



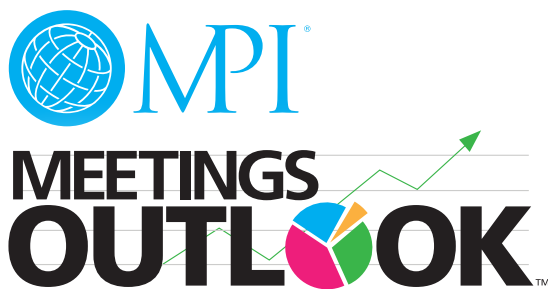
MEETINGS OUTLOOK™



Positive sentiment for the overall business of live events is growing across the most significant metrics—business conditions, attendance, budgets—while hiring difficulties have improved for each of the past three quarters.

Q1 2024

'We're Basically Super-Scrappy'



By Elaine Pofeldt

The key challenges meeting professionals are facing as the industry continues its resurgence: cost increases and service-quality issues.

Meeting planner Lara Smedley's clients are keeping her busy—and often with meetings that are coming together at the last minute. It's frequently a case of hurry-up-and-wait. Despite all of the rushing to book the event, many are tackling contract review slowly.

At a time when many are experiencing sticker shock from inflationary prices, they're scrutinizing every detail.

"They are going through each area, line by line, from F&B to AV to décor, to figure out what their potential budgets are going to be, before any contracts are signed, so that the front end of the booking process is extended," Smedley says.

Sometimes, they're requesting menus ahead of time to get the true costs and, if they are too high for the client's budget, asking for a custom arrangement.

Smedley's experiences reflect the complex realities of

today's business environment for meetings. While live meetings are coming back, costs are high, labor is still in somewhat short supply and there is considerable uncertainty, with dozens of elections coming up around the globe—including the U.S. presidential election—and ongoing international conflicts.

"As a speaker, my sense is that there is some apprehension and some concern with respect to really kind of getting one's arms around where the world is," says keynote speaker Michael Scott. "Economic and political forces are really forcing many meeting planners to look at what they're delivering to their members, even in terms of where they're holding conferences. I remember, back in the day, they would typically have conferences planned out three to five years in different cities but there is different thinking around that with the uncertainty that is taking place."

“[Volunteers] seem to be in constant disbelief that prices are increasing as much as they are and that service levels remain limited at most hotels/venues. They want to start seeing more for their money and they aren’t, so balancing their expectations with what is reasonable/feasible for planners right now is a big challenge.”

VÉRONIQUE HOLVECK, CMP

President, MPI France-Switzerland Chapter

Global director of sales and marketing and head of sales USA, Millennium Hotels and Resorts

Knowing the customer and delivering value

That said, industry professionals are generally feeling positive about the overall business of live events, with 76% of respondents projecting favorable conditions for the year ahead. That’s up 6% over last quarter but down 9% compared to this time last year.

Meanwhile, in what most deem to be a seller's market, attendance projections continue to mirror the overall business conditions results, with 18% expecting an increase in live attendance over the next year of more than 10%, nearly 21% projecting a 6% to 10% increase and nearly 38% expecting an increase less than 5%. Virtual attendance projections remain stable with 18% of respondents saying they expect favorable virtual attendance over the next year (this has stayed at 17% or 18% for the past four quarters). Significantly, however, nearly 49% expect virtual attendance to decline in the coming year.

Spending on meetings is also going up, with budget projections inching up slightly. 72% of respondents expect favorable changes over the next year.

Business has picked up so much that planner Stacey Sleem-Sanchez, CMP, CMM (MPI South Florida Chapter), senior director of firm events at DLA Piper in Miami, has had hotels turn down business due to high demand, with lower concessions and higher costs, according to her survey response. Her solution?

“Getting RFPs out at least one year in advance and being flexible has helped to navigate this new market,” she said.

The current environment is driving an emphasis on delivering value.

“There is a strong focus on content, content delivery and measurable outcomes, which implies the understanding of changing habits of delegates and a better knowledge of the audience, with particular attention to the way of learning of new generations,” says Antonio Ducceschi, CMM, vice chair of the MPI Foundation Global Board of Trustees and chief commercial officer at Starhotels Group in Florence, Italy.

Against this backdrop, many meeting profes-

BUSINESS CONDITIONS

Business conditions are viewed as increasingly positive once again, with **76% of respondents projecting favorable conditions for the year ahead**. That’s up 6% over last quarter but down 9% compared to this time last year.

	Q2 '23	Q3 '23	Q4 '23	Q1 2024
Favorable	81%	80%	70%	76%
Neutral	9%	10%	14%	19%
Negative	9%	11%	16%	6%

sionals are embracing the relationship side of the business. Ramon Ray, a keynote speaker and publisher who holds events for small business owners in New York City, finds that many in the industry are embracing the power of keeping in touch with clients who may not have been active in recent years.

“I think this is the long game—when somebody’s ready, they’ll come back,” he says.

Ray says hotels are showing more gratitude for his business, in the form of follow-up. After staying at a JW Marriott hotel in Orlando, he appreciated the thank you he got afterward.

“It seems like a lot of the hotels are saying, ‘Thank you for being here. If you weren’t here, we wouldn’t have a job,’” he says.

And he’s noticing organizers are paying attention to knowing their customer and thinking creatively about how to make them happy. He points to one event he planned to attend, TSP Game Plan 2024! in Atlanta, an event for Black business owners, where the organizer, Lamar Tyler, rented out the whole hotel in anticipation of having a full house.

“They’ll have the run of the place and can be more

creative,” Ray says.

At Ray’s own events, he found that one idea that works well is asking all attendees to submit a bio and headshot upon registration, and then, with their permission, sharing a post saying they are attending on social media—a process he has automated with Zapier.

“Everyone sees another person has registered and the attendee wants to share it,” he says.

Budget cuts and hiring challenges

However, many are facing significant cost increases, putting the onus on planners and suppliers to manage costs.

Vali Marling (MPI British Columbia Chapter), general manager at the Anvil Center in New Westminster, B.C., for instance, reported increased product and materials costs in her survey response. Her solutions?

“Working closely with clients—relationship building,” she said in her survey response. In some cases, she has had to charge a late fee, “particularly for catering and AV.”

Kristin Torres (MPI Rocky Mountain Chapter), a planner at the National Cattleman’s Beef Association, reported she is “doing more with less” amidst “rising costs, along

HIRING CHALLENGES

We’re finally seeing a change in hiring difficulties. While 46% of respondents say it’s still difficult to fill job vacancies, this is the third consecutive quarter in which that figure has decreased. In addition, 26% of survey respondents say *at least* half of their staff has been hired since Jan. 2020.

Are you finding it difficult to fill job vacancies at your organization?

	Q2 '23	Q3 '23	Q4 '23	Q1 2024
Yes	52%	53%	52%	46%
No	34%	38%	33%	39%
Unsure	14%	9%	16%	16%



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ANTONIO DUCCESCHI, CMM

Vice chair, MPI Foundation Global Board of Trustees
Chief commercial officer, Starhotels Group

with rising expectations of the event to produce experiences.”

In her survey response, Molly Marsh, CMP (MPI Kentucky Bluegrass Chapter), director of education and events at AMR Management Services, said, “I feel like a broken record because this has been my response all year, but the biggest issue remains the increasing costs of EVERYTHING around the meeting and event industry.”

One counterbalance is finding economies in the events (see, below, what planners are cutting due to costs).

Marsh and her team are going over budgets with a fine-tooth comb.

“We held meetings with each team in our company to review their association’s events and potential opportunities to cut costs (or at least reduce a significant year-over-year increase) through creative strategies,” Marsh said. “We worked with groups to adjust their schedules to allow more time for lunch on their own instead of offering lunches and reduced the number of session rooms to cut out AV expenses—and one group is even testing out using Zoom to display slides for sessions (where individual attendees can view on their personal devices) instead of even offering AV in the room. We’ve also had a lot of hard discussions about revenue and having to increase registration rates, which

BUDGETS AND COST-CUTTING

While budget projections continue to inch up slightly (72% of respondents expect favorable changes over the next year), inflation is, for many respondents, necessitating the implementation of cost-cutting measures.

Top 5 areas in which *planners* have made major cuts

1. Entertainment
2. Promotional products
3. Destination choice
4. Hotel/venue choice
5. Contractors

Top 5 areas in which *suppliers* have made major cuts

1. Promotional products
2. Entertainment
3. FAMs
4. Advertising/marketing
5. Audiovisual



is a very tough sell in the association world. Exhibitor and sponsor revenue are still lagging, so we're seeing our teams have to put in a lot more time and energy to drive that revenue stream, taking time away from some of the softer areas like speaker development and support."

Helena Escalante, a business outreach specialist at the New York Public Library who organizes the small business and entrepreneurship programs at the Thomas Yoseloff Business Center, has become a master of creating quality programs on a shoestring with the library's team.

"We're basically super-scrappy," she says.

For speakers, for instance, she recruits members of the business community as volunteers. The library uses Google Groups and Eventbrite to promote events to a giant mailing list it has built over the years, avoiding the need for paid promotions. And for every event, it asks not only for participants to submit questions in advance but also for detailed follow-up feedback that helps to ensure that future programming reflects what audiences would like to learn.

"I am a big believer you need to know your audience and what they want to be able to give it to them," she says.

Nick Armstrong, lead organizer of Founded in FoCo, a weeklong business and financial literacy event in Fort Col-

lins, Colo., that will take place in March, has found that relying mostly on local speakers who don't need to be flown in and partnering with local food trucks is a way to offer great food without a steep price-tag and also offers flexibility to those who have special diets, such as dairy-free.

"Sometimes that means we have to provide guarantees," he says. "That's cheaper than providing catering itself."

That has allowed the event to partner with local vendors. For instance, the group partnered with Zoe's Bakery, which roasts its own coffee and makes its own pastry.

"We feel good about it because the money is spent locally," he says.

Suppliers are also having to trim budgets (see chart on previous page).

Veronique Holveck, CMP, president of the MPI France-Switzerland Chapter, reported she is working hard to balance expectations vs. reality in her role as global director of sales and marketing and head of sales USA for Millennium Hotels and Resorts.

"In associations, the volunteer leadership may only have one event per year, so

ATTENDANCE FORECASTS

Live attendance projections continue to mirror the overall business conditions results, with 76% of respondents anticipating favorable live event attendance over the next year—up 6% since last quarter. Virtual attendance projections remain stable with 18% of respondents expecting favorable virtual attendance over the next year, a figure that has stayed at 17% or 18% for the past four quarters.

Projected Live Attendance

	Q2 '23	Q3 '23	Q4 '23
Positive	83%	82%	70%
Flat	8%	10%	15%
Negative	8%	8%	15%

Q1 2024
76%
11%
13%

Projected Virtual Attendance

	Q2 '23	Q3 '23	Q4 '23	Q1 2024
Positive	18%	17%	17%	18%
Flat	24%	30%	33%	33%
Negative	57%	50%	50%	49%

while our staff team is very well-versed in the challenges around staffing, pricing and supply chain that continue to plague the industry, our volunteers are much less in-tune with this,” she said. “They seem to be in constant disbelief (even though we communicate it every chance we get) that prices are increasing as much as they are and that service levels remain limited at most hotels/venues. They want to start seeing more for their money and they aren’t, so balancing their expectations with what is reasonable/feasible for planners right now is a big challenge.”

Fortunately for many, the hiring difficulties of the past three quarters are improving (see the fourth page of this report), with full-time, part-time and contractor hiring more stable than they’ve been in recent memory, with the majority of respondents reporting “no change” in hiring trends. Significantly, 26% of respondents said at least half of their current staff was hired since January 2020 and the percentage of respondents reporting it is hard to fill open positions has decreased to 46%, a number that’s high but better than has been seen in nearly three years. ■

RATING SERVICE

How do *planners* rate the quality of service they’re experiencing from various types of suppliers, compared to 2022?

	Better	Worse	Unchanged
Audiovisual	51%	23%	26%
Hotels	47%	42%	11%
Convention/conference centers	47%	28%	25%
Restaurants	47%	31%	22%
Other venues	45%	37%	18%
Transportation	43%	27%	30%

How do *suppliers* rate the quality of service they’re experiencing from various types of providers, compared to 2022?

	Better	Worse	Unchanged
Convention/conference centers	56%	23%	22%
Other venues	55%	19%	27%
Hotels	49%	32%	19%
Audiovisual	47%	16%	36%
Catered F&B	45%	29%	26%
Restaurants	42%	46%	12%



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