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EIBTM 2008 Industry Trends & Market Share Report



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PREFACE

“When America sneezes, the rest of the world catches a cold.”

If the accuracy of this adage was ever in question, then the events of the past 12 months, culminating in the great Wall Street meltdown and the global banking crisis, serve as a clear confirmation that the state of the US economy has a direct and significant bearing on businesses of all types, across the face of the globe. The widespread trade linkages between the US and the rest of the world have meant that the impacts of the US credit crisis have quickly spread to other advanced economies, resulting in 2008 being dominated by fears of recession and resurgent inflation across the developing world.

Many of the practitioners working in the meetings and events industry today had not yet taken up employment in this industry at the time of the recessionary period of the early 1990s. Those who were already active in our industry at that time need no reminding of the ravages that that economic crisis brought to all types of businesses linked to hospitality and travel, including the meetings and events sectors.

Our industry however has evolved in many ways since the 1990s – in ways that make us stronger and more resilient in the face of the challenges ahead. This resilience is clearly demonstrated the continuing growth of the meetings and events sector, despite the periodic global crises that have arisen in the past few decades. We are now a much more mature industry, partly as a result of the extensive progress we have made towards becoming a fully-professionalized sector of the global economy, in terms of our education and training. The industry is also becoming more widely recognised by the pan-global political establishment as a contributor of note to the gross domestic product of economies around the globe. There has also been a greater sharing of knowledge within the industry itself, which has facilitated the transfer of information and 'best practice' between meetings and events businesses, enabling us to aspire to new benchmarks and raise standards within our sector generally.

During times of uncertainty, access to accurate and up-to-date market intelligence is ever more important in order to help guide business decisions and enable reliable forecasting. This EIBTM 2008 Industry Trends & Market Share Report provides a comprehensive digest of this year's key research findings, giving an overview of the principal developments in the market environment for global meetings and events and identifying significant internal trends in our industry.

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PART ONE:
THE MARKET ENVIRONMENT

THE ECONOMIC CONTEXT

The 'R-word' has dominated all discussion of the global economic situation in 2008, as commentators have endlessly debated whether, and how soon, the world's major economies would slip into recession. In the spring of this year, the consensus was that the major economies were simply going to experience a slower rate of growth. But, as growth everywhere slowed drastically, halfway through this year there emerged a general consensus among economic commentators that due to the weakening global economy many of the world's major economies were heading for the two quarters of negative growth that constitutes technically a recession.

The extent and the gravity of the situation was summarised by one respected commentator, Professor Nouriel Roubini of New York University's Stern School, who in August wrote that literally every single Group of Seven economy was headed towards a recessionary hard landing. He cited the financial crisis, the liquidity and credit crunch, the busting of housing bubbles, falling stock markets, the burden of high oil and commodity prices, trade and linkages to the US as some of the ingredients in the 'toxic mix' that could push the global economy into a serious and protracted recession. (FT 16/17 August 2008)(1).

The crisis then culminated in the massive financial shock experienced by the world's mature financial markets in October of this year, setting off a sharp downward spiral of loss of confidence among consumers and companies alike and creating one of the most challenging economic environments in living memory.

Even before this autumn's steep stock market plunges, the spill-over effects from the American housing and financial turmoil were being felt in the major European economies:

* In Germany, the largest economy in the 15-nation euro-zone, the IFO confidence index of future business crashed in July 2008 to levels last seen in the post-unification bust of the early 1990s. Over the summer months of 2008, the index suffered the steepest decline since the 1973 oil shock (Daily Telegraph 27/08/08)(2).

* In France, in August, the Prime Minister slashed the country's growth forecast for 2008 from between 1.7% and 2% to little over 1%. The Finance Minister said that the government had underestimated the spill-over from the US financial and housing market turmoil. (FT 02/09/08)(1). In the same month, the number of unemployed people in France rose by 40,000, the fastest increase in 15 years (FT 30/09/08)(1).

* In the UK, by September a growing number of economists were predicting an outright recession over the following 12 to 18 months, focusing on the housing sector where prices had fallen faster at a faster rate in 2008 than at any time during their steep decline in the early 1990s. Among forecasters, the average prediction for 2009 was 0.9%, down from an average of 1.3% in July; but some forecasters predict negative growth for 2009, which would signal a contraction in the UK economy (FT 02/09/08)(2).

In late September 2008, the European Commission reported that its 'economic sentiment' indicator for the 15-country Euro zone had fallen to its lowest level since

November 2001. Consumers were more pessimistic about unemployment in the next 12 months than at any time since October 2005.

Nevertheless, the economic context is not uniformly bleak, throughout the world. A very different situation is to be found in the BRIC economies (Brazil, Russia, India and China). While these countries are widely forecast to experience some slowdown in their growth rates, this is not expected to be as severe as is expected in the US and Europe. It has been predicted that Indian economic growth will fall from 9 percent to 7 percent in 2009, and that Chinese growth will fall from 10 percent to 8 percent (FT 30/10/08)(2). However, it is clear that these are still extremely high expansion rates, characterising nations that are enjoying healthy levels of growth. As a consequence of its continuing economic expansion, China is set to overtake the US next year as the world's largest producer of manufactured goods, four years earlier than expected, according to forecasts by Global Insight, for the Financial Times. According to their estimates, next year China will account for 17% of the world's manufacturing output, compared with 16% for the US. In 1990, before economic reforms began to work, China accounted for a mere 3% of global manufacturing (FT 11/08/08)(1).

The Middle East's economy is also widely regarded as being somewhat immune to the world slump, with GDP growth in that region expected to run at an average 7.5% between now and 2012 (Sunday Times, 31/08/08). However, this prediction could be scuppered by the steep fall in the price of oil. By October, falls in Gulf Arab markets had hit developers and banks in the region hardest, with governments hoping that huge budget surpluses and non-oil sector growth would sustain them through the crisis. However, more positively, some analysts maintain that the current meltdown could bring a much-needed cooling of the overheated economies in the region (Guardian 11/10/08).

THE TECHNOLOGICAL CONTEXT

A survey conducted prior to the Hospitality Sales and Marketing Association International's (HSMIA) 2008 Affordable Meetings National and Event Technology Expo in Washington DC revealed that planners are noticing a significant increase in the amount of technology used for meetings, big and small. 57.5 percent of meeting and event planners said they were incorporating technology into their meetings with the use of online registration. That particular use of technology was followed by video conferencing (used by 20.4 percent of respondents), social networks (17.7 percent) and blogs (14.2 percent). Other meeting and event planners mentioned their increasing use of electronic surveys, cyber cafes, and podcasts.

However, the MPI FutureWatch 2008 Report concluded that technology developers have some way to go in satisfying the expectations of the increasingly sophisticated market of meeting professionals.

Table 1 shows the eight most popular technology areas identified by the FutureWatch 2008 Report, by category of respondents.

	All	Corporate planners	Association Planners	Government Planners	Independent Planners	Suppliers
Attendee feedback systems	54	52.8	54.7	48.0	50.9	55.3
RFP systems	39.7	30.6	19.3	32.0	36.6	52.9
Meetings interaction software	39.4	39.7	39.1	28.0	43.4	38.3
Better onsite Internet access	39.3	36.7	36.6	36.0	33.6	44.5
Audiovisuals	38.0	35.6	38.7	60.0	38.1	38.3
Meeting Logistics tools	35.4	37.9	39.1	56.0	37.7	31.3
CRM software	28.9	16.3	14.8	12.0	23.8	42.5
Attendee ID/tracking systems	28.8	37.9	35.8	32.0	35.1	20.1

However, respondents' ratings of all the technologies indicate that, generally, meetings professionals are not yet satisfied with the technologies available to them, in terms of their adequacy, availability and affordability. Of the eight top technology categories listed in Table 1, only five fall into the top tier for customer satisfaction. RFP systems rank second in importance, but ninth for overall satisfaction, and last on adequacy. Meetings logistics tools are third most important, but rank last on overall satisfaction.

Webcasts

Respondents to the FutureWatch 2008 Report predicted a rising use of webcasts, though not necessarily as decisively as the industry buzz would suggest. Two in five meeting planners and nearly half of corporate planners expect their use of webcasts to become more or much more frequent in the next year. Three in ten planners expect webcasts to be a more or much more frequent feature of live meetings, with corporate planners leading the way.

Social networking technologies

Most associations today are asking themselves how they can use social networking technologies to enhance the member experience.

From the results of the 2008 survey, Social Networking & Associations, undertaken by Association Global Services Inc., it is clear that the topic of social technologies and networks is currently of considerable interest to the association community: over 80% of respondents to this survey agreed or strongly agreed that new technologies and social networking represent a great opportunity for their organisation; however, most believed that there were significant related risks and challenges in social networking including: a) being able to use the tools correctly, b) getting approval from Board members and CEOs to advance social networking use, and c) making the membership aware of the tools and getting the membership to make use of them.

Respondents indicated they were most familiar with Facebook, LinkedIn and MySpace as available social networking technologies. Although most were familiar with multiple platforms, many did not have a full understanding of how the sites

actually function and were still unclear about how they could utilise the sites' features to enhance their organisation.

Associations currently appear to be in the information gathering stage and do not have really clear-cut strategies or seem to know exactly what they want social technologies to do for their organisation. Nevertheless, a significant number of associations have firm plans to create social networking platforms within their existing membership base for use by the members, with some large associations developing an in-house solution using their IT department and small associations using established platforms such as Facebook and LinkedIn, to retain and attract members who enjoy using such tools which have been so successful in creating communities of interest. The emergence of social networking has surely proven the value of having access to communities who will define the nature of the products they want and how they wish to have them distributed. The lessons for all types of business must be self evident.

Wireless access

Expectations for wireless access at convention centres and hotels continue to grow.

	2006	2007	2008
Percentage of meetings requiring wireless technology in hotels	59%	66%	68%
Percentage of meetings requiring wireless technology in convention centres	47%	50%	52%

Source: Convene's 17th Annual Meetings Market Survey, PCMA

However, respondents to HSMAI's 2008 Affordable Meetings National and Event Technology Expo pre-show survey cited the fees for amenities such as high-speed Internet as major factors to be taken into consideration in how they were planning future events.

Substitutability of virtual meetings

Although the general consensus persists that we are not at a place technologically where virtual meetings have the same impact as face-to-face events, the substitutability of technology-based systems, such as teleconferencing and videoconferencing, for face-to-face meetings continues to be regarded as a threat, according to many commentators. For the planners responding to the MeetingNews 2009 Industry Outlook survey, the increased use of technology instead of face-to-face meetings was their second most pressing issue for the meetings industry next year, with almost 30 percent expressing this concern.

THE SOCIAL CONTEXT

Corporate Social Responsibility

Rising levels of interest in the principles of Corporate Social Responsibility (CSR) emerge from the recognition that all organisations are inextricably intertwined with society and the environment and must therefore take responsibility for their actions with regard to the 'triple bottom line' of people, planet, and profit. A fast-accelerating number of organisations are recognising how incorporating CSR principles into all of their business operations can help build a sustainable and profitable future for all - and can reinforce their own brand and reputation in the marketplace.

Awareness of the CSR issues raised by organisations' meetings and events activity continues to grow, with companies increasingly setting tough CSR guidelines for the events they organise and the events that are organised on their behalf. An important element of CSR is the aspiration towards environmentally sustainable or 'green' meetings, and there is clear evidence that this trend is gaining ground. The EventView 2008 survey of senior executives in sales and marketing management positions showed that in Western Europe:

47% of respondents plan to implement green event initiatives within the next 12 months; and 69% of those respondents said that this was due to corporate responsibility mandates.

The North America section of EventView 2008 showed that:

34% of respondents plan to implement green event initiatives within the next 12 months; and half of those respondents reported that this was due to corporate responsibility mandates

Increasing CSR and sustainability awareness was also identified as one of the 'big three' meeting industry trends at the 2008 summer conference of Eventia, the UK events industry association. Delegates reported that more clients were expressing concerns about their carbon footprint and were asking to see agencies' CSR policies as part of the credentials pitch. It was claimed that it is becoming increasingly common for clients to request event proposals incorporating CSR elements and sustainable options, including carbon reduction and offset strategies. The same session reported that interest in carbon-considerate hotels and venues was continuing to grow, and that the established trend away from long-distance travel was now being further reinforced by soaring fuel costs.

On the supply-side of the meetings and events industry, there are also signs of growing awareness of the need to respect CSR principles, even in regions where these present considerable challenges. For example, in Dubai, where a recent survey by facilities management company Farnek Avireal showed that five-star hotels use up to 225 percent more energy than their counterparts in Europe, two of the world's leading premium hotel chains, Mövenpick and Swissôtel, have made a commitment to 'go green' by trimming energy and water costs and reducing carbon dioxide emissions across their properties in that city and throughout the Middle East (MeetME, May/June 2008)

There are also encouraging signs this year that the move towards greener meeting is being driven by the associations segment of the conference market. For example, when the American Institute of Architects (AIA) committed to greening all 140 of its meetings, including one of the largest association conventions in the US, it set off a wave of 'green' compliance among all its vendors, venues, and exhibitors, including a contractor who went on to develop an eco-friendly product that is now the standard for all its clients. The AIA does not only ask its vendors to make changes: attendees are also asked to contribute, by, for example, printing materials at home to bring to the meeting, carpooling or using public transportation, or signing up for a carbon-offset programme (Association Meetings 01/10/08).

As a consequence of the escalating concern to make events as 'green' as possible, environmental standards are constantly rising. For example, AIME 2008, the 16th Asia-Pacific Incentives & Meetings Expo set a new benchmark for exhibitions in Australia, by qualifying as a Climate Neutral™ event. AIME Climate Neutral was a joint initiative of Melbourne Convention and Visitors Bureau, Reed Travel Exhibitions and Climate Friendly™, an Australian organisation committed to providing real climate change solutions. The initiative was supported by the Melbourne Exhibition and Convention Centre, the venue for AIME. Based on information and data provided by RTE, MCVB and MECC on AIME 2007, Climate Friendly™ assessed and calculated the carbon footprint of the event. Then, to neutralise these emissions, Climate Friendly™ provided AIME with 100%-accredited GreenPower energy from a wind farm in South Australia and neutralised remaining emissions by purchasing carbon credits from a Kyoto-compliant wind farm in China. All exhibitors and visitors were encouraged to neutralise their travel emissions by purchasing carbon credits using the Climate Friendly™ calculator on the AIME website, and companies and individuals who offset their carbon emissions were recognised on the AIME website for their contribution to AIME's Climate Neutral status.

However, it is clear that there is much more to CSR than simply ensuring that meetings and events are as 'green' as possible. Concern for the wellbeing and prosperity of those living and working in the destinations where events take place is a key performance indicator for CSR in this context. Clients, organisers and suppliers in the meetings and events industry must be mindful of the impacts of their events on people and communities.

This represents an opportunity as well as a challenge. Martin Sirk, CEO of ICCA, the International Congress and Convention Association believes that by articulating and promoting the social benefits of their events, international associations can improve the way they are perceived, winning greater support from the destinations which host their congresses, improving their negotiating position vis-à-vis suppliers, and energising their various stakeholders. He has stated that the political debate is shifting from direct economic impact alone to the CSR impact of international meetings, and this is where international associations can make some powerful arguments. Politicians like to hear about how international events can create a social 'legacy' in their communities, by, for example, accelerating medical advancement for their local healthcare systems or by boosting the prestige and funding opportunities for their universities and scientific institutions. The benefits to the community, of hosting association conferences, could include world-leading surgeons conducting master classes in local hospitals; business leaders visiting schools to talk about the skills needed for success in tomorrow's globalised workplace; or Nobel prize-winners giving public lectures to complement their scientific congress presentations.

In order to highlight the potential for association conferences to bring such benefits, ICCA is currently reviewing its own Strategic Plan to include CSR for the first time. Martin Sirk has stated:

"One of our key goals is going to be to advocate much more strongly in support of the non-economic positive impact of international association meetings. We know that the meetings industry, like tourism in general, is going to be in the spotlight because of the high carbon impact of international travel. Whilst we can strive to run meetings as environmentally efficient as possible, we believe that it is vital to present a full picture of the positive impact of international meetings, and the CSR impact of international association congresses is one of the most powerful arguments we can make". Another initiative borne out of Reed Travel Exhibitions, global portfolio of Meetings & Events has emerged from the groundbreaking CEO summit series. Published in October 2008 is the Charter for Responsible Tourism, which leaders from across the globe have been invited to endorse.

Demographics

In 2008, members of Generation X (born between 1961 and 1976) and Generation Y (born between 1977 and 1995) were able, for the first time to out-vote the Baby Boomers, who are now beginning to retire from the global workforce. As Generations X and Y are increasingly represented in business, the media, and public life, their values, attitudes and lifestyles are gradually replacing those of the previous generations.

The needs and expectations of Generation Y in particular, regarding participation in meetings and events, are in many ways very distinct from those of previous generations. It is therefore vital for the meetings and events industry to understand the needs and tastes of this latest cohort of employees to enter professional/managerial life, since they are the fastest-growing demographic segment in the workplace. What are the distinguishing characteristics of this generation and their attitudes to meetings and events?

* Communicating information about meetings and events to Generation Y:
The key to effective communication with Y-ers is to use as few words and as many strong images as possible. Generational marketing expert Ann A. Fishman believes that this age group think differently: they think in text-messaging format – short, very short, efficient copy is required. Another commentator emphasizes the use of images: 'Generation Y depends on visual learning. All their lives, they were raised on graphics, games, the Internet and online games. This is a generation whose marketing has been pictorial and graphic ... to attract them, you need to be dynamic in your use of graphics and pictures' (Lynch 2006).

* Effective use of technology: This generation expect more – and better – use of technology in every aspect of meetings and events planning. They expect all information about the event to be online – in an attractive, easy-to use format. According to US commentators Ramsborg and Tinnish: 'The full capabilities of technology must be exploited before, during, and after a meeting. Blogs, mobile phones, YouTube, Facebook, MySpace, podcasts, virtual meeting environments, RSS feeds, videos, widgets, mashups, wikis, moblogs, and social networking sites ...

Learners who use these technologies every day expect technology to be seamlessly interwoven into learning situations, i.e., meetings’.

* Effective design of meetings and events programmes, for Generation Y: People in this demographic segment want:

- More involvement at the design stage.

Generation Y is an interactive generation that is used to being consulted for feedback on almost everything that affects them. As a result, they are used to interacting with service providers of all kinds. Meetings and events planners targeting this age group are advised to involve them, from the earliest stage, in the design of the programme, choice of activities, and even the selection of speakers, so that they feel a sense of ‘ownership’ of these events.

- More attention given to Corporate Social Responsibility and environmental issues

A greater concern for CSR and the need to have some interaction with the local community at the meeting/event destination are two of the most distinguishing characteristics of Generation Y. Arguably, much of the impetus towards ‘greener’ meetings and events is being driven by this youngest generation of participants, who are far less tolerant of waste and the negative impacts of such events on the natural environment. They also appear to care more about the human environment, and are uneasy about the apparent elitist aspect of many business events, particularly when these take place in destinations marked by widespread poverty and disadvantaged residents. Progressive meetings and events planners can respond to these concerns by giving their participants the opportunity to take time out to interact with the local community during the event and to ‘give something back’ – by, for example, raising funds for a local charity or playing football with the local children.

Such activities hold great appeal for Y-ers, who regard them as an ethically-sound antidote to the conspicuous consumption and elitism that can characterise business events.

- More effective use of speakers

It is often said that Y-ers’ short attention spans make them a difficult audience at any meeting. But all of the psychological research indicates that for delegates of any age, attention levels drop dramatically after the first 20 minutes of any presentation. The drive towards shorter, more interactive sessions will intensify as Y-ers account for an increasingly large proportion of participants in business events. Generation Y participants expect interaction, in real time, with each other and with speakers, through having the opportunity, for example, to text-message their questions to a big screen during sessions.

What do they expect from speakers? Fishman believes that they want:

* Substantive information that can help them advance in their current jobs or become better prepared when they move on. Motivational speakers don’t motivate them.

* Information they cannot get off the Internet or from a book. They don't like to waste their time.

* To hear from speakers who are in a position of power. They want to know how the game is played.

* PowerPoint to be used correctly:

- PowerPoint slides only when necessary
- No 'laundry list' of multiple points the speaker is about to make
- Few words on each slides

Above all, speakers need to deliver their material in a way that combines education and information with entertainment – edutainment and infotainment are what Y-ers expect from all of their experiences. As Ramsborg and Tinnish put it: 'The adult learners of today expect "infotainment," the delivery of information in an entertaining format. Even the most serious programming on television, the news, is created now with graphics, music, lighting, and special effects. Sports arenas now have giant television screens to show instant replays and powerful sound systems for commentary and music. There aren't many places that people go where they are not treated to a "show" - and meetings are no exception'.

PART TWO:
KEY MARKETS

THE US

Growing concerns over economic matters dominated many of the surveys of US meeting and event planners in 2008.

Convene's 17th Annual Meetings Market Survey (largely of US-based association meetings planners) revealed planners' high levels of concern about rising costs of everything from air travel to hotel rooms, food and beverage, gratuities, to Internet usage at meeting facilities. More than 140 (out of 431) cited higher rates/additional or "hidden" fees/rising costs as the biggest issue they grappled with. This was echoed in the findings of the MeetingNews 2009 Industry Outlook survey, which revealed that budget pressures and rising costs remained the most critical concerns for nearly 80 percent of respondents, with other issues such as Return on Investment and Corporate Social Responsibility ranking much lower. (Meeting News 06/10/08)(1).

According to the Convene survey:

- * 43 percent of US-based association planners expect to hold meetings outside the United States in the next few years - down from 49 percent the previous year's survey.

- * 2007 Attendance vs. 2006 Attendance: Close to one-half of respondents (44 percent, up from last year's 41 percent) reported that attendance at their largest 2007 meeting increased compared to 2006, while 23 percent report no change in attendance.

- * Projected 2008 Attendance vs 2007 Attendance: Almost one-half of respondents (46 percent) expected 2008 attendance to increase, while 36 percent did not expect any change. The projections from last year were very similar.

- * The international destinations that respondents are most likely to consider are: Canada 42% / Mexico 22% / Western Europe 21%/ United Kingdom 20% / Asia Pacific 17%.

According to Lodging Econometrics Mid-2008 Hotel Pipeline Report, the construction of new hotel facilities in the US was at a record high in 2008, with 5,883 projects/785,547 rooms in the pipeline, accounting for 43% of the total global development.

Starwood Hotels & Resorts Worldwide, Inc continued its robust expansion, with steady growth in underpenetrated markets this year in North America, where over 50 new properties were opened.

In September, Anchorage's newly completed and state-of-the-art Dena'ina Civic and Convention Center opened for meetings and events, with 215,000 square feet of meeting and trade show space. In the same month, the new Raleigh Convention Center opened its doors, with 500,000 square feet of functional space, including an exhibit hall and 20 meeting rooms. And in anticipation of the opening, new hotel projects were undertaken to put over 1,000 rooms near the convention center.

As a destination for meetings and events, the US continues to enjoy considerable popularity, emerging yet again as the top country for international association conferences in the latest ICCA (International Congress & Convention Association) rankings. For the UK market, the US was, as usual, the first choice for events planners, accounting for just under half of all groups. New York, Chicago and Boston were the top three long-haul city destinations for the UK market (M&IT 2008 Trends & Spends survey).

MPI's September 2008 Business Barometer, a quarterly supplement to the annual FutureWatch survey, shows that even before the October economic surprise, survey respondents identified the poor economy (16.6 percent), budget cuts (12.6 percent) and increased travel costs (9.9 percent) as the top trends affecting the meeting and events industry over the next six months. In the same projected time frame, most people (44 percent) said that they expected to see industry business remain flat or increase by less than 5 percent

EUROPE

Europe's dominance of the market for meetings of international associations was once again demonstrated by the annual statistics published by ICCA. The ICCA rankings cover meetings organised by international associations which take place on a regular basis and which rotate between a minimum of three countries. The data represents a 'snapshot' of qualifying events in the ICCA Association Database as sampled on 14 April 2008.

This year the ICCA Data researchers identified over 6,500 events which took place in 2007, a rise of approximately 800 over 2006. Partly this reflects the strength of the market, partly it is due to a record number of members sending ICCA their calendar information to help identify new events.

Table 2: ICCA country and city ranking measured by number of meetings organised in 2007

Rank	Country	# Meetings
1	US	467
2	Germany	429
3	Spain	303
4	United Kingdom	281
5	France	255
6	Italy	250
7	Japan	215
8	Brazil	209
9	Austria	204
10	Canada	197
11	Netherlands	195
	China-P.R.	195
13	Australia	194
14	Switzerland	175
15	Portugal	153
16	Sweden	137
17	Belgium	124
18	Finland	122
19	Singapore	120
	Republic of Korea	120

Rank	City	# Meetings
1	Vienna	154
2	Berlin	123
3	Singapore	120
4	Paris	115
5	Barcelona	106
6	Budapest	90
	Lisbon	90
8	Beijing	87
9	Amsterdam	82
10	Madrid	77
11	Copenhagen	76
12	Prague	72
	Hong Kong	72
14	Seoul	70
	Stockholm	70
	Bangkok	70
17	London	69
18	Taipei	67
19	Kuala Lumpur	66
	Istanbul	66
	Brussels	66

As has been the case since 2004, the US is the number one country as measured by the number of international meetings organised there. However, the vast majority of the other countries in the top 20 are European – although there was a strong showing by Japan, Brazil, Canada, China and the Republic of Korea in this year’s rankings. While in last year’s ICCA figures only 2 non-European countries (the US and Singapore) appeared in the Top 10 destinations, this year, European countries are joined in the Top 10 by 4 countries from other continents.

In terms of international conference cities, once again, as was the case last year, 8 out of the Top 10 destinations are located in Europe. The two exceptions in the Top 10 are, Singapore once again, and, for the first time, Beijing, rising from 13th place last year.

To meet the continuing demand for large-scale meetings in European cities, a number of new convention centres are in the pipeline and already accepting bookings. The Convention Centre, Dublin, for example, has secured the International Statistical Institute biannual session for 2011, a five-day event that will bring 3,000 delegates to the Irish capital. The new Icelandic National Concert and Conference Centre is due to open in autumn 2009 in Reykjavik. The complex will be located by

the harbour and will include a cluster of conference and meeting halls (the largest of which will accommodate up to 750 delegates), as well as a luxury hotel and state-of-the-art concert hall.

As well as new-build properties, refurbishments and expansions of venues are also continuing apace throughout Europe. For instance, Bologna Congressi has taken over the building formerly housing the city's Modern Art Gallery, which, together with the convention centre, due for extensive refurbishment, will become the largest conference park in the city, seating up to 5,000 delegates. And, the owners of London's ExCeL venue, the Abu Dhabi Exhibition Company, have given the go-ahead for the much-needed Phase 2 of its development. Key among the new facilities will be a semi-permanent auditorium capable of seating 5,000 delegates, plus a conference and meetings hub providing additional space for up to 2,000.

ASIA-PACIFIC

The success of the Beijing Olympics and Paralympics in August and September 2008 provided a huge boost to China's self-confidence, and several of the venues used for the sports events will now be converted to convention and exhibition centres. However, even before the Olympic Games, Beijing had established itself as a successful destination for international conferences, by entering the ICCA top 10 cities for international meetings, climbing from 13th place to 8th place in the space of a year.

Hotel development in China goes on at a rapid pace, and existing properties are being renovated in order to keep up with the high expectations of business visitors to that country. For example, the St Regis Beijing, with its 1,218 sqm of meeting and event space, has reopened following a \$27 million renovation and refurbishment. The post-olympic legacy for Beijing in respect of the meetings industry not least with the opening of the superb China National Convention Centre, the new home for CIBTM (September 2008).

But as the hype of the Beijing Olympics dies away, the city of Shanghai looks ahead to its own mega-event, the 6-month-long World Expo 2010 – and this means expansion in the supply of conference venues, such as the recently opened, 101-storey-high World Financial Center. Following the Expo, the World Expo Center will be kept as a new convention centre, able to hold large-scale events for up to 6,000 – 7,000 people, with over 100 smaller rooms for sub-meetings.

Other countries in the Asia-Pacific region are also showing considerable promise as destinations for association events. Martin Sirk, CEO of ICCA, reported significant growth in Asia for home-grown association conferences and regional events as well as Asian events being launched by European and US-based associations. Evidence of this phenomenon can be seen in the numbers of Association Management Companies that are aggressively establishing and expanding new Asian HQs. Asians are joining associations in greater numbers, new Asian organisations are being set up, and the demand for professional accreditation is booming – and all of this is fuelling growth in the Asian conference market. The infrastructure is being developed to meet this growing demand: for example, in India, a country with a long tradition of associations, every major city seemingly is building a top quality convention centre based on the Hyderabad template (AMI September 2008).

The scale of the development of meetings facilities in this region may be estimated by tracking the growth of exhibition centres, as in the Asia-Pacific, such venues are generally built to serve a dual purpose, meetings and exhibitions. In 2003, the Asia-Pacific region had 101 such venues. By 2008, the number of venues had surged by more than 50% to 156, according to the latest market report from UFI, the Global Association of the Exhibition Industry. The report shows that China remains the largest trade fair market by a substantial margin, with venues such as the China World Exhibition Hall in Beijing offering some of that country's most technologically-advanced electronic, control systems, public address and paging and exhibition floor amenities.

Elsewhere in the Asia Pacific region, Korea is developing a brand new convention centre in a third-tier city, Macau is building the equivalent of Las Vegas, and Hong Kong's well established convention and exhibition centre is building their third extension.

THE MIDDLE EAST

The Middle East is one of the world regions contributing most positively to the global economy, and this is reflected in the buoyancy of their meetings and events market – in particular incentive travel, the single most common type of event held in the Middle East. However, the meetings industry is also expanding fast, and this is reflected in the growth of venues designed for this market. For example, the Qatar National Convention Centre, in Qatar's Education City, will shortly open its doors for business, setting a new benchmark in world-class convention facilities with its 2,500-seat auditorium, 500-seat theatre and two lecture halls.

The Gulf Cooperation Council region, comprising Saudi Arabia, Kuwait, Bahrain, Qatar, the United Arab Emirates, and the Sultanate of Oman, has also been earmarked by Hilton Hotels Corporation as a prime development market. The HHC has 16 properties in the pipeline in this region, and the meetings segment is a key target for the Corporate moving forward in the Middle East. 2008 and 2009 openings include the 44-storey Hilton Jumeirah Beach Residence and the 324-room Hilton Doha, which will mark HHC's entry into Qatar.

According to the GIBTM 2nd Middle East Meetings Industry Research Report 2008, there is a very positive outlook for the meetings and events market in the Gulf/Middle East region. This Research Report to be presented during EIBTM 2008 will be available on www.eibtm.com immediately after the event.

The favourable outlook for meetings and events in the Middle East is echoed by the findings of the MPI FutureWatch 2008 Report. At a time when MPI is extending its own presence to new regions of the world, including the Middle East, 14.4 percent of respondents, including 15.9 percent in Canada and 31.0 percent in Europe, said they had seen increased interest in holding meetings in this region.

However, it is also clear that increased competition from other emerging markets could also affect the growth of events business in the Gulf/Middle East. For example, Brazil, the first Latin America country ever to make the ICCA top 10 in 2006 consolidated its position this year by taking eighth place in the ranking. The Columbian government has adopted an official strategy of positioning Columbia as a

world-class business destination for large-scale events and conventions, using its modern infrastructure of international airports, luxurious hotels and extensive transport systems. In Bogota, for example, there are currently 4,324 rooms in the luxury and deluxe category, with a further 1,400 more beds promised by 2010.

PART THREE:
**PERFORMANCE OF SPECIFIC INDUSTRY
SECTORS**

It is clear that the business volumes of the meetings and events market, in particular that of corporate events, closely follow those of the key industry sectors which create the greatest demand for our services and facilities.

This section provides a brief overview of the performance of some of those sectors that are key clients of the meetings and events industry.

THE CONSTRUCTION SECTOR

In 2008, one significant impact of the credit crunch was to damage the already-weak housing market in many major economies. The credit crunch has made it increasingly difficult for builders and their clients to obtain loans throughout 2008, in many world regions.

The house building market in the US continues to epitomise the problem. The number of unsold homes on the market in the US was at its highest level for at least 40 years, according to a recent survey by the National Association of Realtors. (Daily Telegraph 27/08/08)(1). Most developed countries experienced extremely weak levels of activity in their housing markets, leading to large-scale redundancies in many construction companies as well as in those firms dealing in construction materials. Even in Dubai, where property prices have increased by 40% since January and by almost 80% in the last 18 months, there is now some evidence of a slowdown.

Once again, the BRIC countries proved to be something of an exception, as demonstrated by the case of Brazil, where the growth of a new middle class, along with the introduction of long-term mortgages, previously unavailable, is fuelling a boom in housing construction. The shortfall in housing is now estimated at up to 10 million homes. According to a recent global property survey undertaken by RICS, the Royal Institute of Chartered Surveyors, 'The emerging giants of Brazil, India, China and Russia now account for more than 50% of the world's GDP, and have started to devour ever-increasing proportions of global property transaction activity' (Guardian 14/03/08).

THE FINANCIAL SERVICES SECTOR

The tumultuous economic events of autumn 2008 shredded confidence and destroyed a great deal of trust in the financial services sector, worldwide. The crisis of confidence in the global banking sector, causing the system to freeze, and culminating in many banks passing partly into some form of public sector ownership, has had an immense impact on the financial services sector, which is now characterised by high rates of redundancies throughout the major economies.

Of the 159,000 jobs that the American economy as a whole lost in September 2008, more than 17,000 of those jobs were in the financial services sector, according to the U.S. Labor Department's Bureau of Labor Statistics. And while the banks have suffered heavily, in terms of job losses, insurance companies, particularly those with heavy exposure to mortgages, have not been immune. AIG, one of the world's largest insurers, lost billions of dollars in the first half of the year, and, when on the

verge of collapse, was bailed out by the Federal Reserve (Financial and Insurance Meetings, 07/10/08).

However, the situation is not uniformly bleak in every region of the world. One country bucking the trend is India: Credit Suisse plans to double the headcount of its banking operation in India over the next 12 months, as global banks ramp up their presence in India in contrast to the cutbacks affecting the industry in the US and Europe. Global investment banks have increased their presence in India over the past two years to position themselves for a sharp rise in cross-border and domestic takeovers and fundraising as well as growing trading volumes on the country's stock markets. (FT 11/08/08)(2)

THE AUTOMOTIVE SECTOR

As consumer confidence remains at a low level, one indication of this is a widespread slump in the market for new car sales.

Spanish car sales fell across the country by 41.3 percent in August, attesting to the depth and breadth of Spain's housing-led slowdown cutting through the economy. In the same month, car sales in Italy suffered a year-on-year drop of more than 26 percent, while in France sales of cars were down by 7.1 percent year-on-year. Spanish car sales are expected to end the year down by about 25 percent, according to forecasters; and Italy's car market is expected to end the year down by about 15 percent. The slump in many big European car markets is expected to last into 2009 (FT 02/09/08)(1).

In August, new UK car registrations hit the lowest level for any August since 1966. The Society of Motor Manufacturers and Traders (SMMT) said that new car registrations were down 18.6 percent to 63,225 compared with the same month in 2007. It said that declining consumer confidence was hitting sales across all major European markets. (BBC News website Thursday, 04/09/08)

In the US, consumers unaccustomed to high prices for fuel are changing their purchasing habits when it comes to buying new vehicles, causing a decline in pickup-truck and SUV sales in the US. Ford Motor Co., which posted an \$8.7 billion second-quarter loss in 2008, is moving towards the production of smaller, more efficient cars by introducing six of its European models in the US, starting in 2010.

THE PHARMACEUTICALS SECTOR

Times are getting ever tougher for pharmaceutical companies. New registration procedures and the restructuring of healthcare systems are changing the industry and causing fiercer price competition. Many companies are being forced to radically rethink their business models, according to the 2008 Roland Berger study 'Pharma at the crossroads – Choosing directions in a transforming healthcare world'. At a value of US\$ 315 billion, the US will continue to be the main market for pharmaceutical companies. Yet in light of expected cost-cutting in the US healthcare system, this market also has the highest risks in the world. Pharmaceutical companies have been cutting costs over the past two years, especially in sales (69 percent), production (59 percent), distribution and logistics (59 percent), marketing (57 percent) and chemical production (41 percent). Of considerable concern to the meetings and events

industry is the news that respondents to the Roland Berger study say that the largest potential for further cuts is in marketing and sales. In the midst of the massive changes that the pharmaceutical industry will be facing over the next few years, the up-and-coming BRIC countries will become much more important as markets. At the same time, price and innovation pressure will continue to intensify.

Nevertheless, a report published in August by Merrill Lynch analysts said that second quarter earnings for the big European pharmaceuticals were on average 7 percent higher than expected. There has been an unprecedented surge in merger and acquisition activity in this sector – and that in itself is fuelling the meetings market.

This brief review of some key client sectors offers little encouragement for suppliers and for those who organise events on behalf of the construction, financial services, automotive and pharmaceutical industries. Widespread redundancies in many such companies mean that employers will be reluctant to be perceived as spending lavishly on events, in a context of shedding staff. However, one unexpected, and positive, consequence of the turmoil in the economy in general is that the high level of corporate restructuring currently underway is generating additional meetings activity in many industry sectors, including those reviewed above. For example, Fay Beauchine, executive vice president of global meetings, incentives and events, Carlson Cos. Has stated that:

'It's too soon to tell what's going to happen with [financial and insurance] meetings and incentives, but I see a focus in the short term on more meetings to merge cultures'. (Financial and Insurance Meetings 07/10/08)

PART FOUR:
KEY TRENDS

PROCUREMENT

The MPI FutureWatch 2008 Report revealed that a large majority of its respondents reported some role for procurement and purchasing departments in meetings and events, and that role is expected to increase over the next year. However, only about one in four respondents reported significant cost savings or service improvements as a result. Almost half said that procurement has 'created significant frustration or difficulty' with contracting processes, timing or decision-making.

* Only 26.7 percent believed that procurement processes had sometimes led to better rooms, venues or other services. 15.3 percent said that procurement had led to reductions in service quality.

* On the more positive side, 25.9 percent of respondents expect procurement professionals to become more knowledgeable about meetings and therefore more helpful to planners.

The growing influence of procurement practices in the meetings and events industry also emerged as one of the 'big three' meeting industry trends at the 2008 summer conference of Eventia, the UK events industry association. It was revealed that more clients - irrespective of industry sector - were increasingly involving their procurement departments in agency selection and management. There were reports of the procurement process being extended to supplier selection, with some agencies now conferring preferred supplier status on selected partners. The same conference concluded that:

* The pitch process is becoming increasingly complex and unfocused.

* Clients are still inviting multiple agency pitches.

* Price negotiations are getting tougher, and there is an expectation for agencies to deliver the same level of quality at a lower budget.

* At the same time, corporates are pushing for more flexible cancellation terms.

GLOBALISATION

The past 12 months have witnessed extensive integration and consolidation across many sectors of the meetings industry, reducing the number of small firms but enabling a more global approach to the management of meetings and events and expanding the application of best practices worldwide, through the sharing of experience, knowledge and tools.

Close to one-half (46 percent) of corporate meeting professionals responding to Convene's 17th Annual Meetings Market Survey, PCMA survey reported that their company had office(s) and/or staff located outside of the United States. The FutureWatch 2008 Report also concluded that the meetings and events industry is globalising rapidly. Although the majority of respondents to the FutureWatch survey work for organisations with operations in only one country, 20 percent expect their global reach to expand over the next year. And companies with the widest spheres of operation are most likely to expand: 57 percent of respondents in organisations with offices in six or more countries expect expansion in 2008.

Some examples of recent strategic alliances, mergers and take-overs:

* Conferences & Incentive Management (CIM), India's largest professional conference organiser signed a strategic partnership with Kellen Company, one of the world's largest association management companies, strengthening Kellen's global presence.

* Ovation Global DMC expansion plans for 2008 include further branches in China, India, Austria and Portugal, bringing up to 11 the number of destinations in which the company is represented and providing consistency in customer service and delivery.

* Convention bureaux and convention centres are also moving towards global alliances. For example, Abu Dhabi Tourism Authority, Aberdeen Convention Bureau, Calgary TELUS Convention Centre and Perth Convention Bureau have formed the Energy Cities Alliance. Through this strategic marketing alliance, the members aim to obtain a competitive edge in the field of energy-related conferences, through the exchange of sales leads.

* An excellent example of a national alliance between convention bureaux is that of the new '3 City Express' partnership between the Baltimore Area Convention and Visitors Association, the Fort Worth Convention and Visitors Bureau and the Sacramento Convention and Visitors Bureau. Each bureau has hired a salesperson specifically to win multi-city bookings for these three destinations; they have a joint marketing programme and a collaborative three-city marketing plan; and there are incentives to encourage planners to book at least two of these cities.

* Venue management companies too are increasingly coming together in joint ventures. A good example of this trend is the renaming of the Asia Pacific's largest venue management company Ogden IFC Brisbane as AEG Ogden, marking a joint venture with the US company AEG. Their latest acquisition is the management of the new congress centre at Doha Education City.

OUTSOURCING

The MPI FutureWatch 2008 Report revealed that less than one-fifth of meetings business is expected to be outsourced in 2008, but the total will still represent a 13 percent increase in volume and a 13 percent increase in spend over 2007. Buyers are three times as likely to outsource logistics and meetings services, as opposed to broader meetings strategy development.

Corporate planners reported that 16.5 percent of their activity would be fully or partly outsourced, compared to 7.7 percent for association planners, 17.1 percent for government planners and 13.1 percent for independents. For all but the government planners, these figures represent respectable outsourcing growth in 2008. When asked about the most frequent sources of their outsourcing, consistent with past years' results, full-service meeting management firms were the most often cited, particularly for corporate and government planners. Site selection companies were the most frequent choice for association planners and for client-side planners in the US, while independent planners showed a strong tendency to hire other independents when they outsourced.

MEASUREMENT OF ECONOMIC IMPACTS

Something that cannot be measured is rarely valued. For that reason, demonstrating economic impact has become one of the gold standards for establishing that any profession or industry is sufficiently mature and established to be taken seriously.

Gradually, the meetings and events industry is moving towards adopting and implementing the recommended measurement methodological framework, developed for this specific purpose. A 2008 study, conducted by Maritz Research Canada and the Conference Board of Canada, was the first to measure the economic activity surrounding meetings in that country, using the economic measurement methodology developed by the World Tourism Organization (UNWTO) (with participation from Meeting Professionals International, Reed Travel Exhibitions, and the International Congress and Convention Association) designed to calculate levels of business activity in the meetings sector.

The landmark study commissioned by Meeting Professionals International Foundation Canada showed that Canada's meetings sector organized 671,000 meetings in 2006, welcomed 70.2 million participants, created the equivalent of 235,500 full-year jobs, and accounted for \$32.2 billion in direct spending (\$23.3 billion by meeting participants and \$8.9 billion by non-participant sponsors and stakeholders).

However, the significance of this study goes well beyond the impressive figures it has generated. The decision to build a customised economic accounting model of meetings activity in Canada based on the UNWTO's Tourism Satellite Account (TSA) framework could have far-reaching consequences for meeting professionals and for the world economy as a whole. A reliable accounting of meetings activity will lead to greater recognition of meetings as an economic driver, just as the introduction of the TSA did for tourism. The end result of this research will be for governments at all levels to recognize that meetings matter, and to ensure that their policies maximize the industry's impact as a catalyst for knowledge, action, and economic activity.

The combined weight of the Canadian study and other ongoing pilot projects around the world will help draw policy-makers' attention to the importance of measuring and understanding the economic impact of meetings activity. This momentum will in turn bring us closer to the day when meetings are recognized around the world as the important economic driver that they are. It is to be hoped that, over time, adoption of this methodological approach by governments and international agencies will help establish recognition for the meetings sector that contributes jobs, tax revenues, and educational impact to economies around the world. This sector will continue to grow much faster than 'older' industries, so the prize for this recognition is great indeed.

PART FIVE:
OUTLOOK

The financial market crisis of the closing months of 2008 has raised fears of a deep and prolonged meetings slump in many of the world's major economies. The impacts of that crisis will set the context for the meetings and events industry in the short- and medium-term. By October 2008, there were already reports of meeting planners being made redundant and clients cutting back on expenses.

What is the outlook for our industry in the months ahead? As stated in the Preface to this report, the meetings and events industry has experienced previous periods of recession. That experience provides a few indications of what is likely to happen this time round:

* One consensus is that lead times for corporate events will become shorter, as clients engage in less long-range planning in order to be able to make changes more rapidly (this tendency was also observed immediately following the 9/11 attacks).

* If companies find it difficult to get credit, the volume of their meetings could shrink, since many such events are created in order to discuss new business projects.

* On the association meeting side, if individual members reduce spending - on personal goods and services, including their attendance at meetings - associations and the events they hope to stage could be affected by attrition. Nevertheless, association events generally stick to their schedules even if attendance levels drop.

Recent and reliable data on the likely outlook for the year ahead is in short supply, in these volatile times. However, two key reports have made predictions, taking into account the recent financial shock to the global economy.

The first of these is the Global Business Travel Forecast and Trends Report, published by American Express Business Travel in October 2008.

This report predicts that business travel costs will not change significantly in this next year, and that any increases will be fairly moderate, signalling a halt of a steady upward climb of costs experienced in recent years.

Table 3:

Forecasted Increases

Region	Airlines		Hotel Rates	
	Domestic/Short-Haul (Economy Class)	International/Long-Haul (Business Class)	Mid-Range	Upper-Range
North America	-3% to 5%	1% to 6%	-1% to 6%	-2% to 4.5%
Europe	0% to 4%	1% to 9%	0% to 6.5%	0% to 5%
Latin American and Caribbean	3% to 5%	2% to 4%	4% to 6%	3% to 7%
Japan, Asia Pacific and Australia	2% to 4%	5% to 7%	8% to 12%	8% to 13%

In the North America market, the Forecast predicts a negative increase in 2009 to certain airfares and hotel rates – although this is in the context of the substantial increases in fares and rates already experienced in 2008.

The cost of an average domestic business trip in North America is expected to increase by 2.8 percent to approximately \$1139. An increase of 4.3 percent is expected to bring the average cost of an international trip to \$3556.

According to the American Express Business Travel Forecast and Trends report for Japan, Asia Pacific and Australia, airfares and hotel rates are predicted to increase in 2009 but not as high as in 2008, as demand continues to outstrip supply and the regional economy holds fast against the global storm.

The cost of an average domestic business trip in the Japan, Asia Pacific and Australia region is predicted to increase by 5.6 percent in 2009, and costs for an average international trip in the region will rise by the same percentage figure.

Global Hotel Rate Forecast

Although American Express Business Travel forecasts some rate growth in the global hotel industry, the company expects that most regions will experience declines in occupancy, which will keep rate increases below the level of those seen in 2008. As new hotels expand global supply and demand decreases in some markets, travel buyers should have increased bargaining power for 2009 rates.

Strategic Meeting Management Forecast

As economic conditions continue to draw attention to meetings as a source for potential savings, senior business leaders are expected to seek further transparency in their companies' meetings spending and aim to measure the return on investment of meetings and events for their companies.

- Effective demand management tactics and a movement toward shorter events in more local destinations should help corporations achieve the best return on investment.
- Implementing and managing a specific meetings policy is expected to give companies the ability to drive certain cost-saving behaviours. Based on a recent survey of American Express clients, over 70 percent of companies do not have a stand alone meetings policy.
- Technology developments offer cost-effective ways to supplement meetings and events schedules. Teleconferencing and social networking sites are gaining popularity as tools to strengthen the interpersonal relationships created through traditional meetings.
- Leveraging transient hotel programmes with a meetings hotel programme is expected to enable companies to have visibility in both areas and drive savings. Negotiating packages for the preferred properties will likely simplify the process to drive and support compliance.

According to American Express, 70% of meetings are small; it is not forecasting any changes to this category which consists of staff and sales meetings as well as gathering for training and staff retention. However, it expects companies to scale down larger meetings trade down in terms of types of hotel and production work.

The second recent source of data and forecasts is the Advito 2009 Industry Forecast. The authors explain that their predictions are based on a scenario characterised by the following assumptions:

- * A slowing world economy;
- * Somewhat higher than predicted headline inflation rates;
- * A volatile but slowly recovering US dollar;
- * A crude oil price fluctuating in the range of US\$110 to US\$130 per barrel; and
- * The absence of any major geopolitical incident or other adverse shock having a severe impact on corporate travel.

Airfare increases: The airlines will react to the challenging environment by further trying to reduce costs and exploring ways to add new revenues, leading to an increase in the total cost of air travel. On average the Forecast predicts that 2009 rates will increase against 2008 by 6 percent to 8 percent, but with clear differences by region and trip category

Hotel rates and supply: In 2009, softening demand in the hotel market will progressively strengthen buyers' negotiation power. Globally rates are forecast to rise by an average of 4 percent - 8 percent, but rates vary considerably according to region, as shown in Table 4.

Table 4:

Region	Forecast hotel rate increases
North America	0-3%
Latin America	10-15%
Europe	4-8%
Middle East	15-25%
Asia Pacific	10-20%

In cities where demand is slowing, hotel rates are projected to climb less than indicated in this table, or not at all. However, in the Middle East and Asia Pacific, Advito predicts steep rate increases of as much as double the average cited above.

Meeting costs: Corporate meeting budgets and the number of meetings will not increase, but the cost of conducting those will, requiring meeting planners to 'do more with less'. Despite the softening economy, competition for good meeting space will still be strong and the seller's market in the meetings space will continue. Meetings-related price increases are projected to mirror those on the transient side: between 4 percent and 8 percent. Certain markets are again projected to display significant rate variation, with some cities in Asia Pacific and the Middle East predicted to be high-demand destinations.

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