Latest ‘Meetings Outlook Poll’ reveals industry positives

- **IMEX survey focuses on decision-making factors, forecasts, and buyer challenges**

‘Recession, what recession?’ is an apt summary of how many meetings industry buyers in some European and Scandinavian countries distance themselves from the current economic turbulence affecting parts of the continent and other areas of the world. For them it is very much business as usual, though of course with a wary eye on possible future changes. This assessment, highlighted in the latest IMEX ‘Meetings Industry Outlook’ poll represents the views of over 170 buyers and agencies in a dozen countries. For comparative purposes the views of a smaller group of buyers from elsewhere are also presented at the end of the report.

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Introduction

The IMEX research attracted replies from senior representatives in the industry; among job titles are included - executive board manager; project manager; meeting planner; ceo; pco; managing director; venue broker; conference and incentive manager; director – association conferences; purchasing and contracting manager; and director of sales, MICE. Around 1 in 10 of the respondents represented the association sector. Nearly two-thirds of the buyers (63%) spend at least half of their time engaged with meetings planning, with almost half (48%) involved for over 80% of their time. The number of events organised by buyers ranged annually from under five to over 700, with the average in the spectrum, 40-50. The proportion of those meetings held ‘out of the country’ spreads from 5% to 100%, with the average exceeding a third. Among those countries where significant numbers of buyers anticipate booking more meetings in the year ahead than in the past 12 months are included: Denmark; Finland; France; Germany; Portugal; Spain and Switzerland – albeit with caveats about unforeseen worsening economic circumstances, rising costs of air travel, etc.

Participants were asked to rank those factors that influence their venue selection (**Table 1**):

Table 1: Selecting a Venue: ranking of relevant factors

	March '06	Sept. '06	July '07	July '08
Good value for money that fits within the necessary budget	*1st*	*2nd*	*1st*	*1st*
A venue where the facilities are most ideal for the event concerned	*4th*	*3rd*	*2nd*	*2nd*
Ease of access for delegates/away least time from work	*2nd*	*1st*	*4th*	*3rd*
A safe and secure venue	*5th*	*5th*	*3rd*	*4th*
Well-known venue that adds status and desirability to the event	*3rd*	*4th*	*6th*	*5th*
A venue that offers a price that is too good to resist	*6th*	*6th*	*5th*	*6th*

The findings reveal broad consistency with earlier surveys, whilst an added option *'Government interference through changes to taxation, ethical considerations or regulation'* was placed 7th.

Respondents additionally ranked those factors (**Table 2)** which they considered mattered more to delegates when experiencing a venue.

Table 2. Experiencing a Venue: ranking of relevant factors

	March '06	Sept. '06	July '07	July '08
A venue that achieves high standards of service	*1st*	*1st*	*1st*	*1st*
A relaxed, comfortable setting that is conducive to hard work	*2nd*	*2nd*	*2nd*	*2nd*
Excellent facilities for dining and drinking	*3rd*	*3rd*	*4th*	*3rd*
High-technology presentation equipment	*4th*	*4th*	*3rd*	*4th*
A venue with a reputation to boast about afterwards	*5th*	*5th*	*5th*	*5th*
The availability of a leisure club/pool/spa	*6th*	*6th*	*6th*	*6th*

Again the findings suggest a broad continuity in decision-making practice.

In **Table 3**, the MICE respondents were asked to analyse their event in terms of intended objectives:

Table 3. Assessing an event: ranking of positive outcomes

	March '06	Sept. '06	July '07	July '08
Delegates leave better informed	*1st*	*1st*	*1st*	*1st*
Delegates leave better motivated	*2nd*	*2nd*	*1st*	*2nd*
Delegates leave having acquired a new skill	*3rd*	*2nd*	*3rd*	*3rd*
Delegates leave feeling more bonded as a team	*4th*	*4th*	*5th*	*4th*
Delegates leave having enjoyed themselves	*6th*	*5th*	*4th*	*5th*
Delegates leave with a better opinion of their leaders and organisation	*5th*	*6th*	*6th*	*6th*

Again the positionings, year on year, suggest broad continuity.

trends

Invited to identify those trends currently affecting their planning, the 10 most commonly mentioned are (verbatim comments):

* *'lower budgets, shorter lead times' (Italy)*
* *'rising costs of air travel' (Portugal)*
* *'more focus on the content of the meeting' (Denmark)*
* *'having to search harder for venues that are honest about the service standards they can deliver' (UK)*
* *'more requests for venues with golf courses, and for hotels in historic centres' (Germany)*
* *'increased emphasis on easy reachability' (Finland)*
* *'more companies are looking at the potential of virtual meetings' (Germany)*
* *'the economic downturn is affecting future planning because budgets are now static' (UK)*
* *'clients are becoming more serious about meetings ROI' (Switzerland)*
* *'later and later booking' (France)*

ROI

Concern about the likely Return on Investment arising from meetings is not yet universal. Whilst some organisers use questionnaires to assess delegate satisfaction, and others focus on the subsequent volume of business achieved by participants, there are still many who do little. Typically such doubters argue that it remains too difficult to measure ROI in any accurate way. On the other hand, a recently-observed new emphasis on the real costs of staging a meeting (i.e. taking account of travelling, salaries, planning, the opportunity cost of the time of delegates etc), continues to matter more. The proportion of buyers now acknowledging this considerable factor now outnumbers those overlooking the issue by three to one.

challenges

Noted as 'challenges, frustrations or issues' amongst buyers in this 'Outlook' poll are the following frequently-mentioned topics (verbatim comments):

* *'creating an unforgettable event on a low budget'*
* *'some venues in new markets (e.g. East European countries) remain unaware of how to add value to the events they stage'*
* *'indecision by clients that results in late bookings and rushed planning'*
* *'varying cultural attitudes concerning the way that meetings should be organised'*
* *'slow and incomplete RFP responses from suppliers'*
* *'central billing and price transparency' issues*
* *'the absence of common meetings industry standards throughout Europe'*
* *'getting sufficient seats on airlines and the delays generally in using airports'*
* *'government interference'*
* *'finding venues that match good prices with good service'*

One trend in particular, toward shorter lead time bookings, is proving an obstacle to the smooth organisation of events. Problems arising include: 'the most suitable venues are unavailable'; 'having to allocate more agency staff to organise the hastily-arranged conference'; and 'it is more difficult to get requested services on time'.

wider concerns

There is a sense, noted in other recent IMEX research projects, that concerns about the environment and social responsibility are assuming less priority at a time of greater economic uncertainty. In this poll, certainly fewer buyers acknowledge adapting their work to meet CSR objectives, but those that do mention responses that include recycling, using less paper, promoting public transport, and the more careful selection of destinations. Associations, particularly, often incorporate presentations or circulate notes on appropriate behaviour in the host country, and they emphasise the vital need to respect local culture and tradition.

suggestions

Finally, buyers were encouraged to offer suggestions to industry suppliers and leaders as to how to improve their response to the sector. Airlines, typically, were urged to give more attention to MICE bookings; global hotel brands were encouraged to respond more imaginatively to RFPs; convention bureaux were categorised as either businesslike, or far too generalised in their work; whilst politicians were advised that they often underestimate how their work can attract or discourage meetings demand for visits to their countries.

The 2008 IMEX 'Meetings Outlook Poll' concludes that the industry has in places suffered uncertainties in recent months, but that 'positives' still affect many markets. Subject to unexpected developments, buyers typically remain 'confident', or in some cases 'very confident', about the next two years.

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Appendix I: Global Overview

The following observations from buyers in other parts of the world provide interesting additional perspectives to those offered in Europe and Scandinavia (verbatim comments):

- *'Issues affecting us nationally also include the world financial crisis, rising inflation and increasing fuel costs, but the number of meetings taking place still grows, and I am very much an optimist on behalf of this industry.' (Kazakhstan)*

- *‘The MICE sector continues to look very promising and I expect more meetings to be booked next year compared to this.’ (Israel)*
- *‘Dollar exchange rates notwithstanding, I still expect 80% of our meetings to be held in international destinations.’ (USA)*
- *‘The trend in meetings growth continues to be positive – I expect the next two years to be very good.’ (Canada)*
- *‘Russian businesses are earning more and more money and are happy to spend it on meetings and incentives.’ (Russia)*
- *‘All very positive for the future.’ (Singapore)*
- *‘The increase in meetings and incentive travel that we have seen in 2008 can be expected to be maintained.’ (South Africa)*
- *‘Our MICE demand is growing year on year at 40%.’ (India)*

IMEX would like to thank all those industry professionals who contributed so thoroughly to this research.