whilst it is true that association planners tend to take such topics more seriously than do their corporate equivalents, there is an observable and apparently growing awareness all round that these issues increasingly matter. Characteristic comments on the environment include: 'we now take into account the eco-credentials of destinations and venues'; on social responsibility, 'CSR is now built into our meetings philosophy'; and on multiculturalism, 'our practical responses include offering prayer facilities, non-alcoholic drinks, and making no allusions whatsoever to religion, politics or sex.'

Finally, meetings buyers offered IMEX a perspective on their probable business expectations for the next 12 months. The proportion saying they were 'very confident' is 21%, with a further 44% expressing 'confidence'. Only 12% had doubts about the future, with the balance unprepared to forecast. In all cases, however, acknowledgement is made that meetings demand is always subject to global threats, or so-called 'time-bombs' like terrorism, health scares, or weather-related catastrophes. Set against this is the optimistic comment that 'face-to-face communication is essential for the successful and peaceful development of our world'.

### **seen to add value**

It can be concluded that a 'leaner, keener, smarter', meetings sector is now seen to add value to corporate objectives. As a consequence it remains well-placed to keep the advance of



electronic communications such as video-conferencing firmly in check. The consequences of the unexpected aside, this IMEX poll points to a positive outlook for the events market.

Ends.