



Meeting Planner Intentions: 2009/2010 Outlook



Overview

- The Professional Convention Management Association (PCMA), its Educational Foundation, and American Express (AMEX) are committed to conducting research that provides meeting professionals with timely and actionable insights they can use to maximize the value of the contribution they make to their organizations or corporations.
- They jointly fielded this survey of the planning/booking intentions of a representative sample of U.S. meeting planners during the months of April and May, 2009.

Objective

- National survey of professional meeting planners designed to assess their near-term (2009/2010) intentions with respect to planning and hosting off-site meetings and conventions
- Understand and measure the impact of the current economic and media environment on:
 - Type and frequency of meetings planned/hosted in 2009/2010;
 - Current considerations in destination and hotel/resort selection;
 - Future meeting planning intentions.

Methodology

- 516 professional (nationally representative) meeting planners drawn from PCMA and AMEX member and associate databases
- Screened for inclusion based on their meeting planner experience and planning/booking behavior as follows:
 - Active association planners, corporate planners, independent planners, incentive planners and procurement specialists;
 - Meeting planning part of their formal job description;
 - Minimum of five years planning off-site meetings;
 - Booked a minimum of five off-site meetings during the past 12 months in hotels/resorts/convention centers/conference centers.

Respondent Profile

- Just over half (55%) of respondents were association meeting professionals, with the remainder (45%) serving as corporate, incentive or independent meeting professionals.
 - Over ten years of professional meeting planning experience (70%), had booked >20 off-site meetings during the previous 12 months;
 - Half (52%) had obtained the CMP designation;
 - Serve large associations or corporations, with more than five in ten association planners serving associations with >10,000 members;
 - Half (54%) of corporate planners were employed by corporations with >10,000 full-time employees.

Respondent Profile

- Most common industry categories for association planners were professional (30%), health care (28%) and trade (21%);
- Most common industry categories for corporate planners were technology (23%) and pharmaceutical (17%);
- Most frequently planned meetings were for 100 attendees or less (52%), and slightly more than one in ten (12%) planners hosted off-site meetings for >1,000 attendees;
- Hotels were cited as the venue used most frequently (71%), followed by resorts (14%) and conference centers (10%)
 - Average nightly room rate paid for lodging accommodations was between \$150 and \$199 (53%).

Respondent Profile

- Most common types of meetings planned were annual conferences (86%) and board or committee meetings (77%)
- More than one-half of respondents (56%) book >20 meetings annually in the mainland United States, Alaska or Hawaii

Conclusions

- The current economic environment is the primary factor driving the changes in meeting planning, booking and rebooking
- Both the downturn in the economy and the negative publicity and rhetoric associated with hosting meetings in upscale or resort destinations have impacted the industry adversely
- Professional planners are less concerned about the negative image and rhetoric associated with hosting meetings in upscale properties or destinations as portrayed in the press than they are about the impact of the current economic environment

Conclusions

- Estimated value of lost room revenue per planner in 2009/2010 (\$560,000) due to:
 - negative media coverage : \$231,000
 - current economic conditions: \$208,000
 - corporate downsizing: \$121,000
- More meetings have been canceled due to the economy versus the media environment, but those canceled due to the media environment were larger thereby resulting in greater negative financial impact
- Total estimated revenue lost from meetings cancelled or postponed by PCMA/AMEX planners in 2009/2010:
 - **\$781,000,000 in room revenue**
 - **\$2,500,000,000 in total revenue**

Future Meetings

- Half (56%) of planners expect their attendance at off-site meetings in 2009/2010 to fall below the comparable levels recorded in 2008
- Two-thirds (67%) of planners expect their total annual budget for off-site meetings in 2009 to decrease compared to 2008, and more than half (53%) expect this trend to carry over into 2010
- Among planners who expect a decrease in budgets in 2009, they expect it to decrease an average of 23%
- More than one-third (34%) of planners indicated their estimated total budget loss for meetings postponed or cancelled was less than \$20,000

Future Meetings

- Nine in ten planners stated their meeting budgets were being cut due to “general economic conditions,” while more than one-third (35%) cited “image/publicity/public policy considerations” as a reason they expect to book fewer meetings in 2009/2010
 - Corporate planners were more likely than association planners to indicate they expected a decrease in meetings due to budgets being cut because of general economic conditions or image/publicity/public policy considerations
- More than four in ten (44%) corporate planners expect a decrease in off-site meetings in 2009/2010 due to image/publicity/public policy considerations

Future Meetings

- Association planners were more likely than corporate planners to cite “costs” as a reason for booking fewer meetings
- Nearly three-quarters of corporate planners (73%), and nearly seven in ten association planners, are concerned about the “current image of meetings being portrayed in the business press/consumer media”
- Planners indicated that the current media environment is likely to have the greatest effect on clients’ decisions to host meetings in “luxury hotels/resorts” (56%), in “resort destinations” (51%) and on the activities/amenities made available to delegates while attending off-site meetings

Postponing, Cancelling, Rebooking

- Four in ten (41%) planners are going to postpone, cancel or rebook meetings already booked in 2009/2010 due to “current economic conditions”
 - One in five (22%) is planning to postpone, cancel or rebook meetings due to “current downsizing/consolidation”
 - Less than one in ten (8%) is planning to postpone, cancel or re-book due to “current negative media coverage about the meetings industry”
- Corporate meeting planners are more likely than association planners to expect to postpone, cancel or rebook meetings already booked in 2009/2010

Postponing, Cancelling, Rebooking

- On average, planners expect to pay approximately \$81,000 in cancellation/rebooking fees for meetings they intend to cancel, postpone, or rebook in 2009/2010

Meeting Venues

- Resorts are likely to be affected most adversely due to the anticipated decline in the number of meetings booked
 - Slightly less than half (47%) of planners expect to decrease the number of off-site meetings booked at resorts in 2009/2010
- Hotels may benefit from this trend, as one in ten (11%) planners expects to increase the number of off-site meetings booked at hotels during the same period
- Airport hotel properties, in particular, are expected to benefit during this period, as one in six (16%) planners expect to use airport hotel properties more in the months ahead

Meeting Venues

- “Upper upscale” and “luxury” accommodations were cited most frequently as the types of lodging accommodations planners expect to use less in 2009/2010 (50% and 54% respectively)
- Planners also intend to make greater use of alternative meeting methods in the months ahead including Webinars (54%), teleconferencing (48%) and videoconferencing (30%) technologies



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