



MEETINGS OUTLOOK™



Optimism and business expectations are the highest ever seen in Meetings Outlook, while prices and budgets are also growing, and staffing and reskilling becomes a significant challenge.

A RETURN TO EVENTS REQUIRES GREATER

flexibility

Eager and innovative, meeting professionals envision major growth for the year to come for hiring, budgets, attendance and more even as coronavirus variants threaten to delay recovery.



**MEETINGS
OUTLOOK™**

By Michael Pinchera

Industry professionals *really* want to get back to work—that's one extrapolation based on data from the latest Meetings Outlook survey revealing that vaccination rates among respondents are almost twice that of U.S. and Canadian averages (the countries with the greatest number of respondents in the survey).

More than 91% of respondents are fully or partially vaccinated against COVID-19. Broken down, 84% of respondents say they're fully vaccinated, 7% claim to be partially vaccinated and less than 4% say they don't want a COVID-19 vaccine. As of early July, 49% of residents in the U.S. have been fully vaccinated and 53% of Canadians can claim the same.

Over the past few months, face-to-face events have increasingly become a reality; perhaps seeing that has helped to fuel the industry's record-breaking optimism. An astounding 93% of respondents are projecting favorable business conditions over the next

year, making this the second consecutive quarter of record positive expectations. For contrast, last summer, only 36% of respondents were anticipating positive business conditions for the year to come. (Note: This survey closed shortly before many locations began seeing the impact of the coronavirus delta variant.)

Similarly wowing, the percentage of respondents anticipating favorable live attendance over the next 12 months is also at an all-time high (77%), while virtual attendance projections continue to decline as plans shift from virtual to hybrid and face to face.

And the encouraging results continue. More than 81% of respondents said they anticipate holding their next face-to-face event in 2021. In fact, 56% cited Q3 of this year as the timing for such an event, potentially suggesting a swifter return to more normal business. Seventy percent of respondents also anticipate business returning to pre-pandemic levels by the end of next year.

Key

*“The most significant trend affecting the meeting and event business is a **talent shortage**.”*

TRACY JUDGE, CMP, MS, HMCC
MPI San Diego Chapter

The talent challenge

Just because people are increasingly ready to return to face-to-face meetings and events doesn't mean it'll be easy. The human factor will be a significant challenge.

“The most significant trend affecting the meeting and event business is a talent shortage,” says Tracy Judge, CMP, MS, HMCC (MPI San Diego Chapter), founder and chief connector for Soundings Connect. “The length of the pandemic forced many in our industry to find new work or a new career path. There were some industries and companies that did really well during the pandemic. They were able to hire new talent and most can afford to pay more than the events and hospitality industries.”

As industry professionals with major venues and employers have shifted from needing few employees during the worst of the pandemic to having to staff up significantly, quickly, there's been

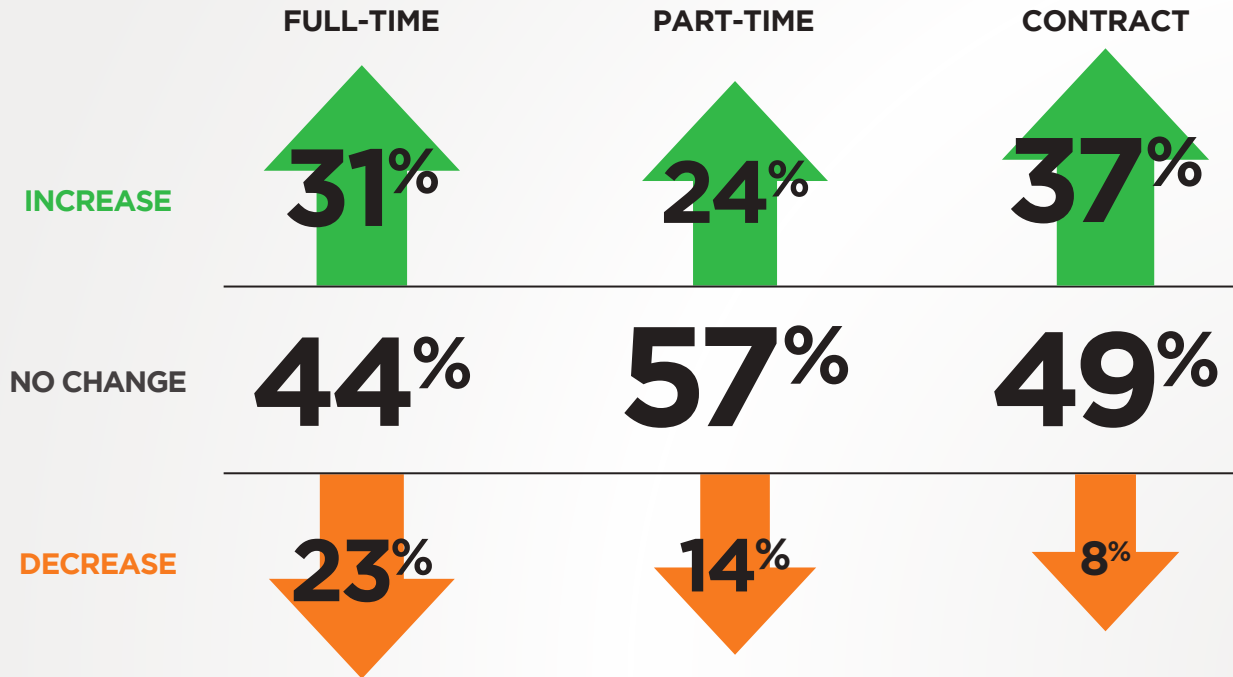
genuine concern about the inability to fill the needed roles with appropriately skilled workers. Even though 49% of respondents said they are not having difficulty filling job vacancies, 29% answered that they are having such troubles.

Judge doesn't see this occurring in her own company, but it has affected her business as Soundings Connect matches freelance industry professionals with organizations seeking their unique skills. Accordingly, this year, she anticipates her business will be about four times what it was before the pandemic.

“We know people outsource more during a recession and in this case, it was really drastic, and a lot of people left the market and companies are having trouble finding talent,” Judge says. “Even large companies are coming to us to staff their talent, so that's one of the reasons why we're seeing so much growth. We had 350 freelancers pre-pandemic and we have over 1,000 today.”

GLIMPSE AT CURRENT EMPLOYMENT TRENDS

The positive trend for employment continues at a slow rate. Despite many meeting pros remaining on furlough or still seeking employment, more are getting back to work. In fact, as discussed during the State of the Industry panel during MPI's Global Meetings Industry Day live broadcast, industry leaders expressed some concern about the massive amount of hiring activity with which they could soon be tasked.



PRICING MOVEMENT

According to respondents, prices for many meeting/event-related expenses have risen this year. How much have they increased?

	+1%-5%	+6%-10%	+11%-25%	>25%	No change
Airfare	12%	24%	19%	13%	20%
Audiovisual	11%	20%	17%	9%	32%
Entertainment	11%	23%	7%	3%	39%
F&B	16%	32%	22%	5%	16%
Guest rooms	17%	17%	19%	7%	29%
Office space	14%	10%	2%	2%	50%
Onsite security	10%	12%	9%	4%	44%
Rental cars	7%	15%	13%	24%	26%
Space rental	16%	23%	12%	6%	33%
Speakers/presenters	12%	17%	9%	2%	45%

“One of the biggest immediate challenges we are finding is the slow process of bringing employees back to full time work, both on the planner and supplier sides.”

JUANA ANDERSON

MPI Southern California Chapter

In addition to losing talent by way of people who may have left the meeting industry during the pandemic for a more regular work schedule or possibly even more money, Judge points to stats showing women left the workforce in larger numbers than men. In fact, numbers from the U.S. Census Bureau released earlier this year revealed that women have accounted for nearly 80% of people who have left the workforce during the pandemic.

“For us, that’s a crazy statistic because 77% of the meetings and events workforce is women,” Judge says. “Additionally, Harvard Business Review published something that two-thirds of highly skilled women said they wouldn’t have exited the workforce had they had more flexibility in their jobs.”

Flexibility is a key trait of meeting professionals and one of the most important traits for organizations during the pandemic, which saw most employees working from home. Many respondents (47%) say their organizations are keeping the option of full-time remote work for new and existing staff—adapting to these challenging times while understanding the wants and needs of employees. (Thirty-one percent said they are not offering full-time remote work; 22% responded “it’s complicated.”)

Judge says one of the barriers that was difficult to break through in the meeting industry was that people have been so used to working together in an office setting, face to face. The pandemic fast-tracked the adoption of regular remote work, which is significant for Judge’s business of placing freelancers.

“COVID really broke down the barriers that freelance talent face as far as plugging in to other organizations—when you’re a freelancer, you don’t have that larger organization that you’re plugging into,” she says. “One of the things [organizations] needed to focus on was cultural changes and how they need to change the organization culturally for remote work. The other things were technology that has helped make freelancers more successful, things like Zoom, project management tools... A lot of the things that ended up becoming standard because of COVID are the things that help freelancers be remote. Companies are positioned so much more to use freelance talent now than pre-pandemic.”

Of course, it’s not just freelance or contract hiring facing challenges.

Jill Kopecky (MPI Tennessee Chapter), corporate talent buyer, Neste Live! A Live Nation Company, says finding skilled staff hasn’t been difficult at her company, attributing that to how “Live Nation prides itself on making sure that everyone feels valued as an employee and person. The focus on diversity, education, community service and respect for everyone is at the core of what we do so that appeals to many people. [But] I see my friends that work at hotels, restaurants and bars struggling to find employees and people who want to work. It is very sad.”

So why does she think many in the industry are having trouble acquiring suitable staff?

“There are a few reasons,” she says. “One, people have left the industry

Business Conditions

An astounding 93% of respondents are projecting favorable business conditions over the next year, making this the **second consecutive quarter with record-breaking positive expectations.**

Fall 2020

58%

of respondents predict **FAVORABLE** business conditions

8%

of respondents predict **NEUTRAL** business conditions

34%

of respondents predict **NEGATIVE** business conditions

Winter 2021

65%

of respondents predict **FAVORABLE** business conditions

9%

of respondents predict **NEUTRAL** business conditions

26%

of respondents predict **NEGATIVE** business conditions

Spring 2021

81%

of respondents predict **FAVORABLE** business conditions

7%

of respondents predict **NEUTRAL** business conditions

12%

of respondents predict **NEGATIVE** business conditions

Summer 2021

93%

of respondents predict **FAVORABLE** business conditions

1%

of respondents predict **NEUTRAL** business conditions

6%

of respondents predict **NEGATIVE** business conditions

ATTENDANCE FORECASTS

THE PERCENTAGE OF RESPONDENTS ANTICIPATING FAVORABLE LIVE ATTENDANCE OVER THE NEXT 12 MONTHS **IS ALSO AT AN ALL-TIME HIGH**, WHILE VIRTUAL ATTENDANCE PROJECTIONS CONTINUE TO DECLINE. FOR COMPARISON, LAST SUMMER, 87% OF RESPONDENTS INDICATED **FAVORABLE VIRTUAL ATTENDANCE TO COME**.



Projected Live Attendance

77%
POSITIVE

4%
FLAT

19%
NEGATIVE

and found other work that allows them to stay at home instead of on the road. The desire for a more stable working environment is appealing.”

Kopecky also suspects there are people who don’t want to work any longer and/or are staying out of the workforce because they’re sufficiently concerned about catching COVID-19.

“Finally, people that have been working the entire time, many taking on extra work in order to keep their jobs, are finding that they aren’t getting supported now that people are getting back to work,” she says. “For example, I know a sales director at a hotel who had a support staff of four prior to the pandemic, and the ownership or management team won’t give him one of those employees back and they expect him to continue on doing it all. He quit for his own mental and physical well-being.”

Similarly, Juana Anderson (MPI Southern California Chapter), director of meetings and expositions for Bostrom, reports having no trouble finding staff, saying, “Our organization is a welcoming, diverse group of people who value [an] individual’s contribution to the team.”

Anderson says her organization’s HR director has found hiring success by broadening their search to include candidates from more diverse backgrounds.

“Re-establishing an equilibrium is imperative in facing the [industry recovery] in the best possible way.”

STEFANIA MURA
MPI Italia Chapter

“Many people have taken advantage of the shutdown to learn new skills, and companies may be able to find some hidden gems with different work histories,” she says.

The shift to virtual and hybrid meetings over the past year-and-a-half reveals even more so the need for flexibility—and, for many, that has necessitated some degree of reskilling.

Judge says another reason her business has grown so much during the pandemic is because they’ve invested in educating their freelancers. In March 2020, SoundingsConnect began doing webinars and striving to build a community to help determine what education meeting professionals needed and what they wanted to learn

MARKET LANDSCAPE

Meetings Outlook shows what appears to be a market shift that many have been anticipating. For more than a year, respondents have indicated a market landscape favoring buyers—which, on paper, sounded great for buyers aside from the fact that very few had in-person events to plan so few were able to leverage this fluctuating advantage. As more events return and venues and services deal with the complicated hiring situation, this is likely to once again swing in suppliers' favor.

	Fall 2020	Winter 2021	Spring 2021	Summer 2021
Buyer's Market	73%	76%	67%	44%
Balanced Market	14%	13%	19%	18%
Seller's Market	13%	12%	14%	38%

about and verifying the need for those skills in the market.

"Our goal has been to retain industry talent by providing education and community for freelance talent and talent that lost their job due to the pandemic," she says. "We are focused on creating opportunities for talent to upskill and find work."

Marina Parra, CITP (MPI Germany Club), managing director, Weichlein Tours + Incentives, says she foresees a reduction in staff at her organization, with increased utilization of remote work and freelancers. For that, they've created a database of professional freelancers and are launching education to train future staff to meet the needs of tomorrow.

"We are creating an academy, which will launch in September, where we will train people to be able to work remotely and as a freelancer," Parra says. "[Courses will be a] combination of practice and theory, together with guest speakers from the MICE industry to offer the right mixture of experience and knowledge needed nowadays."

Due to the changing business and workforce landscape, Parra hopes to train enough freelancers so her DMC can thrive with a main team of staff that's enhanced with contract workers only when projects are confirmed.

That said, hiring is up across the board—contract, full- and part-time, according to the latest Meetings Outlook. The greatest increase appears to be in full-time hiring, with 31% of respondents indicating active growth. While that's not quite back up to pre-pandemic levels, it's been improving notably for each of the past few quarters—up from 4% last summer.

Another impact of the staffing issues that many in the industry are facing is that some business functions may be slower than accustomed pre-pandemic—whether slower F&B service or responses to RFPs.

"I think that one of the biggest immediate challenges we are finding is the slow process of bringing employees back to full time work, both on the planner and supplier sides," Anderson says. "As a planner, I believe that we need to reach out early and expect there to be more delays in response time and production from our supplier partners. Patience and proactivity will be key in the coming months."

According to Judge, the staffing and skills situation will hamper in-person events into the near future.

"I think that people are ready to get back to events—and with hybrid events in there, I think there'll be a lot more spend coming to our industry because now people are seeing the value of both and when to use one versus the other," she says. "The virtual side of things: I don't think we have enough talent to sustain it right now, but I think we're actually better positioned on the virtual side right now than we are on the live side because while companies are ready to come back, we still have labor shortages—hotels and convention centers aren't going to be able to take the volume right away that we were able to do pre-pandemic. And even getting back up to those staffing levels, people are rusty, they haven't worked together in a long time, it's getting that groove back. Things are going to be different."

Greater focus on wellness

With all of the talk about building back better, it's encouraging to see the majority of respondents (63%) expressing a greater interest in wellness-specific content at meetings/events. In fact, only 4% of respondents are less interested in onsite wellness than prior to the pandemic.

"Sustainability and wellness are the most significant [trends we're seeing] and we try to work hard on the first especially in the type of program we are proposing and in the selection of suppliers and try to include a wellness element into any event whether meeting, incentive or congress," says Stefania Mura (MPI Italia Chapter), director at CS events.

Throughout the pandemic, she notes, everyone spent more time indoors—many exercising less—and this has an effect on physical and mental health.

"Re-establishing an equilibrium is imperative in facing the [industry recovery] in the best possible way," she says. ■



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