

 NORTHSTAR
meetings group

cvent

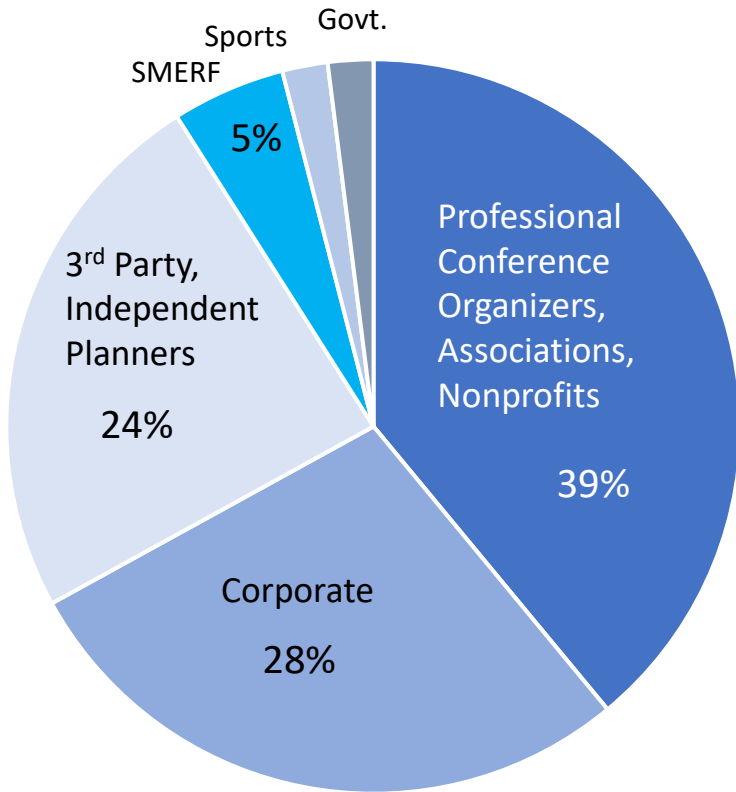
MEETINGS INDUSTRY PULSE SURVEY

**NEW
DATA**

SEPT/OCT 2022

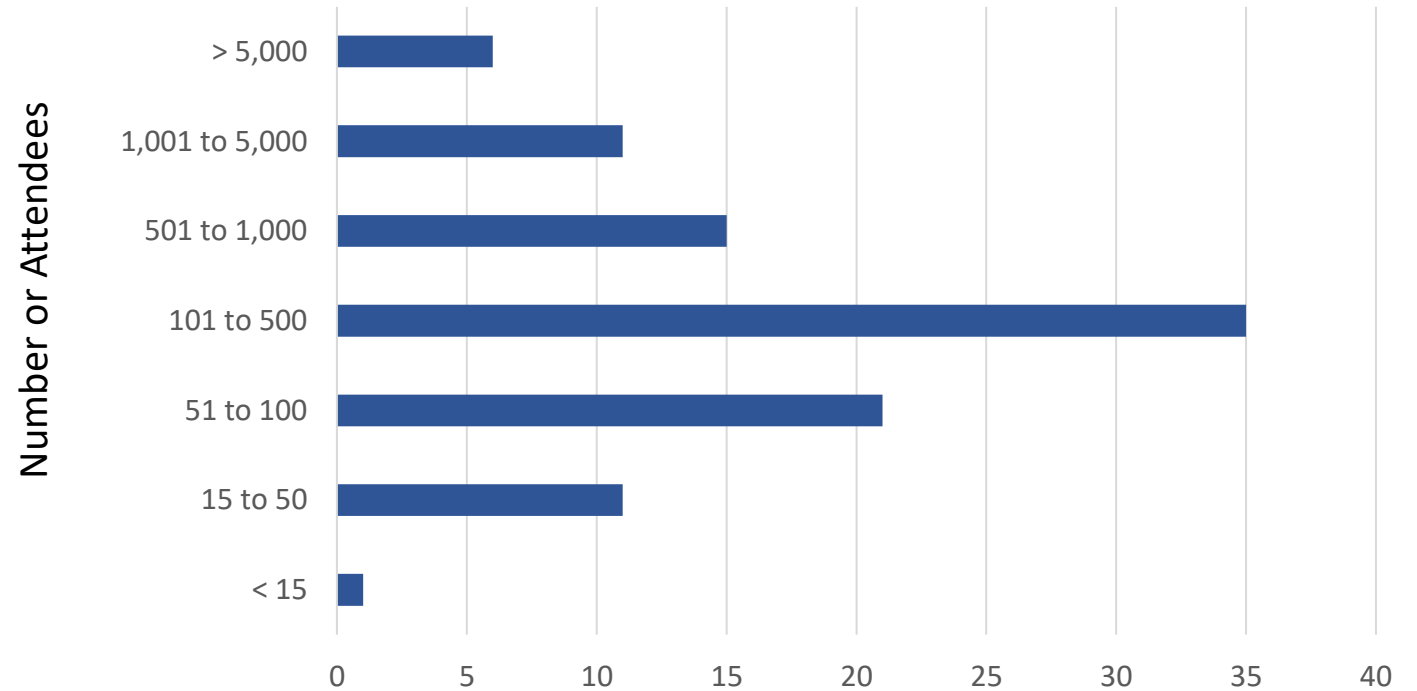


461 Valid Planner Responses as of October 6, 2022



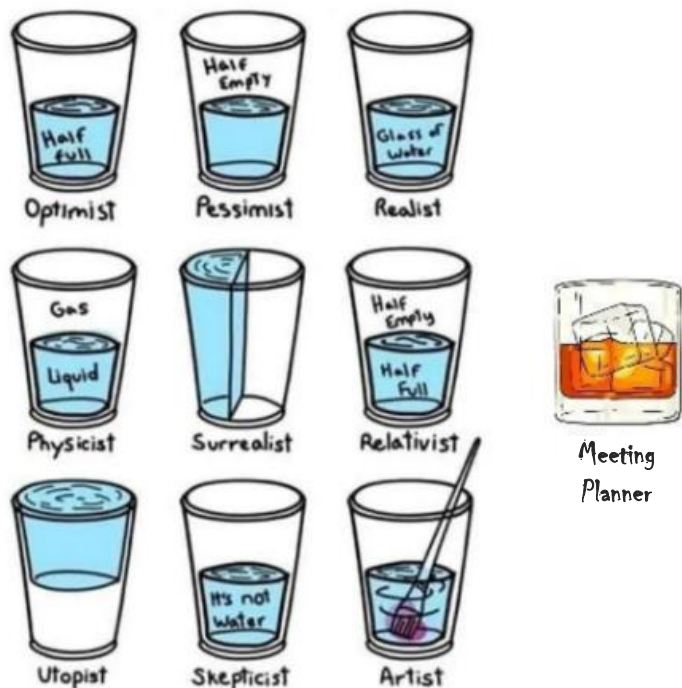
Planner Type

Average Size of Meetings Prior to Pandemic



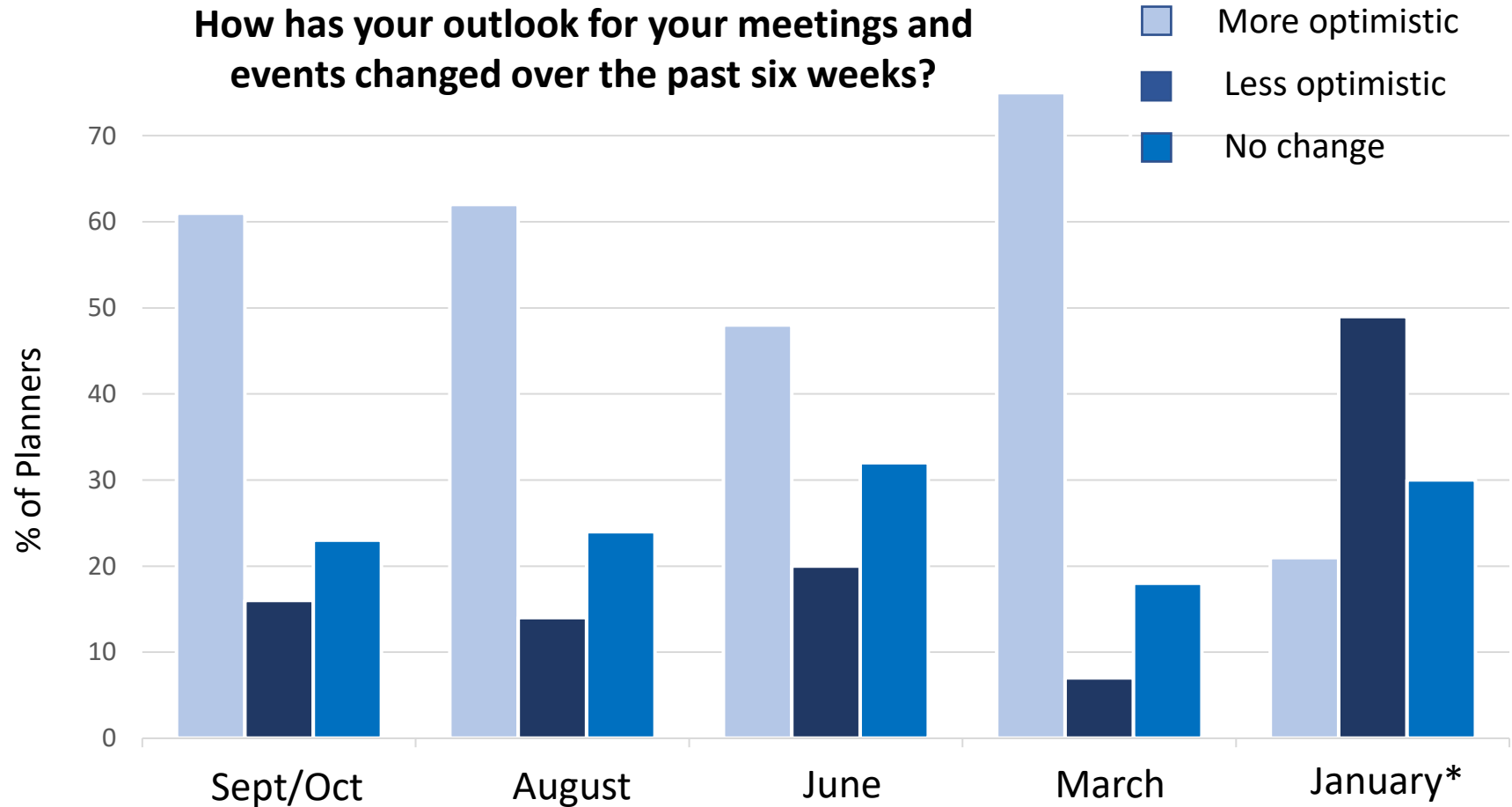
% of Total Respondents

Demand and Optimism Remains High for Meetings But Headwinds Continue to Be Evident



- **Demand for new events remains strong.** 68% of planners are booking or actively sourcing, consistent with activity levels in August.
- **Optimism remains high.** Only 16% are less optimistic than they were in August.
- It'll be a **very busy Q4.** 62% of planners will produce their next event before the end of the year.
- For most meeting planners, the number of meetings produced has returned to pre-pandemic levels, but **attendance is down this year, and will likely be down next year.**
- **Rising costs are having a material impact** on 86% of planners, which is up slightly from August. More than half of planners are seeing price **increases of over 16% in fares and F&B.**
- More planners are increasing pricing/yield to offset costs. **Going virtual and/or hybrid for financial reasons is not an option** for more than 80% of planners.
- Planner concern for hotel staffing continues to worsen. **Far fewer planners are satisfied with their hotel partners** relative to other supplier relationships.

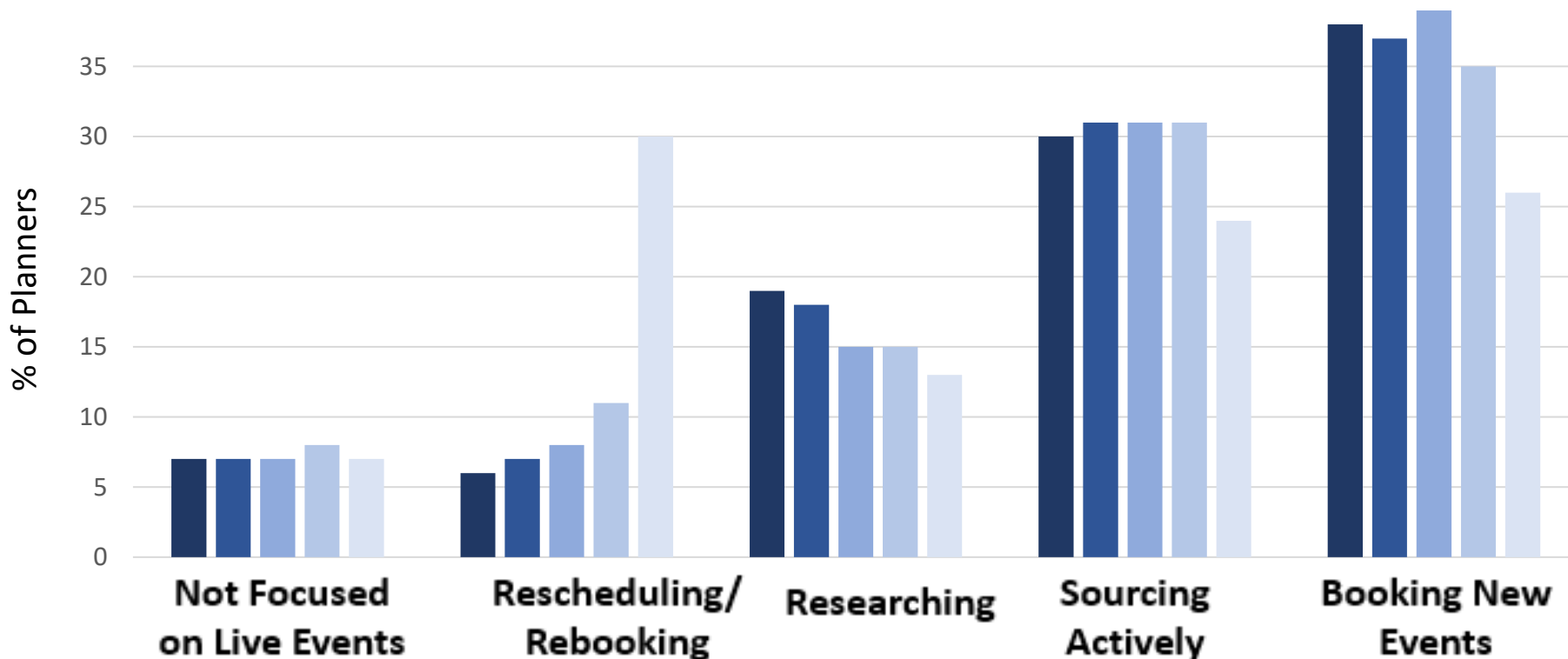
Planner Optimism Remains High for Meetings



* January Omicron surge required wave of cancellations

New Booking and Sourcing Levels Remain High

Planners continue to report their primary focus is booking new events followed by sourcing actively.



Primary Activity Trend Analysis:

Right to Left:

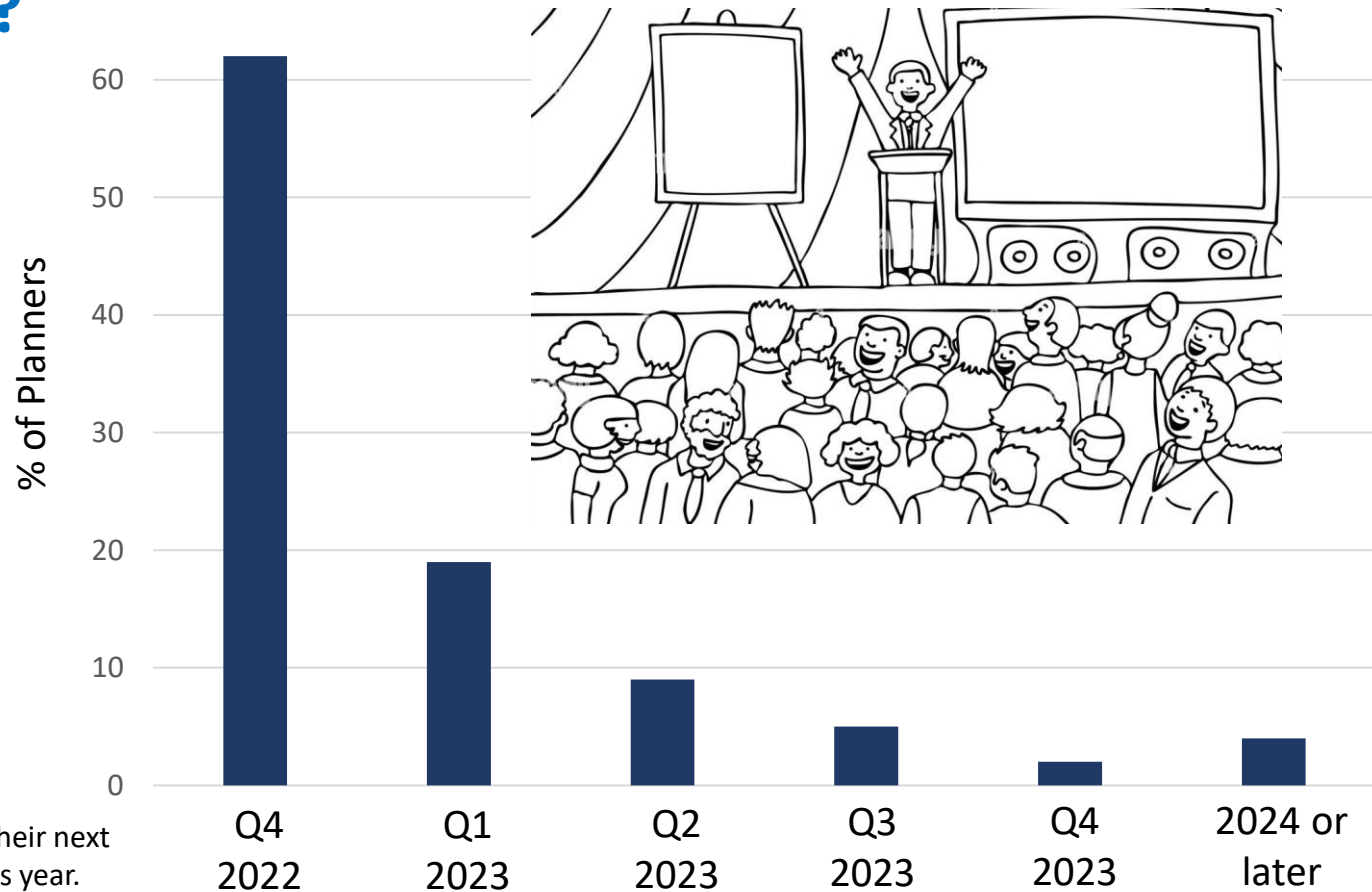
January, March, June, August, September/October 2022

Planners Remain Very Busy Producing Events

When's Your Next Live Event?

Nearly two-thirds will produce their next event before year-end.

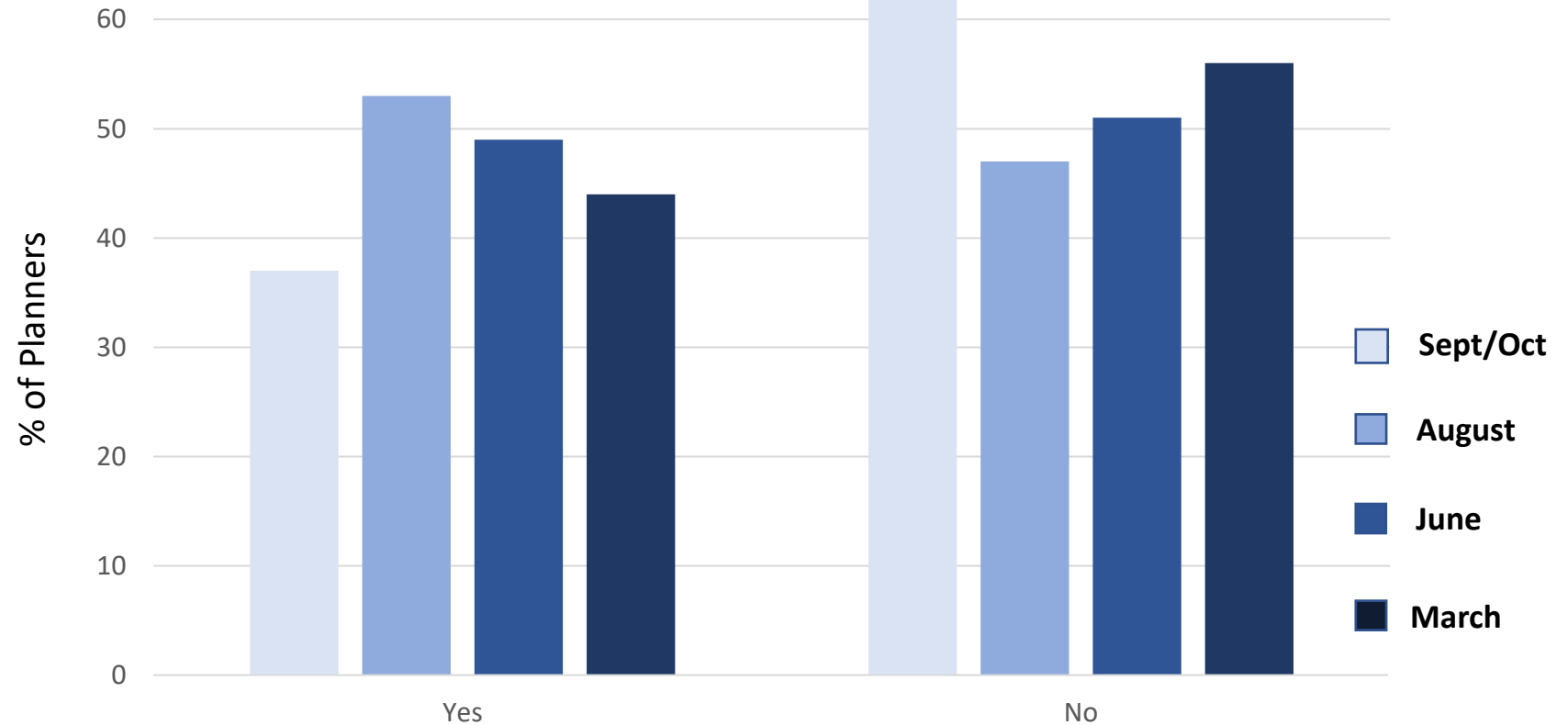
*Cycle-over-cycle data indicates most planners are producing multiple events this year.**



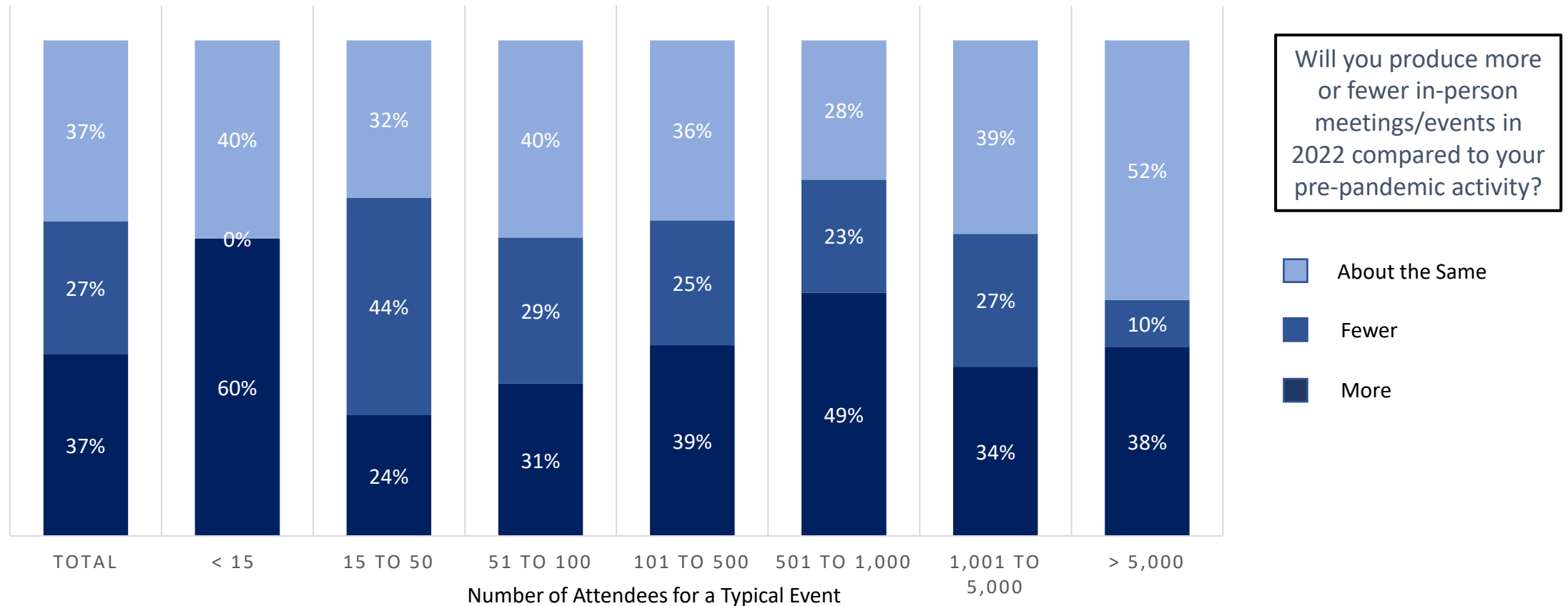
* The August PULSE cycle indicated 52% of planners were producing their next event in Q3 '22. Clearly, those planners are producing more events this year.

More than 60% of Planners Report Concern for Covid-19 Is Not a Factor in Their Current Planning

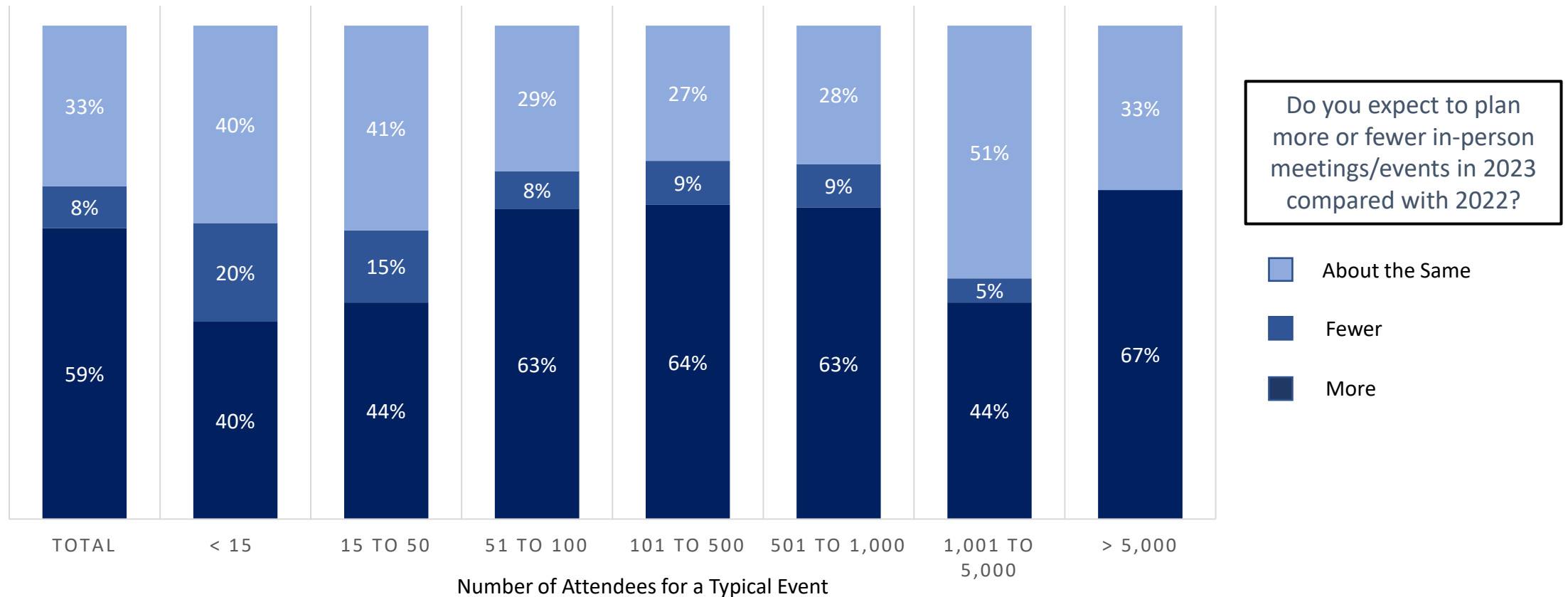
Is concern for Covid-19 impacting your current planning in any way?



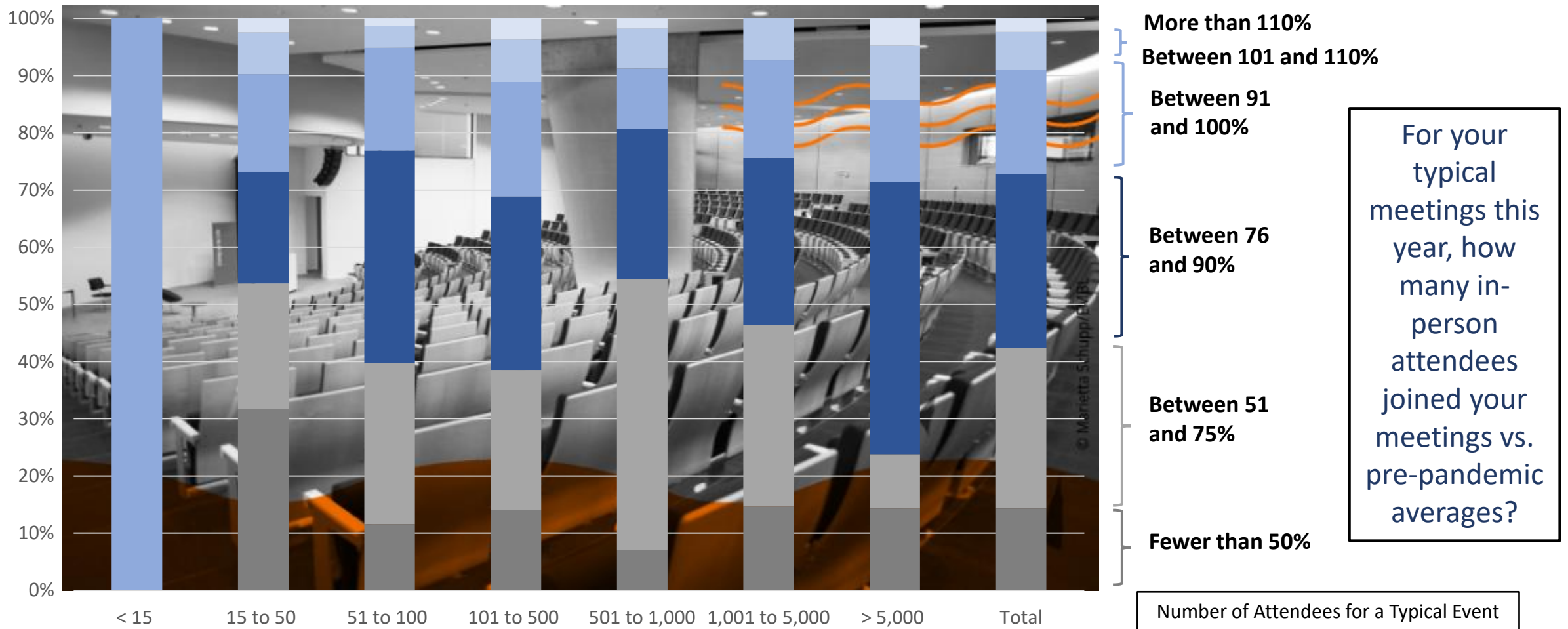
Regardless of Event Size, 2022 Meeting Volumes Have Returned to Pre-Pandemic Levels for Most Planners



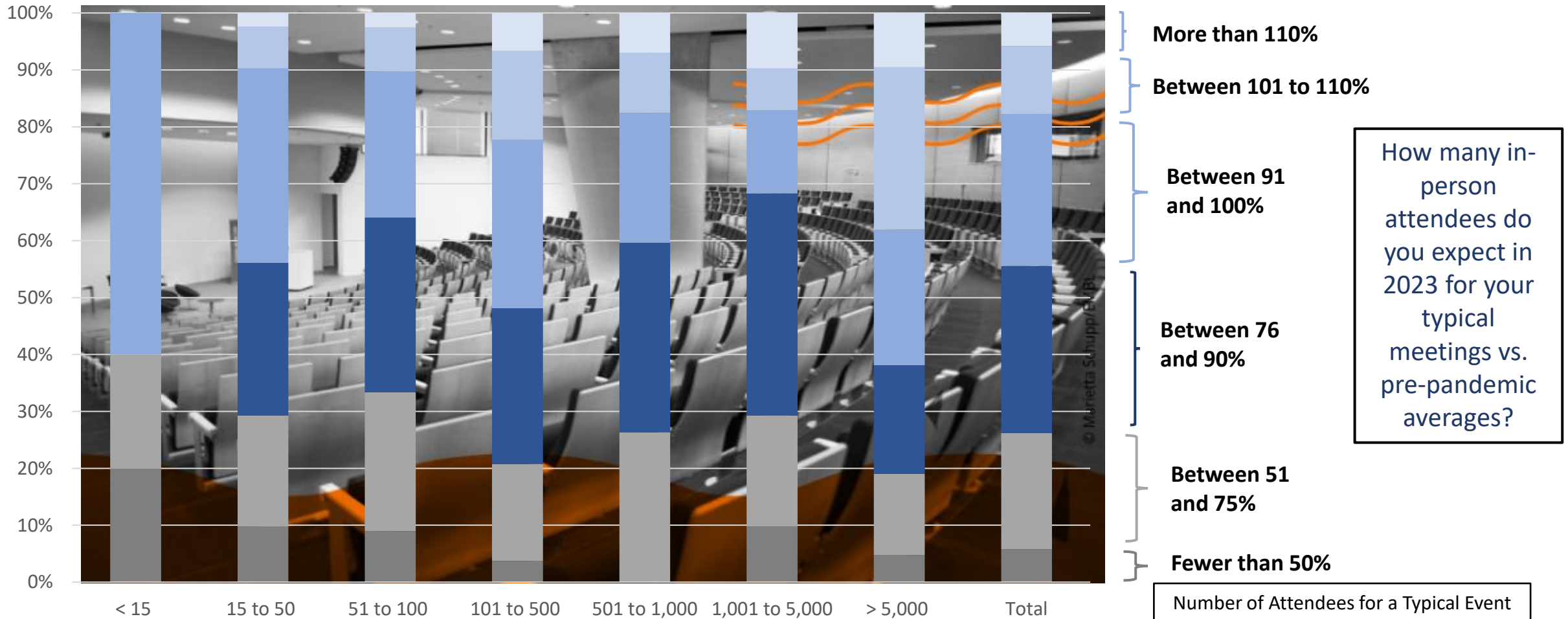
Meeting Volumes Will Grow in 2023, Most Notably for Larger Meetings



2022 Attendance Is Well Below Pre-Pandemic Averages



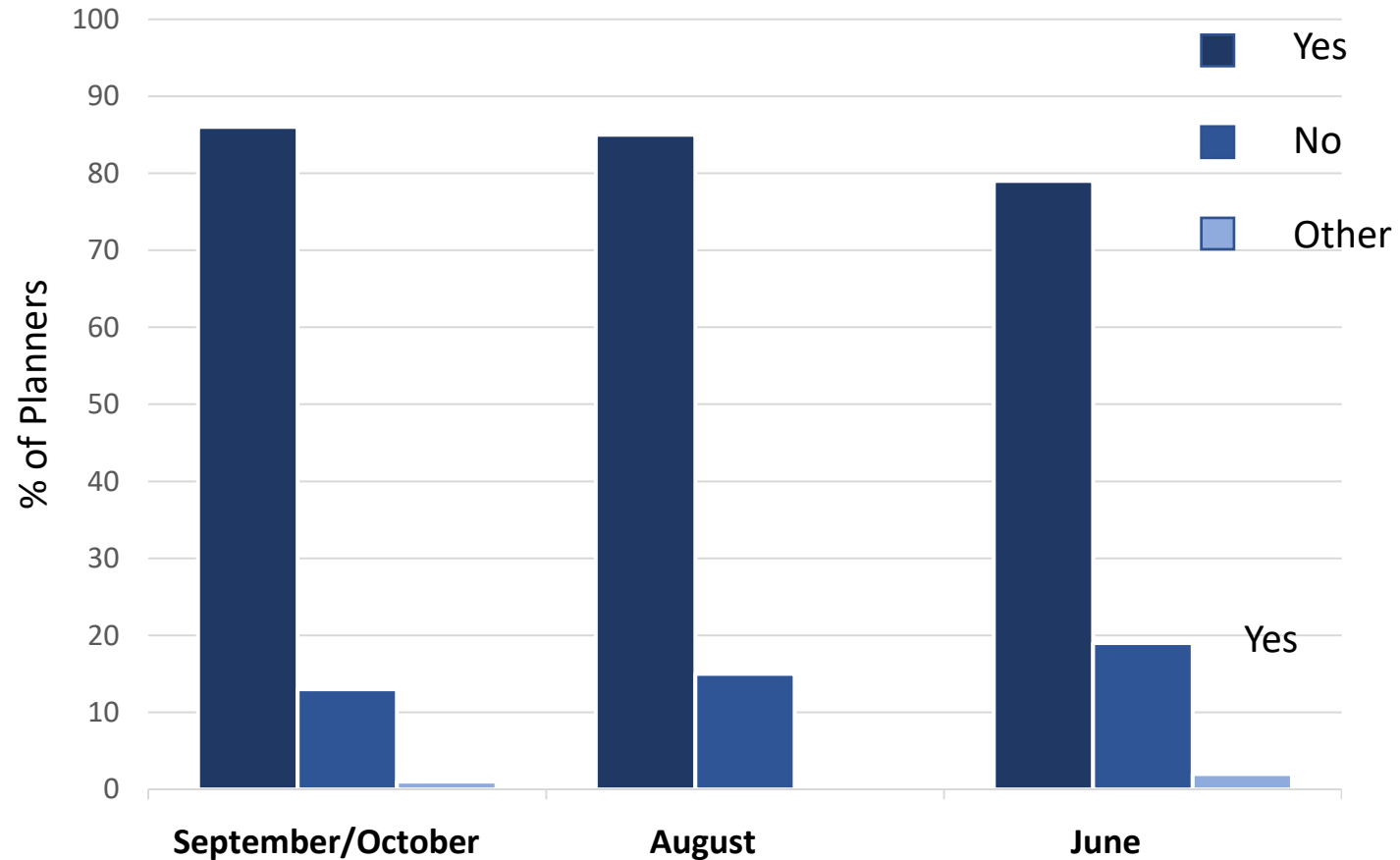
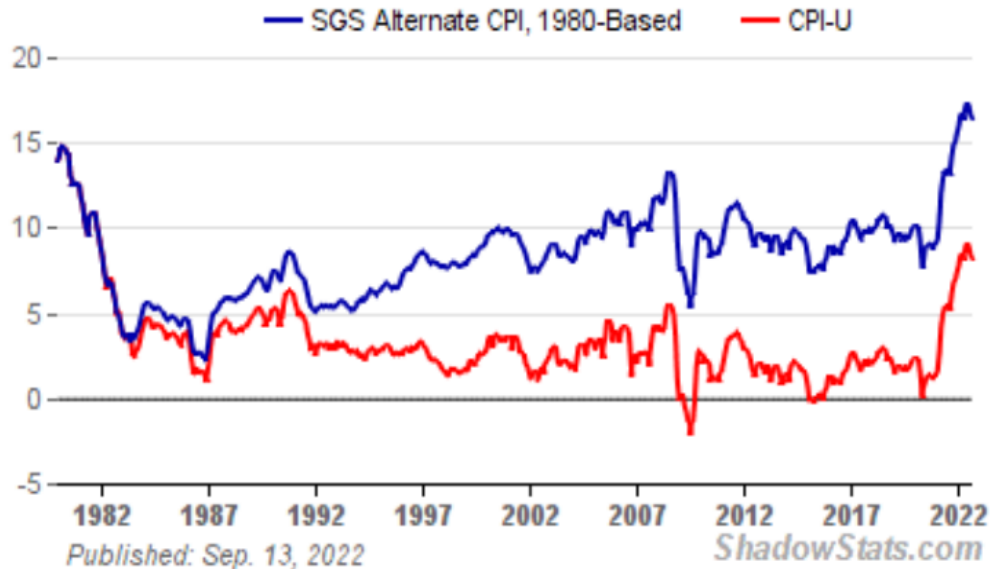
Attendance Will Be Better in 2023, But Not By Much



Planners See No Relief from Rising Costs

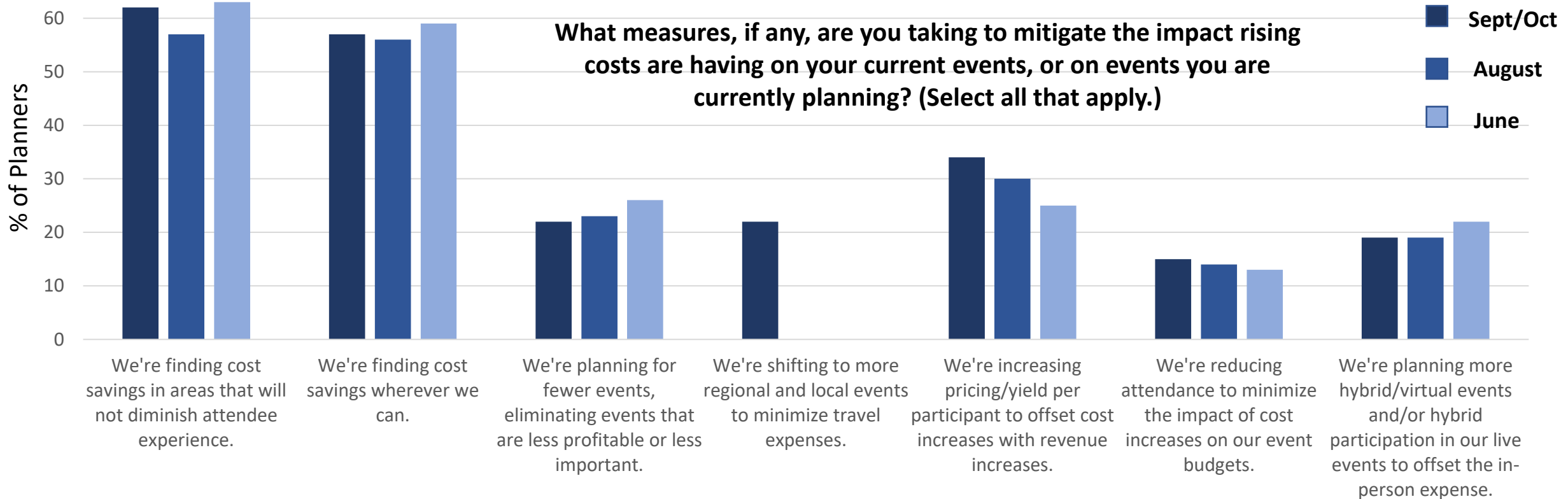
Are Rising Costs Having a Material Impact on Your Events?

Consumer Inflation - Official vs ShadowStats (1980-Based) Alternate Year to Year Change. Through Aug. 2022



More Planners Are Increasing Prices to Offset Costs

While most planners continue to seek costs savings, more than half are finding them “wherever we can.”

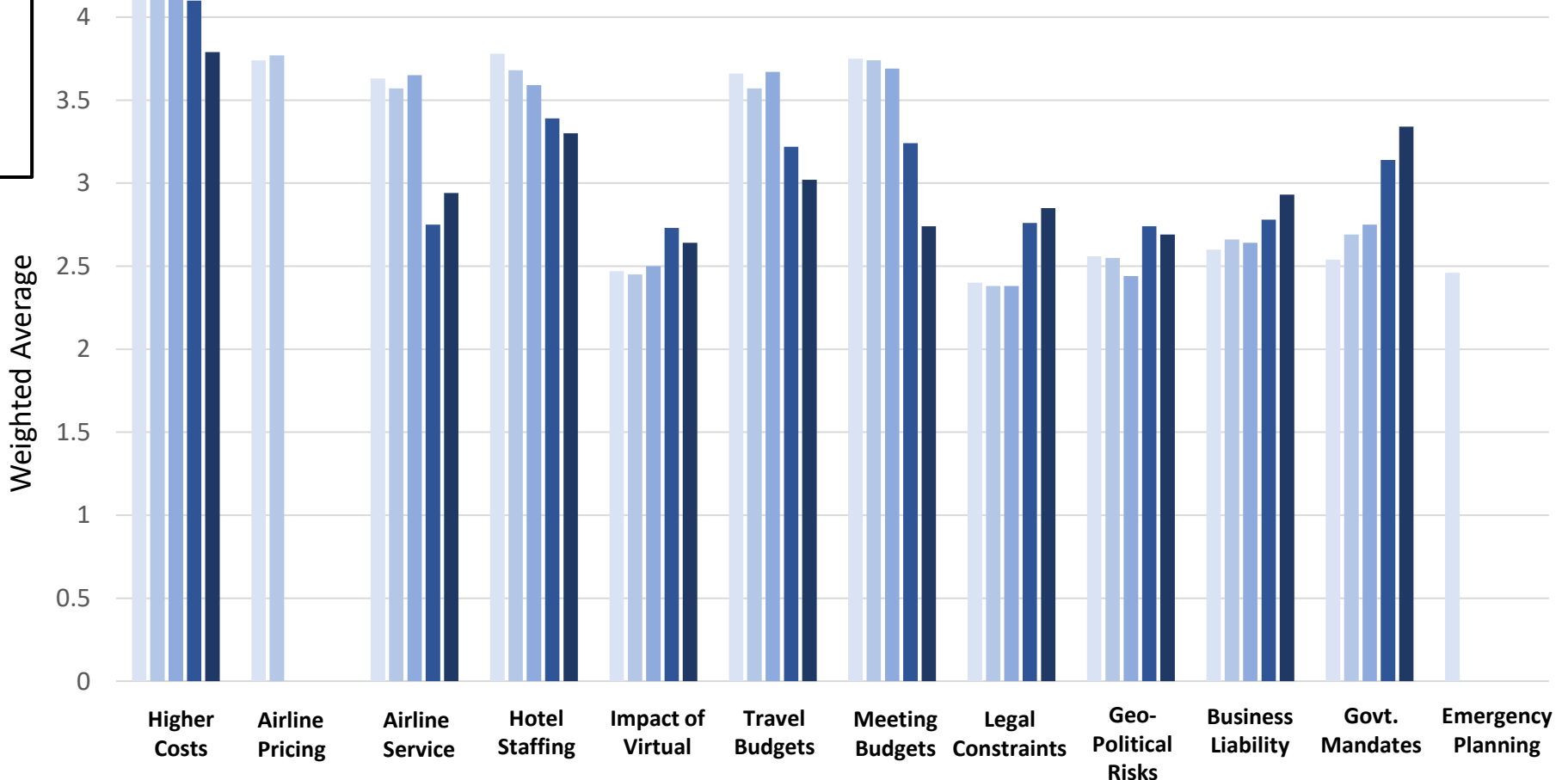


Costs, Budgets, Service Levels Remain Top Concerns

Planner concern for hotel staffing rises again.

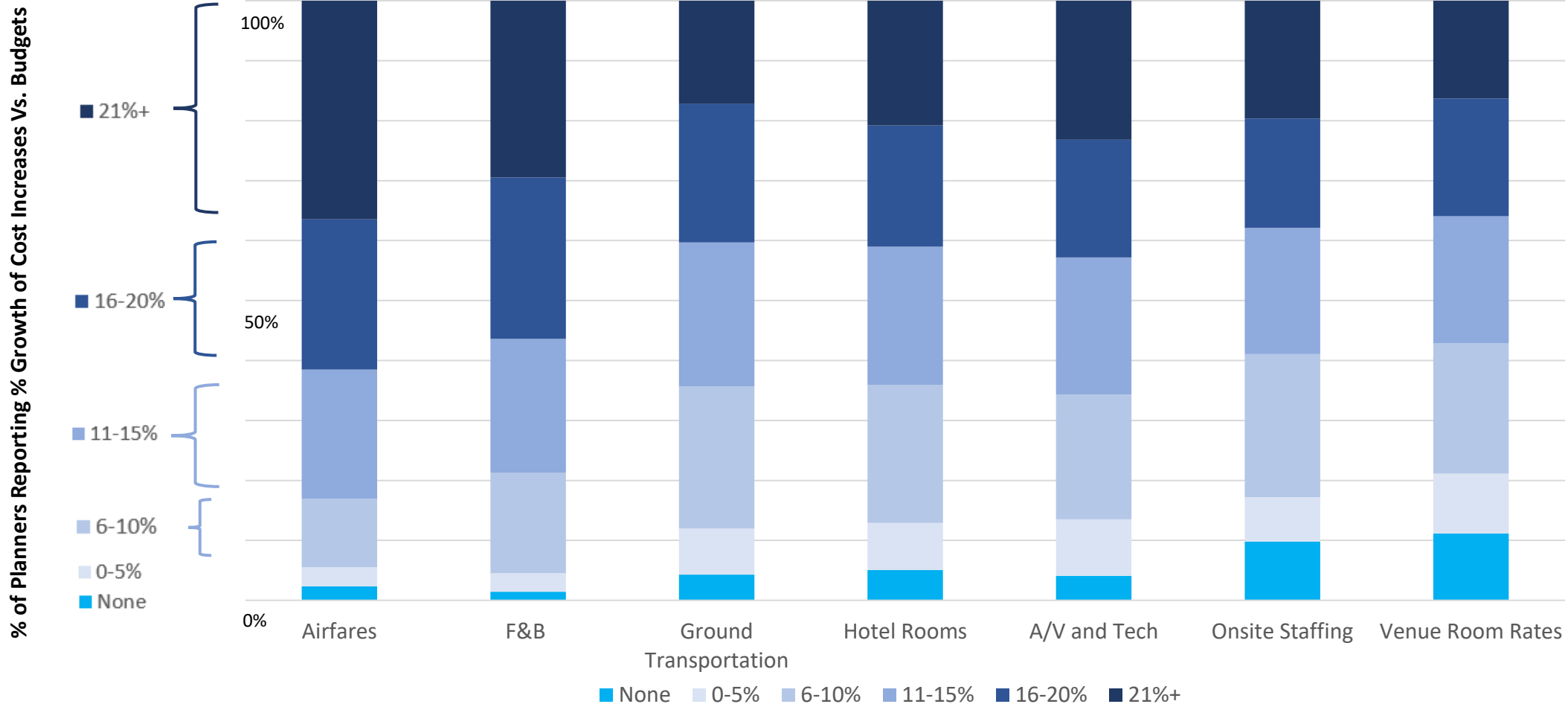


For your future in-person or hybrid events, how concerned are you about the following? Rate each on a scale of 1 to 5 (with 1 being "not at all concerned" and 5 being "extremely concerned"). Ranked by weighted average.



Right to left: January, March, June, August, September/October

Most Planners Anticipate Airfares, F&B Up over 16%



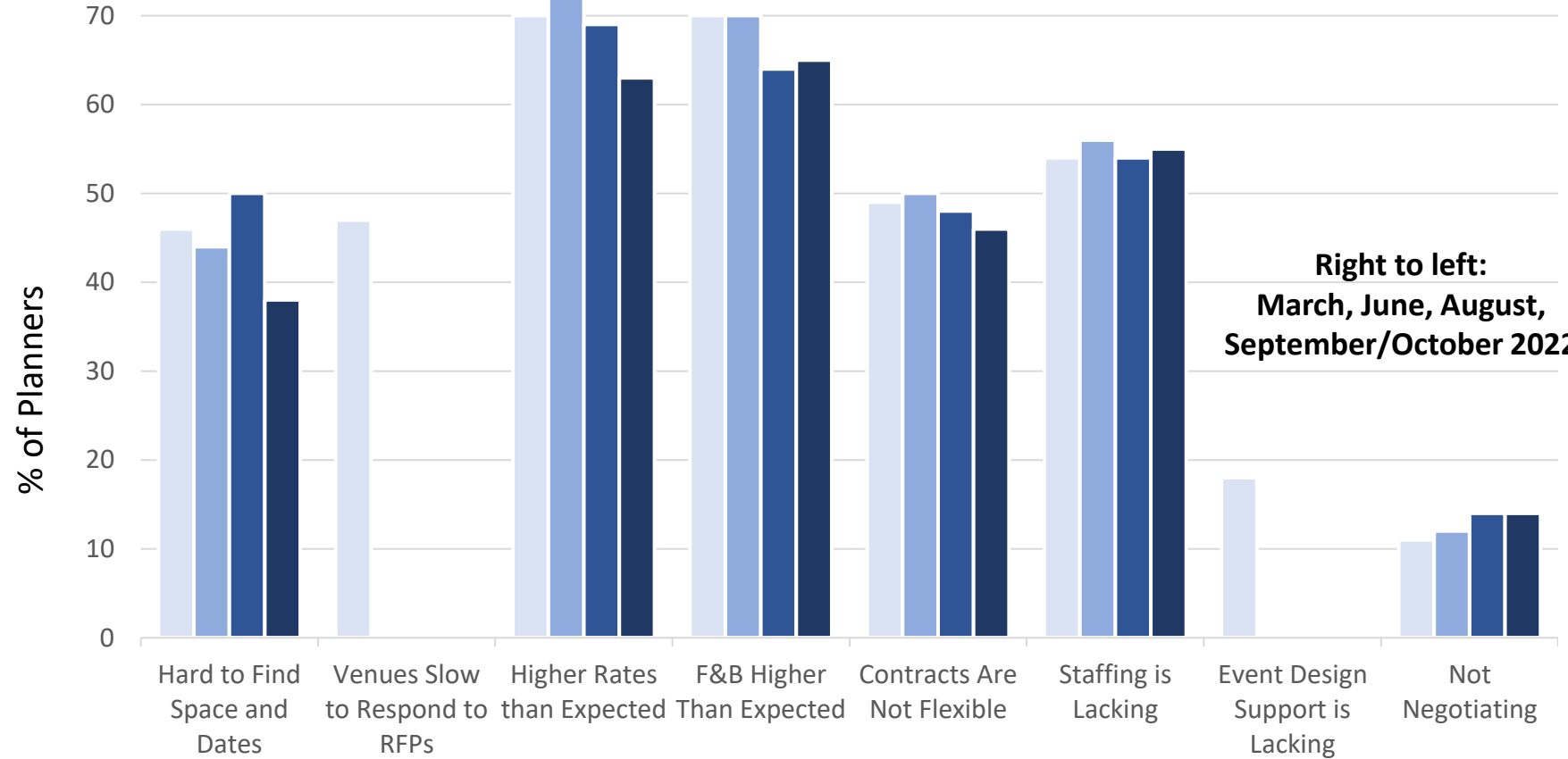
Please estimate the cost increases you are experiencing versus budgets (or versus anticipated budgets) across the primary services you are purchasing for your events.

Higher Costs are Vexing Planners More than Service Levels

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

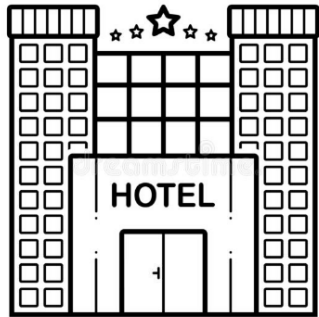


Nearly Half of All Planners Say Hotels are Slow to Respond to RFPs.



Right to left:
March, June, August,
September/October 2022

Declining Hotel Satisfaction Levels Persists Relative to Other Suppliers

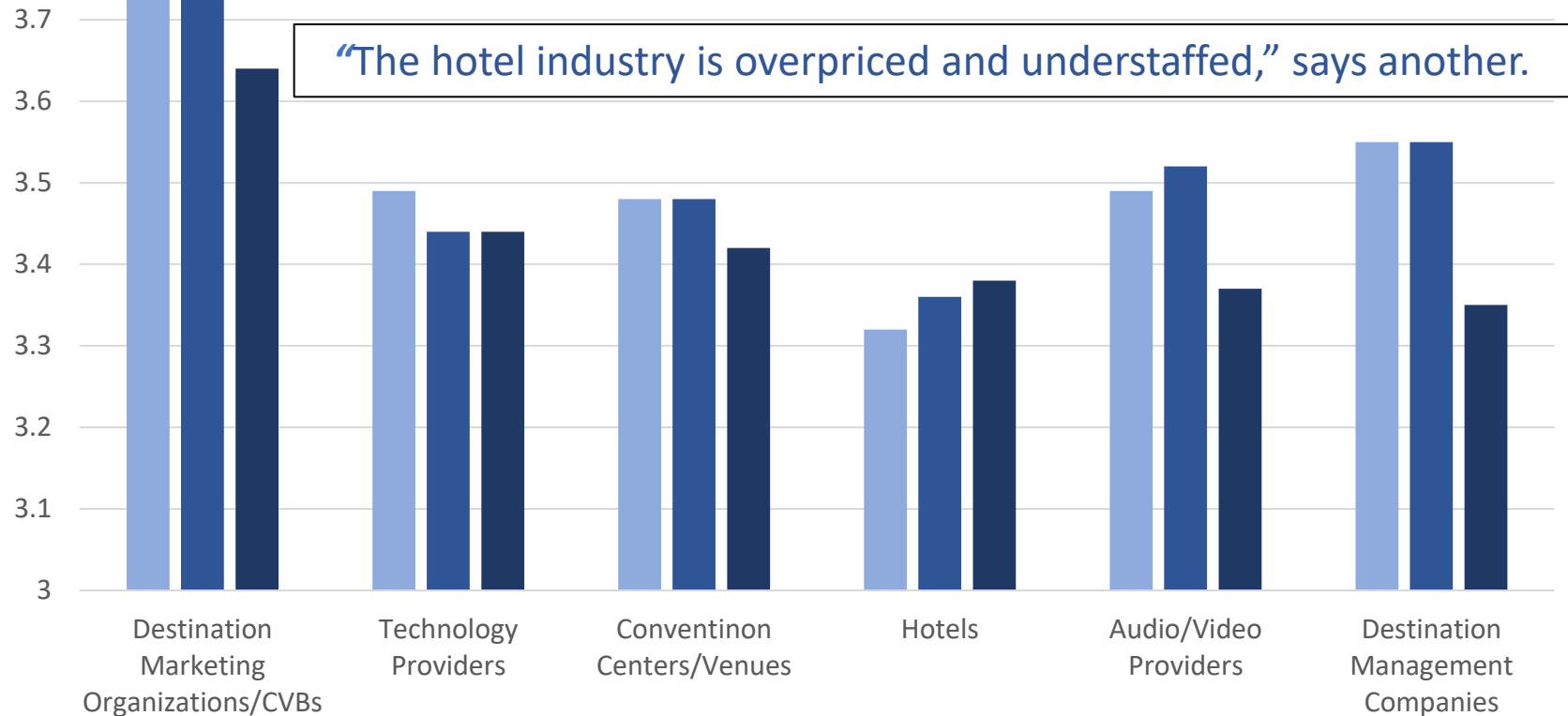


Given current circumstances, how satisfied are you with the level of support you are getting from the supplier organizations with whom you are planning your meetings or events (on a scale of 1 to 5, with 1 being not at all satisfied, and 5 being extremely satisfied)?

“My biggest thorn has been speed, accuracy and the reliability of hotel partners in response times and contracting,” says one planner.

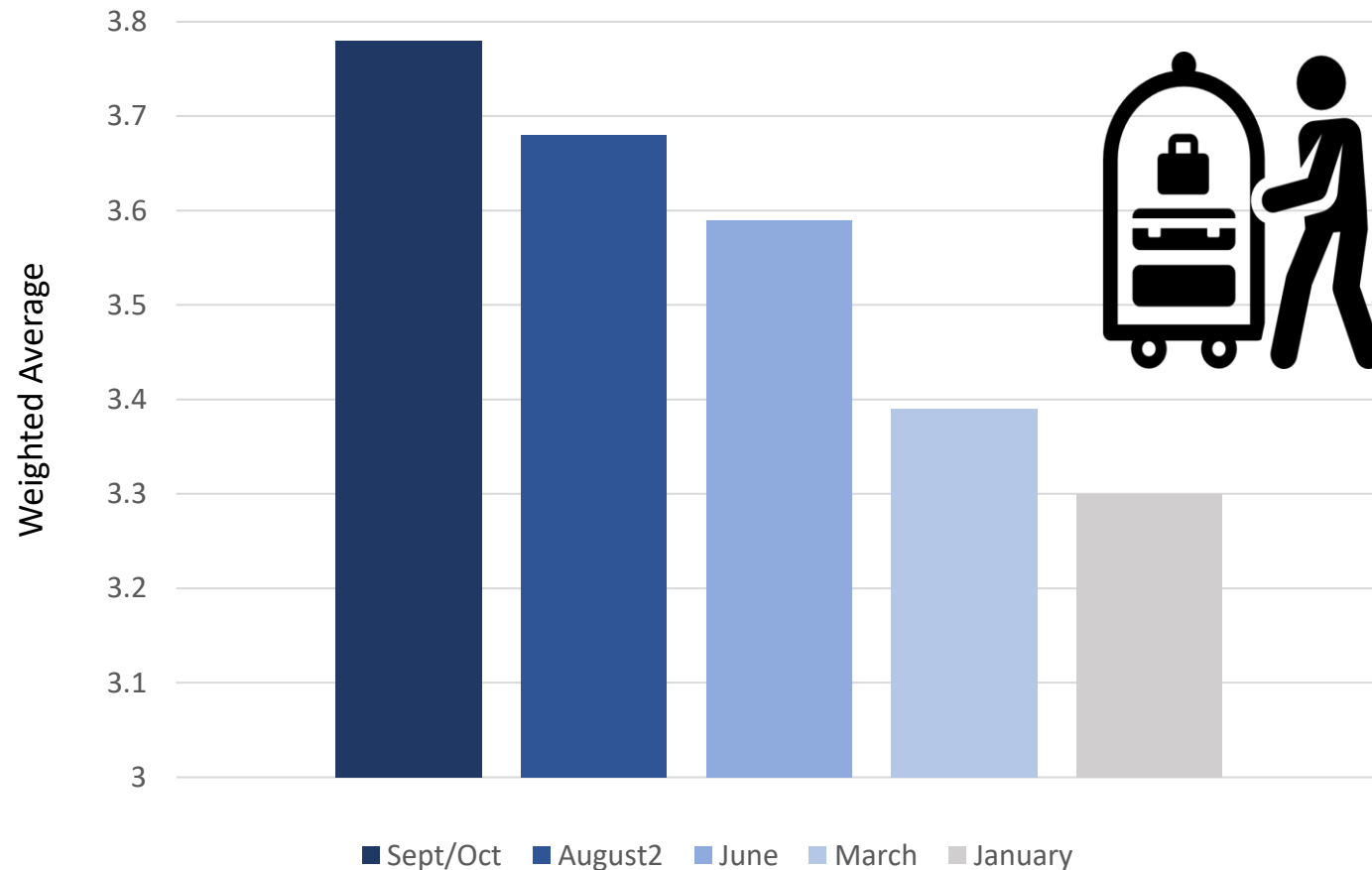
“The hotel industry is overpriced and understaffed,” says another.

Weighted Average



Concerns for Hotel Staffing Grow, Recovery Notwithstanding

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

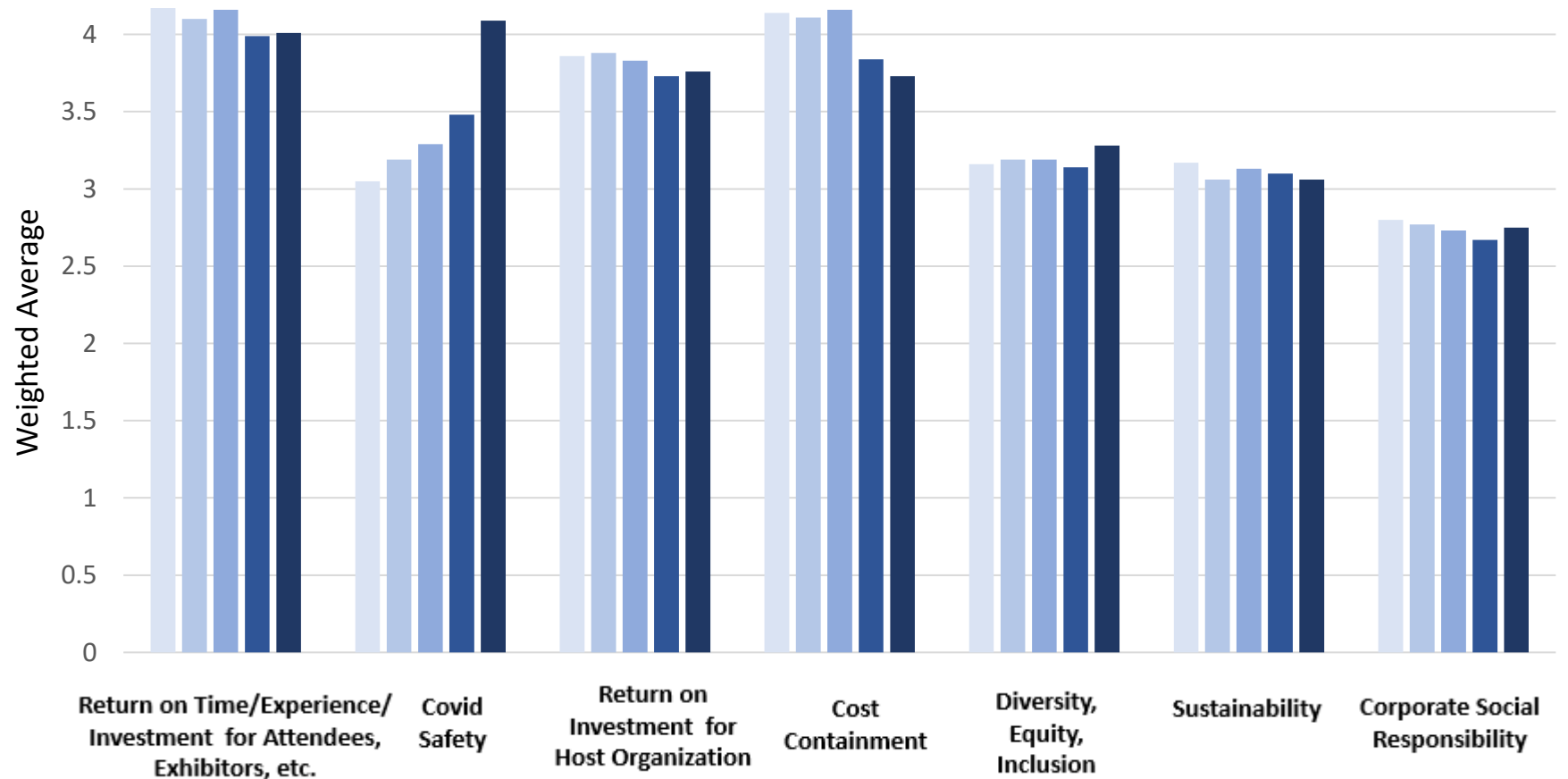


Return on Experience Remains the Top Priority but Cost Containment Is Just as Important

How Meetings Industry Trends Rank in Importance Among Meeting Planners Today

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

Right to left: January, March, June, August, September/October 2022



In Summary:

- ✓ Planners continue to report their primary activity is booking and sourcing new business (68%).
- ✓ Nearly just as many planners (61%) report they're more optimistic now than they were in August.
- ✓ Good luck with your Q4 meetings! Nearly two-thirds report they're planning for them now.
- ✓ Meeting volumes are up, but attendance is down, and that pattern will continue into 2023.
- ✓ Planners continue to seek high return on experience for their attendees, even though cost containment is equally important.
- ✓ Compression and costs remain problematic, but a new concern was added to planners' list – slow response times to RFPs.
- ✓ More than half of all planners are reporting more than 16% increases in airfares and F&B.

Selected Verbatim Comments:

- “Business is picking up – more incentives, more meetings. However, we need to watch costs a lot more closely. We need to protect our clients’ budgets.”
- “I've had multiple clients decide to go fully virtual or dramatically reduce the size of their events to better fit within their budgets because of price increases. By gouging groups in this way, suppliers are hurting their supplemental revenue streams associated with group business (room revenue, F&B spend, etc.). It's completely shortsighted.”
- “Even with an unprecedented pandemic, price and service fluctuations are cyclical, based on various socioeconomic factors. I expect things to even out soon.”
- “I know suppliers (hotels, AV providers, etc.) are struggling with being understaffed and overstretched but still! It's been very difficult to get full and/or timely responses from them with my events coming up in just a few weeks.”
- “We're experiencing outrageous hotel room rates and lack of flexibility on our room/space ratios. We're looking for non-hotel venues whenever possible.”
- “We need more support from CVBs and Sports Commissions.”
- “Economic uncertainty is what's driving my pessimism for 2023. Many of our members are seeing T&E freezes.”