

IMEX survey of Association meetings: Growth continues but challenges remain

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Meetings planners for European associations typically report sustained performance, increased optimism and greater cost control as their good value, and better attended events drive their work forward.

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The second annual survey of the association meetings sector by IMEX suggests that the improvements in attendance noted in 2004 have continued, and will persist into next year. Over 100 executives representing international organisations based in 13 countries participated in email research that was conducted in July.

Twelve months ago a combined total of 56% of respondents recognised that participation in their meetings was up ('significantly', or 'slightly') on the year before; now the equivalent figure is 64%, with 20% identifying 'no change'. Looking ahead the proportion anticipating continued growth for a further year is now 69%, and compares well with the 62% figure quoted in 2004.

management of costs

Association planners acknowledge that the stricter management of costs is playing its part in underpinning this satisfactory trend. Inevitably it is an approach influenced partly by the choice of destinations, the distance to be travelled, and the ease of direct access, plus in more and more cases, the availability of no-frills flights. At the same time reference is made to the need for enhanced skill in negotiating hotel rates, and/or ensuring the presence of inexpensive accommodation for delegates, as well as checking that the cost of incidentals – eating out, transfers, entertainment, shopping, etc. – is reasonable.

Many meetings managers therefore report only a 'slight increase' in comparable destination costs in 2005 over last year (in 60% of cases), and 'no change' in 21% of cases. A total of 16% even report a decline in such charges for their events.

Separate figures revealed for their organisational costs suggest similarly tight control; there was 'no change' in 41% of cases, and only 'slight increases' in 48% of the offices of those asked. Such insights offer a warning to those destinations and venues unwilling to promote attractively-priced programmes, and particularly in places where security issues may add a further layer of cost. Summed up, one planner explains the situation as inevitable – 'we face growing competition to attract delegates to our events' with the result that 'we work hard to stay within a sustainable conference budget'. This often leads to a search for countries perceived to be less expensive (e.g. East Europe, India, Thailand, South Africa, Australia), coupled with less extravagant catering for key social events. Another cost-cutting measure has been to substitute private transfer arrangements with public transportation. In a few instances organisers have intentionally shortened the duration of their conferences in order to reduce the price. Whilst circumstances vary considerably according to the timing, location, size, style, duration and tradition of each event, it is possible to make generalisations about daily per participant costs; the range typically is 100-150 USD, or exceptionally up to 200 USD.

issues

Against this background it is not surprising that when organisers rank the issues that they find most challenging, the two topping the poll have not changed much this year compared to last. These are trying to offer better value, and seeking to broaden meetings appeal. Ranked slightly higher than in 2004 are the considerations of how to attract a higher overseas attendance, and also how to work with suppliers in different countries operating to different standards. Two concerns seemingly growing in significance to buyers – possibly acknowledging their desire to reinforce meetings value – are how to improve their negotiating abilities, and how to integrate electronic communication into events more successfully. For perhaps similar reasons association planners say that attracting younger delegates is now becoming a higher priority. In contrast, two reported issues dropping in relative significance to planners are the need to keep up-to-date with changes in the meetings market, and how to cope with security issues. The latter suggests that considerable experience has already been acquired recently in this respect.

sponsorship

There are further concerns to which only a minority of planners admit, but these may have wider resonance in future. A notable example is the perceived need to enhance their ability to fund-raise, and to attract event sponsorship. Another is the requirement to boost participation by people from low-income countries. Mentioned, also, are questions centred on insurance, visas, airport taxes, infrastructure in emerging countries, overcoming language barriers, hidden commission to suppliers, and coping with European VAT regulations for non-profit organisations.

There is a sense that a few of the challenges that association planners report also serve to irritate. For example, in some destinations they note difficulties in dealing with hotels, particularly when agreed allocations are not always kept. Global hotel groups can be very inflexible and non-negotiable on prices. Other organisers mention problems associated with time differences. Some suggest airlines are not especially co-operative – ‘under a thousand people and they’re not interested’ is one comment. In contrast, some destination suppliers can be ‘very pushy’, hassling association planners even when told they’re not interested.

global warming

Evidence suggests that many managers acknowledge that the meetings industry could do more to respond to the apparent problem of global warming and climate change. They say that ecological thinking in this sector is overdue, and that associations have a role to raise awareness of sustainability issues. A typical worry is that ‘if temperatures rise too high then some destinations will become uncomfortable for working sessions during a congress’. Many admit that they accept the concerns but do not know what they can do to help. A growing number explain that they now sponsor initiatives to offset travel-related carbon emissions arising from meetings, and also try hard to find suitably environmentally-friendly venues. Recycling during conferences is an increasingly common response. A dilemma is noted that green initiatives can often add costs for non-profit organisations already facing budgetary constraints. A view offered by one association executive is that ‘society should discourage the staging of highly-publicised meetings in fancy places aiming to attract global attention, but which serve only to contribute to serious damage to the environment’. Others suggest that the association sector should do

more to avoid the staging of competitive meetings, and propose that more consolidation of similar events should take place.

commercial standards

A final perception arising from the IMEX research is that association meetings are adopting increasingly commercial standards. Marketing to potential delegates is more proactive and professional . Participants expect a greater return on their investment in time and conference costs. Organisers are working to practices more commonly seen in the arena of business. The world of association meetings is definitely changing.

Ends.