

# Managing Events in Today's Realities

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**A**s meeting volume continues to pick up steam in 2022, planners are managing organizational expectations and budgets while navigating in a new landscape defined by a return of in-person events, changing attendee expectations, steep cost increases, compressed lead times on RFPs, staffing shortages, and limits on hotel and venue availability. Increasingly, many are finding that they must re-evaluate their old processes to be successful.

In a recent BTN webinar on [Managing Events in Today's Realities](#), sponsored by Cvent, three meeting industry professionals shared how the return of in-person meetings and events is unfolding in their companies, and how they are handling current challenges.

## THE GREAT COMEBACK IS UNDERWAY

While planners are still sorting out what type of meeting format best serves current corporate objectives and budgets, there is no question that live in-person meetings and events are making a strong comeback.

In a [June PULSE survey](#), conducted by the Northstar Meetings Group and sponsored

by Cvent, an all-time survey high of 70% of planners said they are booking or actively sourcing in-person meetings and events. At the same time, rescheduling and cancellation of live events declined to 8%, an all-time low.

In-person meetings of all sizes are back as citywide conventions and multiple property events fill venues, but attendance overall is down from 2019 levels.

In the PULSE survey, the largest percentage of respondents (60%) said they were working on meetings of 101 to 500 attendees as more than 30% were planning meetings up to 1,000 attendees.

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At American Express Meetings & Events, while demand for in-person meetings was slow in January and February, "March really showed the beginning of the rapid increase," said Linda McNairy, Vice President-Americas for Meetings & Events, a unit of American Express Global Business Travel.

"As of the end of May ... on a global basis, we were already pacing at 103% of our 2019 levels," she said. The majority of those meetings (65%) have fewer than 50 attendees.

"A lot of these are driven by internal meetings, and people just wanting to get their teams together," McNairy said. "There is pent-up demand for driving the organization's culture through face-to-face meetings," she noted. Domestic meeting volume for American Express hit 107% of 2019 levels in June. International and inter-region event volume was pacing much lower, at 27% of 2019 levels, "but we see that number going up month to month," McNairy said.

Predictably, as is the case with American Express, smaller in-person meetings are leading the way as the industry rebounds.

"Our meetings are coming back on the smaller size; 25 to 75 is the size of our events right now," said Jami Stapelmann, Executive Director of Global Travel and Meetings at Estee Lauder Companies. "We've had some larger events, but they have not come back at the frequency we had before."

The majority of meetings at GE are also trending between 25 and 75 attendees but virtual are not disappearing, said Brenda Crocker-Pierce, Manager

of Operations for GE SmartMeetings, the strategic meetings management brand for GE. "We are seeing mostly live in-person, or virtual meetings," she said. "The most significant changes I've seen are around virtual meetings. A lot of people are having virtual meetings, because of the technology improvements made during the pandemic. Hybrid is not so popular, because it costs so much."

## FINDING THE RIGHT FORMAT

Within the parameters of budgets and corporate objectives, planners are grappling with when a virtual or hybrid meeting is a better option than an in-person event.

"It's about having more meaningful conversations, and asking better questions," said

Stapelmann. "Can it be held as a collaboration tool event, or is more interaction needed? In our case, if it's with suppliers and vendors, then that's a reason to meet. We have kept those to real life, with no hybrid option."

Stapelmann educates stakeholders on what it will cost to execute on the purpose of the meeting in different formats. "Right now virtual or hybrid options are very expensive if you want to execute on a seamless level," she said. "With that in mind, most of our meetings are in person."

Hybrid meetings are exponentially more complicated," noted McNairy. "Changing from virtual to in-person or vice versa is more than moving someone from one meeting room to the next. It's a lot more complex. You have to have the collaboration tools prepared and be able to shift schedules and manage all of that."

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— Linda McNairy,  
American Express Meetings & Events

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— Brenda Crocker-Pierce,  
GE SmartMeetings

"A silver lining of this time frame is that during the pause the hotel community really invested in training their people and making sure they had the right technologies available so they could support a hybrid meeting," McNairy added.

"From that perspective I think we are in pretty good shape, but it does not

negate the need for all of your planners to be upscaled to be able to manage in that hybrid environment. And with short lead times you are squeezing more complexity into a reduced amount of time. That combination equals more stress and a more difficult situation to manage through."

Compressed lead times are another key challenge planners are working through. McNairy noted that while there was a trend toward gradually compressing lead times pre-pandemic, they have shortened by almost 20% since 2019 levels. "To see an incremental 19% or 20% decrease in lead time is significant," she said, "and it speaks to what is happening in our world right now."

## **RIISING COSTS ARE A KEY CHALLENGE**

Rising costs for meeting venues and suppliers are shaping the contours of the industry's comeback.

In its [2023 Global Business Travel Forecast](#), the Global Business Travel Association and CWT reported that "prices have increased in all regions, across most categories of spend, fueled by pent-up demand, a desire to build company culture and an uncertain economic outlook. The average cost-per-attendee in 2022 is expected

to be around 25% higher than 2019 levels, and is likely to rise a further 7% in 2023." In that forecast, GBTA estimated that airfares in 2022 will be 48.5% more 2021 and rise 8.45% more in 2023.

Nearly 80% of respondents in the June PULSE survey said rising costs are having a material impact on their events. Costs are up across the board versus budgets or anticipated budgets of survey participants, who reported increases of 16%-20% in airfares, and 11%-15% for food and beverage services. Respondents also cited cost increases between 8% and 15% for ground transportation, hotel rooms, audio and visual, onsite staffing, and venue rooms.

According to June 2022 data from hospitality research firm STR, the U.S. hotel industry reported its [highest monthly room rates](#) on record. Average daily room rates were up 15.3% compared with June 2019, while occupancies were down just over 4%.

The increased costs have pushed planners to focus even more closely on vetting the purpose of each meeting.

"Dialogue around what matters most with the meeting," advised McNairy. "If you have to make tradeoffs, determine what that looks like by focusing on the biggest impacts of the gathering and making sure you can deliver against those needs." That process takes "a lot of partnership, a lot of communication, a lot of honesty," she added. "There is a need now, more than ever, to leverage your communication skills."

Noted GE's Crocker-Pierce, "Timing is critical," and planners need to work with all stakeholders before sourcing begins. "It's all about preplanning and educating and working with stakeholders to help them understand budgets going into the event before they begin sourcing," she said. "There is definitely sticker shock. People never imagined some of the room costs would be so expensive."



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Because her strategic meetings management program does not yield the same level of savings that it did pre-pandemic, “we are looking at other ways to benchmark with our agency and benchmark with hotels to find cost savings,” Crocker-Pierce said.

For in-person meetings, just over 60% of planners in the June PULSE survey said they are finding cost savings in areas that will not diminish attendee experience, and just under 60% are finding cost savings wherever they can.

## SOURCING: IT'S A WHOLE NEW GAME

Sourcing preferred venues and securing availability for a live meeting or event is another ongoing challenge confronting planners. Part of the reason: leisure travel is booming.

“Leisure travelers are filling up the airplanes and filling up resorts, so they really don’t need the corporate business right now,” Stapelmann noted. “That probably was a bit of a surprise to some corporations when they went back to live events. With the lack of availability and short windows, it’s important to have long-term relationships with your suppliers and work with your partners that value the long-term relationships. Over communicating is key.”

McNairy also advised planners to be “very focused” during the RFP process, “so when a property receives an RFP, they know they have a chance of getting it. If they know that you’re cascading this RFP out to hundreds of properties, you are probably not going to be prioritized very well. Make sure you are focused, and communicate well.”

More likely to get an RFP response are planners who inform hotel contacts that they are sending the request to only eight or 10 properties, or even fewer, speakers said.

Once proposals come in, McNairy said, make sure internal stakeholders understand that the

organization will have to decide and contract quickly. Hotels can no longer afford to hold space for weeks when other planners are waiting. If they want space, planners must be prepared to contract within days, if not hours. “Make sure everyone in the decision-making process is aligned against the reality of the current environment. A lot of processes that used to be sequential are now simultaneous, which in turn contributes to the chaos,” she added.

Part of ensuring that alignment could require helping senior management at major organizations understand that the influence they wielded to get concessions from suppliers pre-pandemic is not a given in today’s marketplace realities. “That clout doesn’t necessarily carry in the same way in this environment,” she said.

At GE SmartMeetings, “We are doing the best we can to educate our meeting requesters upfront,” said Crocker-Pierce. That includes preparing requesters to have another option, “and making sure you are ready to move on a decision fast, because space goes quickly.”

## STAFFING CHALLENGES DEMAND HONESTY AND CREATIVE PROBLEM SOLVING

With unemployment at a historic low, fueled by a pandemic-generated shift in priorities for many in the U.S. workforce, staffing shortages are an unavoidable reality in today’s business environment. Service industries, including hospitality, have been particularly hard hit, and that has impacted the return of live off-site meetings and events.

In the PULSE survey, concerns over inadequate hotel or venue staffing as a cause for canceling or moving an event skyrocketed over the last nine months, cited by about 32% of respondents in June 2022 compared with about 12% in October 2021.

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McNairy recommends tackling the problem head on, beginning with the negotiation process. She advises planners to “be very clear with your expectations and demand honesty,” with an emphasis on the word ‘demand.’ Ask if the property has the staff to deliver against expectations.” If it doesn’t, talk through the expectations and realities to avoid “battling over every hour of every day onsite,” she advised.

Housekeeping, room service and food and beverage outlets may no longer have full staffing. Planners may need to be creative with meal function servicing and inform attendees what to expect onsite.

Those battles can have a big impact on the quality of event participants. According to a [July study by J.D. Power](#), guest satisfaction levels at North American hotels have dropped by eight points in the past year against a backdrop of increased demand, steep rate increases, and ongoing challenges to restore pre-pandemic levels of staffing and service.

McNairy added that the staffing challenge, “gets more complicated as you go down the line with other suppliers,” including restaurants for a dine

around or group meals, and “that cascades through ground transportation and all the different tiers that you utilize when you are planning a meeting.”

Given the situation, Stapelmann said she has relied on CVBs and DMCs even more than in pre-pandemic times. “Both CVBs and DMCs are a great source of information and knowledge right now,” she said. “CVBs really rose to the occasion and were some of the first to reach out and give us information on certain cities and what to expect from all of the suppliers there, from hotels to ground transportation and air.”

Organizations and businesses have not been immune to the staffing challenges. Noting that “There are ways we can work differently,” Stapelmann has secured additional support for live events from freelancers and boutique planning agencies.

She worked with internal teams to contact planners who retired from Estee Lauder or left the company during the pandemic and asked them to come back on a freelance basis. “In Europe more boutique high-level VIP agencies are popping up to support our events, and then we have a pool of freelancers who are also available to support our onsite needs,” she added.

## OUTLOOK FOR THE FUTURE

There is no question that ample preparation, flexibility, clear and consistent communication with suppliers/partners and all internal stakeholders, and creative problem solving are foundational to successfully managing events in today’s realities. Despite the many challenges, the majority of planners have risen to the occasion, buoyed by a positive outlook on the future.

“I’m very optimistic,” said Crocker-Pierce. “Meetings are key to success, and people are really craving in-person meetings.”

McNairy has a positive take on how the pandemic “pause” has reshaped the future of meetings and their importance in organizations.

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"We've learned so much through the last couple of years, and one of those things that is so rewarding for us in the business world, and for us as a culture, is the need to meet, the need to be face-to-face," she said. "We have learned how to do virtual meetings and now we have more tools in our tool kit on how we need to bring people together in order to achieve corporate objectives."

The past two years have also had the unexpected impact of elevating the role of meeting planners within organizations.

"It's always been a struggle for the meeting managers, the owners of the meetings vision and program, to truly get a seat at the table within a corporation," McNairy said. "For so many of my friends and my clients in this industry, the way that organizations had to come together to deal with the pandemic, to deal with bringing people into a virtual working environment, firmly established the importance of meetings and the importance of

the leaders of these programs within organizations to be a part of executive level conversations, because meetings are part of the culture of the organization and how you accomplish your corporate objectives."

The future of meetings is in a dynamic evolutionary period, changing and adjusting to myriad marketplace challenges and fluctuating return to work policies.

"I think the question is how we will meet in the future," Stapelmann said. "As offices reopen in a different way and people return to work in a different way, the future will decide the new normal of how we meet. I think you will see a lot of creativity emerging in this space as the employee and the traveler tell us how they want to travel and how they want to meet." ■

About CVENT, Inc.

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Cvent Holding Corp. (Nasdaq: CVT), is a leading meetings, events, and hospitality technology provider with more than 4,000 employees and nearly 21,000 customers worldwide. Founded in 1999, the company delivers a comprehensive event marketing and management platform and offers a global marketplace where event professionals collaborate with venues to create engaging, impactful experiences. Cvent is headquartered in Tysons, Virginia, just outside of Washington D.C., and has additional offices around the world to support its growing global customer base. The comprehensive Cvent event marketing and management platform offers software solutions to event organizers and marketers for online event registration, venue selection, event marketing and management, virtual and onsite solutions, and attendee engagement. Cvent's suite of products automate and simplify the entire event management process and maximize the impact of in-person, virtual, and hybrid events. Hotels and venues use Cvent's supplier and venue solutions to win more group and corporate travel business through Cvent's sourcing platforms. Cvent solutions optimize the entire event management value chain and have enabled clients around the world to manage millions of meetings and events. For more information, please visit [Cvent.com](https://www.cvent.com).

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