Northstar MEETINGS GROUP | BTN BUSINESS TRAVEL NEWS BY NORTHSTAR + cvent

Meetings Industry PULSE Survey

NORTH AMERICAN REGION

New Data

OCTOBER 2024

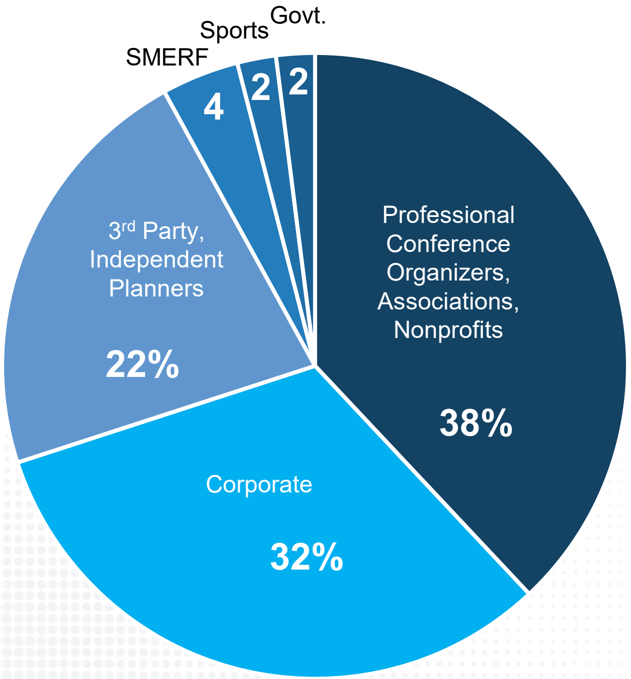
Executive Summary: The State of the Meetings Industry Is Strong

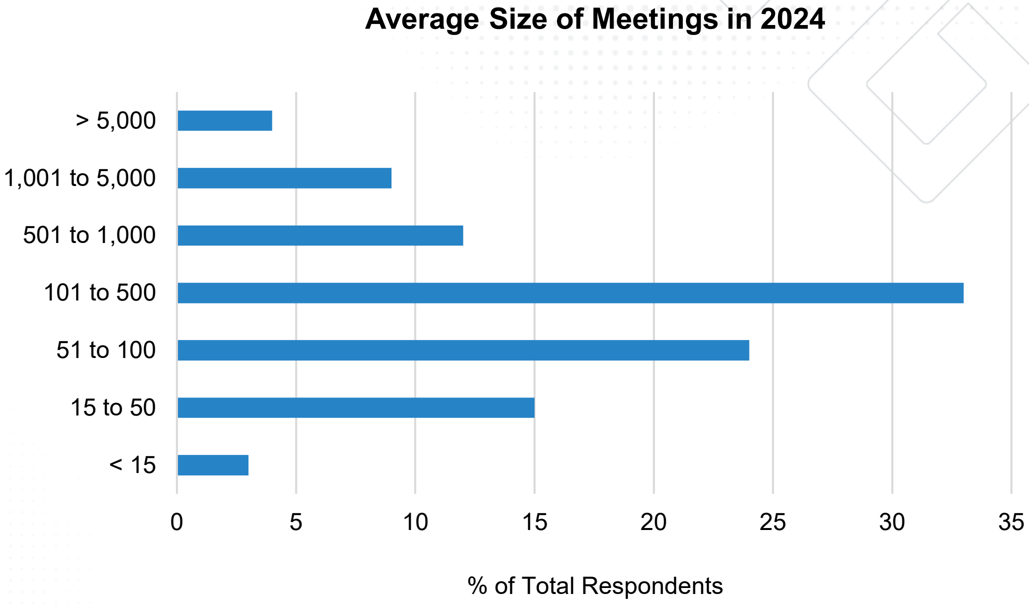
PLANNERS EXPECT MORE MEETINGS AND MORE ATTENDEES IN 2025.

- Upcoming elections, weather events, wars, concern for slowing economies – nothing seems to dampen planners' outlook for meetings. **Only 15% of planners report they are less optimistic** now than they were six months ago.
- **Active new bookings are down slightly from last October**, but they're up 10% from August. More planners are actively sourcing; however, they just aren't ready to book now.
- **The pace of new meetings expected in 2025 has slowed year-over-year,** but it's still prodigious. Almost five times as many planners will produce more meetings next year compared to those who will produce fewer.
- Attendance expectations are stronger for 2025 than they were for 2024. **Nearly 40% of planners expect as many if not more attendees at their events next year**.
- **Rate, dates, costs and contract terms have all become more challenging this year** for planners compared to last year.
- What's most important for planners when choosing a site for their meetings? **Costs and quality are the most critical destination characteristics for planners now.**
- **Hotels have gained favor** with planners since last October. **Faster RFP response** rates are likely an influence.
- **Twenty-five percent of planners report they've factored the upcoming election** into their meeting planning, up from 22% when we asked the question in January.

332 Planner Reponses

SEPTEMBER 16 – OCTOBER 2, 2024





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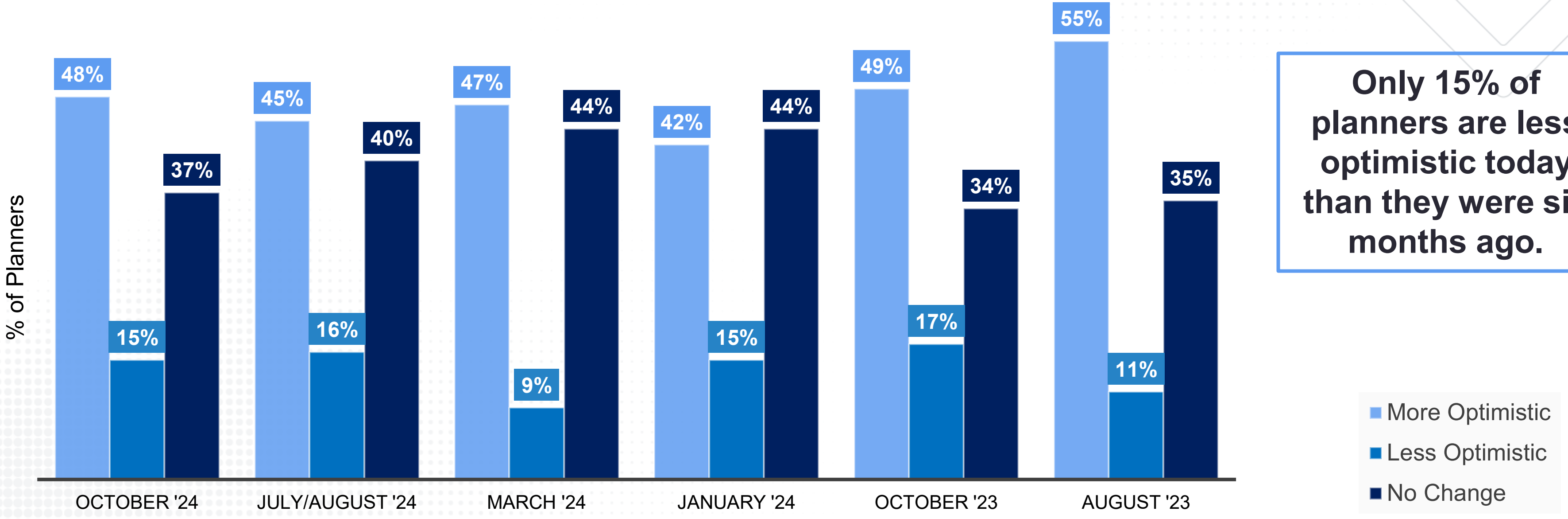
No Changes In Sight For Planner Expectations

STEADY THROUGHOUT THE YEAR, PLANNERS' OUTLOOK REMAINS BUOYANT.

How has your outlook for your meetings and events changed over the past six months?

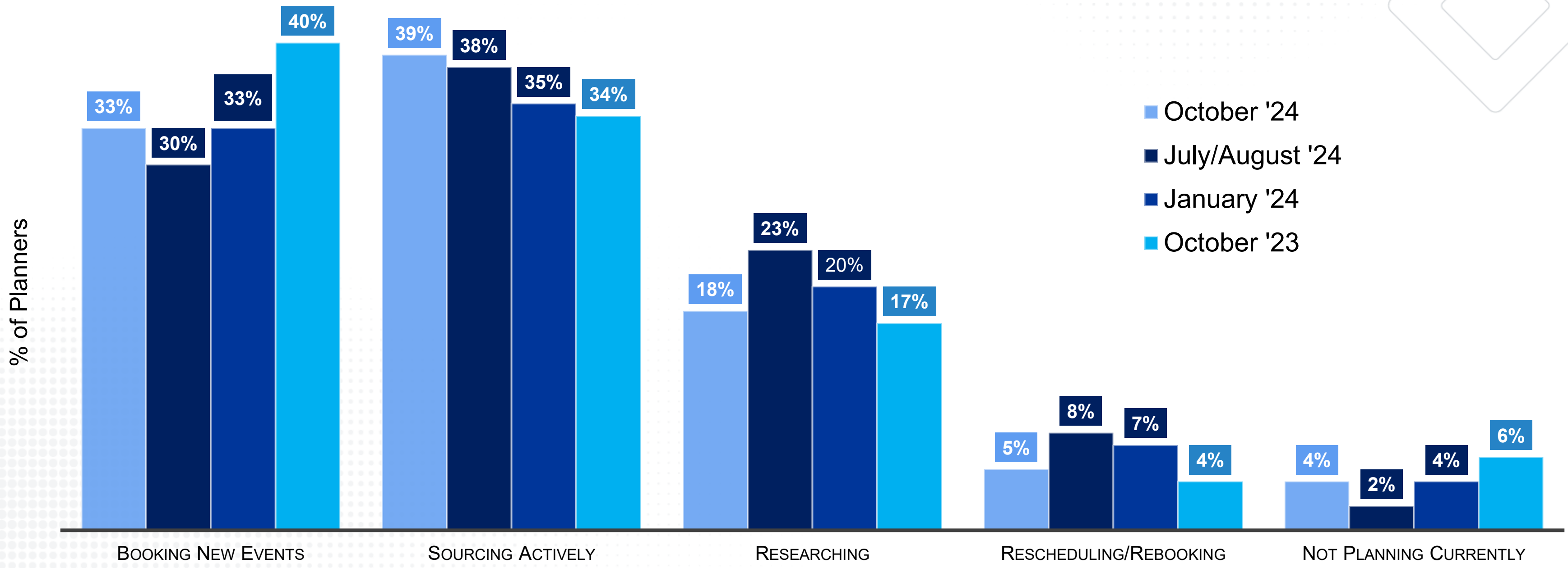


Only 15% of planners are less optimistic today than they were six months ago.

Active New Bookings Are Up Over August

NEW BOOKINGS MAY BE DOWN FROM LAST YEAR BUT THE PIPELINE LOOKS STRONG.

What is your current primary focus as it pertains to your live, in-person events?



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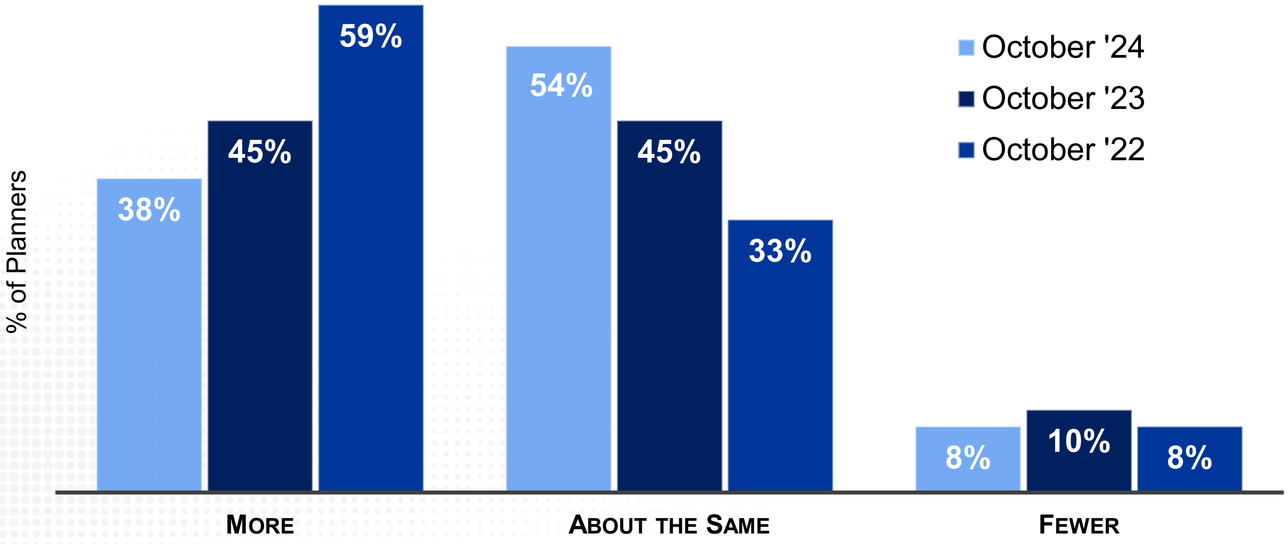
Once Again, Expect More Meetings Next Year

NEARLY 40% OF PLANNERS REPORT THEY WILL PRODUCE MORE MEETINGS IN 2025.

Do you (or your organization) expect to produce more or fewer meetings in 2025 than you will produce in 2024?



The pace of new meetings has slowed year-over-year, but it's still prodigious. Almost five times as many planners will produce more meetings compared to those who will produce fewer.

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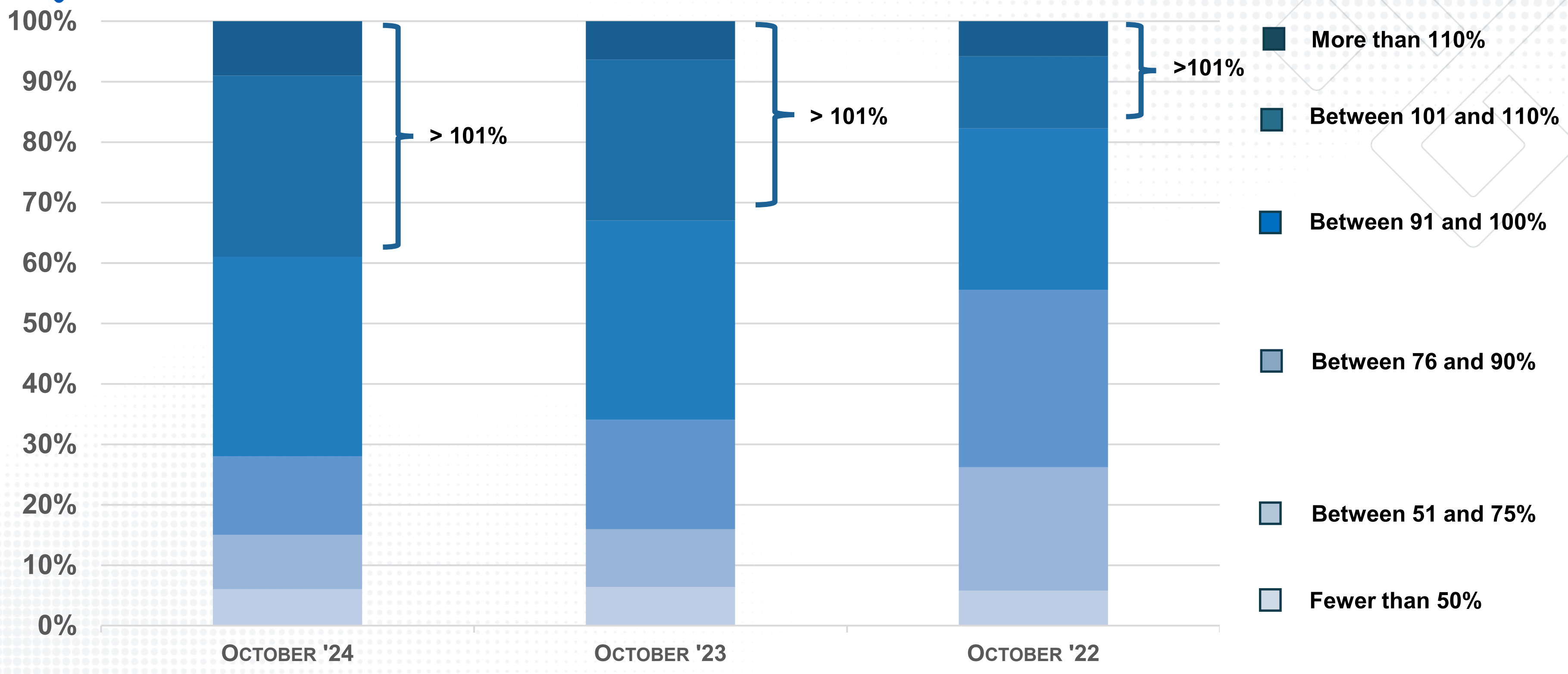
Attendance Expectations Remain Bullish

MOST PLANNERS EXPECT ATTENDANCE TO INCREASE IN 2025.

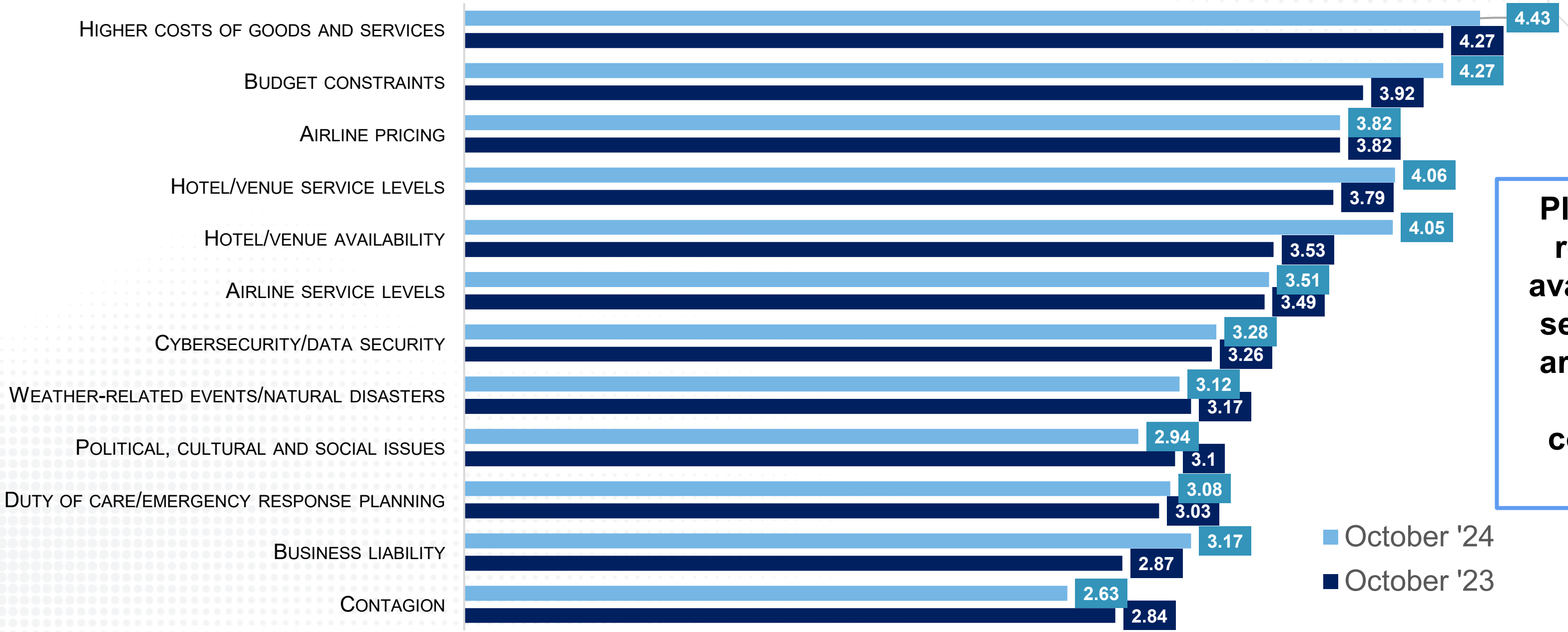
How many in-person attendees do you expect in 2024 for your typical meetings compared to your 2023 results?



Higher Costs Are The Biggest Pain Point

PLANNERS GROW MORE CONCERNED ABOUT BUDGETS AND THEIR ABILITY TO FINANCE HIGHER COSTS.

For your future in-person events, how concerned are you abut the following? Rate each on a scale of 1 to 5 (with 1 being “not at all concerned” and 5 being “extremely concerned”).



Planners also report hotel availability and service levels are a growing concern compared to last year.

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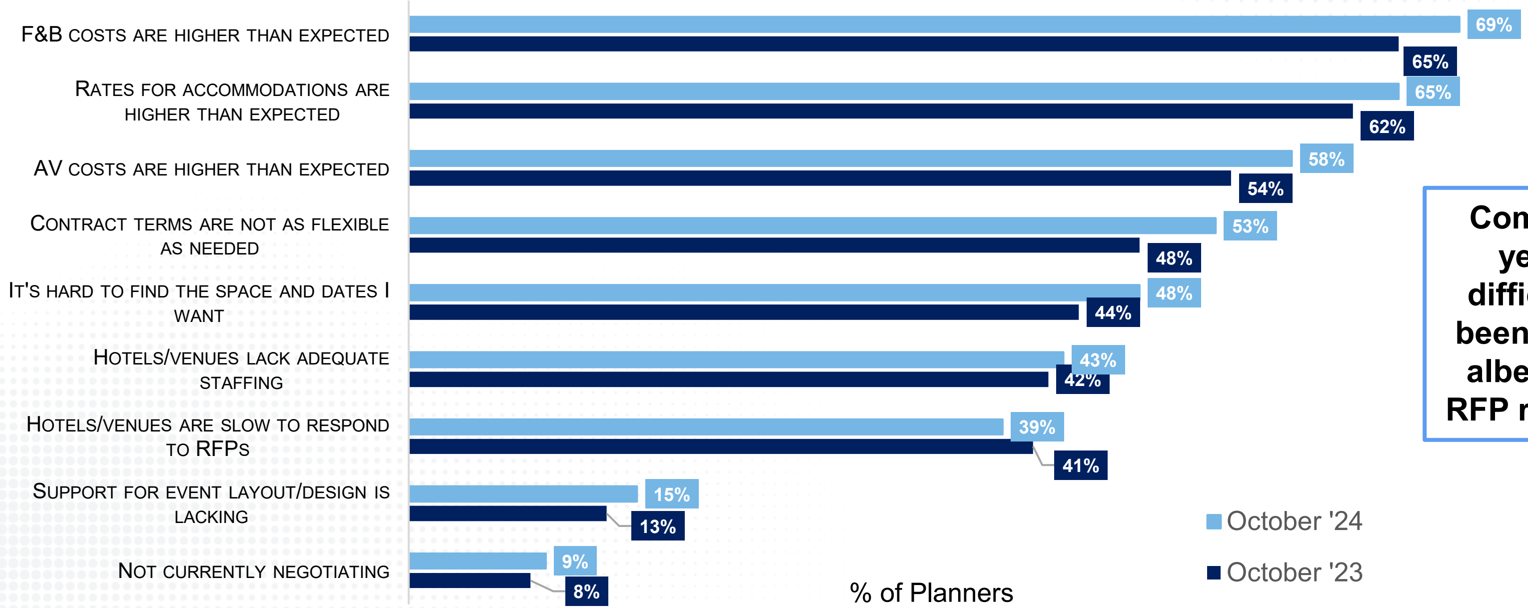
As Budgets Tighten, Challenges Are Heightened

RATES, DATES, COSTS, TERMS – ALL HAVE BECOME MORE COMPLICATED THIS YEAR FOR MOST PLANNERS.

If you are working with hotels and venues for future meetings or events, are you experiencing any of these difficulties? (Select all that apply.)



Compared to last year, the only difficulty that has been ameliorated – albeit slightly – is RFP response rates.

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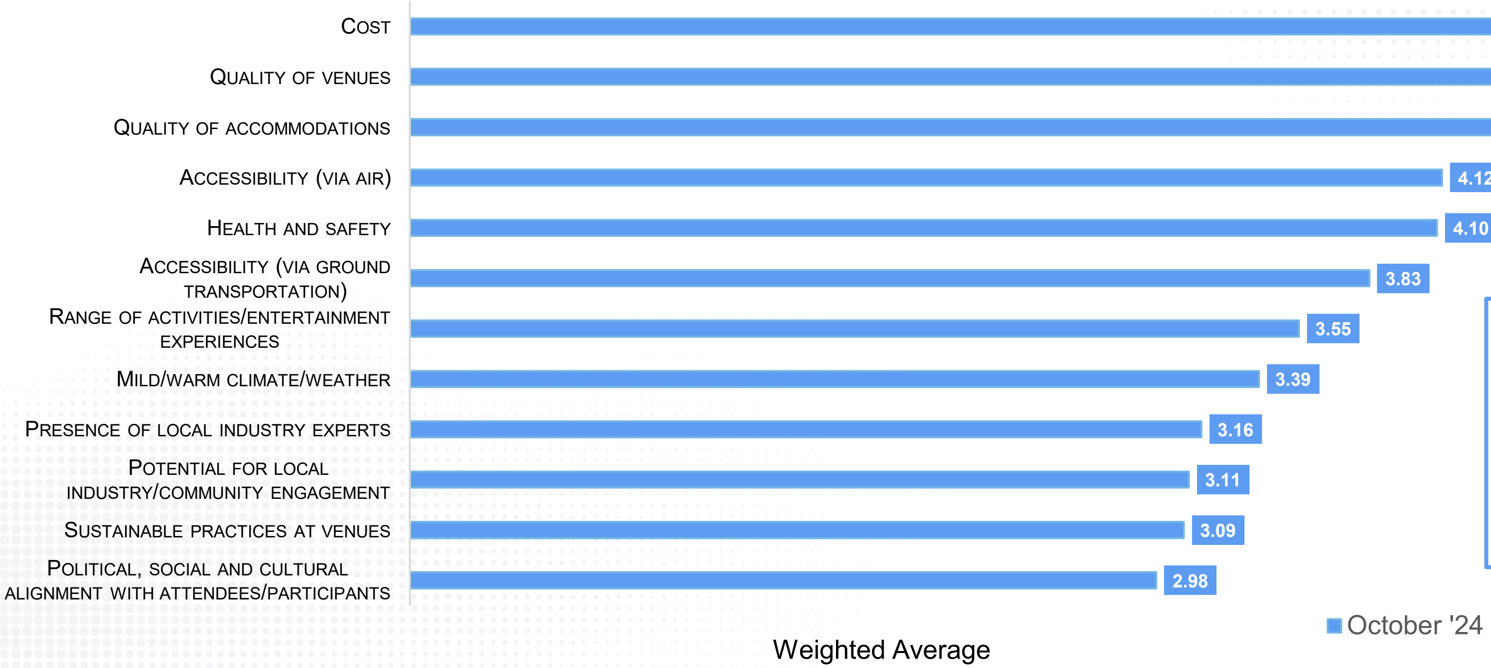
Site-Selection Priorities: Currently It's a Mix of Cost and Quality

ACCESSIBILITY, AND HEALTH AND SAFETY ALSO RANK HIGH IN IMPORTANCE.

Please rank the following destination characteristics according to their importance in your current site selection process. (On a scale of 1 to 5, with 1 being "not at all important" and 5 being "extremely important". Please select one answer in each row.)



Relative to other characteristics, "political, social and cultural alignment with attendees" is not a site-selection priority for planners.

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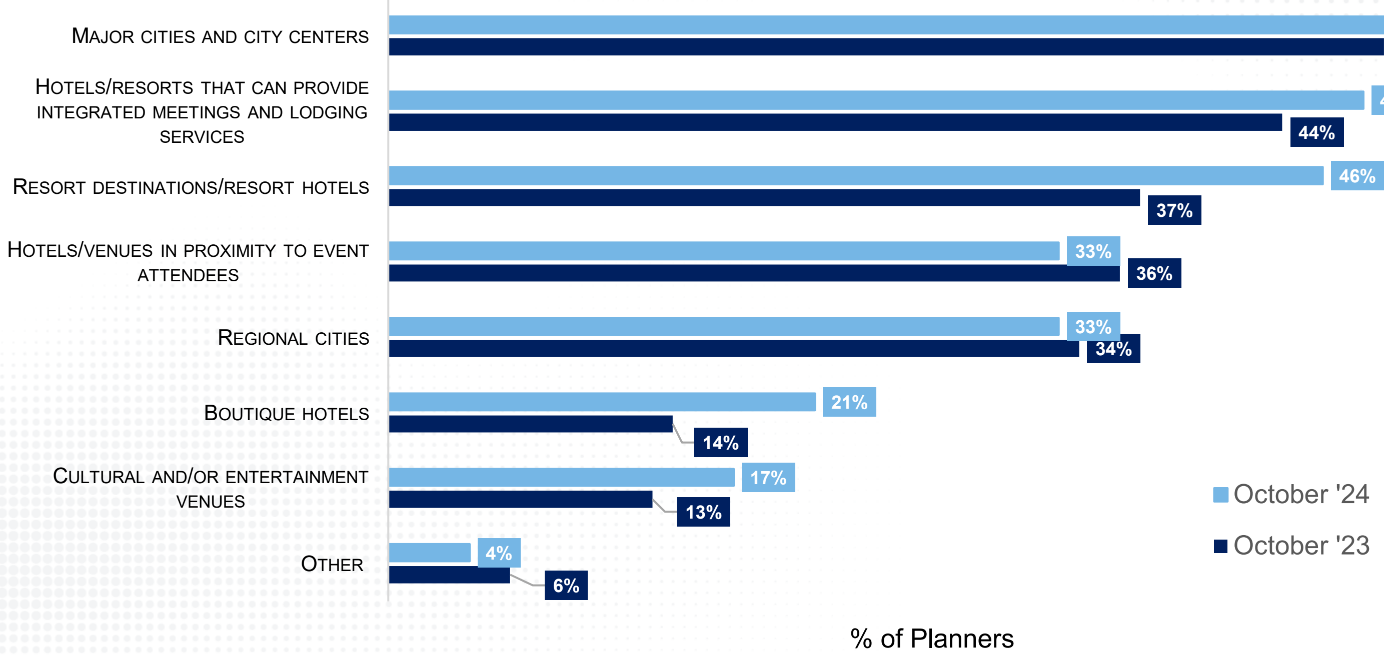
Resort Destinations, Integrated Resorts See Growth in Demand

BOUTIQUE HOTELS AND ALTERNATIVE VENUES WILL ALSO SEE NEW BUSINESS.

Where are you seeing increased demand for meetings, events and incentive programs? (Please check all that apply.)

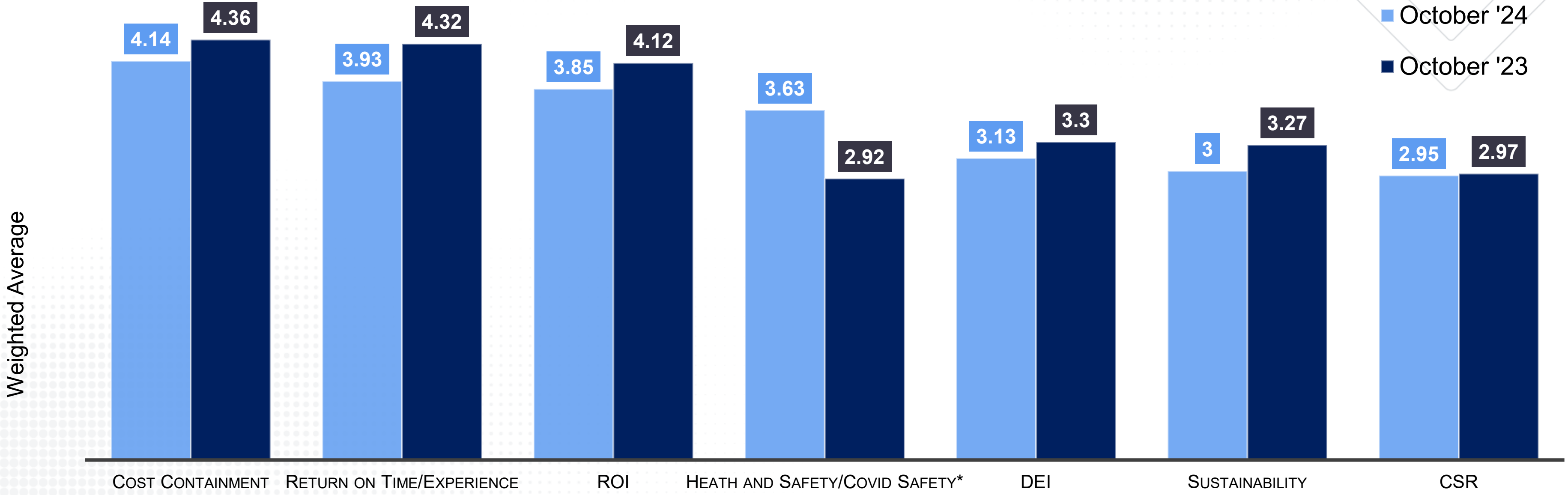


With companies requiring workers to be back in the office, is that impacting demand for local and regional cities?

Planners' Objectives Are Less Urgent in Nature

BUT THE RELATIVE IMPORTANCE OF COST CONTAINTMENT OVER ALL OTHER OBJECTIVES HAS GROWN.

Please rank the relative importance of the following factors for in-person and hybrid events that you are now planning (on a scale of 1 to 5, with 1 being "not at all important" and 5 being "extremely important").

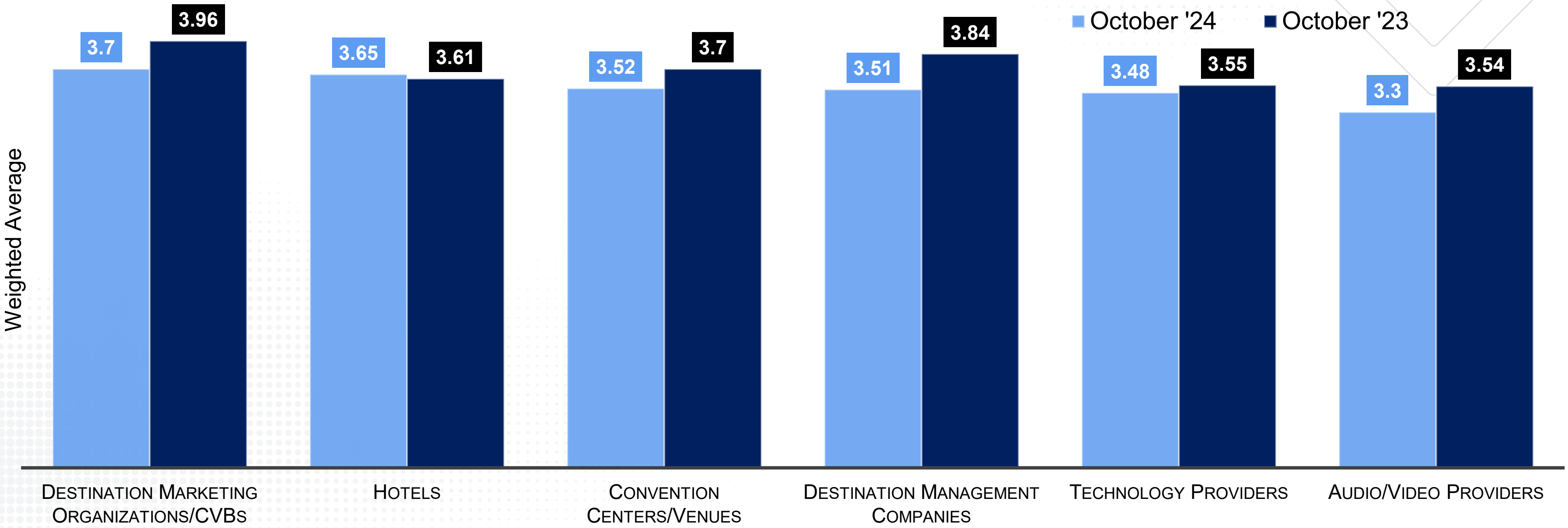


** "Covid Safety" was the factor category in Oct. '23; "Health and Safety" is the category in Oct. '24.*

Satisfaction With Suppliers Sags Compared to Last Year

HOTELS GAIN IN FAVOR AND NOW RANK AS THE SECOND MOST FAVORABLE SUPPLIER AMONG PLANNERS.

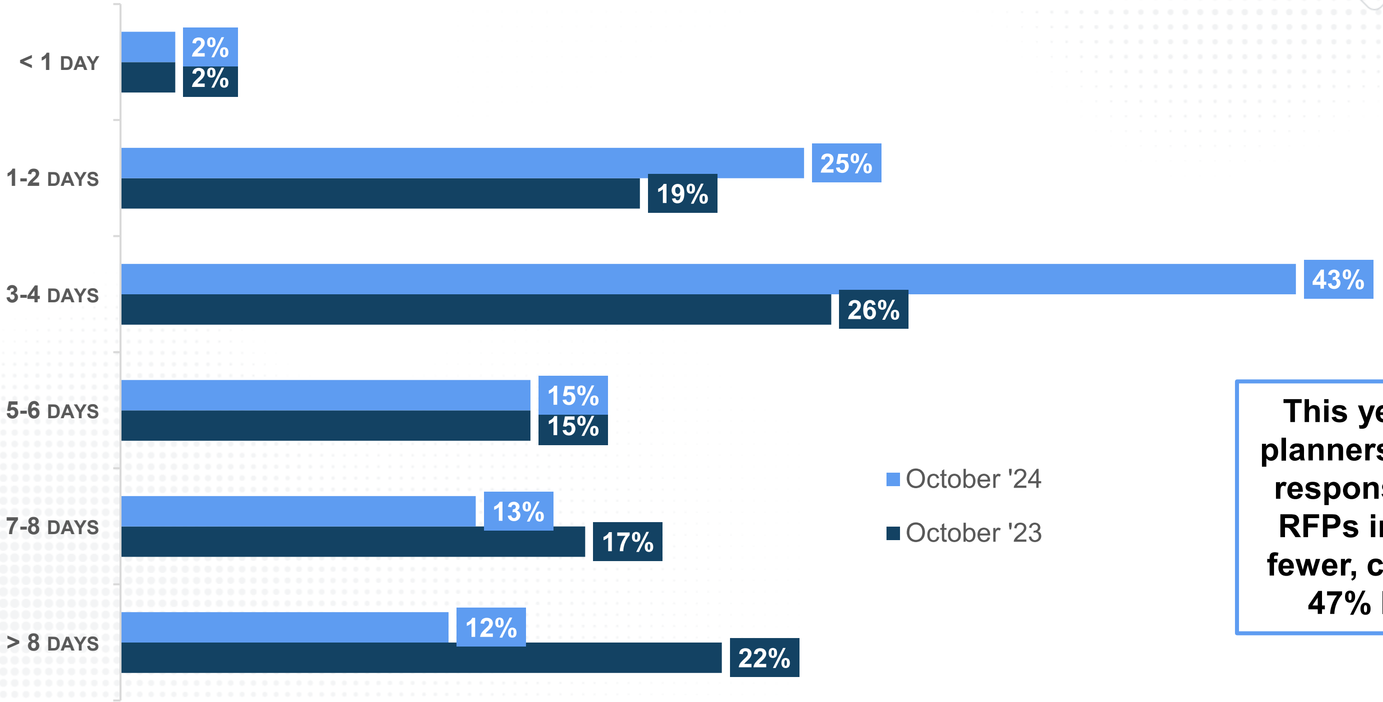
Given current circumstances, how satisfied are you with the level of support you are getting from the supplier organizations with whom you are planning your meetings or events (on a scale of 1 to 5, with 1 being "not at all satisfied," and 5 being "extremely satisfied")?



Hotels are Responding to Planner RFPs Much More Quickly

MOST PLANNERS REPORT THEY”RE RECEIVING RESPONSES IN FOUR DAYS OR FEWer.

Generally, how quickly are hotels responding to your RFPs currently?



This year, 70% of planners are getting responses to their RFPs in 4 days or fewer, compared to 47% last year.

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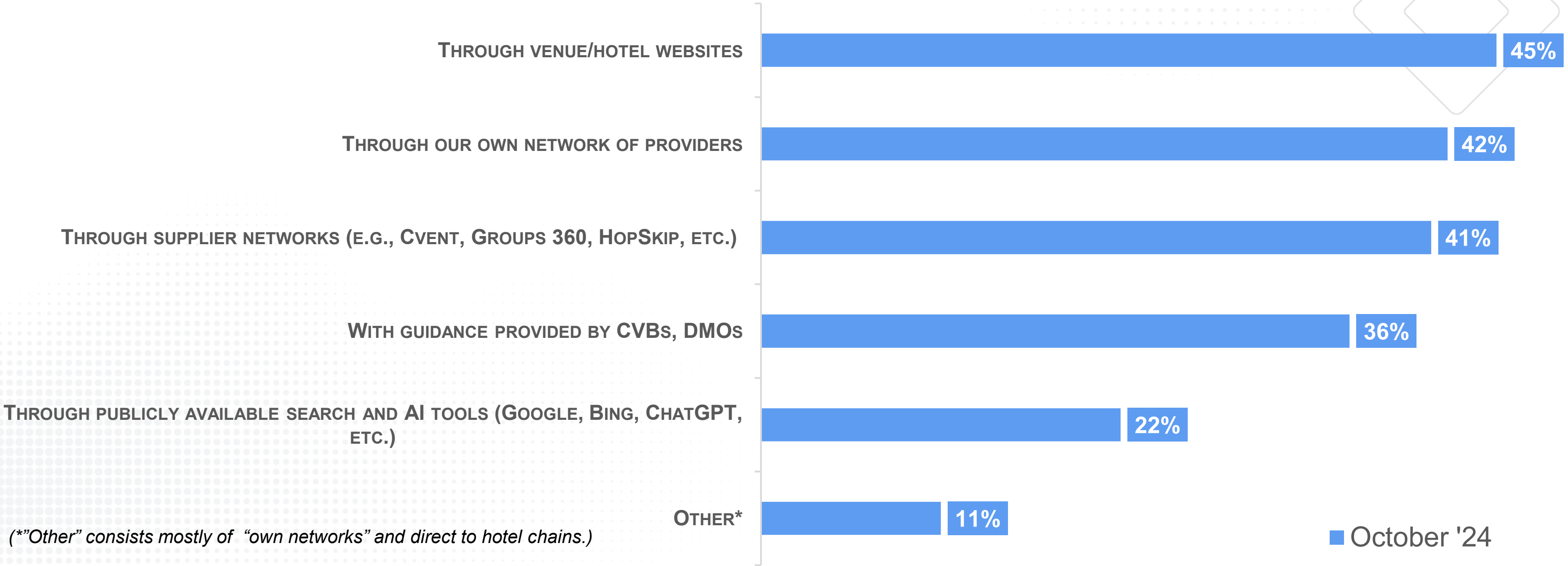
Planners Use a Range of Methods to Source Their Meetings

MANY PLANNERS USE SUPPLIER NETWORKS, BUT SOURCING REMAINS FRAGMENTED.

How do you source meeting venues and accommodations currently? (Please select all that apply.)



("Other" consists mostly of "own networks" and direct to hotel chains.)*

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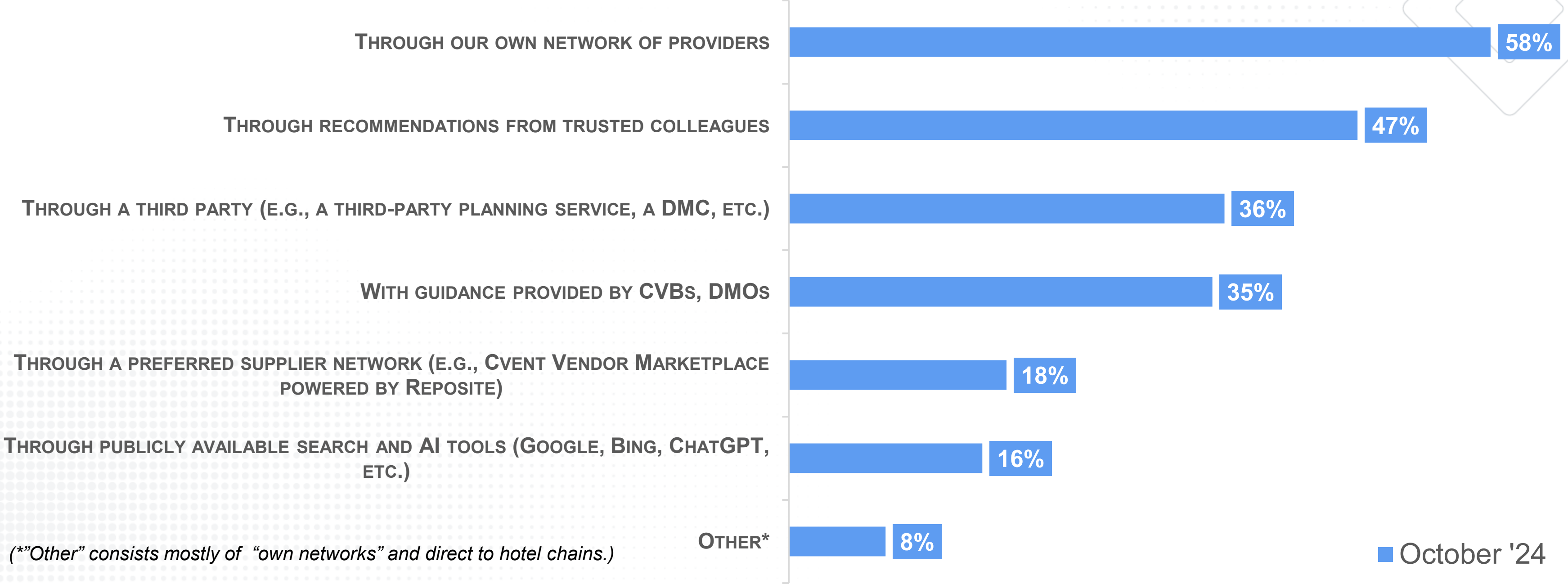
Planners Rely on Personal Networks for Sourcing Meeting Services

DEDICATED, ONLINE SUPPLIER NETWORKS ARE USED ABOUT AS FREQUENTLY AS SEARCH ENGINES.

How do you source ancillary meeting services (for example, audiovisual, décor, entertainment, off-site activities/experiences, etc.) (Please select all that apply.)



("Other" consists mostly of "own networks" and direct to hotel chains.)*

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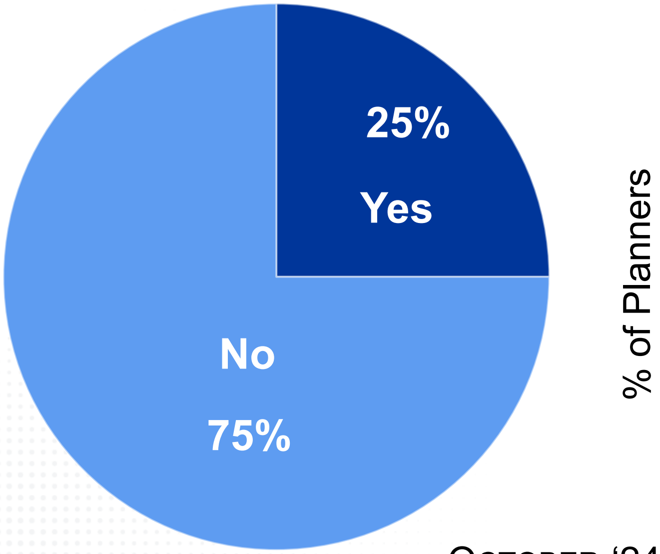
The November US Election Is Impacting Meetings

RECENT POLITICS HAS NOT DIMINISHED SOME PLANNERS' CAUTION SURROUNDING THE ELECTION.

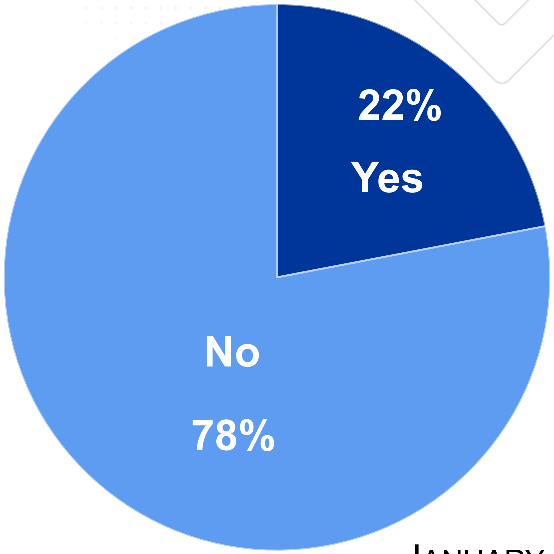
One in four respondents report that the upcoming election has influenced their planning decisions due to voting needs and potential civil disruptions, a slight increase from January 2024.

Have the upcoming elections had any impact on your meeting planning?



OCTOBER '24

Will the upcoming elections have any impact on your meeting planning?



JANUARY '24

Selected Verbatim Comments

"ROOM RATES ARE HIGH, DEMAND IS STRONG, AND AVAILABILITY IS TIGHT IN MANY MARKETS."

- "We recently had hotels tell us they will not bid on our business until a year out. For an incentive, that doesn't work, and we basically had to rule out a destination because of this. I am hoping this isn't going to be a trend."
- "Because meetings are becoming so much more expensive, things like sustainability, DEI, social/political issues, and climate are taking a huge backseat to costs and budgets."
- "Hotels are not being nearly as flexible, and that's making the contracting process take longer."
- "Hotels and airlines ignore the value of relationships and reliable repeat business and too often focus on (1) the fickle leisure market, (2) being greedy, and (3) letting revenue managers dictate their business."
- "We're seeing a much more positive outlook in the corporate world."
- "The entire process of booking has become more arduous than in previous years, particularly around service levels and audiovisual."
- Small organizations (like mine) are finding it to be cost-prohibitive to be in first-tier cities. Second-tier options are slow to respond to RFPs and in one instance a second-tier city told me that they will not book a meeting for fewer than 3,000 people more than 2 years out. The landscape is getting tougher for small-to-medium size organizations to plan/pay for a great meeting experience and venues seem to be OK with turning down business they once begged for."
- "This industry is unique, exciting and always changing."
- "Our clients are moving forward with every program they currently have, and some are adding programs in the future on top of their current offerings. All clients have re-signed with us for 2025, and some are re-signing long-term contracts with us."