



Meetings Planners Intentions Survey: Executive Summary

Overview

The Professional Convention Management Association (PCMA), American Express (AMEX) and Ypartnership 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 organization or corporation. Accordingly, these three organizations collectively fielded this U.S. Meeting Planner Intentions Survey during the months of April and May 2009.

Purpose

The PCMA/AMEX/Ypartnership Meeting Planner Intentions Survey was a national survey of professional meeting planners designed to assess their near-term intentions with respect to planning and hosting off-site meetings and conventions. The primary objective of the survey was to understand and measure the impact of the current economic and media environment on:

- The type and frequency of meetings planned/hosted in 2009/2010;
- Current considerations in destination and hotel/resort selection;
- Influence of the current economic environment on future meeting intentions;
- Influence of the current media environment on future meeting intentions.

Methodology

The survey was conducted online with a nationally representative sample of professional meeting planners drawn from PCMA and AMEX member and associate databases. A total of 516 planners including association planners, corporate planners, independent planners, incentive planners and procurement specialists were screened for inclusion based on their meeting planning experience and behavior as follows:

- Meeting planning is 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.

Planner Profile

Just over half (55%) of respondents were association meeting professionals, with the remainder (45%) serving as corporate, incentive or independent meeting professionals. The vast majority (70%) had over ten years of professional meeting planning experience, and one-half had booked more than 20 off-site meetings during the previous twelve months. Just over half (52%) held the Certified Meeting Professional (CMP) designation.

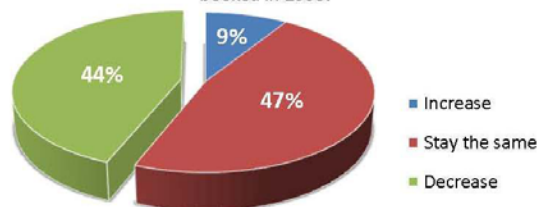
- The most frequently planned meetings were for 100 attendees or less (52%) and slightly more than one in ten (12%) planned off-site meetings for more than 1,000 attendees.
- Hotels were cited as the most frequently used venue (71%), followed by resorts (14%) and conference centers (10%).
- The average daily room rate paid for lodging accommodations typically fell between \$150 and \$199 (53%).

Meeting Intentions

The languishing economy is having a significant negative impact on the meetings and conventions industry.

- Two-thirds (67%) of meeting planners expect their total annual budget for off-site meetings in 2009 to decrease compared to 2008, and more than one-half (53%) expect this trend to carry over into 2010.
- Among those planners who expect a decrease in budgets in 2009, they expect the decrease to average 23%.

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?





Nine in ten meeting 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 meeting planners were more likely than association planners to indicate they expected a decrease in meetings due to meeting budgets being cut because of general economic conditions or image/publicity/public-policy considerations.
- More than four in ten (44%) corporate meetings planners stated they expect a decrease in meetings in 2009/2010 due to image/publicity/public-policy considerations.
- Association planners were more likely than corporate planners to cite costs as a reason for booking fewer meetings. Approximately one-third of association meeting planners expect fewer meetings in 2009/2010 due to the cost of food and beverage (35%), lodging (33%) or meeting rooms/facilities (32%).

Four in ten (41%) meeting professionals are planning to postpone, cancel or rebook meetings already booked in 2009/2010 due to “current economic conditions,” while one in five (22%) is planning to postpone, cancel or rebook meetings due to “current downsizing/consolidation.” It is interesting to note that less than one in ten (8%) is planning to postpone, cancel or rebook due to “current negative media coverage about the meetings industry.”

- On average, professional meeting planners expect to pay approximately \$81,000 in cancellation/rebooking fees for meetings they intend to cancel, postpone or rebook in 2009/2010.
- More meetings were canceled due to the economy vs. the media environment, but those that were canceled due to the media environment tended to be much larger meetings as evidenced by the larger financial impact;
- Meeting planners, on average, report that the estimated value of room night revenue for meetings they expect to cancel or postpone in 2009/2010 due to current negative media coverage (\$231,479) is greater than the room night revenue they expect to cancel or postpone due to the current economic conditions (\$208,182) or corporate downsizing (\$121,000).
- The average planner in this survey is expected to cancel/postpone an estimated \$560,000 in room revenue in 2009/2010. When extrapolated to the population of all PCMA and AMEX professional planners, this translates into a projected loss of \$781 million in room revenue in 2009/2010, and a loss of \$2.5 billion in total revenue (room, food, beverage, facility rental, etc.) during the same period.

Resorts are likely to be affected most adversely by the prevailing economic and media environment due to the anticipated decline in the number of meetings booked. Slightly less than half (47%) of professional planners expect to *decrease* the number of off-site meetings booked at resorts in 2009/2010.

- Interestingly, hotels may benefit from this trend as slightly over one in ten (11%) planners expects to increase the number of off-site meetings booked at hotels during the same period.
- Not surprisingly, “upper upscale” and “luxury” accommodations were cited most frequently as the types of lodging accommodations professional planners expected to use *less* in 2009/2010 (50% and 54% respectively).
- Professional planners also intend to make greater use of alternative meeting methods in the months ahead including webinars (54%), teleconferencing (48%) and videoconferencing (30%) technologies.

Conclusions

The insights revealed in this study confirm what many in the industry have assumed to be true in recent months:

- The current economic environment is the main factor driving changes observed 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 meeting planners are less concerned about the negative image and rhetoric associated with hosting meetings in upscale properties or destinations portrayed in the press than they are about the impact of the current economic environment;
- More meetings were canceled due to the economy vs. the media environment, but those that were canceled due to the media environment tended to be much larger and will therefore result in greater financial impact.

The magnitude of the economic impact on the meetings industry underscores the importance of insuring that both governmental and corporate executives understand the considerable risks associated with the reduction in off-site meetings and the vitally important role the reinstatement of such meetings can play in revitalizing the U.S. economy:

- The impact of the economy can galvanize the meetings industry to work collaboratively with industry partners on united fronts of advocacy, public relations, policy and research;
- Meeting planning can take a more strategic role in their business or association;
- Meeting professionals can demonstrate their organizational value by positioning why face to face meetings are critical, especially in these challenging times.