COVID-19 Recovery Dashboard

Survey and analysis by PCMA *Convene* editors
Charts and design by Point Five

Just as Zoom fatigue is a real thing at this stage in our coronavirus journey, so too is survey fatigue. Recognizing that, we moved from a biweekly to monthly cadence in our COVID-19 Recovery Dashboard survey series. The responses of 951 events industry professional participants — 705 planners and 246 suppliers — in the June 15–18 survey demonstrate a change in sentiment about the future of events and finances in a few key areas over the past month.

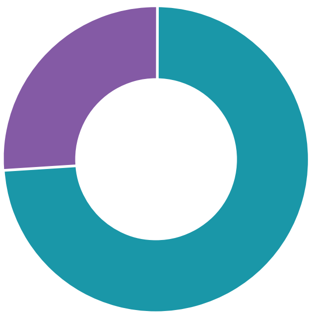
We asked the same questions as the May 18–21 survey, but, recognizing that more organizers are envisioning their next events as a combination of small face-to-face with a large digital component, we added "hybrid" as an answer option for two planner questions: as one of the choices for the scenario that best describes their view of the way the industry will recover, and their biggest financial challenge in planning a business event in 2021. For the scenario question, nearly one-quarter (23 percent) envision hybrid events as the way forward, but as in past surveys, the most likely option chosen by most planners is that smaller local and regional events will thrive before national and international groups gather.

And while more planners may be leaning toward hybrid events for the future, that doesn't make their budgeting process any easier — three in 10 said that planning a hybrid event was their biggest financial challenge. There are, of course, many calculations that go into that, including how many face-to-face vs. digital participants to plan for, which would explain why budgeting for in-person events was identified as the biggest challenge by 16 percent fewer planners in this survey.

As the pandemic wears on, 5 percent more planners (31 percent vs. 26 percent last month) say they would be unwilling to travel to an event in the absence of a therapeutic treatment or vaccine for COVID-19. Meanwhile, suppliers are readjusting their revenue loss estimates for the rest of 2020: 56 percent (vs. 52 percent in last month's survey) expect declines of more than 75 percent. For 2021, 8 percent more suppliers (48 percent vs. 40 percent last month) expect losses in the lower 25-30-percent range.

pcma convene

What best describes your role in the business events industry?



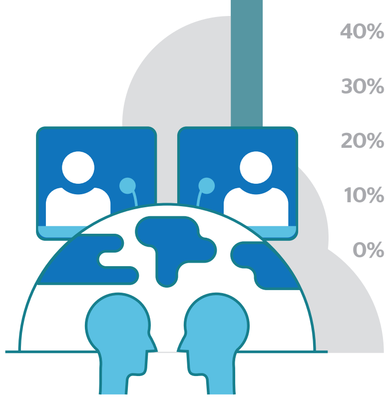
74% Business events professional

26% Supplier serving business events professionals

What region best represents where you do the majority of your business?

76%	U.S.
6%	Canada
7%	APAC Region
8%	EMEA region
2%	Latin America

80%	U.S.
7%	Canada
5%	APAC Region
5%	EMEA region
3%	Latin America

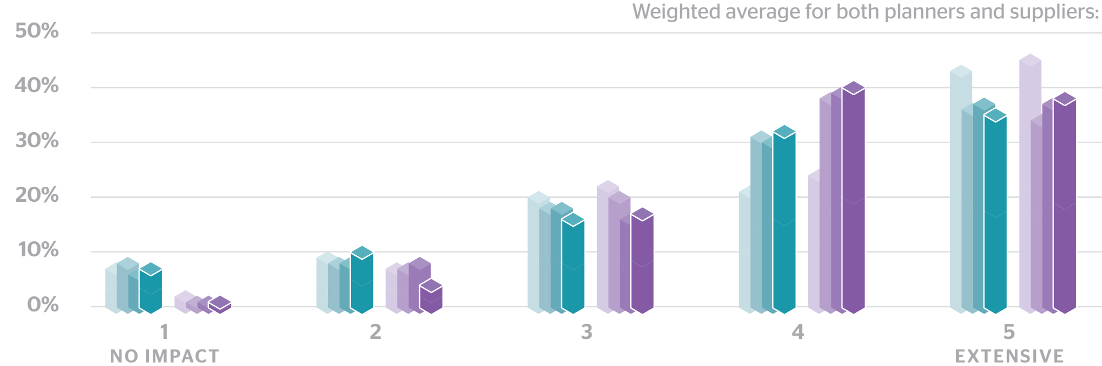


PLANNER TRACK APRIL 20-23 MAY 4-7 MAY 18-21 JUNE 15-18

SUPPLIER TRACK APRIL 20-23 MAY 4-7 MAY 18-21 JUNE 15-18

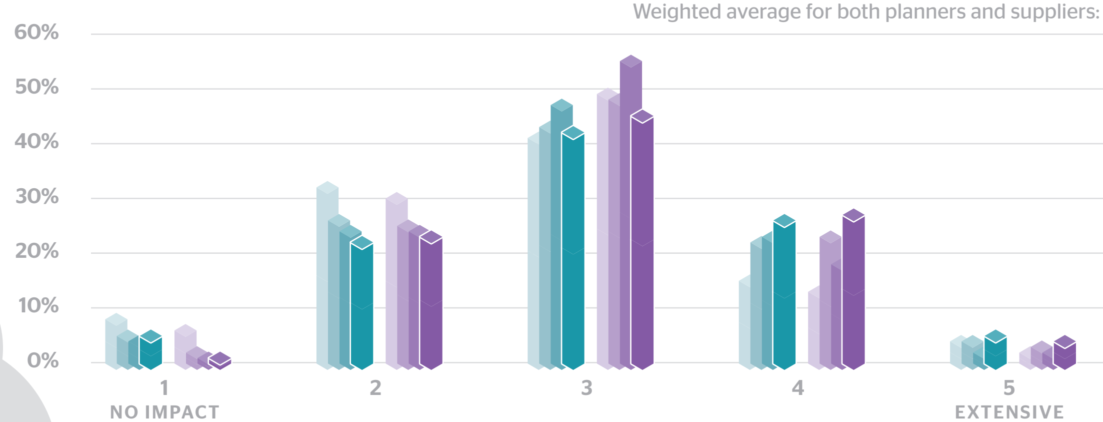
To what extent do you believe the rise in the use of digital-event technology will cannibalize face-to-face attendance at your event/s in the **next three months** on a scale of 1 to 5?

Weighted average for both planners and suppliers: **4**



To what extent do you believe the rise in the use of digital-event technology will cannibalize face-to-face event attendance at events **in 2021** on a scale of 1 to 5.

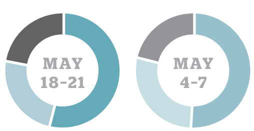
Weighted average for both planners and suppliers: **3**



PLANNER TRACK

Are you planning to redesign an existing face-to-face event for a digital platform in the **next three months**?

- **51%** Yes, the entire program will be online.
- **28%** Yes, there will be a digital component.
- **21%** No

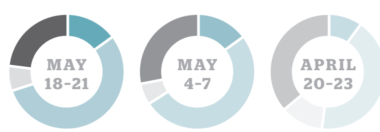


41%

OF PLANNERS SAY SMALLER EVENTS WILL LEAD THE INDUSTRY'S RECOVERY, FOLLOWED BY 23% WHO CHOOSE HYBRID EVENTS — ALTHOUGH THE TWO ARE NOT MUTUALLY EXCLUSIVE.

When the pandemic crisis passes, what scenario do you think best describes the recovery of face-to-face meetings for the business events industry in your geographic region?

- **17%** There will be pent-up demand for all groups to meet face-to-face.
- **41%** Smaller local and regional events will thrive before national and international groups gather.
- **14%** People will be hesitant to travel to meet face-to-face.
- **23%** Small in-person events will be hybrid, with a digital version for a larger audience.*
- **5%** Other



* This response option was included for the first time on the June 15–18 survey.

'All Events Will Be Hybrid'

The majority of the 5 percent who responded "other" agree that events will be hybrid — a mix of smaller, in-person events with a digital component, and that as much as people may want to meet face-to-face, fears about spread of the virus and economic hardship will keep them from traveling.

"I think a blend of needing face-to-face interaction with an international travel hesitation. Also, an economic hesitation to travel therefore needing a blended online/in-person approach."

"I see a combination of all of the above except for the pent-up demand, as people will be afraid to attend and travel money will have dried up."

"Why is this a radio button question? I believe 1, 3, and 4 will happen and they are not mutually exclusive."

"Smaller local and regional events allow for more control. And providing a hybrid model will be key for those who may not be able to attend or will not be comfortable in attending."

"All events (small, large, local, regional, etc.) will be hybrid with digital aspects, whether it is specific components of the event or speakers delivering their message virtually."

"Our clients want to do events, but it is all down to budgets and us waiting for borders to open."

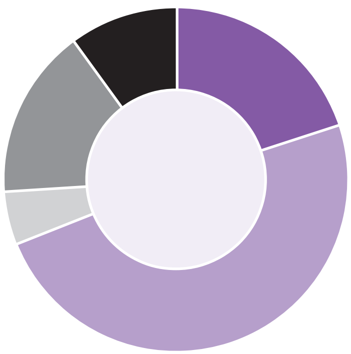
"I think there will be eagerness to meet in person, and regional meetings, where people who can drive to the event, will be the majority. This will depend on consistent, well-enforced guidelines at facilities and event venues, so people are assured of safety. I think people want to meet in person, but they need to know safety is practical."

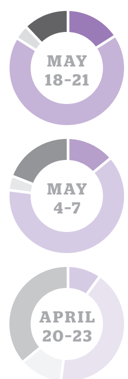
"This depends on vaccine development. People will be ready to meet face-to-face when there is a vaccine."

"I don't believe there will be any effect on my events/industry in the coming months/year."

SUPPLIER TRACK

When the pandemic crisis passes, what scenario do you think best describes the recovery of face-to-face meetings for the business events industry in your geographic region?





- **20%** There will be pent-up demand for all groups to meet face-to-face.
- **49%** Smaller local and regional events will thrive before national and international groups gather.
- **10%** People will be hesitant to travel to meet face-to-face.
- **16%** Small in-person events will be hybrid, with a digital version for a larger audience.*
- **5%** Other

* This response option was included for the first time on the June 15-18 survey.

49%

OF SUPPLIERS VS. 41% OF PLANNERS IDENTIFY SMALLER AND REGIONAL MEETINGS AS THE MOST LIKELY SCENARIO GOING FORWARD, AND 7% FEWER SUPPLIERS THAN PLANNERS ENVISION HYBRID EVENTS AS LEADING THE WAY.

'A Much-Needed Steppingstone'

Most of those who selected "other" believe there will be a combination of scenarios.

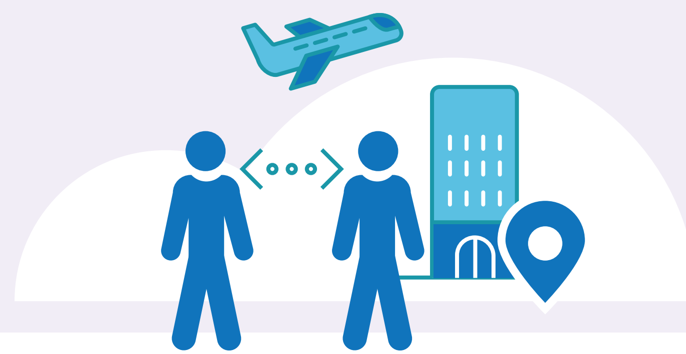
"Digital will allow for a much-needed steppingstone until everyone feels safe enough to attend meetings in person."

"Difficult to answer so simply. I think all the above scenarios will happen. The questions remain: How many is 'small'? What percentage will physical delegates make vs. digital delegates? How far are we from the pandemic? Are the safety measures still in place in venues? What is the global economic situation? Difficult to answer in isolation of considering these facts."

"I believe there will be a pent-up demand for face-to-face meetings. I think that leisure travel will start first. I think that some of the smaller meetings, for instance, board meetings, will incorporate virtual meetings at least one or two times a year. I also believe that virtual meetings will be available as a 'highlight' of the annual meetings."

"There will be pent-up demand and high interest in groups to meet face-to-face but I believe organizers will move carefully and will likely employ a hybrid model so that those who are hesitant to travel or gather can still be included."

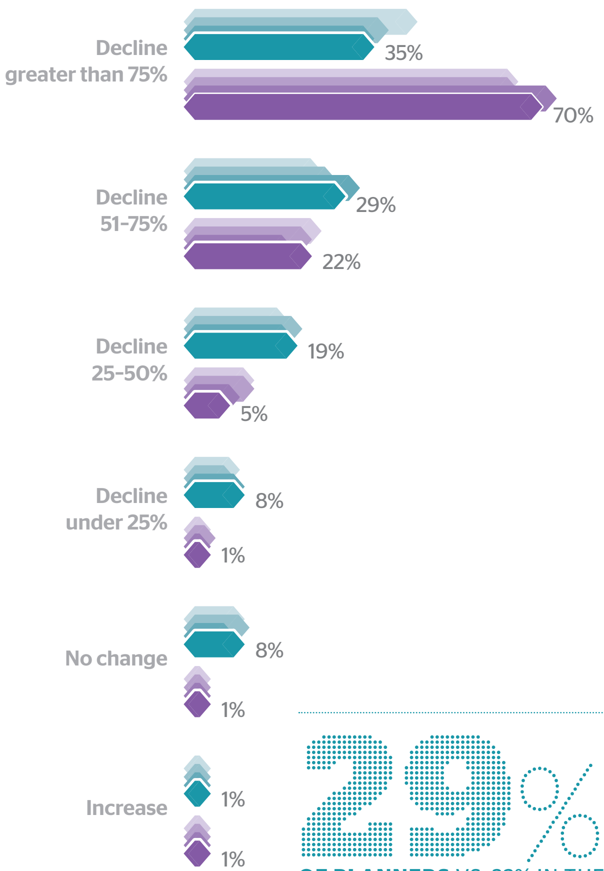
"All options are very likely and I think will all exist in some way, shape, or form. This needs to be combined with the prevailing health and travel restrictions of the respective region as well any corporate travel and meeting restrictions policies that may be in place. Without question, it will be a gradual return to 'normal.'"



PLANNER TRACK APRIL 20-23 · MAY 4-7 · MAY 18-21 · JUNE 15-18

SUPPLIER TRACK APRIL 20-23 · MAY 4-7 · MAY 18-21 · JUNE 15-18

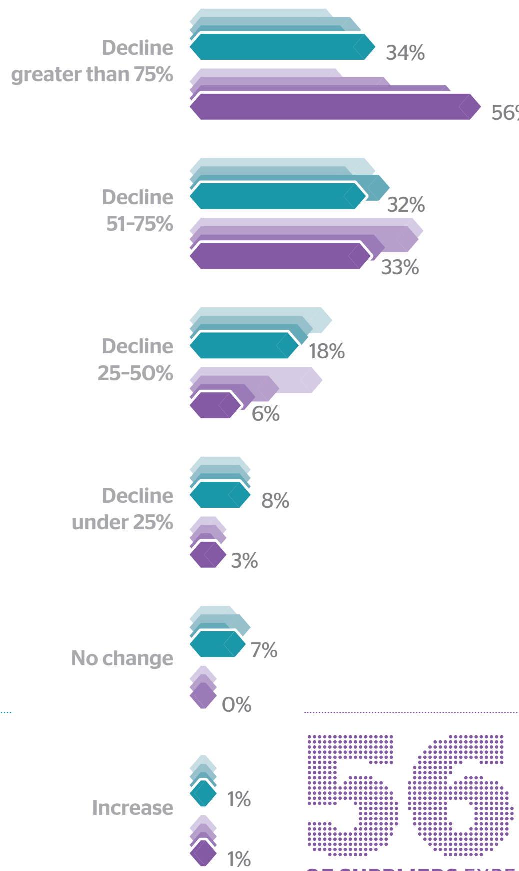
What do you believe will be the overall revenue impact of COVID-19 on your events-related business during the **next three months**?



29%

OF PLANNERS VS. 32% IN THE PREVIOUS MONTH'S SURVEY THINK THERE WILL BE A 51-75% DECLINE IN REVENUES; CONVERSELY, MORE SUPPLIERS (22% VS. 18% LAST MONTH) ESTIMATE LOSSES OF 51-75%.

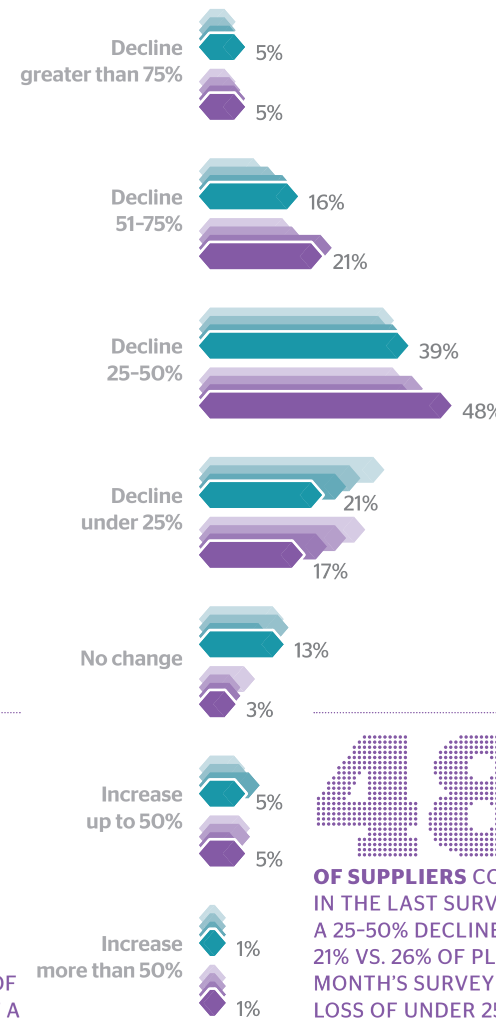
What do you believe will be the overall revenue impact of COVID-19 on your events-related business for the **rest of 2020**?



56%

OF SUPPLIERS EXPECT MORE THAN A 75-PERCENT DECLINE IN REVENUES COMPARED TO 52% IN THE PREVIOUS MONTH'S SURVEY; SIMILARLY 34% VS. 29% OF PLANNERS LAST MONTH PREDICT A LOSS OF MORE THAN 75 PERCENT.

What do you believe will be the overall revenue impact of COVID-19 on your events-related business for **2021**?



48%

OF SUPPLIERS COMPARED TO 40% IN THE LAST SURVEY ESTIMATE A 25-50% DECLINE IN REVENUES; 21% VS. 26% OF PLANNERS IN LAST MONTH'S SURVEY ANTICIPATE A LOSS OF UNDER 25% — AND 3% MORE EXPECT NO CHANGE.

PCMA CONVENE

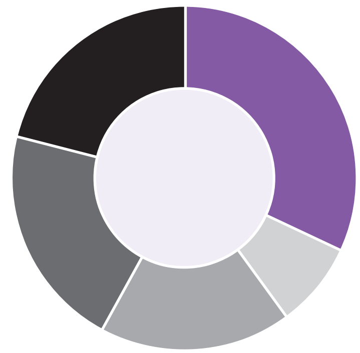
COVID-19 SURVEY

SURVEY DATES: JUNE 15-18

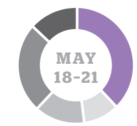
PLANNER TRACK MAY 4-7 MAY 18-21 JUNE 15-18
SUPPLIER TRACK MAY 4-7 MAY 18-21 JUNE 15-18

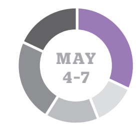
In the absence of a therapeutic treatment or vaccine for the COVID-19 virus, what is the farthest distance from your home you would consider traveling to a business event in 2020, assuming there are no financial or regulatory restrictions placed on travel?

24% Any distance necessary if the program was worth it
8% Within a five-hour flight
13% Within a two-hour flight
24% Within a four-hour drive
31% I would not travel



32% Any distance necessary if the program was worth it
8% Within a five-hour flight
18% Within a two-hour flight
21% Within a four-hour drive
21% I would not travel





PLANNER TRACK

What is your biggest financial challenge with regard to planning a business event in 2021? (Please choose one.)

* This response option was included for the first time on the June 15-18 survey.

30% Budgeting/pricing for a hybrid (in-person + digital) event*
29% How to budget in terms of face-to-face attendance expectations
17% Expenses related to enhanced hygiene and sanitary standards at a face-to-face event
5% What to charge digital participants
5% What to charge digital event exhibitors/sponsors
4% Expenses related to event marketing and communications in a post COVID-19 world
1% Deciding on registration pricing for face-to-face participants
9% Other

"Other" financial challenges were all over the board — from trying to figure out how to budget for attendees and sponsors to determining whether the costs for venues' hygiene initiatives will be passed down to clients.

"Digital doesn't pay as well as in-person so getting twice as many clients will be key."

"Financial risk contractually as we include pandemic-related language."

"I think there are many factors that present financial challenges, e.g., expenses for enhanced hygiene onsite, sponsorship, reduced attendance either through registration or reduced capacities which would cap a show because of social-distancing possibilities. No increase in registration fees to entice attendees back to a live event and incentives/discounts for exhibitors. These are just some of the challenges we face for 2021."

"Expenses related to larger meeting space to accommodate social distancing and the anticipation that someone is going to pay for increased sanitation at hotels and convention centers. I see major price increases because facilities have had to add plexiglass barriers, more staff for cleaning, housekeepers can't clean as many rooms as they used to, increase in banquet staff because there will no longer be self-service or buffets, etc."

"To budget or not to budget for virtual/digital component of 2021 events.."

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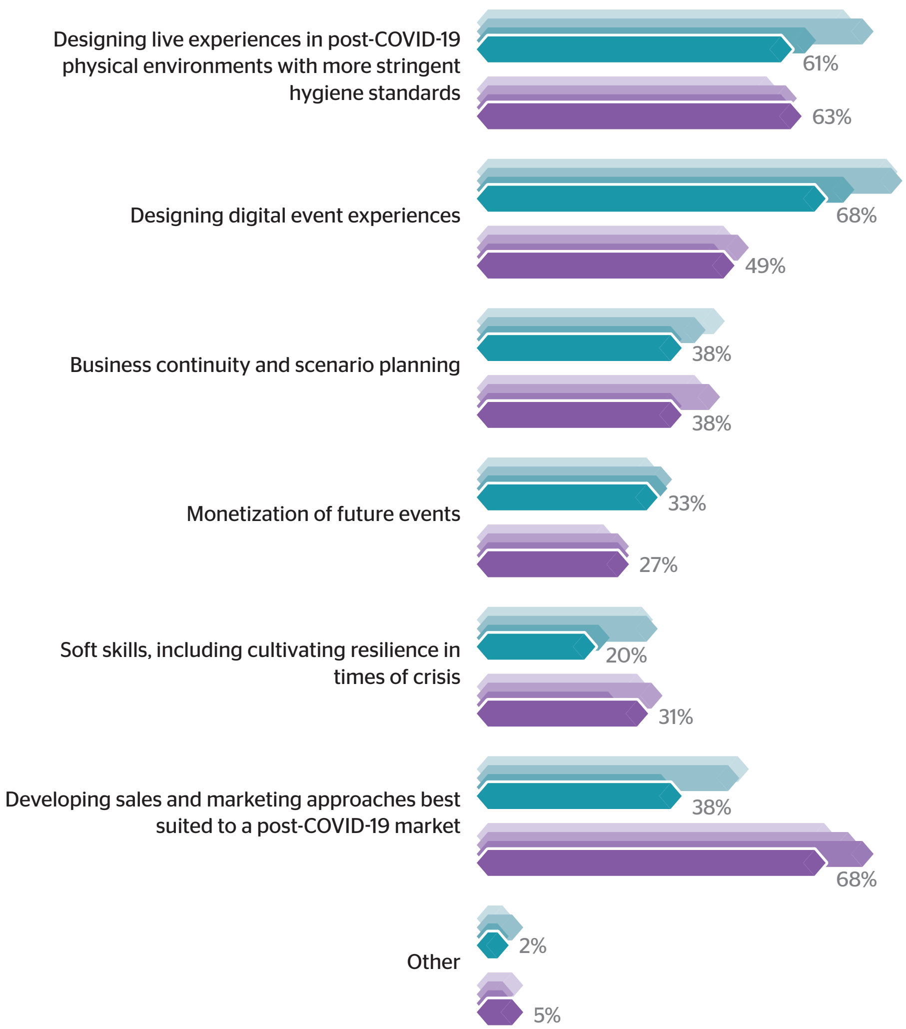
In order to prepare professionally for success in the business events industry during the recovery, which new skills do you think you need to pursue/develop?



PLANNERS SPEAK

"Other" responses demonstrated how planners are charting new territory in skills development in the wake of the pandemic.

"How to predict the amount of meeting space you will need when sourcing properties for a hybrid event."

"Pivoting to secure new alternate revenue sources (e.g., association management services)."

"Trade shows with reduced attendance, economy cutbacks, and hybrid elements."

"How to create a networking environment in a digital-only world."

"My association has a completely separate online education department, and though our team is learning new digital skills, long term, the skills they/we need to deepen are the business skills that show our value for in-person meetings.

Also — and no one wants this — I feel like I am getting an internet law degree regarding insurance, contracts, and the minute technicalities to protect our association, and be fair."

SUPPLIER PERSPECTIVE

"Other" responses indicated some suppliers are considering creative approaches to their job or entirely new careers.

"Other skills typically not related to hotel sales professionals like coding, graphic design, and other computer-related virtual skills."

"Find another career. It will take awhile to get back up."

"Reviewing existing business models in organizations such as associations — CVBs and linking their funding to hotel blocks — measuring the criteria for city subvention and grants."

*"The government orders have cannibalized our industry more than anything. Due to the restrictions, we cannot host in-person events. The digital event opportunities will be great for people who can't travel but **nothing** replaces in-person human interaction at any size."*

"I am trying to see how 'virtual' events are something I can get excited about, but I'm in my 50s — I guess younger people love sitting at home alone watching virtual talks and seminars."