



MEETINGS OUTLOOK™

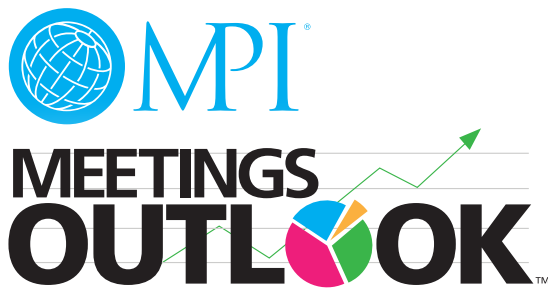


In many ways, the event business is beginning to look like something that might be recognizable as stable and normal. Not yet, though, with business continuing to surge despite ongoing staffing challenges and costs outpacing budgets.

2023 FALL EDITION



Challenges of Re-Normalization



By Elaine Pofeldt

While most metrics suggest the industry remains incredibly strong, they're trending down—inching closer to a level more consistent with some semblance of normality. But we're not there yet!

Keynote speaker Michael Scott (MPI Greater New York Chapter) believes the meeting industry is on the verge of massive change. Though in-person meetings have made a comeback, the Las Vegas-based meeting professional finds that many people who once attended the same gatherings as he did aren't showing up for a host of reasons: air-travel hassles, budgetary pressures, fear of mass shootings and the resurgence of SARS-CoV-2. Beyond that, many are now accustomed to the comforts of working from home and are not as eager to venture out as they once were.

"We're going through a global reset right now and the meeting industry is just one facet of our world that is going to be, in my view, repurposed and recreated," he says.

This confluence of trends will bring both obstacles

and opportunities for meeting pros to become more relevant, he believes.

"There are associations and corporate meeting groups that are going to absolutely get crushed because they're not going to respond and adapt quickly enough to this new narrative," Scott says. "Groups that want to get people back to in-person meetings will have to recreate how they are delivering content and dial down to what's really important and why people are coming to these meetings. They're coming because they want to experience community, connection, conversation and belonging. They want to experientially learn from each other, socialize, hang out with their friends and say, 'Hey let's schedule six of us to go out to dinner and talk about our collective and individual experiences.' That's the way that they want to do it, as opposed to sitting rigidly in

their chairs, listening to a keynoter.”

Scott is not alone in noticing that the industry is in transition and heading in unpredictable new directions.

While the most recent Meetings Outlook survey reflected largely positive sentiments, they are trending slightly downward, what could be more in line with normalization rather than anything negative.

- 70% of respondents expect favorable in-person attendance trends for the next 12 months. While that’s a high number, it represents the biggest decline in “favorable” answers since the industry began making a comeback earlier in the pandemic.
- Likewise, 70% of respondents predict favorable business conditions over the next year. That is also the lowest percentage for this metric since the industry first started its rebound.
- Within the respondents’ own organizations, 45% reported their business is back to pre-pandemic levels—down from 52% last quarter. That indicator may suggest new or growing challenges impacting business conditions.

“The event industry around the world faces a real challenge (and opportunity!) in adapting to the needs of users in 2023 and beyond,” New South Wales, Australia-based planner Michael Fleck (MPI Southern California Chapter), director at Synergy Effect, wrote. “The pandemic has accelerated a focus on the ROI of traditional meetings and events, as well as their high environmental cost. We all know that online distribution

helps in both these areas but there’s a well-deserved bias against ‘virtual’ events because they’re lacking that which makes events different from day-to-day communications. Does anyone actually look forward to attending a webinar?”

His firm is responding through ongoing efforts to make online/hybrid meetings and events more engaging and desirable.

The current environment has put pressure on meeting professionals, who have to become increasingly creative to hold onto the attendees they still have.

“I think meetings are getting smaller—100-250 [people] as opposed to 500-1,000,” said Derek Sweeney (MPI At Large), a speakers bureau director from Toronto, in his survey response. At the same time, there’s more demand for ROI from the content shared. “Clients and participants want to learn more at events.”

Lori Pugh Marcum, CMP (MPI North Florida Chapter), the St. Augustine, Fla.-based director of events, content and strategic engagement at the Paths to Purchase Institute, has been devoting time to “finding new content/trends that can help us create new events and sunset old ones,” as she explained in her survey response.

To be sure, many respondents are still optimistic about meeting their business goals, with 51% saying their business is back to pre-pandemic levels or that they expect to hit that milestone by the end of the year. While that figure is, again, positive, it reflects declining sentiments. In early 2023, two-thirds of respondents expected to be back to that level by the end of the year.

BUSINESS CONDITIONS

The percentage of respondents expecting favorable business conditions over the next year (70%), while still very high, is the lowest we’ve seen since the industry first turned around during the pandemic. Rather than definitively a negative, this could simply represent a normalization of business conditions.



	Winter ‘22/‘23	Spring ‘23	Summer ‘23	Fall ‘23
Favorable	85%	81%	80%	70%
Neutral	10%	9%	10%	14%
Negative	5%	9%	11%	16%

Are you being served?

One ongoing factor that’s slowing growth is the labor shortage. It’s hard to go after new opportunities if you don’t have the staffing to support your efforts. Among respondents, 52%-53% have reported difficulty in filling job vacancies—a percentage that has been consistent three quarters in a row—but which is down from the peaks of 2022.

“With a lack of trained staff, technology that helps staff satisfy guest demand is critical as we move forward,” wrote Tom Counts (MPI New England Chapter), director of sales at GettinLocal, a tech provider that has developed an app that lets users download a guide to local venues and attractions using a QR code. “If you only have five bodies where 10 used to be, how do you exceed guest expectations with half the people?”

He points to technology as one answer.

The departure of more seasoned meeting professionals from the field is also making it harder for some to do business.

“The erosion of experienced hospitality sales managers from the workplace is a serious concern,” wrote Connie Bergeron, CMP (MPI Georgia Chapter), president at Site Selection Solutions in Atlanta, in her survey response.

Matthew Turvey (MPI United Kingdom and Ireland Chapter), director of global sales, Europe, at Hard Rock International, reported similar challenges with the delivery and follow up on proposals and converting them to business, citing “time-poor sales and events staff,” along with a shortage of skilled events office staff.

In an understaffed environment, efficiency is a priority.

“It’s all about productivity, ROI/ROO,” wrote Tey Young, CMP (MPI Oregon Chapter), an experiential B2B events marketer. “Event managers need to take a ‘surgical’ approach, ensuring that engagements and activations are reaching targets, when and where they are most apt to consume information, and that complete data is being collected.”

Costs vs. budgets

That efficiency comes in handy at a time when clients are putting pressure on meeting professionals to keep a lid on costs amidst inflation. Gary Schirmacher, CMP (MPI Rocky Mountain Chapter), a senior consultant at Maritz Global Events, noted he must keep “trying to find ways to help clients manage rising costs in most meeting expense areas.”

Supplier Karen Kuzsel (MPI Greater Orlando Chapter),



“Increasing costs and elevated fees continue to be the biggest trend impacting our business.”

MOLLY MARSH, CMP

MPI Kentucky Bluegrass Chapter

a performer and owner of The Psychic Lady, reported in her survey response the challenge of “people not understanding that services cost more” and “people wanting high service for less money than before.”

Despite inflation, budgets seem to be holding steady. When it comes to budget projections, the majority of respondents are optimistic, with 68% indicating favorable budget/spend over the next year.

However, staying within budget remains a challenge for many, as higher costs get passed along.

“Increasing costs and elevated fees continue to be

the biggest trend impacting our business,” wrote Molly Marsh, CMP (MPI Kentucky Bluegrass Chapter), a Lexington, Ky.-based director of education and events at AMR Management services. “Nothing is assumed or taken for granted. We are having to ask questions that we never thought we’d have to ask so that we can make sure there are no hidden costs or fees that will impact our overall budget. For example, we typically use à la carte and buffet enhancements to round out a continental breakfast, but recently we’re seeing hotels saying that their menus don’t work that way and that we have

ARTIFICIAL PARADISES?

The positive sentiment meeting pros have toward this tech, as well as the massive investments being made by tech companies developing AI, suggests AI will only become more and more infused into the standard toolkit of meeting and event professionals.

How often do you use generative AI tech such as ChatGPT, Bard or DALL-E?

Regularly	22%
Rarely	30%
Not at all	48%

Rate your overall sentiment towards the integration of AI tech in the meeting and event business landscape.

Very positive	14%
Somewhat positive	36%
Neutral	31%
Somewhat negative	14%
Very negative	5%



to order more food than we know we can consume. It's an issue for cost and sustainability that has caused a lot of concerns for our clients recently."

Against this backdrop, most respondents (61%) see the current market as favorable to sellers—a percentage that is up from 59% last quarter but down slightly from the 62% seen in the spring.

Meet the machines

One factor that is bringing change to the industry, for better or worse, is artificial intelligence (AI). Although it's still new, many in the industry expressed positive sentiments about this technology, and some have been early adopters in exploring it.

With so many throwing out the welcome mat to this new technology and tech companies making massive investments in developing AI, it's likely AI will only become more and more infused into the standard toolkit of meeting and event professionals.

- 22% of respondents say they use generative AI regularly but 48% say "not at all."
- 30% believe they have a better-than-average ability using AI to help deliver meaningful experiences and events.
- 50% have a positive sentiment to AI's use in the

industry, with only 19% reporting a negative sentiment.

Michael Scott has been trying to educate himself about the implications for his work as a speaker.

"Quietly, over this past week, I took a deep dive into the AI, and I am now of the opinion that it is going to have a seismic impact sooner rather than later," he says. He sees the arrival of AI as parallel to the internet in the 1990s.

"There were all of these people coming out and saying how bad it was going to be for our world—which, in some respects, proved to be true—but what we quickly learned is if you're not adapting to it and at least understanding it on a very basic level, and what its potential impact could be on the meeting industry, you're going to get crushed," he says. "It's here to stay, and it's a little scary because there are no guardrails on it, but I would say to any meeting professional you need to start dipping your toe into it."

Jason Allan Scott, a keynote speaker from the U.K., is keeping a close eye on how he can deploy AI in meetings. He is already using it for sentiment tracking, tapping HOLOPLOT technology to read the room. "That's been one of the best things ever," he says.

ATTENDANCE FORECASTS

In-person attendance projections found 70% indicating favorable attendance trends for the next 12 months. The trajectory of virtual attendance projections, however, remains stable in its move downward.

Projected Live Attendance

	Winter '22/'23	Spring '23	Summer '23	Fall '23
Positive	82%	83%	82%	70%
Flat	8%	8%	10%	15%
Negative	10%	8%	8%	15%

Projected Virtual Attendance

	Winter '22/'23	Spring '23	Summer '23	Fall '23
Positive	13%	18%	17%	17%
Flat	28%	24%	30%	33%
Negative	59%	57%	50%	50%

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MICHAEL SCOTT

MPI Greater New York Chapter

The tool tells him how many people look happy, annoyed, upset or confused. “Then you can work out what’s going on,” he says. “Is it the way you set up the room? If one area of the room is looking upset, is it because the food hasn’t reached them, or there’s a draft?”

He is particularly interested in the potential of AI to speed up registrations for events.

“You can get people to sign up at mass incredibly fast using AI to machine-learn how people are signing up,

what’s the fastest way to sign up, using an AI bot that answers questions like, ‘Where do I park?’ or ‘How do I get there? I’m disabled—what’s my opportunity to access the event?’ All of that is done with the AI helper.”

With things happening so fast, he is also putting together a weekly webinar sharing what he has learned, finding opportunity to grow his own business. “This is unbelievable—AI will beat everyone who doesn’t know how to use AI but if you know how to use AI, you’ll feed everyone,” he says.

EVENT PROF STRESSORS

Please rate the extent to which each of the following topics keeps you up at night.

	A lot	A little	Not at all
Health of you and your loved ones	49%	40%	11%
Work-life balance	38%	39%	22%
Personal finances	34%	43%	23%
Political issues (i.e. rhetoric, elections)	33%	42%	24%
Climate change	26%	41%	32%
Governmental fiscal issues (i.e. shutdown)	22%	44%	34%
Civil discourse	19%	47%	34%
Cybersecurity	17%	49%	34%
Business finances	23%	39%	39%



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