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MEETINGS OUTLOOK™



A healthy, stable business landscape sees industry professionals focusing on cultivating the entire meeting experience, with an emphasis on enhancing interaction and immersion.

2018 SUMMER EDITION

NEGOTIATIONS & EXPERIENTIAL DESIGN

A SOLID SELLER'S MARKET, CONTRACTS AND NEGOTIATIONS THAT ARE GETTING MORE COMPLEX, growth in demand for experiential components and the perceptual shift regarding virtual meetings—increasingly viewed as a tool to help live events, rather than a threat to them—are among the key trends identified in this edition of *Meetings Outlook*.



By Elaine Pofeldt

Darlene Kelly-Stewart (MPI Ottawa Chapter), owner of Stonehouse Sales & Marketing Services, an independent third-party planner in Ottawa, finds that contracting with hotels is becoming more complex by the day. With meetings booked years in advance, many existing contracts don't take into account the disruption caused by attendees' increasing use of services such as Airbnb, she finds.

"Say you've got 250 on peak—and might perform over that year over year—now you're lucky if you get to 200 because people are finding alternative places to stay," Kelly-Stewart says.

That can put a strain on both the planner, who booked the rooms in good faith, and the hotel.

"As much as the hotel and organizer want to come to some sort of agreeable, pleasant outcome, it gets to be very aggravating," she says. "Market forces are impacting you where you didn't think they would."

Kelly-Stewart wishes that contracts would include check-in provisions, where the planner would be able to modify room blocks without penalty by a certain date—set to allow the hotel enough time to put the rooms back on the market. That might also help hotels to avoid leaving a negative feeling with clients charged for attrition.

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DARLENE KELLY-STEWART

*MPI Ottawa Chapter
Owner of Stonehouse
Sales & Marketing Services*

ized for the progress we’re making in tech and being able to stay in different places,” she says.

Kelly-Stewart is not alone. One of the key trends to emerge in this quarter’s *Meetings Outlook* is the increasing complexity of contract negotiations, with 54.9 percent of respondents saying they’re seeing this trend and 22.8 percent saying they focus on new/different issues more than in the past.

Bill Voegeli (MPI Georgia Chapter), president of Association Insights, the Atlanta-area research firm that conducted the survey, says a significant contributing factor has been the home sharing services such as Airbnb and sites such as Trivago that allow travelers to shop around for the best-priced hotel rooms, some-

times in the same hotel where an event is taking place.

Instead of booking within the room block, guests are trying these alternative options, which is leaving some planners and organizers in the position of not being able to keep their commitments to hotels.

That’s not the only factor contributing to the complexity. In what 67 percent of respondents describe as a seller’s market, sought-after venues and destinations are being a bit firmer on contract provisions and clauses related to F&B and attrition.

“It’s harder for the planner to get their way on meeting their budget,” Voegeli says. As one U.S. planner, who requested anonymity, put it, “Hotel rates are out of this world.”

27 RESORTS.

ENDLESS
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CIRCUS
LAS VEGAS



MGM RESORTS MEETINGS & CONVENTIONS SPACE

With convention center expansions designed to accommodate client growth and attract new business, collaborative, innovative meeting spaces to inspire the mind and the company's first all-inclusive incentive group packages, MGM Resorts continues to lead the way in "meeting" expectations for groups of all sizes.

ARIA's major project began in May of 2016. In an effort to enhance its LEED Gold-certified convention center, they will deliver an additional 200,000 square feet of technologically advanced, flexible meeting space across four stories, for a total of over 500,000 square feet. Highlighted by stunning indoor/open-air verandas, dramatic views of The Park and T-Mobile® Arena, and the one-of-a-kind Cypress Executive Lounge with private suites, stocked pantry, conference room and library, the expanded space will put the "wow" in any event.

After breaking ground in June 2017 on an expansion of its award-winning conference center, MGM Grand is ready to top it off on January 30, 2018. The \$130 million project is adding 250,000 square feet for a total of more than 850,000 square feet when complete. Stay Well Meetings, the industry's first-ever wellness meetings experience (which launched at MGM Grand), also is expanding its footprint. Demonstrating the demand for a new way to conduct business, Stay Well Meetings feature amenities and programs that offer the kinds of healthy, productive and creative work environments that many clients are actively seeking. The expansion is scheduled for completion by the end of 2018.

Park MGM has introduced Phase I of its new 77,000-square-foot conference space and welcomed its first major client during CES, the city's largest annual show. Combining

innovative, non-traditional spaces and an outdoor terrace and flexible design, Park MGM will fill an unmet need in Las Vegas for small groups, while also offering the ability to host up to 5,000 attendees in the customizable Park Theater. In Phase II, opening later in 2018, Park MGM will introduce Las Vegas' first Executive Meeting Center (EMC) and Idea Studio – high-touch, high-tech meeting venues designed to maximize productivity for small groups. Additionally, Park MGM will include an installation of Stay Well Rooms and Meetings, the most comprehensive wellness room and meeting experiences.

Finally, set on 120 acres and home to three distinctive resort brands, this destination offers guests nearly anything their hearts desire at tropically indulgent Mandalay Bay. While listening to the waves, groups can relax and enjoy floor-to-ceiling views of Mandalay Bay Beach during their breakfast, lunch, dinner or reception. Available any time of day year-round, planners can book a seated dinner for 80, a reception for 150 or a prime viewing area for a summer concert on the beach within the 2,425-foot elevated and air-conditioned space. For an added wow factor, planners also can book The Beach and the exclusive Villas Soleil, atop the Beachside Ballroom, for a larger soiree.

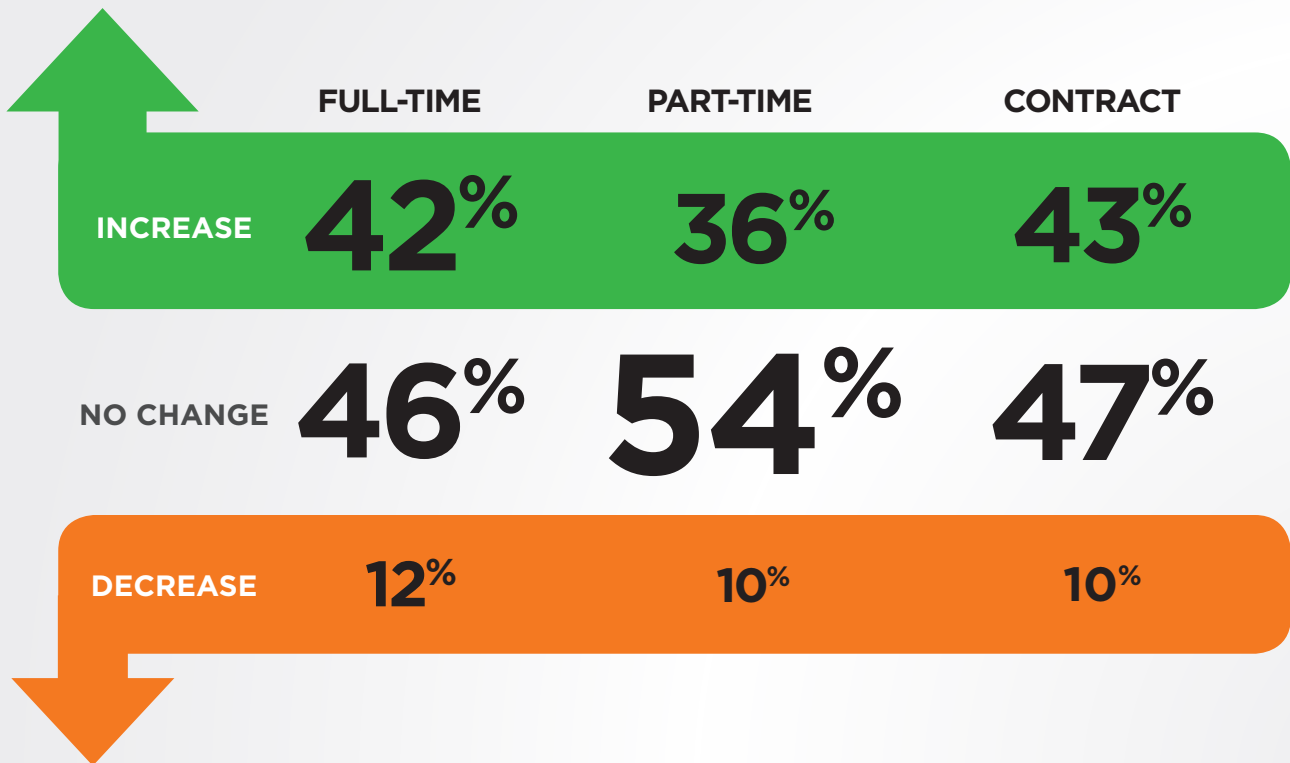
Learn more about the capacities in each of our venues and contact us to help plan your next event.

Book your Vegas convention today.

For more information please contact Michael Dominguez at mdominguez@mgmresorts.com.

GLIMPSE AT CURRENT EMPLOYMENT TRENDS

THE INCREASES IN FULL-TIME AND PART-TIME EMPLOYMENT ARE THE GREATEST SINCE 2015.



Mergers between hotels have heightened the situation.

"This has made it so that in some destinations planners have a harder time getting competitors to work against each other because they are no longer competitors," Voegeli says.

In another key trend, virtual meetings are continuing to gain greater acceptance, with 20 percent of those interviewed by phone saying they expected to do more virtual events.

The survey shows that 60 percent of meeting and event professionals feel virtual events have a positive influence on live event attendance, while only 21 percent feel they have a negative influence—and 19 percent seem to think it doesn't matter at all.

"As an industry we reversed our opinion or stand on how virtual events influence live events," Voegeli says. "Five or seven years ago, we often heard event professionals were opposed to virtual experiences. It was expected virtual experiences were going to cannibalize live events and that anything you put out virtually would be consumed instead of the live event."

Voegeli sees a sea change as virtual technology becomes more accessible, affordable and reliable.

"Now it seems like the feeling in general is the virtual experience bolsters and supports the live events industry," he says. "The virtual aspect is one that meeting and event professionals are now learning is a potential source of new revenue. It expands the footprint of the meeting or event by allowing more people access to it. In some cases, it allows them to experience the event virtually as a 'try before you buy' experience. If they like it and are still anxious to get more of what the event brought

to the table, they are more likely to go to the event next year."

Perfectionism about video quality is giving way to an acceptance of more unpolished and spontaneous uses of video, such as livestreaming on Facebook Live in this new environment. Younger generations aren't bound by previous conventions in an era of immediate sharing on social media, Voegeli finds.

"It used to be if you are going to do video, it's got to be super high quality," he says. "That's just not the model anymore for getting this virtual experience out there. The virtual experience can be done from a phone."

But meeting professionals are still figuring out how best to deploy virtual meetings technology.

"We've already shifted our formats to include more virtual meetings, but now we need to focus on keeping attendees engaged in this virtual format," said one respondent, who requested anonymity.

Some meeting planners are giving more thought to making sure that attendees have an interesting backdrop to share, whether it is on video or in a photo they post on Instagram.

"You've got to give them something to take pictures of," says Lisa Meller, CMP (MPI Orange County Chapter), managing director of Meller Performance Events Group.

With that factor on her mind, she read with interest about hydroponic salad displays. "You build your own salad from hanging vines," Meller says. "We never would have thought of this years ago."

Even meeting organizers who are not running virtual events are finding it's valuable to record live events for future sharing. Mario Stewart, CEO of EMRG Media, a full-service marketing, publishing and event planning company in New York City, and his business

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BILL VOEGELI

MPI Georgia Chapter
President of Association Insights

partner Erica Maurer have opted to film the main show and a speaker series at The Event Planner Expo, a 3,000-person show their firm runs. Currently, video of the 2017 show appears on the registration site for the 2018 show, offering a taste of what's to come.

“Things change, especially with technology,” Stewart says.

But some meeting professionals, while open to bringing more technology to their meetings, say it's important to keep virtual meetings in perspective, given the importance that face-to-face gatherings still hold.

As Tara Hendrickson (MPI Oregon Chapter), a U.S.-based planner, said in the survey comments, “[Onsite] interactions are not being replaced by digital media and social media. Live events are a great opportunity to post to social media.”

And some meeting professionals point out that simply adding a new technological element doesn't always enhance a meeting.

“It just seems like the current culture is really about what is the next new shiny object—the next iPhone, TV or streaming service,” says Jeff Schmid (MPI Virginia Chapter), assistant director at UNOS Meeting Partners, a full-service meeting planning and travel company in Richmond, Va. “At least from my perspective, we're still doing a lot of the same things we were doing 20 years ago, but the technology is getting better.”

A continuing trend that showed up again in the survey was increasing demand for experiential meetings, which most defined as involving interactivity, touch and personal engagement—“in other words, a sense of participation, as opposed to being simply someone who receives information,” Voegeli says. “You're now someone who is part of an information exchange.”

Among respondents, 87 percent say there's an increase in demand for experiential elements, and 69 percent say the need to do experiential elements is happening right now. Those percentages are very significant, evidence that experiential elements are becoming ubiquitous in the industry, notes Voegeli.

While some believe that to be truly experiential an attendee needs to leave the building, many now see meetings as experiential if they include interactive and tactile elements, the survey found.

“It's having the attendee participate in whatever the subject matter is in a way to get them to experience it on another level,” Voegeli says.

Schmid has found that adding a food crawl in Richmond has been a popular element of an annual medical conference where many of the attendees are busy transplant surgeons. In 2017, about 60 percent of the roughly 90 attendees showed up for the crawl on the Wednesday night before the conference, which takes place on a Thursday and Friday. In the crawl, local eateries that sponsor the events each provide an

Business Conditions

Expected to remain positive for the foreseeable future, respondents predict a 2.8% growth over the next year—**A GREATER SPEED OF CHANGE THAN CITED A YEAR AGO (1.6%).**

66%

of respondents predict
FAVORABLE
business conditions

18%

of respondents predict
NEUTRAL
business conditions

15%

of respondents predict
NEGATIVE
business conditions

Projected Budget/ Spend Over the Next Year

BUDGET OUTLOOKS APPEAR TO BE STABLE, MINOR INCREASES EXPECTED. However, the estimated percentage increase in actual budgets is only 2%.

53%

of respondents predict
FAVORABLE
budget/spend

32%

of respondents predict
FLAT
budget/spend

16%

of respondents predict
NEGATIVE
budget/spend

ATTENDANCE FORECASTS

LIVE AND VIRTUAL ATTENDANCE FIGURES ARE **EXPECTED TO GROW 1.8% AND 1.7%, RESPECTIVELY**. FOR THE FIRST TIME IN ALMOST THREE YEARS, THE PROJECTED LIVE ATTENDANCE GROWTH IS GREATER THAN THAT FOR VIRTUAL ATTENDANCE.



Projected Live Attendance

56%
POSITIVE

26%
FLAT

19%
NEGATIVE

appetizer and drinks. The tour has become so popular, he says, that for the 2018 event, coming up in August, they've had to increase capacity.

At EMRG Media in New York, Maurer has been experimenting with meeting elements that bring people back to childhood.

"When you do these extra touches, balloons, photo booths, props like candy bars—little things people relate to as kids—I think people really appreciate that," Maurer says. "I don't think [enough] people spend the time to do them."

She takes the ideas a little further, though, so instead of simply ordering balloons, she'll order them with the initials of a company that is hosting an event. The same holds true for colorful napkins. If the organizer serves specialty cocktails, there will be a sign at the bar giving the drinks a name that incorporates the company's name or that relates to the clients or the guests. Or there might be a drink that, with food coloring, mirrors the colors of the company's logo.

Looking for ways to make the event seem like a reward—"so people feel they had this impactful experience, not an obligatory event"—also goes a long way. For some events, Maurer's team

"It just seems like the current culture is really about what is the next new shiny object—the next iPhone, TV or streaming service."

JEFF SCHMID

MPI Virginia Chapter

Assistant Director at UNOS Meeting Partners

will roll out the red carpet so attendees can shoot photos there. At Columbia Records' summer party, an event for 200 people aimed at rewarding employees for their hard work, EMRG Media brought in a stage so they could hear a performance by one of the new artists the company had signed.

"We do a lot of repeat clients," she says. "I think the reason we get them back is we add these extras."

Meller, at Meller Performance Events Group, has been experimenting with seating that creates an experiential element. At a talk in Cancun for 70 people during a global incentive man-

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Check out our digital edition to watch an MPItv video about *Meetings Outlook* trends.

CONTRACT NEGOTIATION LANDSCAPE

WAYS IN WHICH RESPONDENTS DESCRIBE CURRENT CONTRACT NEGOTIATIONS.

54.9%

Contract negotiations are becoming more complex

22.8%

Contract negotiations now focus on very different issues than in the past

16.1%

Nothing has really changed with contract negotiations over the years

3.1%

Contract negotiations are becoming simpler

RESPONDENTS' SELF-REPORTED CONTRACT NEGOTIATION SKILLS

69%

High Ability

28%

Moderate Ability

3%

Low Ability

agement group's annual business card exchange, her team arranged the living room-style seating in furniture pods with groups of seven seats.

"If they already knew the people they were sitting with, they had to move to a table where they didn't know those people," she says. "They were moving a little bit out of their comfort zone."

Although it had been a busy day, she says, the discussion of "table topics" quickly had the room abuzz.

Even simple steps to make the dining experience more experiential can go a long way, especially if an event has followed a set format for a while, some meeting professionals find.

Susan Overdorf (MPI Indiana Chapter), executive assistant/event development at the Indiana Crop Improvement Association in Lafayette, Ind., which runs the Corn Belt Seed Conference for seedsmen, found that when she joined the organization 17 years ago, the fare tended towards traditional meals of meat and potatoes. Breakfast might be ham, sausage or bacon, biscuits and gravy and toast. Lunch was beef, chicken, potatoes and gravy and green beans. Attendees have responded very well to the recent additions of a sandwich bar, a soup bar and a salad bar, which are more interactive and spark conversations—not to mention more in sync with lighter menus that younger attendees tend to prefer.

"We're seeing a transition in generations, and this reflects a bit of change in the way people eat," she says. "They enjoy a lighter menu."

Jason Allan Scott, a keynote speaker based in London and author of books for meeting professionals such as *The Eventpreneur*, found that tapping into attendees' sensory memory can also have an impact.

Scott recently spoke to an audience where he knew many members would be from China. He started out with a soundtrack of songs that were evocative of China, such as the trickling of a river, the rain against hard tin rooftops, the chirping of birds and city sounds.

When he asked attendees, at the start of the event, what the recording reminded them of, he says, "Everyone went quiet." Then, one hand came up. "China," said one of the attendees. It immediately established a strong connection with the audience.

"We're not in the event planning business. We're in the storytelling and memory making business," Scott says. "You need to attack every sense, understanding its memory-making potential." ■



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