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MEETING PROFESSIONALS INTERNATIONAL

MEETINGS OUTLOOK™



This is shaping up to be the year of intelligent growth for the meeting and event industry. Thanks to continuing periods of stability and moderate economic improvement, meeting professionals finally have a chance to take a breath and do some big-picture thinking.

2015 SPRING EDITION

ARE YOU USING YOUR TOOLBOX STRATEGICALLY?

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Cut costs by bringing your own AV equipment.

The year of intelligent growth is opening a new era for meetings and events, bringing change to attendee behavior and shaping meeting design and careers throughout the industry.



MEETING PROFESSIONALS INTERNATIONAL

MEETINGS OUTLOOK

By Elaine Pofeldt

Many meeting professionals are leaving the reactive mode of the recession behind and taking a deeper dive into planning, according to those surveyed for this latest *Meetings Outlook* report.

“The role of the meeting planner is finally changing into a more strategic role,” says Alise Long, CMM (MPI Netherlands Chapter), communications manager of strategic meetings and events at Heerlen, the Netherlands-based DSM Corporate Communications.

Bill Voegeli (MPI Georgia Chapter), president of Association Insights—the company that conducts the *Meetings Outlook* research—considers this to be the best opportunity for strategic thinking that meeting professionals have enjoyed in the past decade.

“This is the first time the industry has been in the position where

you have young, bright, energetic professionals ... being faced with opportunities they’ve never had before,” he says.

Creating relationships with more experienced professionals is essential for the younger generation in order to work within the confines of the new challenges that come along with these opportunities—such as how to deal with short lead times in a seller’s market and building face-to-face communications skills. Those who entered the industry since the start of the recession need to learn about and understand the

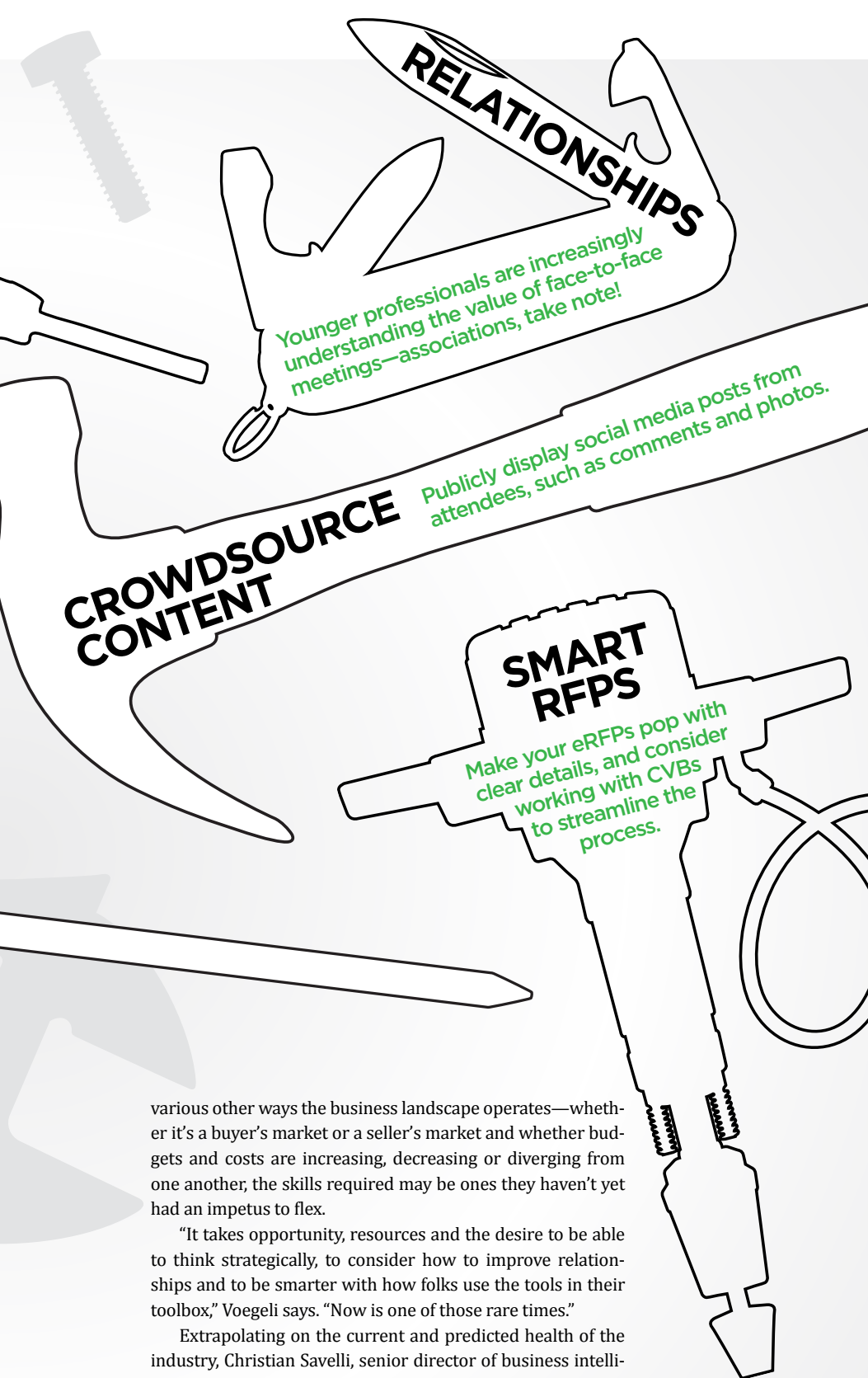
MORE DATA

Offer attendees more engagement while gathering more data through your apps to help inform future meeting design.

“It takes opportunity, resources and the desire to be able to think strategically, to consider how to improve relationships and to be smarter with how folks use the tools in their toolbox.”

BILL VOEGELI

MPI Georgia Chapter
President of Association Insights



various other ways the business landscape operates—whether it's a buyer's market or a seller's market and whether budgets and costs are increasing, decreasing or diverging from one another, the skills required may be ones they haven't yet had an impetus to flex.

"It takes opportunity, resources and the desire to be able to think strategically, to consider how to improve relationships and to be smarter with how folks use the tools in their toolbox," Voegeli says. "Now is one of those rare times."

Extrapolating on the current and predicted health of the industry, Christian Savelli, senior director of business intelligence and research for MPI, says it's still in a steady, positive growth mode, which is the best environment for organizations to grow intelligently.

"Organizations are now able to innovate, test new ideas and hire the right people—there's no need to just throw warm bodies at projects, as can be the case when business is growing too quickly," he says. "So you can focus on what matters for your organization; the fear is gone from the negative macro environment."

VALUE OF RELATIONSHIPS

The seller's market in the meeting industry has been kind to Denver, which started 2015 in overdrive. Thanks to an uptick in conventions and both business and leisure travel, many venues have been filling up, which is keeping meeting professionals at VISIT DENVER, The Convention & Visitors Bureau, on their toes.

"It's not just getting the eRFP and saying, 'We'll shoot this out to hotels,'" says Rachel Benedick, vice president of sales and services for the CVB. "It's really getting on the phone or meeting in person and saying, 'Let's dig into this. Let's pull apart these pieces to the puzzle and determine where there's flexibility.'"

The CVB has been actively involved in qualifying leads to make it easier to match organizers to the right venues at a time eRFPs are flooding in, Benedick says, noting the importance of relationships.

Denver has been home to some high-profile events in recent months. In late January and early February, the SnowSports Industries America Snow Show drew more than 1,000 brands to the city, in an event that has taken place there since 2010. In May, the Association for Research in Vision and Ophthalmology will hold its annual meeting in the city, with 11,000 attendees expected.

"They have a big international draw," Benedick says. "We're excited to get them here."

To keep organizers happy, some venues have been providing free Wi-Fi.

"This is something that's expected, so we have to provide it," she says.

But organizers understand that the meetings market has changed, and they are willing to negotiate.

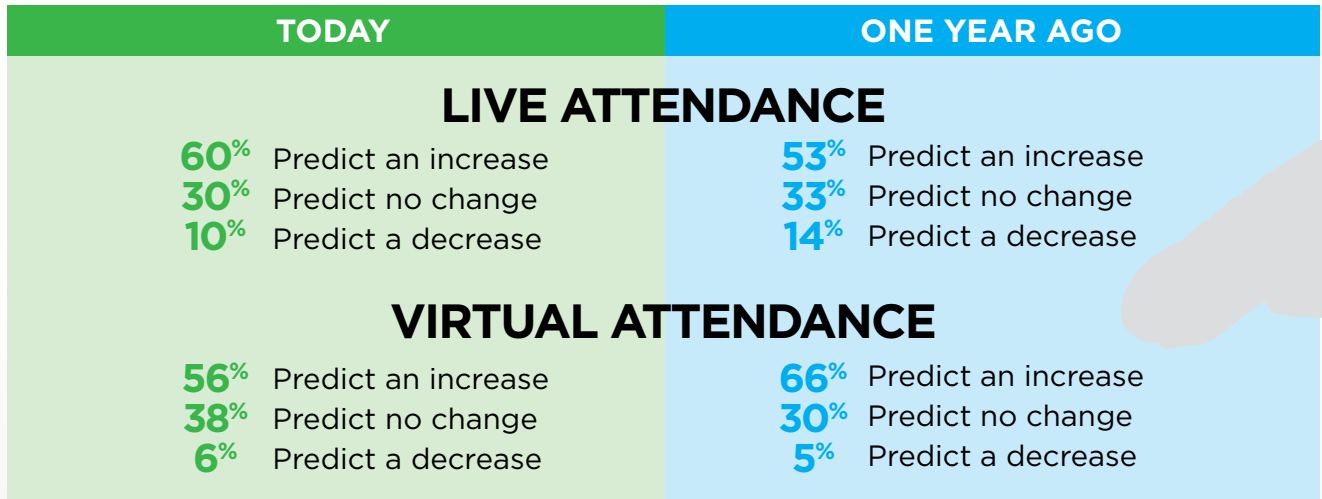
"The good news is that when we talk about a seller's market, it's a seller's market across the country," she says. "That creates a level playing field."

RACHEL BENEDICK

Vice President of Sales and Services
VISIT DENVER

ATTENDANCE GROWTH

IN THE PAST YEAR WE'VE SEEN ATTENDANCE FOR VIRTUAL EVENTS LEVEL OFF, WHILE A **STRONG INCREASE IN LIVE ATTENDANCE IS PROJECTED.**



STRATEGIC BUDGETING

The challenge for meeting professionals is devising a smart strategy that takes into account limited budgets. The economy may be growing, but 8 percent more respondents now anticipate lower budgets, compared to the predictions from the previous quarter. In some cases budgets will remain flat as hotels and venues increase prices. But our data shows budgets are actually increasing in all regions (U.S., Canada, Europe)—the increases just aren't keeping pace with a boost in attendance numbers.

"The organization has the same amount to spend, but it doesn't go as far," says Darlene Kelly-Stewart (MPI Ottawa Chapter), an independent planner and owner of Ottawa, Ontario-based Stonehouse Sales and Marketing Services, which serves clients ranging from associations to government entities.

Some associations have no choice but to be budget conscious in a fast-changing environment where they must adapt their recruitment methods to new generations of professionals.

"Our membership numbers have been decreasing," says Sam Bhandarkar, CMP, CASE (MPI North Florida Chapter), a planner at the American Culinary Federation (ACF) in St. Augustine, Fla. "I know we are not the only organization facing that."

As meeting organizers try to stretch their budgets, some are continuing to compress meetings into less time, a practice that has lingered since the recession.

"They try to cram what were three-day events 10 years ago into one day," says Travis Reedy (MPI Chicago Area Chapter), president of Audio Visual Industrial Staging Inc. in Schaumburg, Ill.

That is one option the ACF has considered as it has looked to reduce overhead and improve profits, Bhandarkar says—but it's not the only one.

"In some cases, it's just as simple as how many meetings you are actually operating," he says.

But there might be some good news for associations. As younger professionals mature in the workforce, they're beginning to understand that they cannot be successful without face-to-face

interactions, and they're not relying as much on e-relationships. Savvy associations that exist in large part in order to nurture such relationships might be poised to reap the rewards.

Accordingly, some meeting organizers are feeling emboldened in the current marketplace.

Kelly Kucera (MPI Rocky Mountain Chapter), vice president of event technology solutions at CCR Event Technology Rental in the Denver area, is enjoying the moment. She says some of her corporate and association clients are springing for extras, albeit at the 11th hour.

"We're seeing a lot of people who are willing to expand a little bit more and maybe spend a little more money to get their message across," she says. "I have seen a trend in people doing last-minute business and adding on."

Still, it's not easy for many vendors to sell highly customized services that deliver a lot of bang but cost more.

"An unfortunate byproduct of the recession is we've seen quite a few people head down the path of procurement," Reedy says. "They are trying to get the lowest bidder. That's not always the best-case scenario."

The trick for many meeting professionals is to find economies that don't diminish the events for attendees in noticeable ways.

"We are still being challenged in being very creative," says DSM Corporate Communications' Alise Long. "That's not going to change, because we deliver."

LEAD TIMES

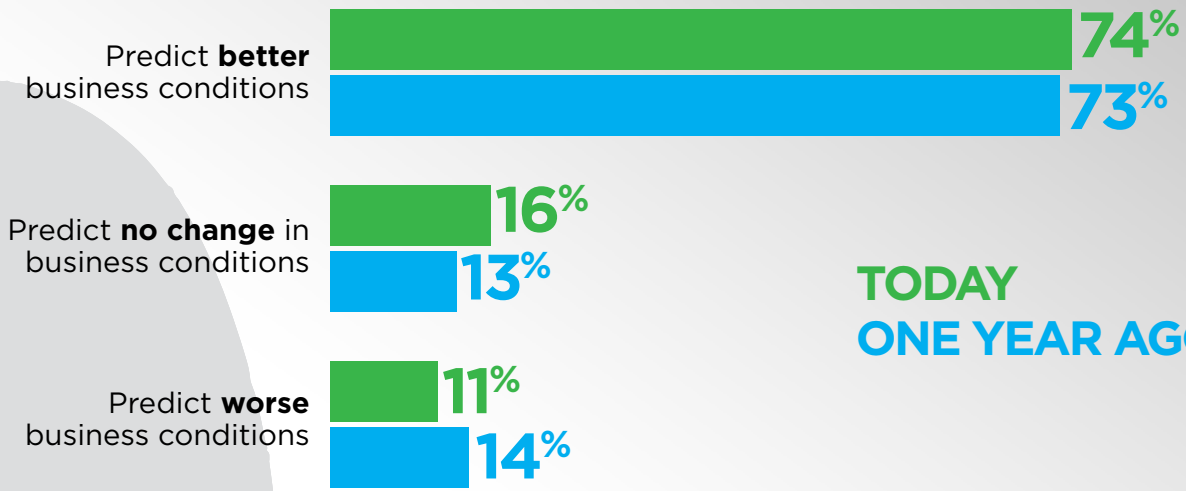
A lingering byproduct of the recession, there's a slight uptick in survey respondents anticipating shorter lead times.

"I am organizing a meeting for 400 people in November; I still have no venue," Long says.

As a result, a lot of pop-up meetings are being organized—

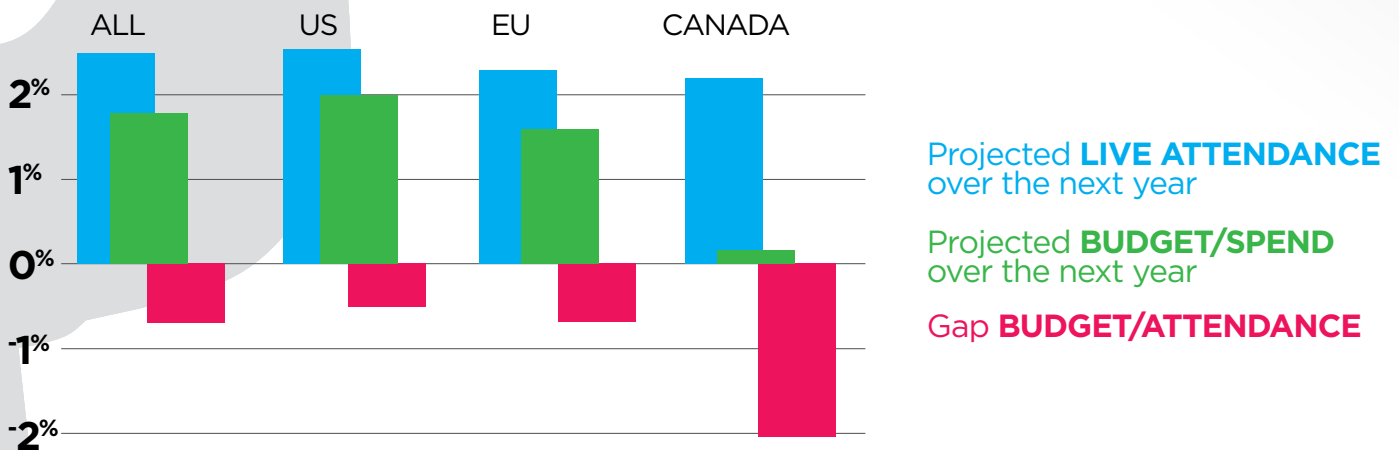
BUSINESS CONDITIONS

INCREASINGLY STABLE BUSINESS CONDITIONS ARE ENABLING MEETING PROFESSIONALS TO PERFORM MORE STRATEGICALLY AGAINST A RELIABLE BACKDROP.



GAP IN ATTENDANCE GROWTH VS BUDGET GROWTH

THOUGH BUDGETS ARE A CONCERN FOR MANY RESPONDENTS, **GROWTH IS PROJECTED FOR ALL REGIONS**. WHEN LIVE ATTENDANCE GROWTH IS STRONGER THAN BUDGET GROWTH, HOWEVER, IT CAN FEEL AS IF THE BUDGET IS SHRINKING.



such is the case with Stonehouse Sales and Marketing Services' Kelly-Stewart.

"They aren't [always] very large, but are very important to the business they are doing" she says. "Sometimes it is difficult to find a spot for them."

One complicating factor is that when meetings include

fewer than 20 people, hotels often add surcharges.

"It could be US\$1 a head per meal, period, or it could be a flat fee of \$200 or \$300," she says. "It makes finding the location even if you have a smaller number of people a little bit trickier. You only have a certain amount to spend. If you spend it on surcharges, it reduces what you are providing to your client."

MOBILE APPS AND INTELLIGENT GROWTH



THE **TOP FOUR CURRENT USES FOR MOBILE APPS ARE TACTICAL** IN NATURE, BUT THE **TOP FOUR ANTICIPATED USES FOR NEXT YEAR ARE STRATEGIC**—MORE EVIDENCE OF INTELLIGENT GROWTH.

USING CURRENTLY

- 25% Expo floor maps
- 29% Surveys
- 27% Speaker profiles
- 26% Session descriptions

PLAN TO USE NEXT YEAR

- 14% User location-based technology (like iBeacon) to create seamless session check-in
- 14% User location-based technology to facilitate attendee networking
- 13% An in-app activity stream of trending sessions, most popular comments, etc.
- 12% Ad hoc community building

TECHNOLOGY

In the current environment, many planners and organizers are tapping technology to find new efficiencies and wow clients. Compared to last quarter, 4 percent more respondents report pressure to keep up with technology.

“You can’t just have the same old PowerPoint and make it better,” says one observer who requested anonymity.

The American Culinary Federation, for its part, has become more interested in bringing a virtual component to its meetings and is looking into questions such as how best to deliver the content.

“We’re beginning to look at hybrid meetings,” Bhandarkar says. “We’re not quite operating them yet.”

With clients more aware of what can be done with technology, audiovisual vendors often feel pressure to deliver a major wow factor, even when clients have a limited budget.

“People watch the Grammys and have an event coming up with an awards component,” Reedy says. “They want to translate that but they don’t have the deep pockets that broadcast companies have. A lot of times that’s our task.”

To keep them happy, his firm has turned to *American Idol*-style LED walls and used wide-screen projection creatively. But it has also tried to educate clients on the investment that using technology in a meeting can require.

“We explain to them if your CEO gets on stage and it doesn’t sound right and it wasn’t engineered properly, all of a sudden it wasn’t worth flying all of those people in for the meeting,” says Tina Reedy (MPI Chicago Area Chapter), vice president of Audio Visual Industrial Staging.

SMART RFPs

The use of eRFPs has grown rapidly, and they can certainly add efficiencies to the planning process from a technology standpoint. But in a tight marketplace where suppliers want clear eRFPs so they can fully understand the meeting objections and make their best offer, planners simply want the best offer right away (with less time for negotiation). Fortunately, the Convention Industry Council’s APEX initiative (www.conventionindustry.org/standardspractices) offers best practices to help facilitate a more transparent process.

“We’re working toward making our RFPs stand out so they can compete and gain the attention of the hotel sales managers,” says one planner who requested anonymity. “With eRFPs, hotels have a lot more information to wade through and no additional staff or budget to do so. We choose to submit through CVBs with the intent of allowing them to weed out properties that wouldn’t be a good fit, and also providing the extra attention to our RFP when it is forwarded by the CVB rep to the properties. It also provides us with an additional ‘advocate’ for our meeting.”

“We’re working toward making our RFPs stand out so they can compete and gain the attention of the hotel sales managers.”

CLIENT NETWORKING OR SOCIAL NETWORKING?

With urban adventure and unique venues around every corner, even a walk to dinner can become a moment your attendees won't soon forget—with or without a 40-foot blue bear. Take things up a level with a meeting in The Mile High City.

EXTRAORDINARY IDEAS. REMARKABLE PLACES. UNFORGETTABLE EXPERIENCES.



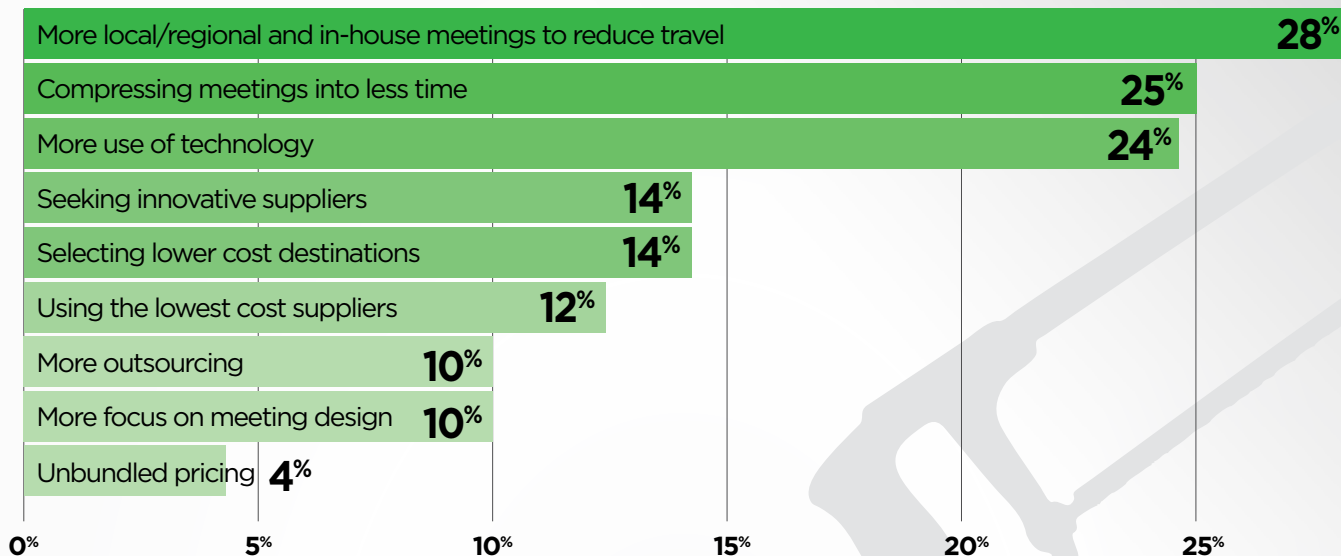
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Share-worthy pics at the Colorado Convention Center.



DOING MORE WITH LESS

HOW THE MARKET IS CURRENTLY ADDRESSING THIS CHALLENGE



COST SAVINGS

In some cases, meeting organizers must counterbalance rising costs for F&B by cutting back on audiovisual.

"There's still a very tight grip on AV spending because of the increases we've seen in F&B," says CCR Event Technology Rental's Kucera.

Some organizers are investing in their own audiovisual technology to keep costs down. Kelly-Stewart says some of her clients have bought their own projectors and travel with them, rather than rent them over time, to save money.

In today's environment, planners are also leaning heavily on apps to bring efficiency to meetings.

"We continue to see people who are very interested in event apps," Kucera says.

The ACF used an app at its last annual convention and trade show in Kansas City, Mo., this past summer, Bhandarkar says. It was the first fully customized, native mobile app the organization has introduced.

"We were able to use that app to deliver messaging that may have been delivered in the form of room drops, daily updates or a newsletter you might deliver to attendees on a daily basis, such as changes in the program," he says.

Some organizers are turning to more elaborate apps that connect attendees to services in the on-demand economy, like ride-sharing services.

"Some will put Uber within their event app," Kucera says. (Read more about Uber and other "disruptive" businesses on Page 58.)

The use of apps is also moving beyond the tactical (e.g., replacing printed materials) and into attendee behavior.

The use of quad copters—better known as drones—at meetings and events is also taking off (see "Game of Drones" in the April issue of *The Meeting Professional*) and capable of providing greater attendee data.

"There are drones being used at outdoor events and large, cavernous trade shows," Kucera says. "I would love to incorporate drones into one of my shows."

But the costs of using drones remains prohibitive for many organizers, she says.

"Often times the new technology comes with a very hefty pricetag," Kucera says. Nonetheless, she's "keeping an eye on it."

Some organizers are finding savings by opting for a DIY approach to photography.

"Traditionally, you see the event photographer walking around with a camera," Kucera says, noting that these days "crowdsourcing is huge."

Today you might ask attendees to submit their own photos via social media to a designated hashtag and display them at the event on the wall. Particularly popular among attendees are selfies.

"All of this is opening a new era for meetings, as attendee behavior data is going to explode—and it will help in shaping meeting design in multiple areas," says MPI's Savelli. ■



Meetings Outlook is developed in partnership with VISIT DENVER.



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