

# ***Convene's 26th Annual Meetings Market Survey***



# Through Thick & Thin

We've combed through the last 10 years of our annual Meetings Market Survey for insights into how the events industry has evolved. **By Michelle Russell** Illustration by Marco Ventura

Every year, when we compile the latest Meetings Market Survey results, we compare them to the previous year's survey. With some data points, we'll even go back a few years in time, to demonstrate how far we've come, and during economic downturns, how much we've slipped. This year, we decided to take a longer look back — over the span of 10 years, from right before the U.S. recession hit in December 2007, through post-recession (mid-2009), to the recovery.

Remarkably, some metrics in 15 key areas have held steady during the past decade — for example, meetings and conventions have consistently contributed to around one-third of their organizations' total annual revenues — regardless of the economy. Other key benchmarks, like room-block size, reflect greater fluctuations, indicating that there are other factors at work besides the economy that affect the way event organizers do business. Those include changing attendee behavior, advances in technology, and even the sharing economy.

Of course, we're careful not to make sweeping generalizations or grand pronouncements about our results each year

— or over the past 10 years — because we recognize that this is not a control-group study. The professionals who respond to our survey are not the same every year, the organizations they represent change year over year, and even the way respondents evaluate their events may differ from survey to survey. Those disclaimers aside, *Convene's* annual Meetings Market Survey continues to be recognized as an important piece of benchmarking research in the meetings industry.

One thing that has remained the same: The meeting planners, business-event strategists, conference organizers — whatever label you choose — who respond each year are clearly dedicated to their profession, demonstrated by their willingness to commit so much time and effort to completing our in-depth survey. Their passion for this industry persists despite the fact that they still tell us, as they did 10 years ago, that they lack recognition within their organizations for the important work they do. Identifying the No. 1 challenge facing the meetings industry today, one respondent to this year's survey had this to say: "Too many underestimate the value of planning ahead, setting goals and objectives, and measuring success."

We've got your back. We've been quantifying your impact for 26 years and counting. Turn the page for a look back — and what your colleagues are anticipating this year will bring.



# Meetings Market Survey

Let's start by reviewing our short-term results: How has the industry progressed since last year? Slow growth is the best way to characterize the results. Key performance indicators, such as 2016 attendance vs. 2015 attendance, show an increase, but at a lesser rate than last year's survey. Respondents, most of whom completed the survey in the weeks leading up to the U.S. presidential election, during a time of political upheaval, were nonetheless cautiously optimistic about how their events would fare this year. Here are some topline results from this year's survey compared to last year's:

- ▶ **Size of 2016 convention/meeting budget vs. 2015 convention/meeting budget:** +1.7 percent. In last year's survey: +2.9 percent.
- ▶ **2016 attendance vs. 2015 attendance:** +3.6 percent. In the 2015 survey: +5.3 percent.
- ▶ **2017 attendance vs. 2016 attendance (projected):** +4.9 percent. In the 2015 survey: +3.3 percent.
- ▶ **Number of 2016 exhibitors vs. 2015 exhibitors:** +4.6 percent. In the 2015 survey: +2.7 percent.
- ▶ **Number of 2017 exhibitors vs. 2016 exhibitors (projected):** +1.5 percent. In the 2015 survey: +2.3 percent.
- ▶ **Overall 2016 meeting budget compared to 2015 meeting budget:** +1.7 percent. In the 2015 survey: +2.9 percent.
- ▶ **28 percent** expect to plan more meetings in 2017; only 3 percent expect to plan fewer meetings.
- ▶ **Cutbacks** — Despite the continued improving economy, most meeting organizers are still being asked to cut back on meeting expenses, and the majority (63 percent) have been asked to focus on reducing F&B expenses.
- ▶ **Expanding space** — Respondents to this year's survey reported that their largest exhibition had 7,100 more square feet in 2016 compared to the 2015 survey results — about half the jump in size we saw last year, but still reversing the trend in prior years of declining exhibition space.
- ▶ **Greater forethought** — The average booking window for large meetings is 2.5 years, slightly more than in the 2015 survey; for small meetings, it's 11 months, compared to 10 months in the 2015 survey.
- ▶ **Technology trumps rentals** — Respondents to this year's survey were most likely to outsource app development and deployment (60 percent), event-supply rentals (58 percent), and housing (49 percent).

## A DECADE OF DATA

Moving on to a broader analysis, on the following pages, you'll find 15 places where we've included annual Meetings Market Survey results from 2007 (published in the March 2008 issue

of *Convene*) up to our present-day results from the survey conducted in late 2016.

Some benchmarking metrics have not changed much in 10 years, but when juxtaposed with other data, inferences can be drawn. For example, while the average annual convention/meeting budget has held steady at between \$1.1 and \$1.3 million (with the exception of 2008, when it hit \$1.7 million), the average overall organization budget has grown from \$5.4 million in 2007 to \$7 million today. That disparity helps to explain why frustration over budgetary constraints came up consistently in this year's open-ended comments section of the survey, as it has frequently in previous surveys. One respondent said: "The convention budget continues to shrink despite increasing membership numbers. We believe the association is not very favorable to the convention since we barely make a profit."

Of course, technology has also left its mark on our industry over the last decade. Event-supply rentals topped the list of outsourced items in most surveys since 2007, except in 2014, and again this year, when event-app development and deployment took the lead. And while we didn't ask respondents if they were considering webcasting their events — what's now more commonly referred to as virtual and hybrid events — in 2007, our survey results this year show that this remains a largely untapped opportunity. Fewer than one in five respondents reported that their largest event included a virtual or hybrid component, and their use of virtual meetings and events went up less than 0.3 percent from 2015 to 2016.

## SUBJECT TO INTERPRETATION

Two of the most dramatic changes in the survey results over the past 10 years prove a little more difficult to interpret. For help, I turned to Dave Lutz, CMP, managing director of Velvet Chain-saw Consulting and *Convene's* Forward Thinking columnist.

**Budget vs. net square feet** — In 2007, the average budget with an exhibition was \$2.5 million and the average exhibition hall was 98,800 net square feet. Fast-forward to 2016: The average budget with an exhibition shrunk by \$1 million while the average exhibit size grew by 27 percent. Those numbers would suggest the highly unlikely scenario of a drastically reduced per-square-foot rate for exhibitors in 2016. Not possible: Not only have rates increased, Lutz said, but expos are either flat or shrinking in size overall. The data, he said, must be skewed by outlier responses; using the median rather than the mean would yield a more accurate picture. Sure enough, when using the median — 48,000 net square feet — this picture makes more sense.

**Average room pickup** — The average room pickup in 2007 was 6,009; in 2016 it was 3,449. Yet the percentage of rooms

picked up by organizations has stayed in the 80s. Meanwhile, the average number of attendees in 2007 was 4,400, while in 2016 it was 5,201. What to make of these inconsistencies? (See “The Shrinking Room Block” on p. 61 for more on this.)

Our disclaimer — that our audience continues to change, so year-over-year comparisons are not scientifically accurate — is definitely a factor here, Lutz said. He also attributed the lower pickup number to the trend in shorter and more regional meetings, resulting in fewer room nights. Plus, he pointed to other factors: Many attendees may work for corporations requiring a greater degree of compliance with their travel policies, so they may not be allowed to book the hotels in the block, and it has become easier to explore more housing options and find alternatives outside the block, thanks to meta-search engines. While Lutz also thinks the sharing economy is having an impact here, he doesn’t give it a lot of weight.

Nor do most of this year’s survey respondents. Nearly eight out of 10 said that Airbnb and other shared accommodation platforms are not big options considered by their attendees — and only two mentioned the sharing economy as one of their major industry concerns. Of course, Airbnb hadn’t yet launched 10 years ago, so it wasn’t even the blip on the screen many event organizers see it as today.

No survey accurately draws a bead on the state of an industry if it provides only historical data. As is our custom in this survey, we asked respondents last year if they thought the meetings industry was on the upswing and what they expected for 2017. One respondent had an interesting response: “Yes, we are asking more questions.”

We interpret that comment to mean that an improved economy gives organizers greater flexibility to innovate and rethink their events. As one respondent nicely summed it up: “I think our industry continues to evolve and improve every year, and I expect this trend to continue in the coming years.” ▶

**Michelle Russell** is editor in chief of *Convene*.

*Convene's Meetings Market Survey* was prepared for PCMA by Lewis Copulsky, principal, Lewis&Clark. All material © 2017 by PCMA. Survey analysis by *Convene* Editor in Chief Michelle Russell.

## Characteristics of the Sample

Each year, meeting planners who are members of PCMA and an additional group of *Convene* meeting-planner subscribers receive an extensive survey, which requests proprietary information and budget projections for their organizations. After answering an initial question on their professional role, respondents follow one of three survey routes: one for association meeting professionals and executives, another for independent meeting professionals, or a third for corporate meeting professionals. While each response path has several unique questions, many questions address the same area but are worded differently to reflect the respondent’s particular role in the meetings industry.

The data that follows was compiled from nearly 300 usable responses that were submitted. More than one-half of respondents (62 percent) are PCMA members. More than half (59 percent) work for an association or nonprofit organization; 20 percent work for a corporation; 10 percent are independent or self-employed; 4 percent work for association management firms; 5 percent describe their organization as educational in nature; and 1 percent are employed by the government. Respondents work for associations that are almost evenly split between international (47 percent) and national (46 percent) in scope. Among those respondents not employed by associations, close to one-half (46 percent) work for organizations that are international in scope, while 42 percent work at ones that are national in scope. Close to three quarters of respondents (71 percent) report that less than 10 percent of their members/constituents are based outside of the United States. Respondents who are independent planners or work at AMCs are most likely (83 percent) to have a national client base.

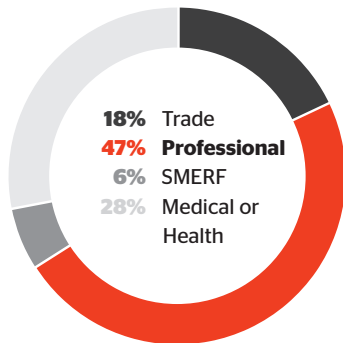
The department that respondents report to depends, of course, on their category and employer. With more than half of respondents working for associations, 28 percent report to the meetings and events department. Eleven percent report to the marketing department, and 25 percent of all respondents report to departments other than meetings, marketing, finance, or travel.

Eighty percent of respondents say that meeting planning is their primary job responsibility, and are most likely to hold the position of manager (41 percent) or director (28 percent). Three percent are vice presidents, and 8 percent are CEOs. Not surprisingly, given those titles, this year’s survey-takers are once again an experienced group, with an average of 15 years of work experience in the meetings field. Seventy-seven percent of respondents have at least 10 years of meeting-management experience — and more than two-fifths (42 percent) have 20-plus. Given their tenure, these additional respondent demographics naturally follow: The average age is 46, and more than half (63 percent) have earned an undergraduate degree (with 19 percent having earned a post-grad degree). Likewise, as industry insiders would surmise, the vast majority of respondents (83 percent) are female.



## Association Professionals

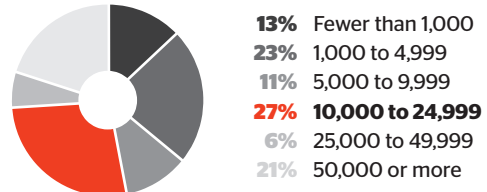
### TYPE OF ASSOCIATION



Respondents who work for associations are most likely to be employed at a professional association (47 percent), medical/health care association (28 percent), or trade association (18 percent). Six percent work for SMERF organizations.

### SIZE OF MEMBERSHIP

Association professionals responding to the survey are employed at associations that vary greatly in size, from under 1,000 to 50,000-plus members; approximately one-third (36 percent) work for associations with fewer than 5,000 members.



## Corporate Professionals

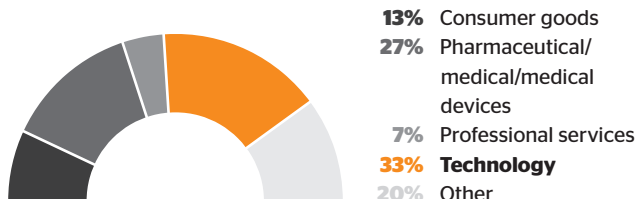
### SIZE OF COMPANY



### Fewer than 1,000 employees

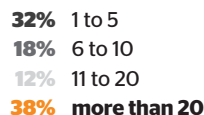
Respondents who work for corporations or government agencies are far more likely to work at one that employs fewer than 1,000 individuals (70 percent). **Average: 6,384**

### TYPE OF EMPLOYER



Respondents employed in the corporate world are most likely to work for a technology firm (33 percent) followed by a pharmaceutical/medical/medical-device firm (27 percent).

### NUMBER OF MEETINGS PLANNED



### Overall average among all respondents

More than one-third of respondents (38 percent) plan more than 20 meetings per year, while more than two-thirds (68 percent) plan at least six meetings per year. More than two-thirds of respondents (69 percent) expect their total number of meetings in 2017 to remain the same, while 28 percent expect to plan more meetings this year. Only 3 percent expect to plan fewer meetings.

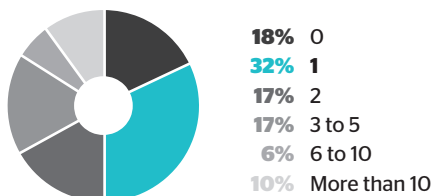
**Average for association professionals: 12; independent planners: 11; corporate planners: 12; government: 15**

## Operating Ratios

### NUMBER OF EVENTS WITH EXHIBITS HELD

82%

hold at least one event with exhibits every year

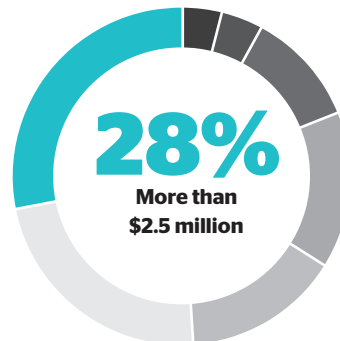


A majority of respondents (82 percent) hold at least one event with an exhibit every year, slightly up from the 2015 survey results.

**Average: 2.9 events**

### 2016 CONVENTION/MEETING BUDGET

- 4% Less than \$50,000
- 4% \$50,000 to \$99,999
- 11% \$100,000 to \$249,999
- 15% \$250,000 to \$499,999
- 15% \$500,000 to \$999,999
- 23% \$1 million to \$2.5 million
- 28% More than \$2.5 million



More than one-quarter of respondents (28 percent) report that their organization's total convention/meeting budget in 2016 exceeded \$2.5 million, and one-half (51 percent) indicate that it was \$1 million or more.

**Average: \$1.3 million**

#### YEARLY AVERAGE, 2007-2016

2007	<b>\$1.1 million</b>	2012	<b>\$1.3 million</b>
2008	<b>\$1.7 million</b>	2013	<b>\$1.3 million</b>
2009	<b>\$1.3 million</b>	2014	<b>\$1.2 million</b>
2010	<b>\$1.2 million</b>	2015	<b>\$1.3 million</b>
2011	<b>\$1.3 million</b>	2016	<b>\$1.3 million</b>

### BUDGET (WITH EXHIBITION)

**\$1.5**  
MILLION

**Average total budget**

Respondents indicate that the average total budget for their largest 2016 event with an exhibition was \$1.5 million, up from \$1.4 million in the 2015 survey.

#### YEARLY AVERAGE, 2007-2016

2007	<b>\$2.5 million</b>	2012	<b>\$1.9 million</b>
2008	<b>\$1.4 million</b>	2013	<b>\$1.9 million</b>
2009	<b>\$1.6 million</b>	2014	<b>\$1.7 million</b>
2010	<b>\$1.5 million</b>	2015	<b>\$1.4 million</b>
2011	<b>\$1.5 million</b>	2016	<b>\$1.5 million</b>

### BUDGET (WITHOUT EXHIBITION)

2015  
**\$600K**  
2016  
**\$800K**

**Average total budget**

Respondents indicate that the average total budget for their largest 2016 event without an exhibition was \$800,000, a significant increase from \$600,000 in the 2015 survey.

#### YEARLY AVERAGE, 2007-2016

2007	<b>\$789,000</b>	2012	<b>\$800,000</b>
2008	<b>\$778,000</b>	2013	<b>\$800,000</b>
2009	<b>\$934,330</b>	2014	<b>\$700,000</b>
2010	<b>\$731,120</b>	2015	<b>\$600,000</b>
2011	<b>\$782,338</b>	2016	<b>\$800,000</b>

# Meetings Market Survey

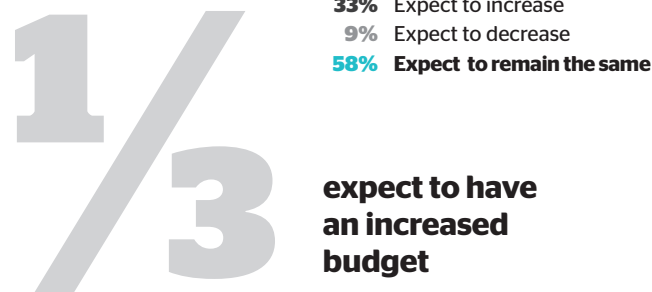
## 2016 CONVENTION/MEETING BUDGET VS. 2015 CONVENTION/MEETING BUDGET



The largest group of respondents (52 percent) report that their convention/meeting budget stayed the same in 2016 compared to 2015, while 34 percent report that it increased and 14 percent report their budget went down.

**Average change: +1.7 percent compared to +2.9 percent in the 2015 survey**

## PROJECTED 2017 CONVENTION/MEETING BUDGET VS. 2016 CONVENTION/MEETING BUDGET



Nine percent expect their convention/meeting budget to decrease in 2017, while 58 percent (around the same as in last year's survey) expect no change. Thirty-three percent (compared to 32 percent last year) expect to work with a bigger budget this year.

**Average change: +2.4 percent compared to +1.7 percent in the 2015 survey**

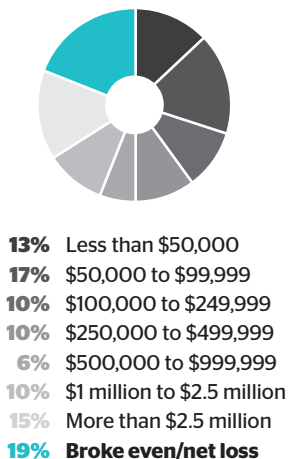
## 2016 NET PROFIT FROM CONVENTIONS/MEETINGS



**Net profit was \$1 million or more**

One-quarter (25 percent) of respondents indicate that their organization's net profit from conventions and meetings in 2016 was \$1 million or more, while another 19 percent indicate that their organization broke even or had a net loss (compared to 16 percent in the 2015 survey).

**Average: \$700,000 vs. \$600,000 in 2015 survey**



## 2016 OVERALL ANNUAL BUDGET



More than one-third of respondents (37 percent) indicate that their organization's total annual 2016 budget was \$10 million or more, and nearly one-half (49 percent) report that it was \$5 million or more.

**Average: \$7 million**

## YEARLY AVERAGE, 2007-2016

2007	\$5.4 million	2012	\$6.9 million
2008	\$6 million	2013	\$7.3 million
2009	\$6.9 million	2014	\$6.9 million
2010	\$6.9 million	2015	\$7 million
2011	\$6.8 million	2016	\$7 million

# Meetings Market Survey

## OUTSOURCING MEETING-RELATED SERVICES

Respondents outsource a variety of meeting-related services. They are most likely to outsource app development and deployment (60 percent), event-supply rentals (58 percent), housing (49 percent), and registration (44 percent). This year, app development took the lead over event-supply rentals — the most-popular outsourced service in last year's survey.

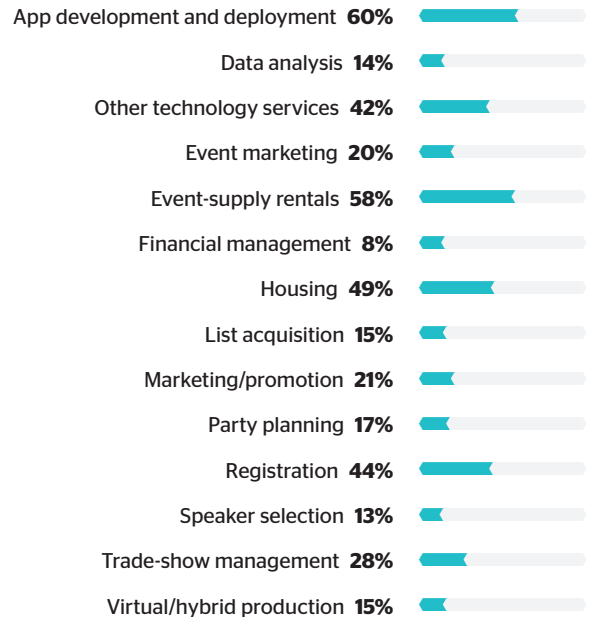
60%

### Outsource app development and deployment

#### TOP OUTSOURCED ITEM, 2007-2016

2007	Event-supply rentals	2013	Housing
2008	Event-supply rentals	2014	App development and deployment
2009	Event-supply rentals		
2010	Event-supply rentals	2015	Event-supply rentals
2011	Event-supply rentals	2016	App development and deployment
2012	Registration		

% of respondents who outsource services



## ORGANIZATIONAL INCOME

Respondents indicate that, on average, 26 percent of their organization's revenue is derived from dues, 13 percent from sales, and 12 percent from publications/advertising/sponsorships. Thirty-six percent comes from conventions, exhibits, and meetings (about the same as the 2015 survey).

Corporate planners indicate that, on average, the largest chunk of their income comes from conventions/exhibits/meetings (48 percent); for association professionals, it's 32 percent.

\$1.5

MILLION

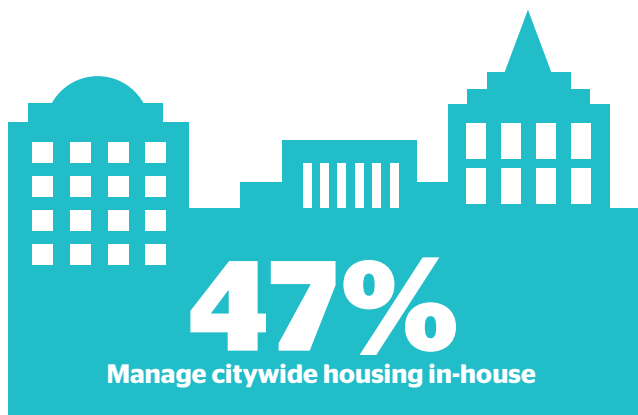
### Average revenue

#### YEARLY AVERAGE, ORGANIZATIONAL INCOME FROM EVENTS, 2007-2016

2007	34%	2012	34%
2008	32%	2013	31%
2009	33%	2014	29%
2010	30%	2015	37%
2011	29%	2016	36%

The average revenue for respondents' largest meeting with an exhibition in 2016 was \$1.5 million (up from \$1.4 million in last year's survey); without an exhibition component, the average revenue was \$400,000 (down from \$500,000 in last year's survey).





#### OFFERING CITYWIDE HOUSING

The trend seems to continue to move toward handling citywide housing in-house. More respondents this year indicate that they manage that process themselves (47 percent compared to 44 percent in the 2015 survey). At the same time, more respondents this year say they used a third-party housing service (42 percent vs. 36 percent in last year's survey), but only 11 percent used a convention bureau housing service in 2016, compared to 20 percent in the 2015 survey.

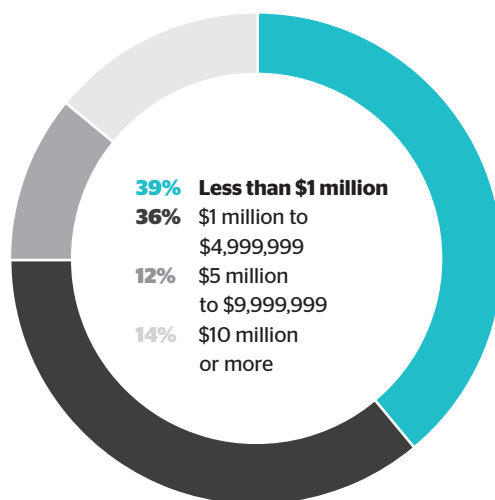
**‘We’ve felt the shift from a buyer’s market to a seller’s market when it comes to booking hotels, which is a good indication that the meetings industry is doing well. There’s more demand for rooms and space.’**

#### ECONOMIC VALUE TO HOST DESTINATION

Two-fifths of respondents (39 percent compared to 45 percent in last year's survey) report that the economic value of their largest meeting in 2016 to the host destination was less than \$1 million, while 26 percent — compared to 15 percent in the 2015 survey — report the value at \$5 million or more.

In terms of the total economic value to host destinations of all of the meetings they held in 2016, 23 percent say it was at least \$10 million, while 77 percent estimate that all their meetings brought an economic benefit of \$1 million or more to their host destinations. Corporate planners report that their meetings in total benefit host destinations the most — an average of \$8.5 million, followed by association planners at \$7.9 million, government planners at \$7.8 million, and independent planners and association management companies at \$6 million.

**Average economic value of largest meeting: \$3.5 million**



**\$3.5**  
**MILLION**

**Average economic value of largest meeting**

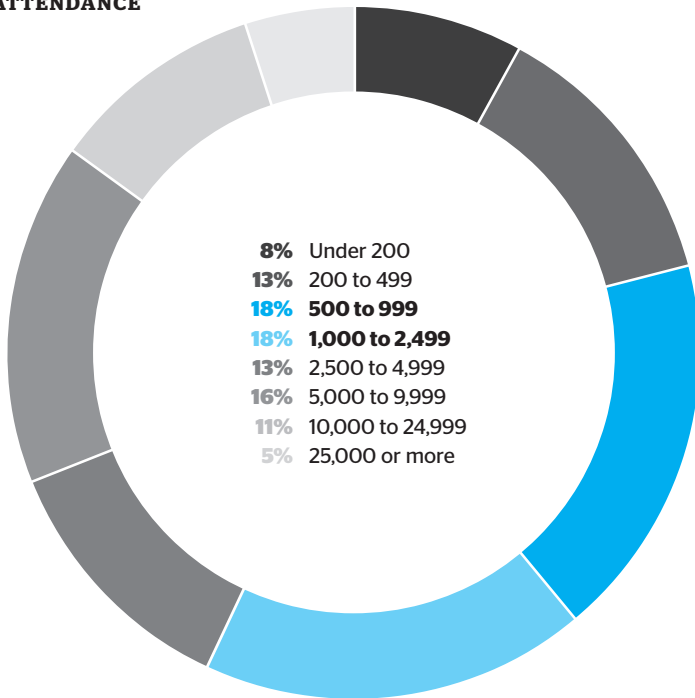
#### YEARLY AVERAGE, 2007-2016

2007	\$3.1 million	2012	\$3.8 million
2008	\$3 million	2013	\$3.6 million
2009	\$3.6 million	2014	\$3 million
2010	\$3.4 million	2015	\$3.4 million
2011	\$3.4 million	2016	\$3.5 million

# Meetings Market Survey

## Expositions

### ATTENDANCE



5,211

### Average attendance

#### YEARLY AVERAGE, 2007-2016

2007	4,400	2012	5,442
2008	3,744	2013	4,866
2009	4,409	2014	4,225
2010	4,409	2015	4,601
2011	4,164	2016	5,211

Two-fifths of respondents (39 percent compared to 41 percent in last year's survey) indicate that attendance at their largest convention/meeting/exposition in 2016 was lower than 1,000, and 63 percent (compared to 58 percent in last year's survey) held a meeting attended by 1,000 or more attendees.

**'Our biggest challenge is trying to balance our cost of putting on an event with making it financially feasible for as many attendees as possible.'**

### SQUARE FOOTAGE OF LARGEST EXPOSITION

2015

118,100 sq ft

2016

125,200 sq ft

### Average exposition footprint

Total exhibition space rose 6 percent compared to the average exposition footprint in last year's survey. Respondents report that, on average, their largest exposition had approximately 125,200 net square feet vs. 118,100 square feet in the 2015 survey.

#### YEARLY AVERAGE, 2007-2016

2007	98,800	2012	124,336
2008	90,800	2013	108,300
2009	104,978	2014	103,600
2010	110,595	2015	118,100
2011	107,321	2016	125,200

## 2016 ATTENDANCE VS. 2015 ATTENDANCE

Close to one-half of respondents (47 percent) report that attendance at their largest 2016 meeting increased compared to 2015. In last year's survey, 53 percent reported greater attendance than the previous year. Twenty percent (compared to 9 percent in the 2015 survey) report a decrease in attendance at their 2016 event compared to 2015.

**Average change: +3.6 percent compared to +5.3 in the 2015 survey**



**47% Increase**  
**20% Decreased**  
**33% Remained the same**

## PROJECTED 2017 ATTENDANCE VS. 2016 ATTENDANCE

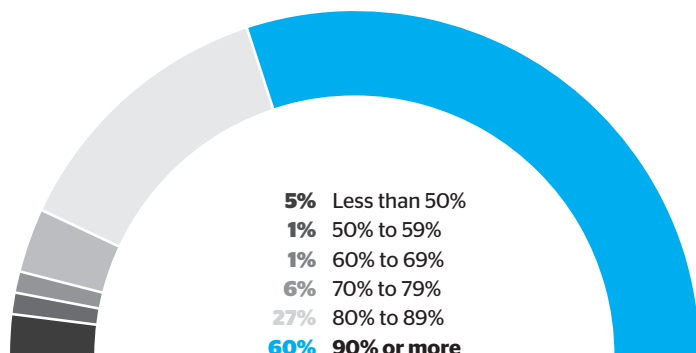


**49% Expect to increase**  
**5% Expect to decrease**  
**47% Expect to remain the same**

Nearly half of respondents (49 percent) expect 2017 attendance to increase, the same percentage as those who expected it to increase in last year's survey.

**Average change: +4.9 percent compared to +3.3 percent in the 2015 survey**

## PERCENTAGE OF ROOMS PICKED UP BY ORGANIZATION



**5% Less than 50%**  
**1% 50% to 59%**  
**1% 60% to 69%**  
**6% 70% to 79%**  
**27% 80% to 89%**  
**60% 90% or more**

Three-fifths of respondents (60 percent, the same as last year's survey) report that their organization picked up at least 90 percent of the room block for their largest meeting.

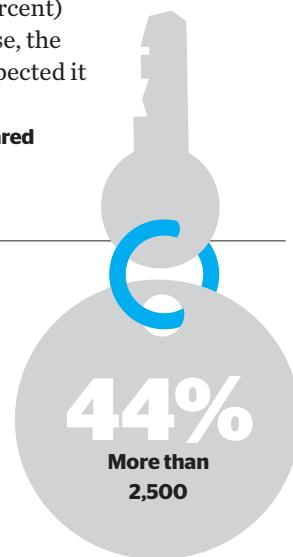
**Average: 84 percent**

### YEARLY AVERAGE, 2007-2016

2007	<b>84%</b>	2012	<b>84%</b>
2008	<b>80%</b>	2013	<b>84%</b>
2009	<b>75%</b>	2014	<b>82%</b>
2010	<b>80%</b>	2015	<b>82%</b>
2011	<b>80%</b>	2016	<b>84%</b>

## TOTAL ROOM PICKUP

More than two-fifths of respondents (44 percent vs. 39 percent in last year's survey) indicate that the total room pickup (all hotels) for their largest meeting was 2,500 or more. The average room pickup was 3,449.



### YEARLY AVERAGE, 2007-2016

2007	<b>6,009</b>	2012	<b>3,608</b>
2008	<b>4,747</b>	2013	<b>3,608</b>
2009	<b>3,102</b>	2014	<b>2,914</b>
2010	<b>3,134</b>	2015	<b>3,053</b>
2011	<b>2,790</b>	2016	<b>3,449</b>

## LOCATION OF EXHIBITIONS

**63%** are likely to hold in convention centers

Respondents are more likely to hold exhibitions in convention centers (63 percent compared to 61 percent in the 2015 survey) than in hotels (43 percent, compared to 48 percent in the 2015 survey).

# Meetings Market Survey

## NUMBER OF EXHIBITORS

181

### Average number of exhibitors

More than one-half of respondents (53 percent compared to 50 percent in the 2015 survey) indicate that they had at least 100 exhibitors at their largest show in 2016.

#### YEARLY AVERAGE, 2007-2016

2007	163	2012	184
2008	163	2013	183
2009	173	2014	160
2010	167	2015	172
2011	168	2016	181



**28%** Fewer than 50  
**18%** 50 to 99  
**26%** 100 to 249  
**17%** 250 to 499  
**10%** 500 or more

**‘I like to say that I’m frequently tasked with delivering a steak dinner on a fast-food budget. We are expected every year to increase our attendance and improve our meeting, but without any budget increases.’**

## REVENUE

Respondents report that, on average, 48 percent of the total revenue from their largest 2016 event came from registration (compared to 46 percent in the 2015 survey). Twenty-one percent came from exhibit sales (vs. 23 percent in last year’s survey), while 16 percent came from sponsorships and grants, compared to 19 percent in the 2015 survey.

**48%** Registration  
**21%** Exhibit sales  
**16%** Sponsorship/grants  
**4%** Advertising sales  
**11%** Other





## 2016 EXHIBITORS VS. 2015 EXHIBITORS

One-half of respondents (49 percent compared to 46 percent in the 2015 survey) report that the number of exhibitors at their largest show remained the same in 2016, while 38 percent say it increased (compared to 42 percent reporting an increase in the 2015 survey) and 13 percent say it decreased.

**Average change: +4.6 percent compared to +2.7 percent in the 2015 survey**



**38%** Increased  
**13%** Decreased  
**49%** Remained the same

## PROJECTED 2017 EXHIBITORS VS. 2016 EXHIBITORS

MORE THAN

2 / 3

**26%** Expect to increase  
**6%** Expect to decrease  
**69%** Expect to remain the same

**expect the number of exhibitors to stay the same**

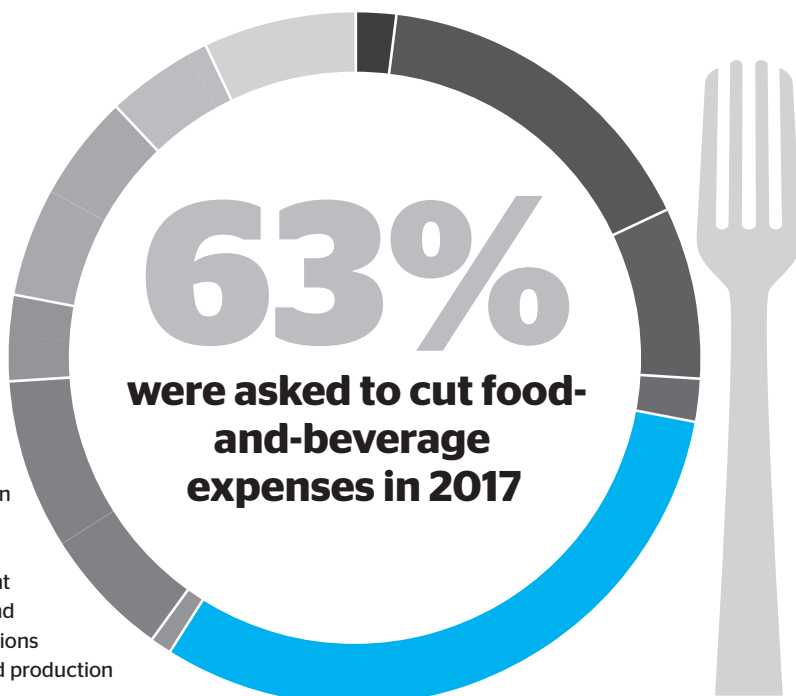
More than two-thirds of respondents (69 percent compared to 57 percent in the 2015 survey) expect the number of 2017 exhibitors to remain the same. The remaining respondents are much more likely to expect an increase (26 percent compared to 35 percent in last year's survey) than a decrease (6 percent).

**Average change: +1.5 percent compared to +2.3 percent in the 2015 survey**

## EXPENSES

Respondents report that, on average, food and beverage remains their single-largest expense, accounting for 31 percent of their costs at their largest 2016 event. Respondents indicate that they've been asked to cut a range of expenses for their 2017 meetings: 63 percent were asked to cut food and beverage, followed by AV (34 percent), shuttle service (29 percent), speakers/programming (20 percent), rooms/housing (17 percent), and meeting rooms (14 percent).

<b>2%</b> App development	<b>2%</b> Shuttles/transportation
<b>16%</b> Audiovisual	<b>5%</b> Space rental
<b>8%</b> Decor/labor	<b>5%</b> Speakers and entertainment
<b>2%</b> Destination management	<b>5%</b> Staff travel and accommodations
<b>31%</b> <b>Food and beverage</b>	<b>1%</b> Virtual/hybrid production
<b>1%</b> Insurance	<b>2%</b> Wi-Fi
<b>6%</b> Marketing/promotion	<b>5%</b> Other
<b>8%</b> Registration/housing	
<b>2%</b> Security	



## Small Meetings

### NUMBER



### Average number of small meetings

In 2016, respondents held an average of approximately 40 small meetings: 22 meetings (compared to 34 meetings cited in the 2015 survey) with under 50 attendees, 9 meetings with between 50 and 99 attendees (compared to 5 in last year's survey), 4 meetings with between 100 and 199 attendees (compared to 5 in last year's survey), and 5 meetings with between 200 and 250 attendees (compared to 6 in last year's survey).

#### YEARLY AVERAGE, 2007-2016

2007	34	2012	37
2008	42	2013	39
2009	37	2014	46
2010	39	2015	50
2011	41	2016	40

### TYPES

In 2015, respondents held an average of approximately 14 committee meetings, 10 training sessions, 9 seminars, 7 board meetings, and 5 other types of meetings.

### LOCATIONS

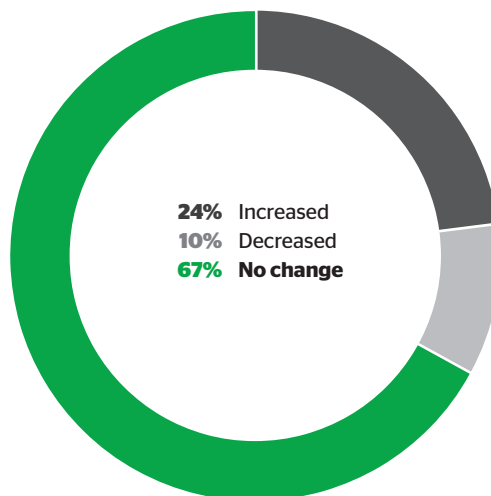


Respondents held an average of 11 meetings at downtown hotels; 4 each at conference centers, suburban hotels, and airport hotels; 2 at resorts; and 6 at other types of facilities.

### 2016 MEETINGS VS. 2015 MEETINGS

Twenty-four percent (compared to 28 percent in the 2015 survey) report that they held more small meetings in 2016 than 2015, while 67 percent report that their small-meeting count held steady — compared to 60 percent in the 2015 survey.

**Average change: +4.7 compared to +2 percent in the 2015 survey**



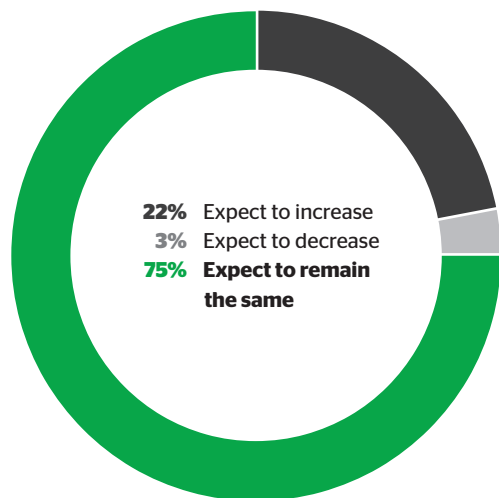
## BOOKING WINDOW

68%

**book small meetings > six months out**

Sixty-eight percent of respondents (compared to 62 percent in the 2015 survey) report that they are booking their small meetings more than six months out. Thirteen percent are booking 0–3 months out; 20 percent are booking 4–6 months out; 34 percent are booking 7–12 months out; 29 percent are booking 1–2 years out; and 5 percent are booking more than two years out. The overall average is 11 months, compared to 10 months in the 2015 survey and 9 months in the 2014 survey.

**‘Hotels are looking at *everything* as a revenue opportunity: charging for lecterns, charging to store luggage, mandatory resort fees that have no value to a meeting guest, charging to check in to your guest room an hour or two before official check-in time when a room is vacant and ready, charging \$10 per person more when there are fewer than 50 people for a meal, forcing you to buy the chef’s lunch buffet du jour or pay \$10 per person more for a buffet where you know in advance what the menu is going to be, etc.’**



## PROJECTED 2017 MEETINGS VS. 2016 MEETINGS

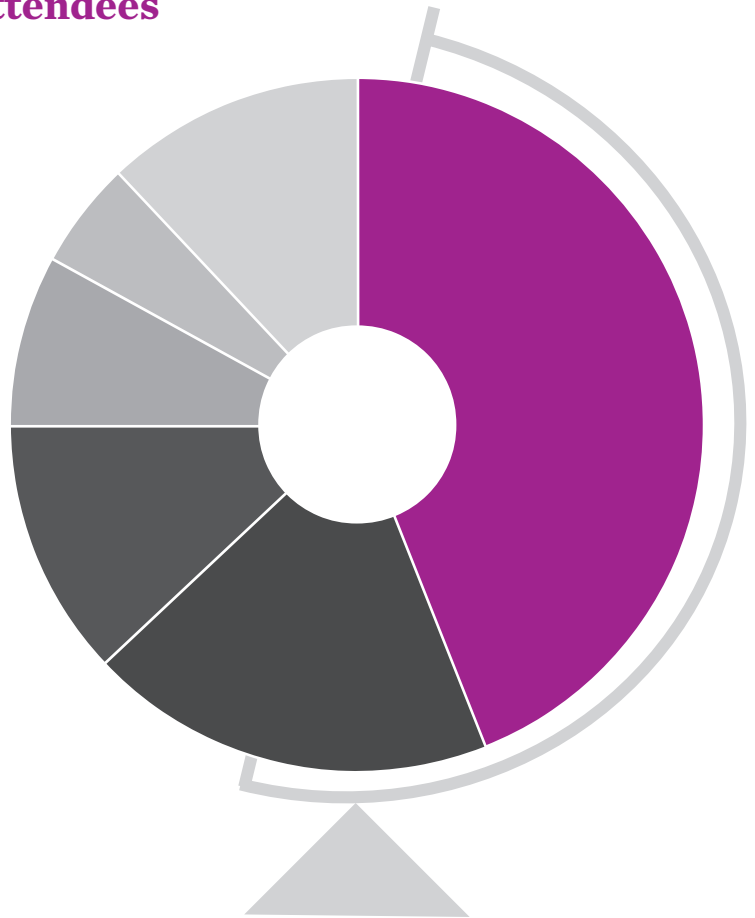
Twenty-two percent (compared to 26 percent in the 2015 survey) expect to hold more small meetings this year. Three percent (compared to 8 percent in the 2015 survey) expect to hold fewer small meetings in 2017 than 2016, and 75 percent (compared to 66 percent in the 2015 survey) expect to hold the same number of small meetings this year as last year.  
**Average change: +4.3 percent compared to +2.9 percent in the 2015 survey**

## International Meetings and Attendees

### ATTENDEES

Twenty-five percent of respondents (compared to 21 percent in the 2015 survey) report that more than 10 percent of the registered attendees at their largest event in 2016 were international. On average, 7 percent of the registered attendees at respondents' largest event were international, up from 6.3 percent in the 2015 survey.

<b>44%</b>	<b>Less than 2%</b>
<b>19%</b>	<b>2% to 5%</b>
<b>12%</b>	<b>6% to 10%</b>
<b>8%</b>	<b>11% to 15%</b>
<b>5%</b>	<b>16% to 25%</b>
<b>12%</b>	<b>More than 25%</b>



### YEARLY AVERAGE, 2007-2016

2007	<b>7%</b>	2012	<b>8%</b>
2008	<b>7%</b>	2013	<b>8%</b>
2009	<b>7%</b>	2014	<b>7.3%</b>
2010	<b>8%</b>	2015	<b>6.3%</b>
2011	<b>7%</b>	2016	<b>7%</b>

### 2016 INTERNATIONAL ATTENDEES VS. 2015 INTERNATIONAL ATTENDEES

Eighteen percent (compared to 23 percent in the 2015 survey) report that the number of international attendees at their largest 2015 meeting increased, while 76 percent report no change.

**Average change: +0.1 percent vs. +2.0 percent in the 2015 survey**



<b>18%</b>	<b>Increased</b>
<b>6%</b>	<b>Decreased</b>
<b>76%</b>	<b>No change</b>

### OBTAINING VISAS

58%

**say it was more difficult to obtain visas than the previous year**

Close to one-fifth of respondents (18 percent) report that one or more of their attendees faced a challenge obtaining a visa in 2016, while 58 percent say it was more difficult to obtain visas than in the previous year.



## PROJECTED 2017 INTERNATIONAL ATTENDEES VS. 2016 INTERNATIONAL ATTENDEES

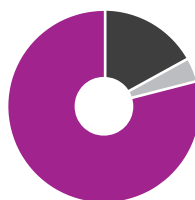
Seventeen percent of respondents (vs. 16 percent in the 2015 survey) expect the number of international attendees at their largest 2017 meeting to increase, while 79 percent expect no change.

**Average change: +1 percent compared to +0.2 percent in the 2015 survey**

**‘The biggest challenge facing the industry? People want personalized experiences, and they’re willing to get them from nontraditional sources (i.e., not meetings).’**

# 79%

**expect no change**



**17%** Expect to increase  
**4%** Expect to decrease

## The Shrinking Room Block

**We’ve pondered why these numbers don’t add up (see p. 45):**

- › **Average room pickup in 2007: 6,009**
- › **Average room pickup in 2016: 3,449**
- › **Average percentage of rooms picked up by the organization in 2007: 84**
- › **Average percentage of rooms picked up by the organization in 2016: 84**
- › **Average number of attendees in 2007: 4,400**
- › **Average number of attendees in 2016: 5,201**

In other words, there are more attendees now but fewer rooms picked up compared to 10 years ago, although the percentage of rooms picked up has remained constant. It’s clear that attendee-booking behavior has changed and event organizers are hedging their bets by lowering the size of the block.

But there’s a problem with that. “The industry still continues to focus on the room block and the room-block pick-up as the primary measure to value the event, even in light of general agreement that many attendees book outside the room block,” DMAI’s Christine “Shimo” Shimasaki, CDME, CMP, wrote in *The Event Room Demand Study*, produced by Tourism Economics in July 2015. Funded by five industry associations, the study was undertaken to quantify the degree to which attendees and exhibitors book hotel rooms outside of the organizer’s contracted room block. The fact that DMOs and hotels continue to use the historical room-block pick-up as one of the most important factors

in valuing an event has consequences, Shimaski noted in the report: “If an event has a high percentage of attendees booking outside the room block, then that event may be undervalued, the meeting planner may find difficulty securing first-option space several years in advance, and hotels may not be prepared for the actual impact of the event.”

### Among the study’s key findings:

- › **On average, one out of every three rooms is booked outside the room block.**
- › **The larger the event, the higher the share of rooms booked outside the block (but only up to a point).**
- › **The larger the facility, the higher the share of rooms booked outside the block.**
- › **Convention-center events had more rooms booked outside the block vs. events contained in single hotels.**
- › **Trade shows had more rooms booked outside the block vs. meetings.**
- › **Shorter events had a higher share of rooms booked outside the block.**

Proper evaluation of an event needs to include rooms being booked outside of the contracted room block, the study concluded, putting DMOs in a unique position to reinforce this point to event organizers, hoteliers, convention facilities, and local politicians.

For the full study, visit [convn.org/room-block-DMAI](http://convn.org/room-block-DMAI).

# Meetings Market Survey

## FUTURE INTERNATIONAL MEETINGS

43%

### will be holding meetings outside of the U.S.

Forty-three percent of respondents (down from 50 percent in the 2015 survey) report that they will be holding meetings outside the United States in the future.

#### YEARLY AVERAGE, 2007-2016

2007	43%	2012	39%
2008	43%	2013	42%
2009	44%	2014	47%
2010	48%	2015	50%
2011	40%	2016	43%

## POTENTIAL INTERNATIONAL DESTINATIONS

International destinations that respondents are most likely to consider:

**Canada 75%**

(for U.S.-based respondents)

**Western Europe 47%**

**United Kingdom 37%**

**Asia 33%**

**Mexico 30%**

**Caribbean and Bermuda 26%**

**South America 20%**

**Australia/Pacific Rim 18%**

**Eastern Europe 18%**

**Africa 8%**

## Cost of Doing Business

### Site Selection

When it comes to ranking tools for booking meeting sites, site visits are first, according to 41 percent of respondents. A higher percentage of planners say that online searches are their preferred site-selection approach over one-on-one sales interactions (35 percent and 22 percent, respectively), and only 6 percent rank fam trips as their first choice.

### Airbnb and Shared Housing

Most respondents (79 percent) said that Airbnb and other shared-housing platforms are not important options for their attendees. Seventeen percent expect that a percentage of registrants will use Airbnb rather than their headquarters hotels or hotels in their room block, but it's low: 6 percent of registrants, on average.

### Booking Window

More than two-fifths of respondents (43 percent compared to 31 percent in the 2015 study) report that they are booking their large meetings more than three years in advance; 24 percent are booking two to three years ahead; 24 percent are booking only one to two years out; and 10 percent are booking their large meetings in under one year. The average booking window is 2.5 years, slightly above 2.3 years reported in last year's survey.

### Technology

The technology that respondents continue to seek most for their meetings is high-speed wireless internet access. In terms of social media, 78 percent of respondents rate Facebook either first or second when it comes to marketing their meetings and engaging attendees. Seventy-two percent say Twitter is their No. 1 or No. 2 choice, while LinkedIn is first or second by 51 percent. Instagram is ranked first and second by 35 percent (a big jump from 2 percent in last year's survey) and Pinterest is ranked first by 10 percent. Eight percent of respondents use Snapchat as their first and second choice, and 6 percent of respondents rank Periscope first — in last year's survey, no one reported using Periscope.

### Virtual Meetings

Fewer than one in five respondents (17 percent) report that their largest event included a virtual or hybrid component. Twelve percent (compared to 14 percent in the 2015 survey) report that their use of virtual meetings and events increased in the past year, while 82 percent (compared to 79 percent in the 2015 survey) say it remained the same and 6 percent (down from 7 percent in the 2015 survey) report that it decreased. On average, respondents' use of virtual meetings and events went up nearly 0.3 percent, on par with last year's survey increase of 0.2 percent.

### Changes as a Result of the Economy

More than half of respondents (62 percent) say they have not made any changes to their meetings over the last year because of the economy. Twelve percent (down from 16 percent in the 2015 survey) say they have cut back on some aspects of their events because of the lingering effects of the downturn in their particular industry. Conversely, 26 percent (up from 21 percent in the 2015 survey) say they have been able to make a greater investment in their meetings because they've seen an improvement in their industry.