

FutureWatch₂₀₁₁

Executive Summary

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MEETING PROFESSIONALS INTERNATIONAL

Technology. Strategy. Relationships.

We listened. You say that the meeting industry will see unparalleled change in the coming year, that technology will bolster communication, that ROI and strategic meetings management will be vital to your business success, that new and existing connections with your peers will lead to smarter events. This is *FutureWatch 2011*, and these are your stories.

The global financial crisis forced many industry practitioners to accept what a handful of their peers already had—that meetings must meet the strategic imperatives of their organizations and provide detailed proof of ROI.

The failing economy caused meeting suppliers and planners to collaborate in new and different ways, creating stronger intra-industry relationships that will last for years to come. And as budgets became more and more tight, many meetings moved to cyber space—a trend that will continue through 2011.

Technology, it seems, has finally gone mainstream in

an industry that has long pushed back against what was viewed once as a direct threat to in-person events. Meeting professionals maintain that face-to-face meetings are far better equipped to forming lasting relationships, business partnerships and revolutionary ideas, but acknowledge the sufficiency of on-line meetings, especially in some sectors such as education.

FutureWatch 2011 results show that the tides of the meeting industry have shifted, and there will be no return to

yesterday's events. Instead, meeting professionals will find that in presenting the value of their events to company leaders, board trustees and stockholders, they better understand their own roles within organizations and better prepare for the future of meetings and events.

Optimism is high among senior industry professionals, according to the *IMEX Global Insights Report*, which surveys a standing panel of 45 senior industry professionals. The report's results point to a rise in events and budgets in 2011. Green initiatives remain on the agenda, as do developments in virtual meetings.

Here's a peek at some of the results:

58%

of respondents say the number of meetings will increase this year, while 37 percent say it will stay the same, and only 5 percent say it will decrease

18%

expect a significant increase in budget this year, 39 percent foresee a slight increase and 24 percent sense that budgets will remain the same

25%

say demonstrating ROI from meetings, events and incentives in detail—and in a way that management fully understands—is either their most or their second most important priority

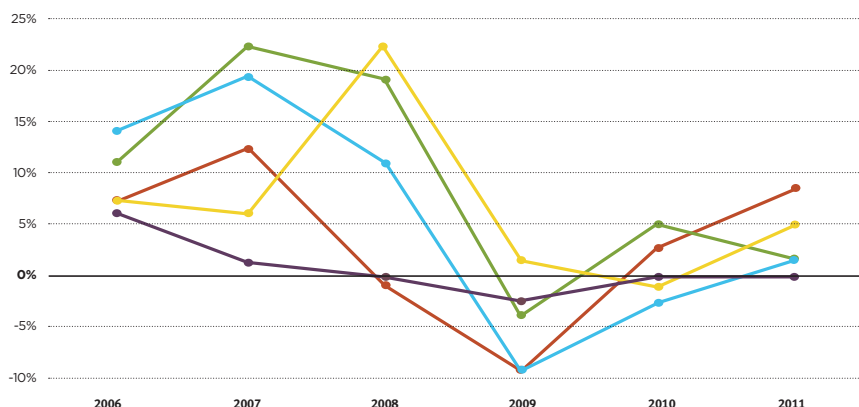
42%

say they are fully committed to CSR and 26 percent say they are currently developing CSR policies

Meetings Strike Back

Year-to-Year Trend in Projected Meeting Statistics

Projected Change



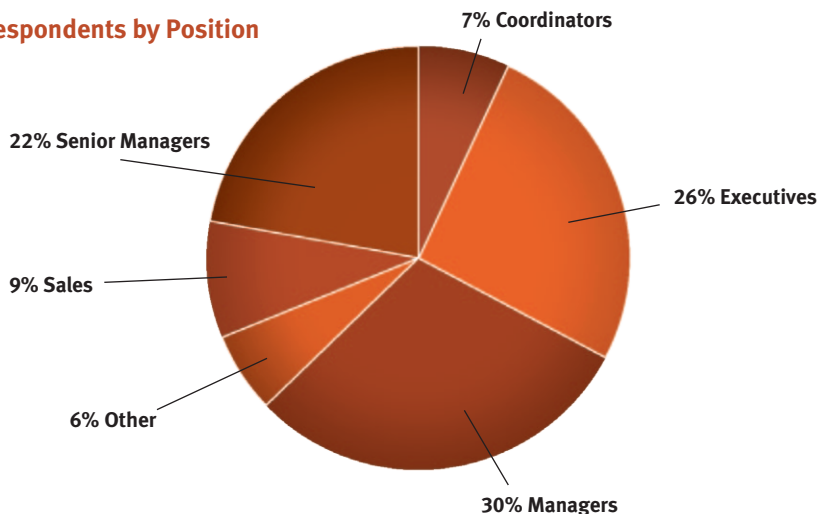
| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|--------------------|------|------|------|------|------|------|
| Overall Attendance | 12% | 23% | 19% | -4% | 5% | 2% |
| Planner Budgets | 14% | 19% | 11% | -9% | -3% | 2% |
| Spend Per Meeting | 7% | 6% | 23% | 2% | -1% | 5% |
| Number of Meetings | 7% | 12% | -1% | -9% | 3% | 8% |
| Length of Meeting | 6% | 2% | 0% | -3% | 0% | 0% |

This is your FutureWatch.

We surveyed 459 of your industry peers (including members from 67 MPI chapters in 20 countries) and asked about their meetings for the coming year. We interviewed them on the phone and asked about upcoming challenges. We reached across borders and oceans and asked where the global meeting and business event industry was heading.

Here's who answered.

Respondents by Position



BY THE NUMBERS

Planners

Number of meetings being planned by organizations **↑ 8%**
2010: 182.2
2011: 196.1

Number of meetings being planned by respondents **↑ 3%**
2010: 48.7
2011: 50.4

Number of delegates per meeting **↑ 2%**
2010: 543.4
2011: 555.1

Average spend per meeting **↑ 5%**
2010: \$188K
2011: \$197K

Number of locations evaluated per meeting **↑ 6%**
2010: 5.8
2011: 6.1

Average net revenue from all meetings by organization **↑ 4%**
2010: \$1.8M
2011: \$1.9M

Suppliers

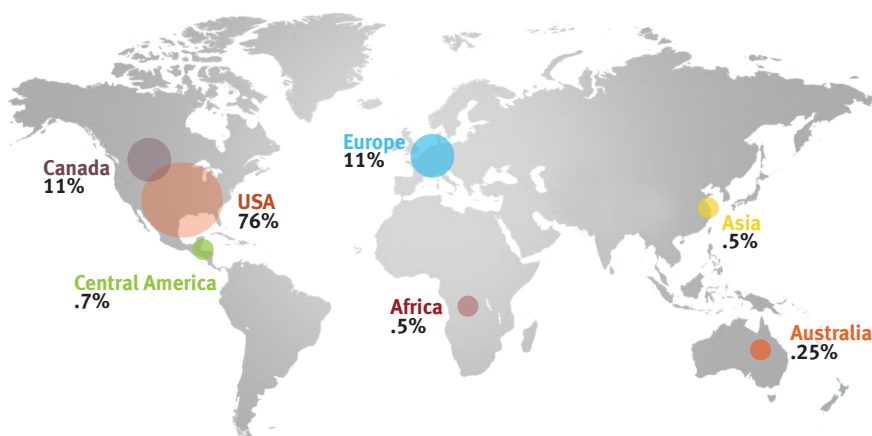
Number of meetings overall to be served by organization **↑ 11%**
2010: 467.9
2011: 520.0

Number of meetings overall to be served by respondent **↑ 11%**
2010: 128.2
2011: 142.2

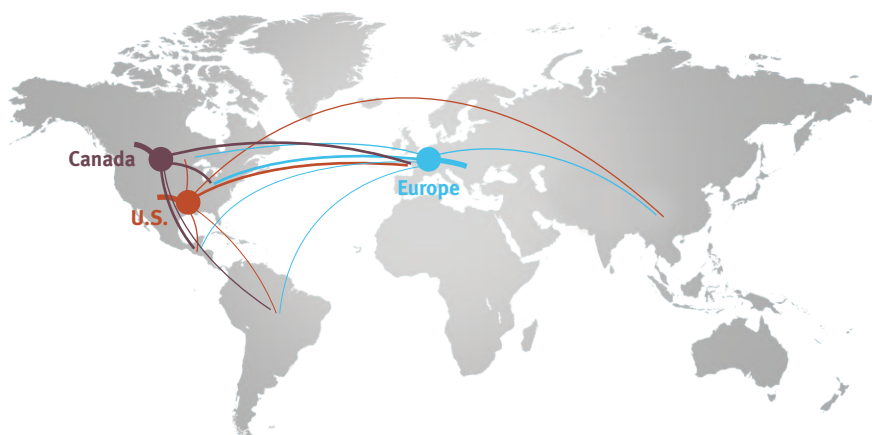
Number of proposals being prepared by respondent **↑ 14%**
2010: 195.2
2011: 223.5

*All money in US dollars

Respondents by Region



Where Meetings and Events are Traveling To



| | Destination | | | | | | |
|----------------|-------------|--------|--------|------------|------------|------|-------|
| | U.S. | Canada | Europe | C. America | S. America | Asia | Other |
| From Canada to | 11% | 82% | 5% | 2% | 1% | 0% | 1% |
| From Europe to | 10% | 2% | 82% | 1% | 1% | 3% | 4% |
| From U.S. to | 87% | 2% | 6% | 2% | 1% | 3% | 3% |

METHODOLOGY

In July 2010, MPI conducted focus groups with MPI members to learn how to improve *FutureWatch 2011*. While the survey has evolved over the past eight years, the clear message for the next iteration of the study was to make *FutureWatch 2011* shorter and smarter by significantly reducing the number of questions and concentrating more on what meeting professionals see as the future of the industry. The 140-question, online survey of 2010 was replaced with a 30-question, online survey and augmented with in-depth telephone interviews to discover how the industry is changing, and where those changes are expected to lead. Respondents included the following.

» Corporate Meeting Professionals, who are employed primarily by corporations to plan or oversee meeting logistics, strategy and/or finances

» Association and Nonprofit Meeting Professionals, who are employed primarily by associations, nonprofit organizations or private universities to plan or oversee meeting logistics, strategy and/or finances

» Government Meeting Professionals, who are employed by government agencies or public universities to plan or oversee meeting logistics, strategy and/or finances

» Meeting Management Professional Planners, who are independent planners, consultants or employees of meeting management companies acting primarily in planning roles

» Meeting Management Professional Suppliers, who are independent planners, consultants or employees of meeting management companies acting primarily in supplier or sales roles

» Supplier Meeting Professionals, who are vendors of products or services to the meetings industry, including employees of facilities, DMCs, audiovisual and production companies, florists, transportation providers and CVBs.

Results of *FutureWatch 2011* have a statistical accuracy of 95 percent, +/- 5 percent. Four hundred fifty-nine meeting professionals took part in the online survey.

Planners accounted for 54 percent of respondents; the rest were suppliers.

More than three-fourths (78 percent) were executives (26 percent), senior managers (22 percent) or managers (30 percent). The largest single respondent group was that of corporate planners, who comprised 19 percent of respondents, followed by hotels, which comprised 17 percent of respondents.

One hundred twenty-five meeting professionals participated in individual telephone interviews designed to discover why meeting professionals work the way they do, how changes will be introduced in their organizations and what the expected outcomes will be. The average length of the interviews was 15 minutes.

Members from 67 MPI chapters and 20 countries took part in *FutureWatch 2011*. Seventy-six percent were from the U.S., 11 percent from Canada, 11 percent from the E.U. and 2 percent from other areas.

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About MPI

Meeting Professionals International (MPI), the meeting and event industry's largest and most vibrant global community, helps our members thrive by providing human connections to knowledge and ideas, relationships and marketplaces. MPI membership is comprised of more than 23,000 members belonging to 71 chapters and clubs worldwide. For additional information, visit MPIWeb.org.

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