

2009-2010

MEETING  
PLANNER  
**INTENTION  
SURVEY**

BY  
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## 'CLIMATIZED' MEETINGS

A new study by PCMA reveals that meetings are taking a hit in the current economy. No surprise there. But just how much of an effect is the negative perception of meetings having on planners' intentions in terms of their future events and where to hold them? More than you think. ►

## It's clearly a challenging climate for meeting planners.

**They're not just operating in a recession, but in an environment in which meetings are seen as unnecessary expenses, if not questionable extravaganzas. In April and May, a questionnaire was sent to association, corporate, and incentive meeting planners to determine how that double whammy is affecting the way they are planning their events. The survey of 516 meeting professionals was conducted for PCMA, the PCMA Education Foundation, and American Express by Ypartnership.**

The results reveal that the concern about the image of hosting meetings in off-site locations is indeed having a depressing effect on the meetings and conventions industry. Seven out of 10 respondents cited the industry's image, as portrayed in the press, as being of concern. Yet fewer than one out of 10 has actually postponed or canceled a meeting as a result. Of the two forces — the recession and public perception — the languishing economy is the real culprit.

**Here are the key findings:**

► **Fewer meetings** — Four out of 10 (44 percent) respondents expected to book fewer off-site meetings in 2009/2010 compared to the number they booked in 2008. This translates into an average of 19 fewer meetings in 2009 and 15 fewer meetings in 2010. Roughly half (47 percent) of all respondents expected to book the same number of off-site meetings in 2009/2010 compared to 2008.

► **Fewer attendees** — Fifty-six percent of planners expected their attendance at off-site meetings in 2009/2010 to fall below the comparable levels recorded in 2008.

► **Meetings deferred** — Four out of 10 (41 percent) planners are going to postpone, cancel, or rebook meetings already booked in 2009/2010 due to current economic conditions. Corporate meeting planners were more likely than association planners to indicate they expected a decrease in meetings due to meeting budgets being cut as a result of general economic conditions or image/publicity/public-policy considerations.

► **Causal factors** — When asked about the primary reason(s) for their expected decrease in the number of off-site meetings booked in 2009/2010, respondents cited the following:

- \* Meeting budgets have been reduced due to general economic conditions — 90 percent
- \* Image/publicity/public-policy considerations — 35 percent

- \* Cost of meeting rooms/facilities — 26 percent
- \* Cost of food and beverage — 26 percent
- \* Cost of lodging — 25 percent
- \* Cost of transportation — 23 percent

► **Cost of changing plans** — On average, professional meeting planners expected to pay approximately \$81,000 in cancellation/rebooking fees for meetings they intend to cancel, postpone, or rebook in 2009/2010.

► **Revenue losses** — The average planner expected to cancel/postpone an estimated \$560,000 in room revenue previously booked in 2009/2010: a loss of \$780 million in room revenue and a loss of \$2.5 billion in total revenue from all PCMA/AMEX planners.

► **Venues affected** — Resorts are likely to be affected most adversely by the anticipated decline in meetings, with almost half (47 percent) of professional planners saying they expected to decrease the number of off-site meetings booked at resorts in 2009/2010. Not surprisingly, "upper upscale" and "luxury" accommodations were cited most frequently as the types of lodging accommodations that professional planners expected to use less in 2009/2010 (50 percent and 54 percent, respectively).

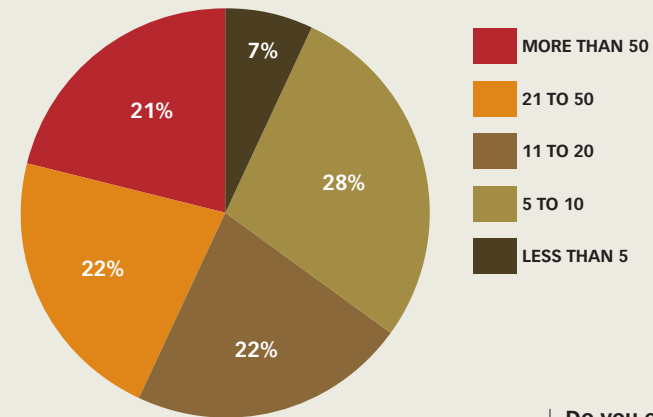
► **Upside for properties** — Hotels may be the beneficiary of this trend, with one out of 10 (11 percent) professional planners stating they expected to increase the number of off-site meetings booked at hotels (in urban settings) during the same period. Airport properties are also expected to profit from this trend, with one out of six (16 percent) professional planners expecting to use airport properties more in the months ahead.

► **Going virtual** — Planners intend to make greater use of alternative meeting methods in the months ahead, including Webinars (54 percent), teleconferencing (48 percent), and videoconferencing (30 percent). ►

**"The insights revealed in this survey confirm what most in the industry have assumed to be true in recent months: The economy is the primary culprit for the challenges now facing the industry, but professional planners are clearly concerned about the image issues and negative rhetoric associated with hosting meetings as well."**

— Deborah Sexton, president and CEO of PCMA and the PCMA Education Foundation

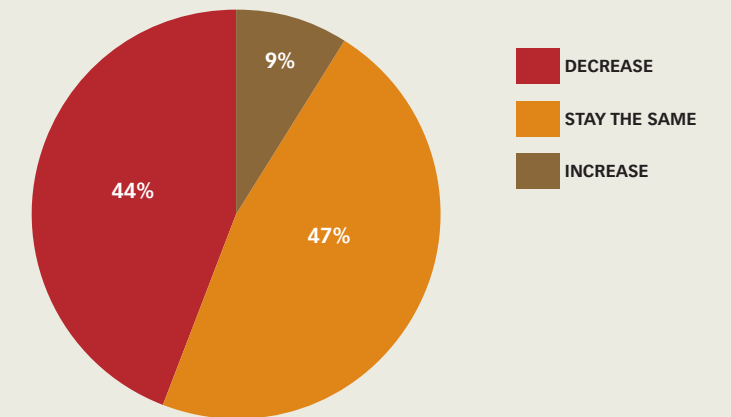
How many off-site meetings are you planning to host in 2009 using hotels/resorts/convention centers/conference centers?



**"The need for a public-information campaign to clarify how meetings and conventions stimulate the U.S. economy and create tens of thousands of jobs is evident. The PCMA Education Foundation is committed to continuing to fund important pulse and long-term research that can help industry professionals gauge the marketplace and make the best business decisions moving forward."**

— Michael Payne, PCMA Foundation chair

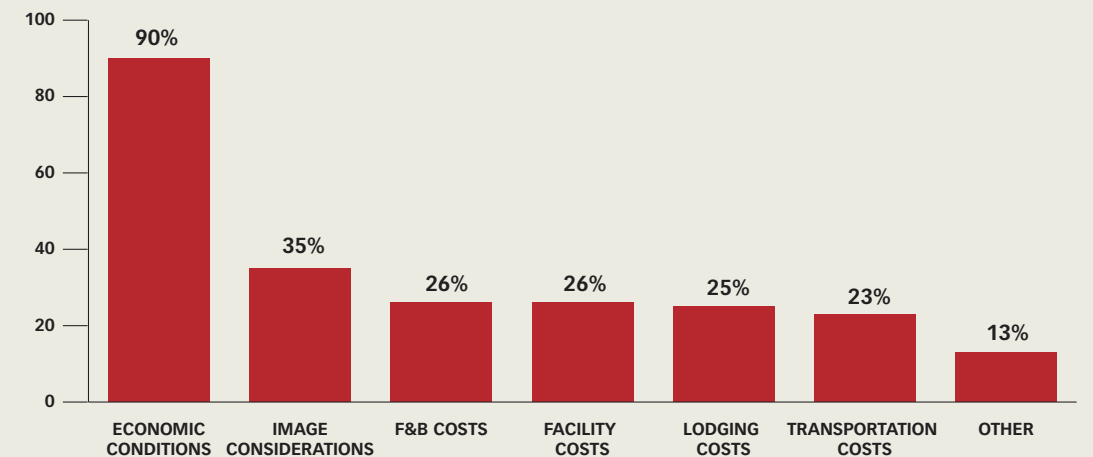
Do you expect the total number of annual off-site meetings you book/host in 2009/2010 to increase, stay the same, or decrease compared to the number you booked in 2008?



**"These results only further underscore the need for companies to be more strategic and transparent in their meetings programs by finding ways to better quantify return on meetings investment and participant experience. Consolidation of spend, in addition to greater transparency and accountability, will be key to proving ROI, as well as positioning companies for success as the economy begins to return."**

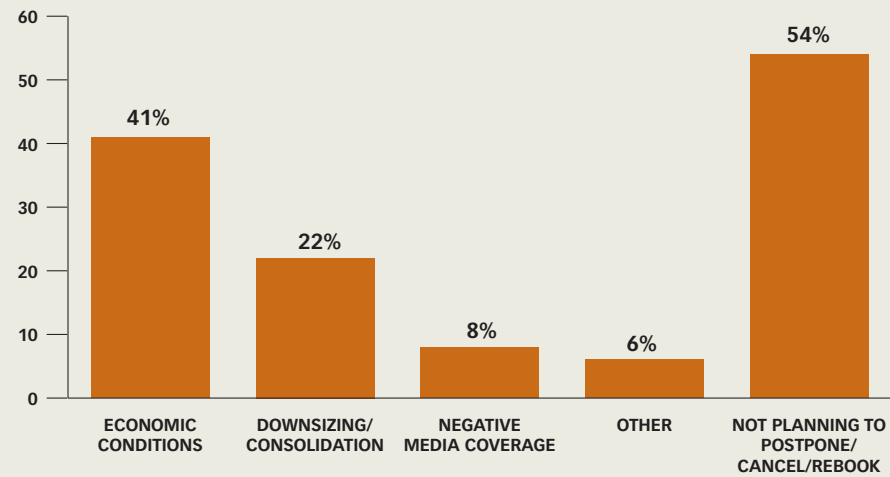
— Issa Jouaneh, vice president, strategic meetings management and planning, American Express Business Travel

Reasons for expecting a decrease in the number of meetings booked in 2009/2010

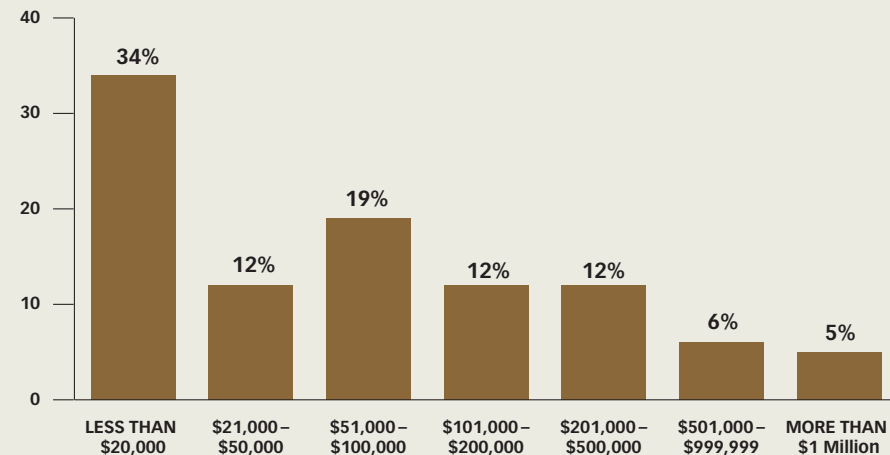


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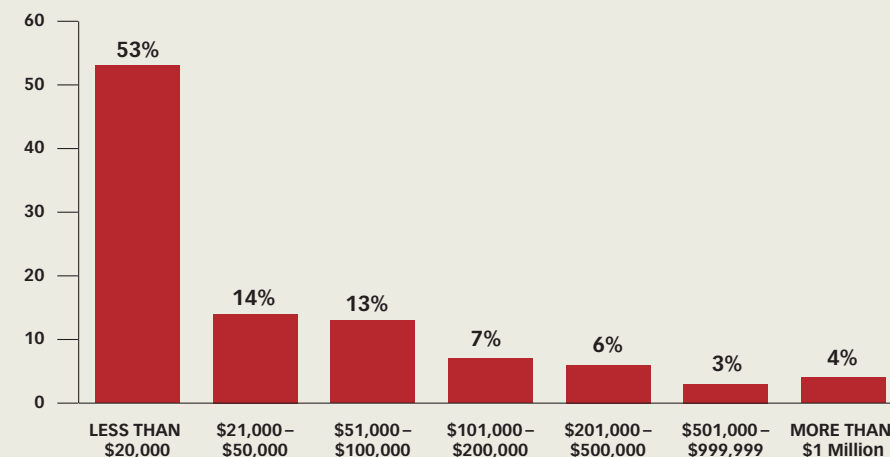
Reasons for postponing, canceling, or rebooking meetings already booked in 2009/2010



Estimated total budget loss for meetings postponed, canceled, or rebooked in 2009



Estimated total budget loss for meetings postponed, canceled, or rebooked in 2010



**SNAPSHOT OF THE RESPONDENTS**

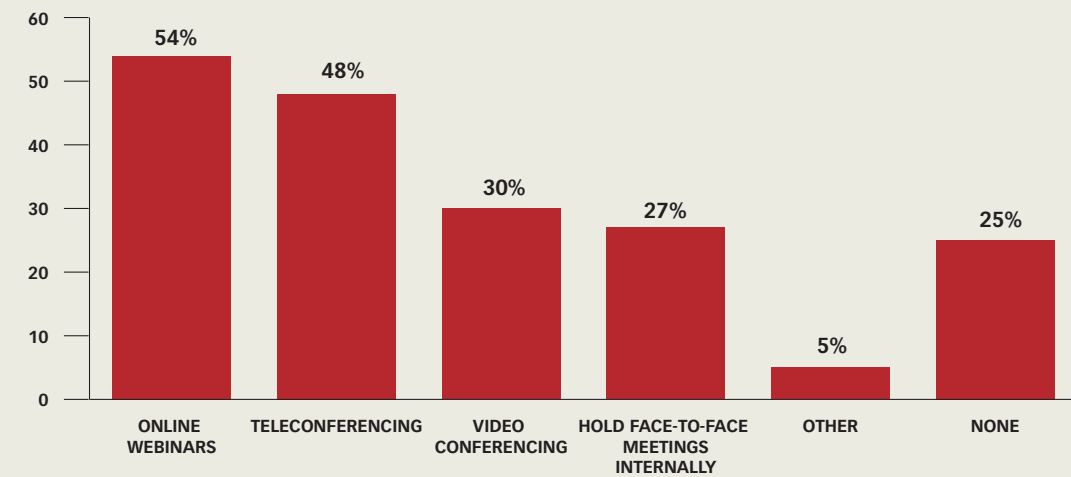
The sample consisted of 516 (nationally representative) professional meeting planners.

► **Make-up** — Fifty-five percent were association planners; 45 percent were corporate or incentive meeting professionals. The most common industry categories in which association planners work were professional (30 percent), health care (28 percent), and trade (21 percent). Among corporate planners, the most common industry categories were technology (23 percent) and pharmaceutical (17 percent).

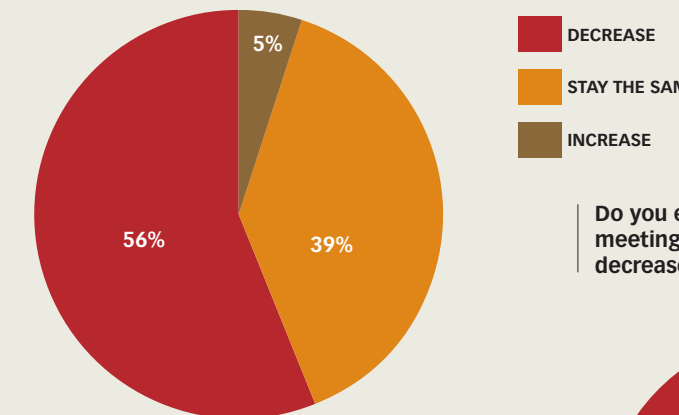
► **Organizational size** — The majority served large organizations: Slightly more than half (54 percent) of the association planner respondents serve associations with more than 10,000 members; an equal percentage of the corporate meeting planners are employed by corporations with more than 10,000 full-time employees.

► **Experience** — The vast majority had more than 10 years of professional experience planning meetings, and one-half booked more than 20 off-site meetings during the previous 12 months. ▶

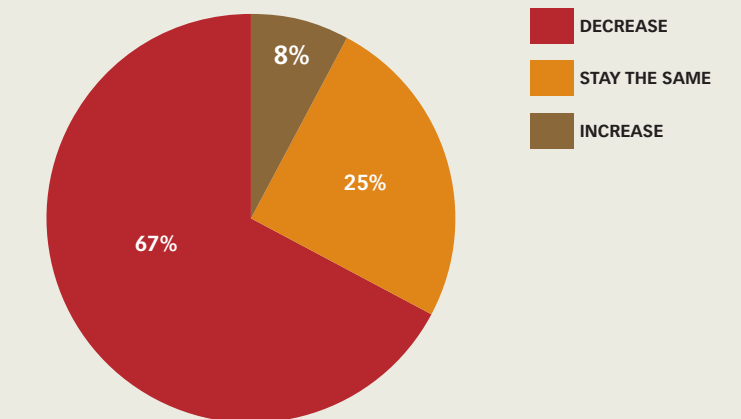
Alternative meeting methods expected to be used more in 2009/2010



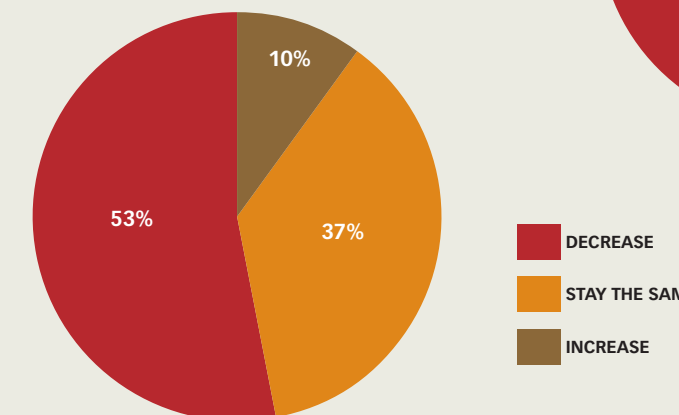
Do you expect the attendance at the off-site meetings you book in 2009/2010 to increase, stay the same, or decrease compared to 2008?



Do you expect the total annual budget for off-site meetings in 2009 to increase, stay the same, or decrease compared to 2008?



Do you expect the total annual budget for off-site meetings you book in 2010 to increase, stay the same, or decrease compared to 2008?



**POSTPONEMENTS, CANCELLATIONS, AND REBOOKINGS**

NUMBER OF MEETINGS POSTPONED, CANCELED, OR REBOOKED 2009/2010 DUE TO:	AVERAGE
<b>CURRENT ECONOMIC CONDITIONS</b>	
Number of meetings postponed	2.4
Number of meetings canceled	3.5
Number of meetings rebooked in less expensive accommodations	0.9
<b>CURRENT NEGATIVE MEDIA COVERAGE ABOUT THE MEETINGS INDUSTRY</b>	
Number of meetings postponed	1.0
Number of meetings canceled	2.6
Number of meetings rebooked in less expensive accommodations	0.4
<b>CURRENT DOWNSIZING/CONSOLIDATION</b>	
Number of meetings postponed	1.7
Number of meetings canceled	1.8
Number of meetings rebooked in less expensive accommodations	0.6

\*Among planners who are planning to postpone, cancel, or rebook any meetings already booked in 2009/2010

**POSTPONEMENTS, CANCELLATIONS, AND REBOOKINGS**

NUMBER OF ROOM NIGHTS POSTPONED, CANCELED, OR REBOOKED 2009/2010 DUE TO:	AVERAGE
<b>CURRENT ECONOMIC CONDITIONS</b>	
Number of room nights for meetings postponed	482
Number of room nights for meetings canceled	626
Number of room nights for meetings rebooked in less expensive accommodations	157
<b>CURRENT NEGATIVE MEDIA COVERAGE ABOUT THE MEETINGS INDUSTRY</b>	
Number of room nights for meetings postponed	241
Number of room nights for meetings canceled	991
Number of room nights for meetings rebooked in less expensive accommodations	36
<b>CURRENT DOWNSIZING/CONSOLIDATION</b>	
Number of room nights for meetings postponed	452
Number of room nights for meetings canceled	192
Number of room nights for meetings rebooked in less expensive accommodations	85

\*Among planners who are planning to postpone, cancel, or rebook any meetings already booked in 2009/2010

**MEETING VENUES**

EXPECTED CHANGE IN MEETING VENUES IN 2009/2010:	INCREASE %	STAY THE SAME %	DECREASE %
RESORTS	2	51	47
HOTELS	11	60	29
CONFERENCE CENTERS	4	69	27
CRUISE SHIPS	0	74	26
CONVENTION CENTERS	3	73	24

**Meeting types** —

The most common kinds of meetings planned were annual conferences (86 percent) and board or committee meetings (77 percent). More than six in 10 respondents indicated they plan continuing education and training meetings.

**Meeting size** —

The most frequently planned meetings were for 100 attendees or less (52 percent), but just above one out of 10 (12 percent) respondents planned off-site meetings for more than 1,000 attendees.

**Meeting location** —

More than one-half of respondents (56 percent) indicated they book more than 20 meetings in the mainland United States, Alaska, or Hawaii annually. Approximately three-quarters (77 percent) stated they book fewer than five meetings outside of the United States each year.

**Venues** — Hotels were identified as the most frequently used venue (71 percent), followed by resorts (14 percent) and conference centers (10 percent).

**Rates** — The average daily room rate typically paid for lodging accommodations was between \$150 and \$199.

**LODGING ACCOMMODATIONS**

EXPECTED CHANGE IN LODGING ACCOMMODATIONS IN 2009/2010:	INCREASE %	STAY THE SAME %	DECREASE %
ECONOMY	18	73	9
MID-SCALE	25	66	9
UPSCALE	5	59	36
UPPER UPSCALE	2	48	50
LUXURY	2	44	54

**MEETING LENGTH**

EXPECTED CHANGE IN LENGTH OF MULTI-DAY MEETINGS IN 2009/2010:	NO CHANGE %	YES, REDUCE LENGTH BY ONE DAY %	YES, REDUCE LENGTH BY MORE THAN ONE DAY %
INCENTIVE	45	31	24
SALES MEETING	48	39	13
TRAINING	63	27	10
FUNDRAISER	80	10	10
BOARD OR COMMITTEE MEETING	72	21	7
CONTINUING EDUCATION	73	21	6
ANNUAL CONFERENCE	70	24	6
EXHIBITION OR TRADE SHOW	75	19	6
OTHER	75	25	0

**LODGING ACCOMMODATIONS**

INFLUENCE OF THE CURRENT MEDIA ENVIRONMENT ON DECISION TO:	NOT INFLUENTIAL %	NEUTRAL %	INFLUENTIAL %
HOST FUTURE OFF-SITE MEETINGS IN "LUXURY HOTELS/RESORTS"	22	22	56
HOST FUTURE OFF-SITE MEETINGS IN "RESORT" DESTINATIONS	23	26	51
RESTRICT THE ACTIVITIES/AMENITIES MADE AVAILABLE TO YOUR DELEGATES WHILE ATTENDING OFF-SITE MEETINGS	26	27	47
HOST FUTURE OFF-SITE MEETINGS IN DESTINATIONS THAT ARE MORE READILY ACCESSIBLE TO YOUR DELEGATES BY CAR, RATHER THAN AIR	29	31	40
RESTRICT THE NUMBER OF ATTENDEES AT OFF-SITE MEETINGS	32	33	35
HOST FUTURE OFF-SITE MEETINGS GENERALLY	32	36	32
HOST FUTURE OFF-SITE MEETINGS OFFSHORE (INTERNATIONALLY)	35	33	32
REDUCE THE AVERAGE LENGTH OF OFF-SITE MEETINGS	34	35	31

**MEETING LOCATIONS**

Expected change in meeting locations in 2009/2010:

Increase %  
Stay the Same %  
Decrease %

Urban  
9 69 22

Suburban  
5 73 22

Airport  
16 67 17

International  
3 66 31



The Meeting Planner Intention Survey was conducted for PCMA, the PCMA Education Foundation, and American Express by Ypartnership. Full survey results can be found at [www.pcma.org/mpis](http://www.pcma.org/mpis).

Michelle Russell is editor in chief of *Convene*.