PULSE SURVEY

THE FUTURE OF MEETINGS AND EVENTS IN THE ERA OF COVID-19

July 15, 2020

NORTHSTAR meetings group

NORTHSTAR meetings group

EXECUTIVE SUMMARY

With a surge in COVID-19 cases in the United States, meeting planner confidence is waning, confirmed Northstar Meetings Group's latest PULSE Survey, which drew 1,160 meeting planner responses from around the world. Fewer are actively booking business; in fact, cancelling or rescheduling has become the primary job function of 60 percent of respondents. And, as more turn toward virtual-meeting platforms, they question whether such events can meet business needs.

These findings are "closely tracking with the situation on the ground," commented industry consultant John Nawn, co-founder of the Event Strategy Network and a Northstar columnist. He recently conducted research for a client on attendees' willingness to travel and meet in-person. "Interest waned as the virus spread, so they cancelled their event for Q3 2020," he noted.

"Everyone is struggling with how to get shows and business events back up and running," said Cathy Breden, CMP, CAE, CEM, the chief executive officer for the Center for Exhibition Industry Research. "And I think we're all learning together."

David Dubois, CMP, CAE, president and CEO of the International Association of Exhibitions and Events, pointed out that business stagnation and industry frustration won't change as long as the virus numbers continue to rise. "We've got to see this COVID curve drop down to a very low, less scary level over a 14-day period of time," to begin rallying public support for the return of events, he noted.

"The falling optimism makes sense," agreed Kevin Iwamoto, chief strategy officer for meetings-tech platform Bizly, "and this is no doubt causing a lot of change management. People are processing the stages of loss and acceptance. The bottom line is that everyone and every company has to reimagine and reposition as a result of the pandemic, and things are not going to ever get back to where they were pre-COVID-19 — at least not for years to come."

While nearly 80 percent of respondents cite a growing need for digital-event platforms, they're unconvinced of their overall value proposition. "I'm sure the virtual-event payoff remains elusive," said Nawn, "but folks need to be taking virtual much more seriously. It is here to stay, but we're still in the 'learning to crawl' stage. There's so much more that can be done to make virtual events more viable — and a genuine complement/extension of in-person events. Now's the time to immerse ourselves in this new world and master it."

NMG's PULSE Survey, launched in March 2020, tracks how the global pandemic has affected meeting planners, including their job status, business plans and projections for the future of their events.

Job #1: Postponing Meetings

Sixty percent of planners now say their primary job function is to reschedule or rebook meetings and events. Another 27 percent are spending most of their time researching for possible future events, but not booking any business. Just 5 percent are focused on contracting for new meetings.

Elsewhere in the world, there's a bit less emphasis on rebooking, with a higher percentage of planners actively researching and sourcing for new business. However, a consistent 5 percent of respondents from the U.S., U.K. and Europe, and 4 percent from Asia, cite booking new business as their primary responsibility right now.

Prospects Dim for 2020

Just four weeks ago, 40 percent of meeting planners expected to hold rescheduled events during this calendar year, according to the PULSE Survey's June 17 findings. With increasing uncertainty and rapidly rising COVID-19 cases in the U.S., that number has declined to 25 percent, per the latest results. More than half (56 percent) are now eyeing the first half of 2021 as the earliest time frame for rescheduled meetings, while 17 percent are pushing dates into the latter half of 2021 or beyond.

The falling numbers for this year are in line with what other industry organizations are finding, according to Breden of the Center for Exhibition Industry research. "About 73 percent of our survey respondents will now not hold their events this year," she said. "And the remainder are looking for some type of contingency plan, either a hybrid or purely virtual event."

For new events, too, dates are shifting to later in 2021. Seventeen percent of respondents don't expect to hold new events until the fourth quarter of 2021 or later, up from 14 percent in June. There's a notable contrast by region, however, with significantly lower confidence among U.S. respondents. Fifty-eight percent of planners in the U.K., for example, plan to hold live events this year or in the first quarter of 2021.

Uncertainty Is the Biggest Obstacle

The variability of COVID-19 cases by state and country is the most significant factor affecting planners' ability to schedule in-person meetings. A close second is inconsistent guidelines and/or protocol enforcements by state/country, followed by concern over business conditions and budget cuts, which had long been the top worry among planners.

"The back-and-forth dance of open, close, open, close makes it impossible to plan for in-person events," lamented one respondent. "Opinions and perceptions change daily."

"The agony just continues," said another planner. "I have cancelled August conferences now, and cancellations will likely spread into September, October, November and December."

Flexible Contracts Will Help

With increasing uncertainty, planners are hesitant to commit to typical contract terms. Nearly one-third (29 percent) of meeting planners now expect that contracts will allow for cancellation without penalty, up from 25 percent in June, and another 51 percent believe those terms will be more forgiving.

"Pricing and contracting must change — in buyers' favor — to get meetings back," noted one planner.

The Future Holds Fewer Meetings

Confidence in the frequency of future events has dipped month over month. Thirty-seven percent of planners now expect to plan fewer meetings, even 12 to 18 months after the threat of COVID-19 has passed, up from 34 percent in June.

The greatest declines are expected in international events, followed by national and regional gatherings. Confidence in local events has waned, too. About one in four planners (27 percent) believe they'll hold more local events post-COVID, down from 36 percent in June.

With the increase in cases cited as a key factor impacting meeting and event planning in the U.S., expectations for the current year have sunk significantly. More planners are currently looking a year out (or later) to book their new events. In the meantime, if and when they can meet, they'll require (and supply) face masks.

Sports Will Lead the Recovery

Month over month, confidence in the future frequency of nearly all event types has declined, with the biggest drops in government, corporate meetings and trade shows, respectively. But planners are particularly optimistic about sports and esports recovering after the pandemic. While 37 percent still predict a decline in frequency, 20 percent now believe we'll see more live sporting and esports events post-COVID, up from 13 percent just four weeks ago.

Face Masks Will Be Meetings Attire

Safety protocols remain high on the agenda for future events, with more than 80 percent of respondents planning to implement physical distancing, signage, hand sanitizer and other best practices. Seventy percent will mandate the use of face masks as a condition of attendance, and 72 percent will provide masks on-site. More than half (56 percent) will require participants to sign liability waivers to acknowledge possible health risks.

Nawn questioned why one-third of respondents don't intend to require masks. "Why are only 70 percent mandating and supplying face masks? Why isn't this 100 percent? What's the reluctance about?”

Virtual Meetings Will Evolve

As more respondents are likely to have experienced digital events in recent weeks, confidence in their value for participants has improved, while they’re less certain of the value proposition for suppliers. Planners are evenly split on whether such gatherings will fulfill overall business objectives.

One sentiment is universal: Nothing can replace the face-to-face experience. "Virtual events have been added to our portfolio, but in-person events will remain key," commented a planner.

Many realize, however, that they'll need to get comfortable planning and producing digital events. Nearly 80 percent expect an increased need for virtual event platforms. "Virtual/hybrid meetings are here to stay," said a respondent. "We need to become/get experts on the technology and methodology to have successful meetings.”

We're Craving In-Person Connections

Many verbatim comments underscored the business need, and personal craving, for face-to-face gatherings. "Relationships are key to business success, and they can't be made and cultivated virtually. Meetings and events are essential to business development," a planner told us. "There’s both a direct and indirect relationship between meetings and economic growth. We won't have a healthy travel industry or overall economy without being able to gather again."

"Meeting in-person will not depend so much on what we do now, but how comfortable people will be conducting business in-person in the future," Nawn added. "And unfortunately, we have little control over that. That's not an argument for doing nothing. It's an argument for focusing on what we can control, like how to meet safely, and letting go of what we can't control, like when we meet. In this time of crisis lies a real opportunity, if we're bold enough to seize it, to reimagine what business we're really in and what value we bring to our stakeholders. It's more than just events.”

Don't Expect a Return to 'Normal'

"With the resurgence in COVID cases around the country, I feel less confident that anything resembling 'normal' will happen in the short term," commented a survey respondent.

"Regardless of what we do, the prognosis of the virus is going to dictate the progress of the industry and the return to 'business as unusual,'" said Nawn, "because when we do meet in-person again, there will be little that's 'usual' about it."

Iwamoto agreed: "Business needs to get done, and everyone has to figure out the new world, where the definitions of 'essential,' 'nice-to-have,' 'must-have,' and 'critical' are being redefined. That also extends to our personal lives, as well, which is adding more angst and stress."

PULSE SURVEY

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WEDNESDAY, JULY 15, 2020

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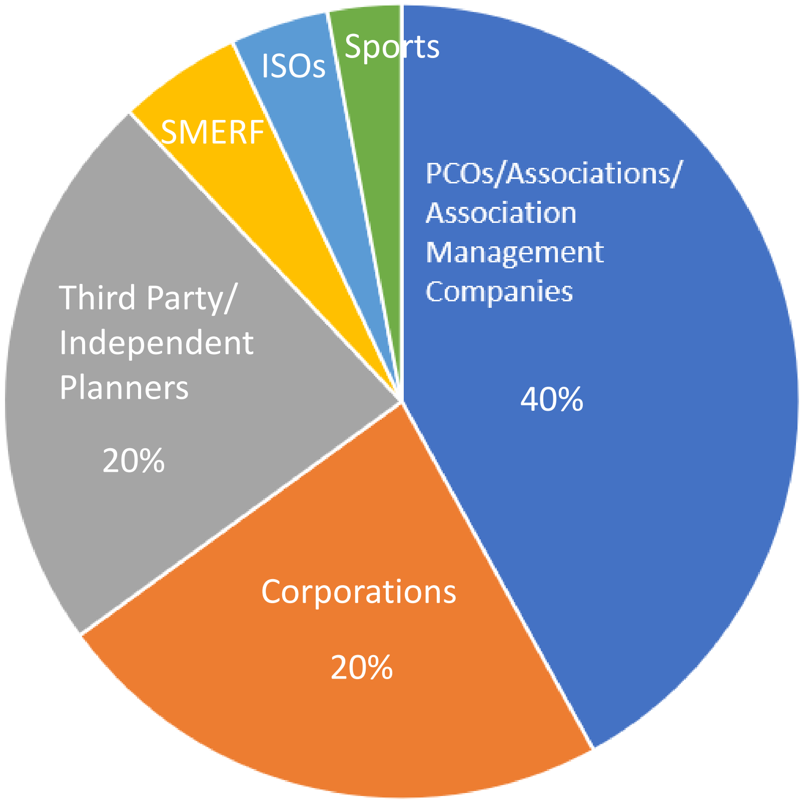
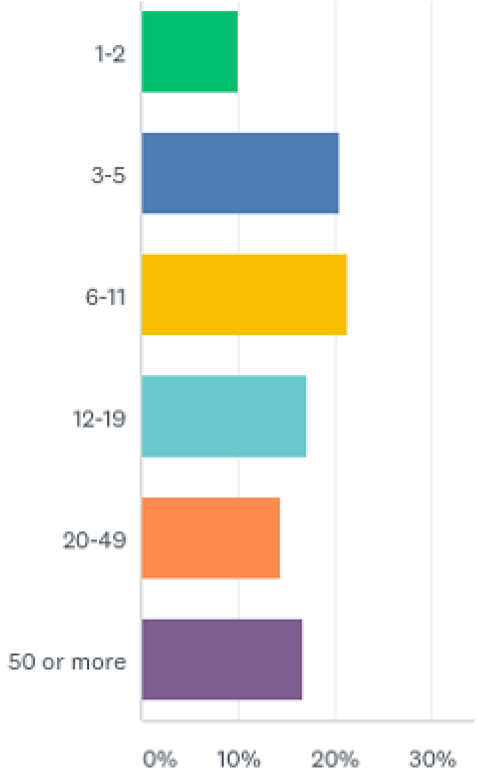
Respondents By Type, Volume and Size

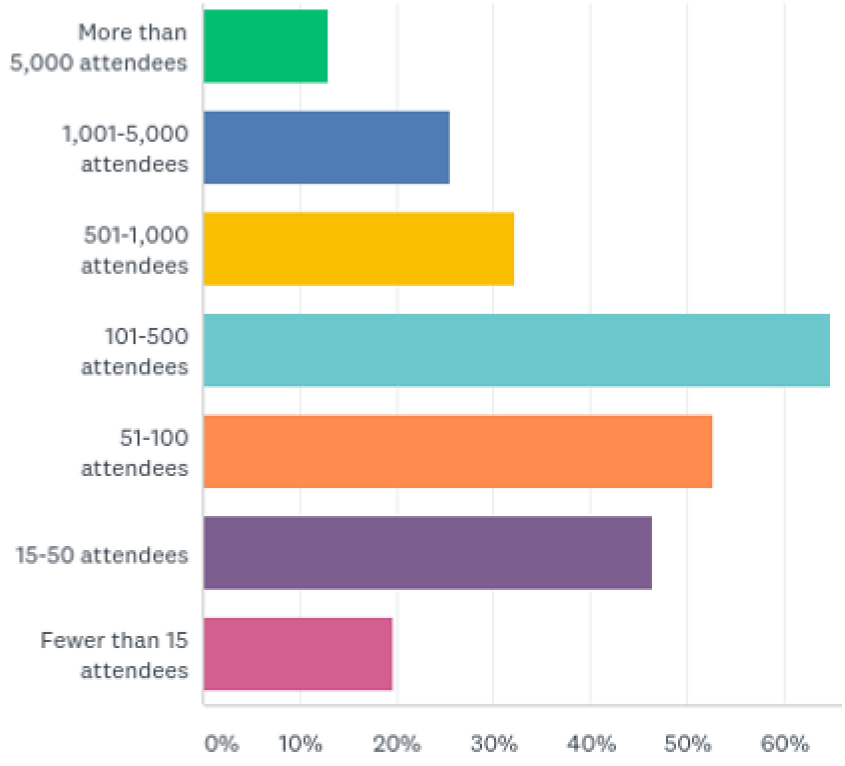
1,160 Valid Planner Responses



Type



# of Meetings



Size of Meeting

July 15, 2020

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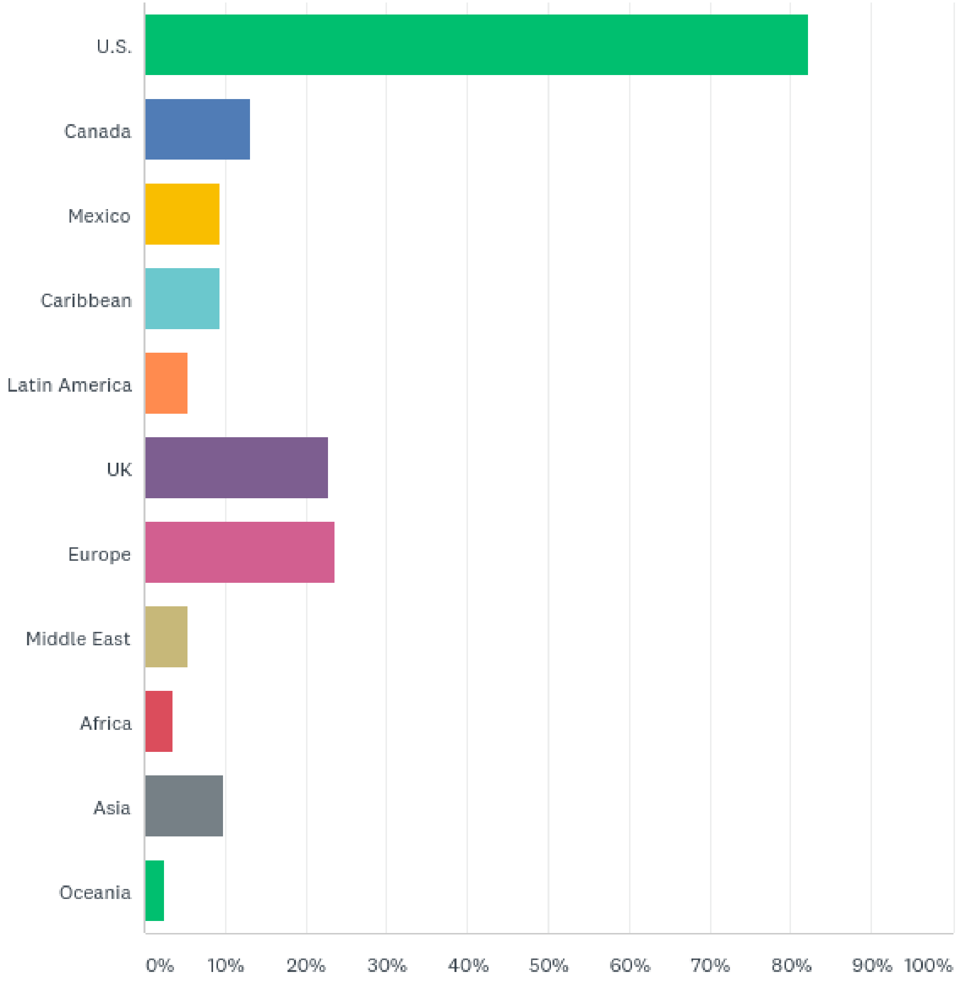
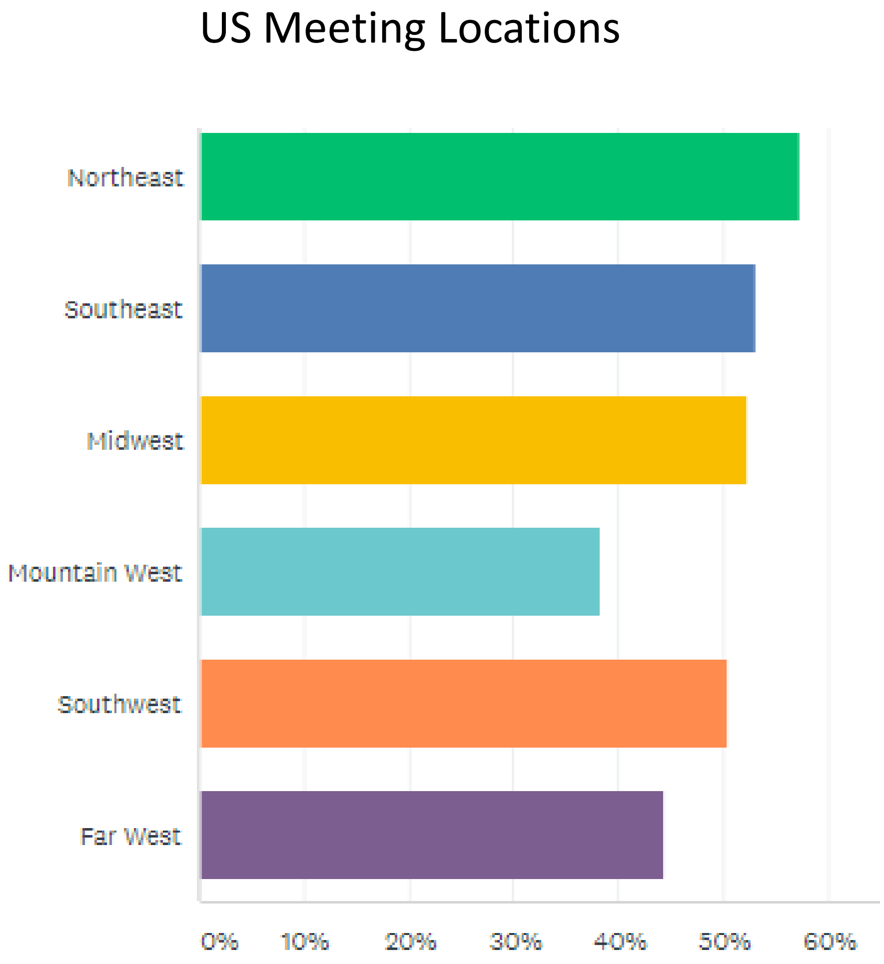
Respondents by Meeting Location





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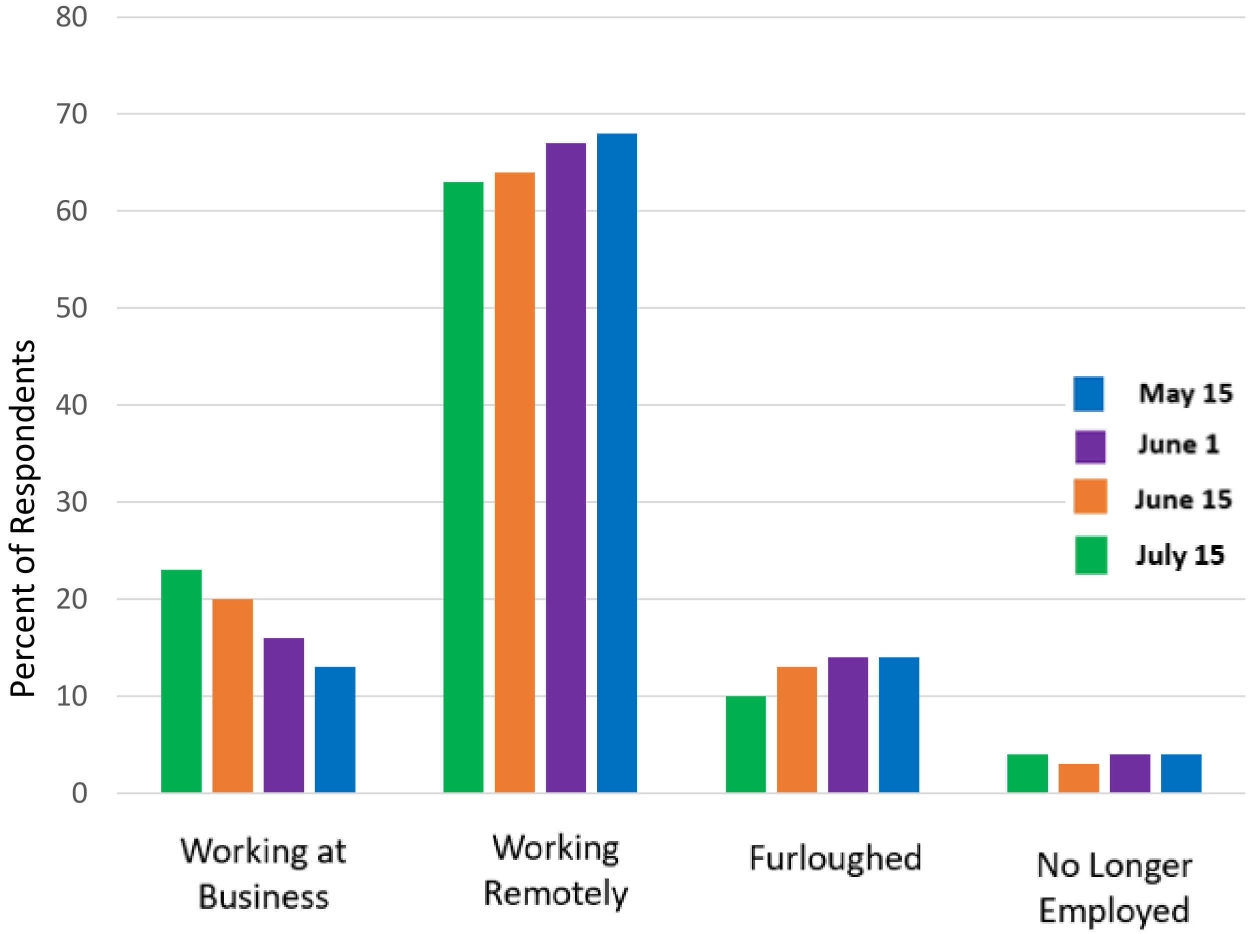
Planners continue to return to their business locations, keeping pace with previous gains since mid-May

July 15 Responses

ANSWER CHOICES	RESPONSES	
Working full time at a business location	22.00%	244
Working full time remotely	63.21%	701
Furloughed, I remain employed but I am now working part-time.	5.95%	66
Furloughed full-time, I remain employed but I am currently not working for a DEFINED period.	2.25%	25
Furloughed full-time, I remain employed but I am currently not working for an UNDEFINED period.	2.61%	29
No longer employed in the job I had prior to March 1, 2020, and I intend to seek work in the meetings/events industry.	3.25%	36
No longer employed in the job I had prior to March 1, 2020, and I do not intend to seek work in the meetings/events industry.	0.72%	8
TOTAL		1,109

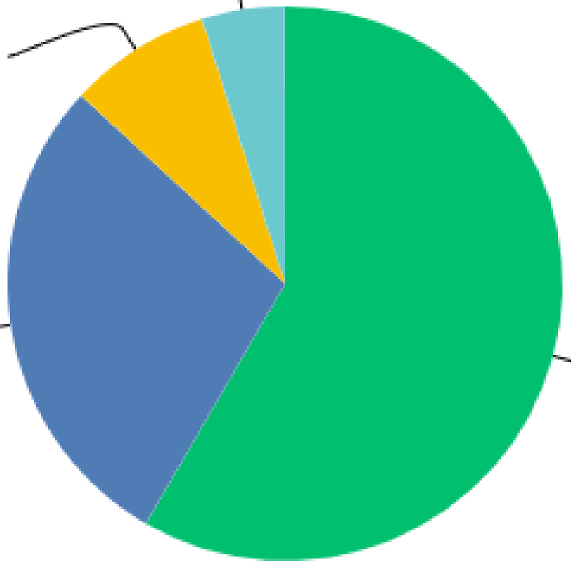


Rebooking is the Primary Focus

"Déjà vu all over again" for planners rescheduling events

July 15 Responses

ANSWER CHOICES	RESPONSES
I am rescheduling or rebooking events.	59.64%
I am researching potential new events, but not ready to issue an RFP or lead.	27.46%
I am actively sourcing (issuing RFPs or leads) for new events.	8.05%
I am booking new events.	4.85%



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Around the World, Circumstances Begin to Deviate

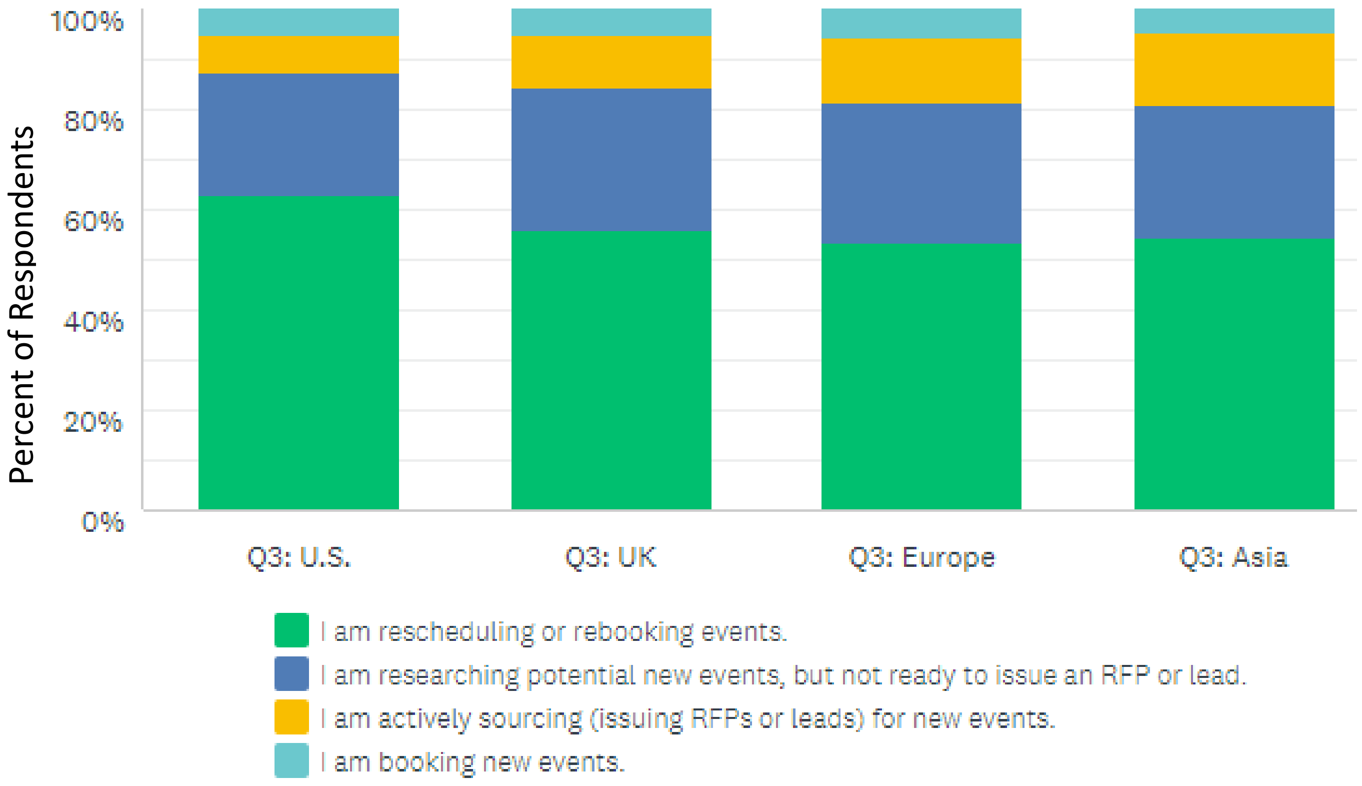
US planners more inclined to rebooking, less inclined to new event sourcing

July 15 Responses

	I AM RESCHEDULING OR REBOOKING EVENTS.	I AM RESEARCHING POTENTIAL NEW EVENTS, BUT NOT READY TO ISSUE AN RFP OR LEAD.	I AM ACTIVELY SOURCING (ISSUING RFPS OR LEADS) FOR NEW EVENTS.	I AM BOOKING NEW EVENTS.
U.S.	63.25% 327	24.18% 125	7.54% 39	5.03% 26
UK	55.84% 86	28.57% 44	10.39% 16	5.19% 8
Europe	53.61% 89	27.71% 46	13.25% 22	5.42% 9
Asia	54.41% 37	26.47% 18	14.71% 10	4.41% 3

What is your current primary focus?

Are you rescheduling, booking, or researching?



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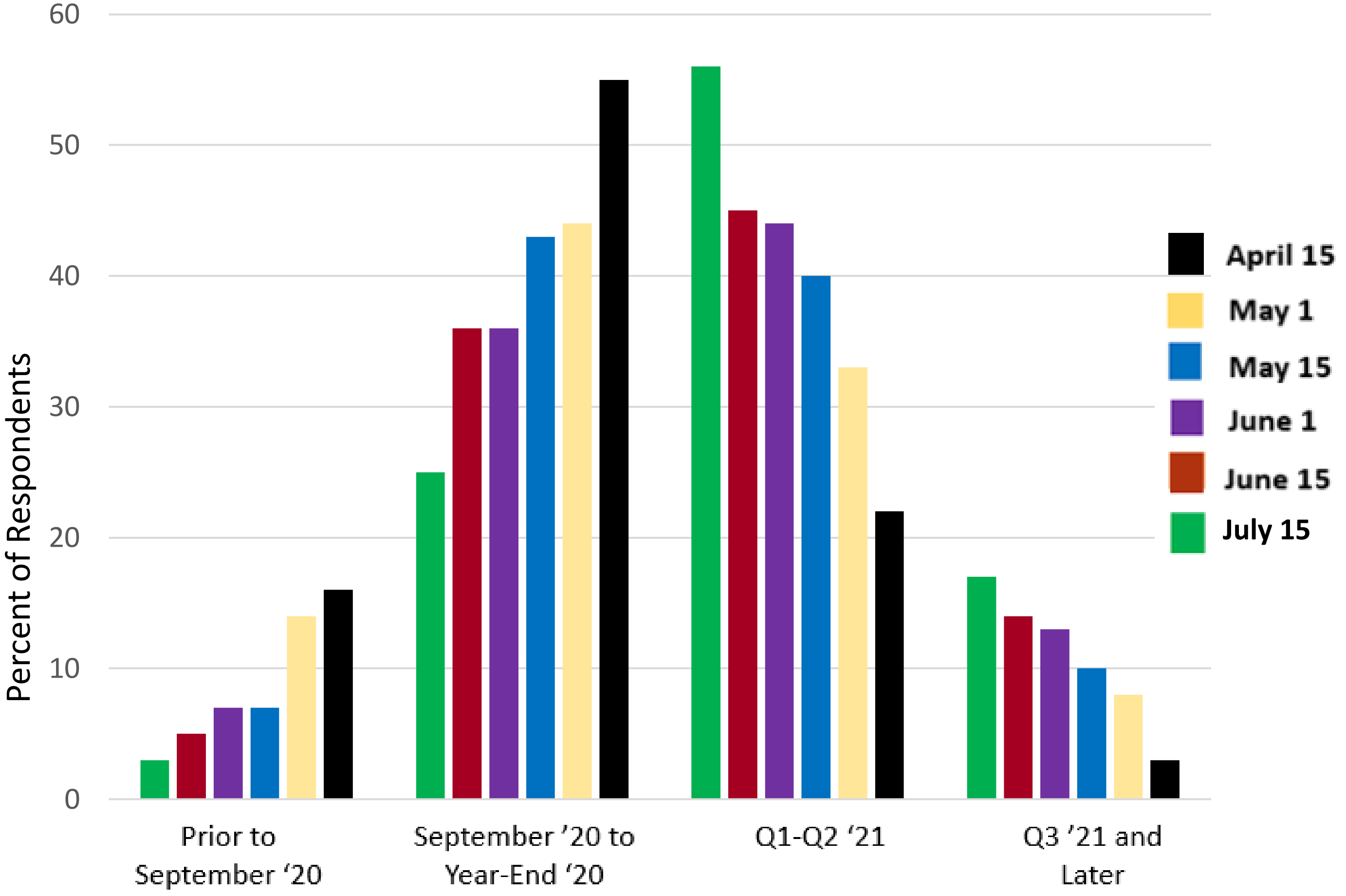
Expectations for Current Year Wane for Rescheduled Events

Planners looking to reschedule events in ‘20 down 25% from previous month

When is the earliest you are scheduling RESCHEDULED meetings and events?

June 15 Responses

ANSWER CHOICES	RESPONSES
Prior to September 2020	3.09%
September to Year-End 2020	24.60%
Q1 2021	30.91%
Q2 2021	24.73%
Q3 2021	8.87%
Q4 2021	2.82%
Q1 2022 and later	4.97%



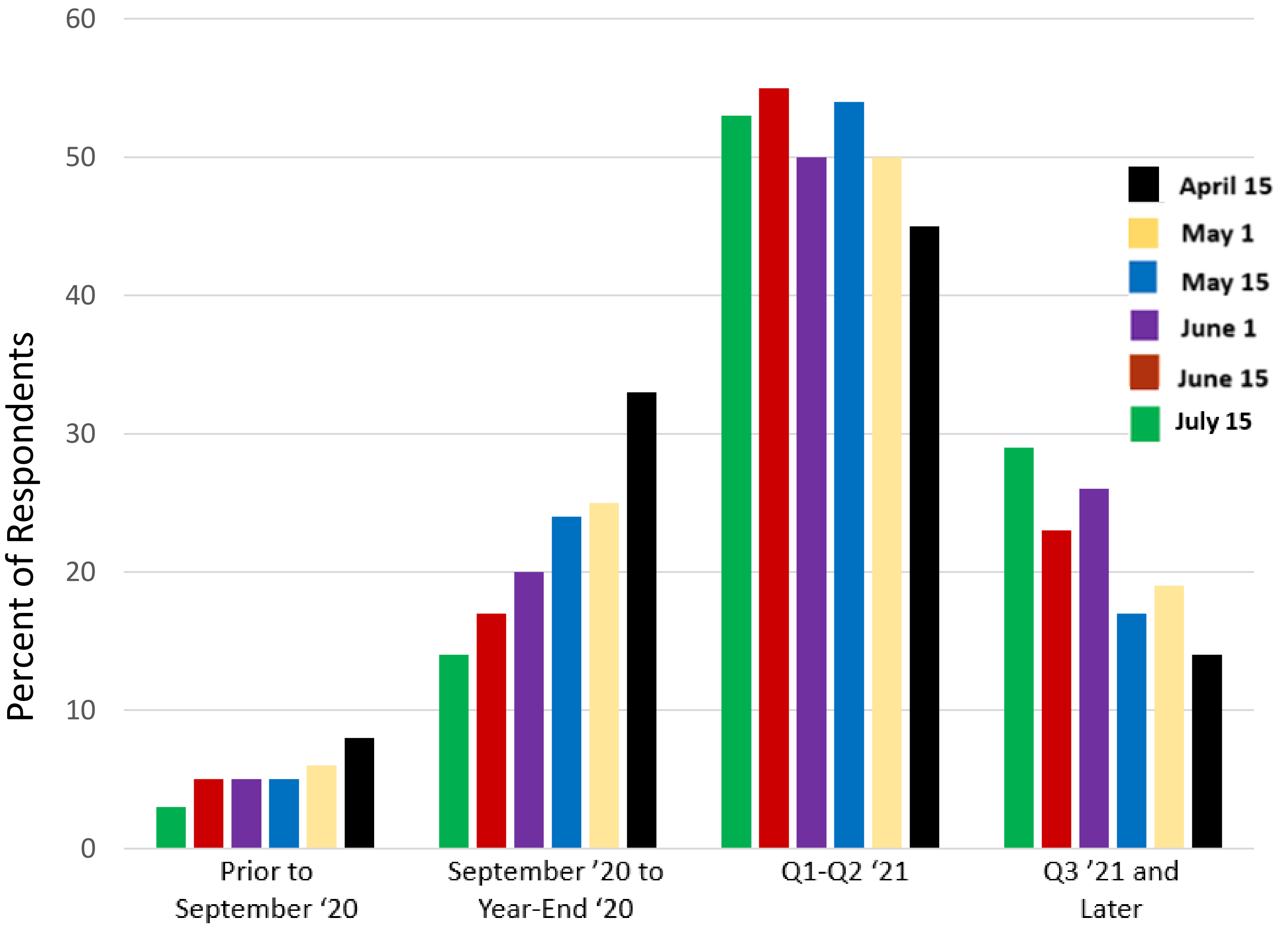
More Planners Now Looking a Year Out or More for New Events

Interest in Q3 ‘21 and Later Grows Relative to the 1st Half of Next Year

When is the earliest you are scheduling NEW meetings and events?

July 15 Responses

ANSWER CHOICES	RESPONSES
Prior to September 2020	3.28%
September to Year-End 2020	14.21%
Q1 2021	30.60%
Q2 2021	22.81%
Q3 2021	12.02%
Q4 2021	4.78%
Q1 2022 and later	12.30%



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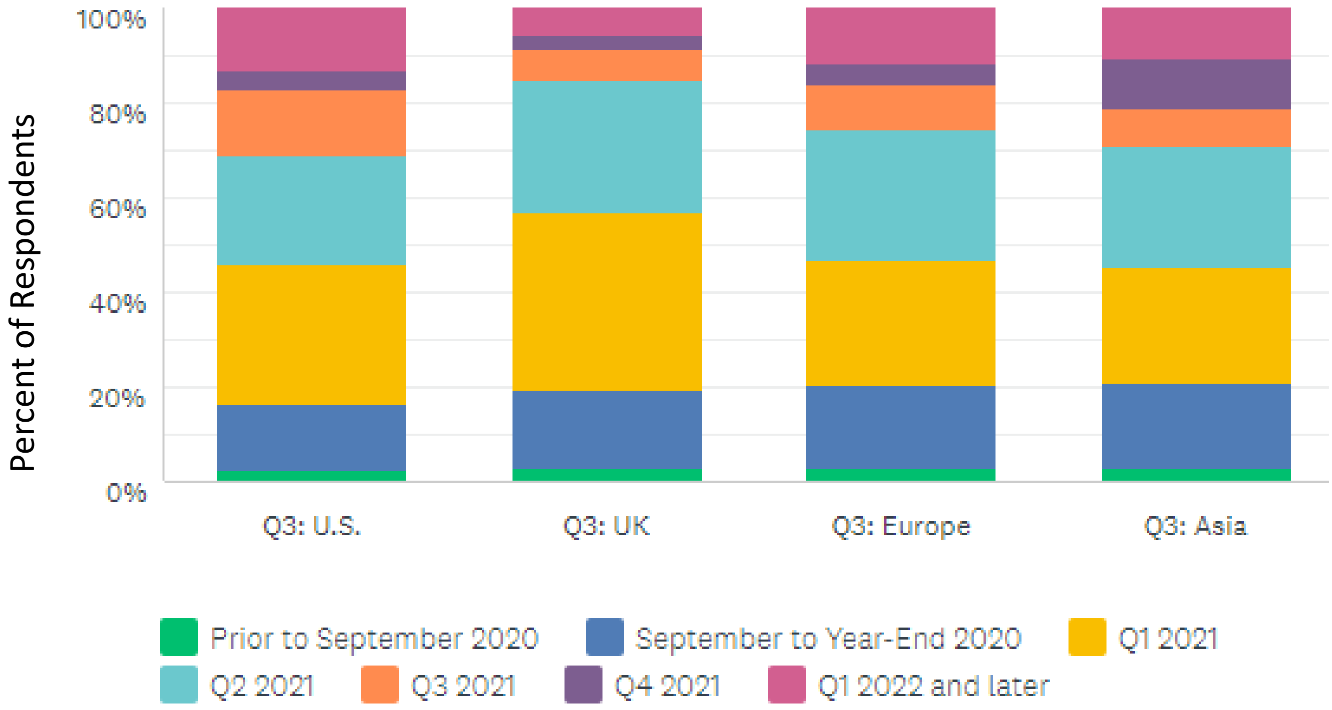
Expectations for New Events are "All Over the Map"

With More Confidence for UK Events for 1H '21 a Notable Contrast

When is the earliest you are scheduling NEW meetings and events?

July 15 Responses

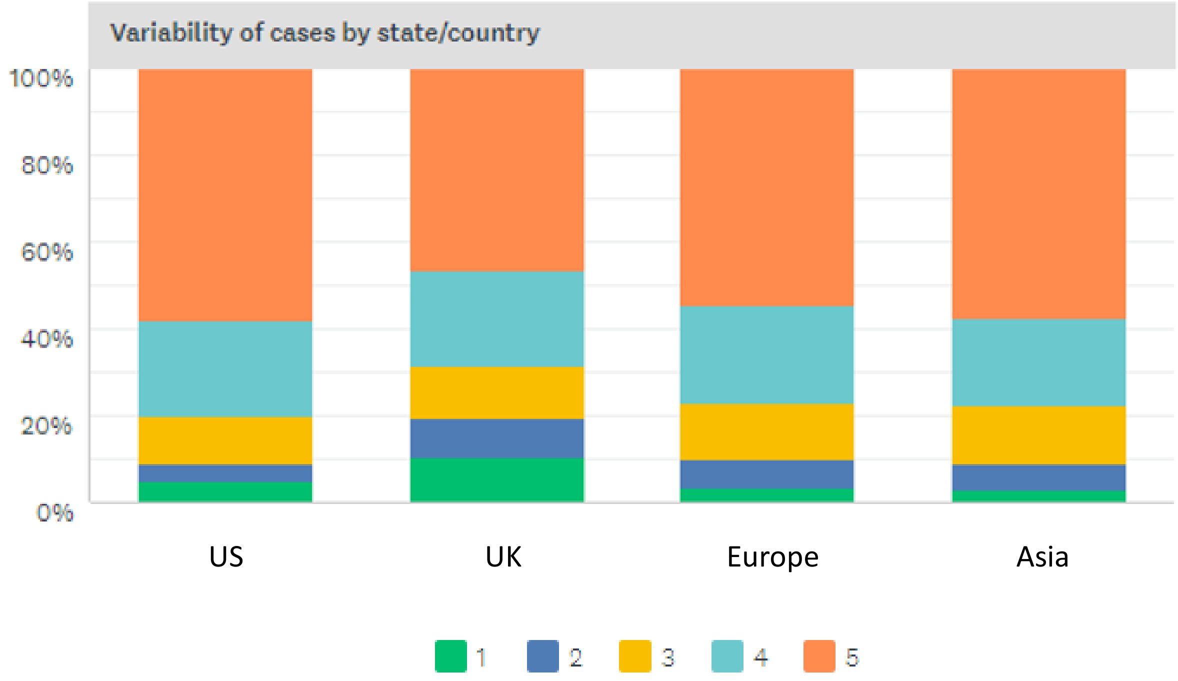
	PRIOR TO SEPTEMBER 2020	SEPTEMBER TO YEAR-END 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022 AND LATER
U.S.	2.68% 13	13.81% 67	29.28% 142	23.30% 113	13.61% 66	4.12% 20	13.20% 64
UK	2.76% 4	16.55% 24	37.93% 55	27.59% 40	6.90% 10	2.76% 4	5.52% 8
Europe	3.14% 5	16.98% 27	26.42% 42	27.67% 44	9.43% 15	4.40% 7	11.95% 19
Asia	2.99% 2	17.91% 12	23.88% 16	25.37% 17	7.46% 5	10.45% 7	11.94% 8

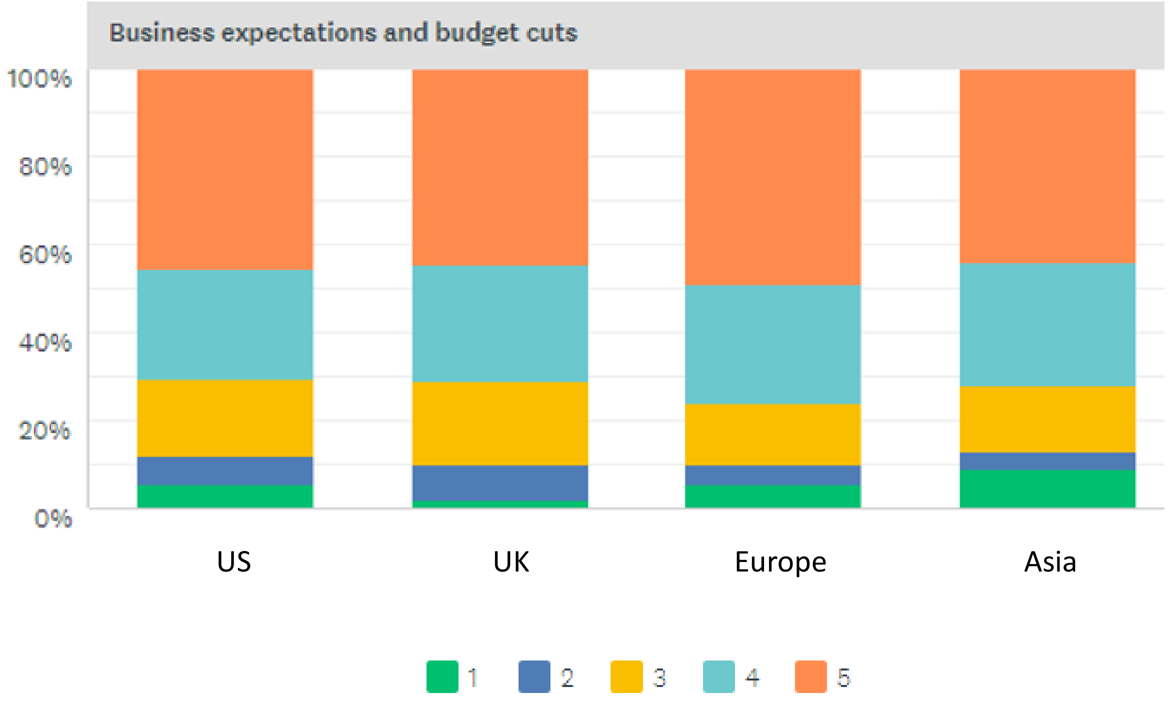


Has the Variability of Cases Affected Planner Confidence?

"Significantly" for Near-Term Events Relative to Business Expectations, Budget Cuts

Factors that are affecting planners' ability to plan live events in the near-term (1 = not at all; 5 = very significantly)



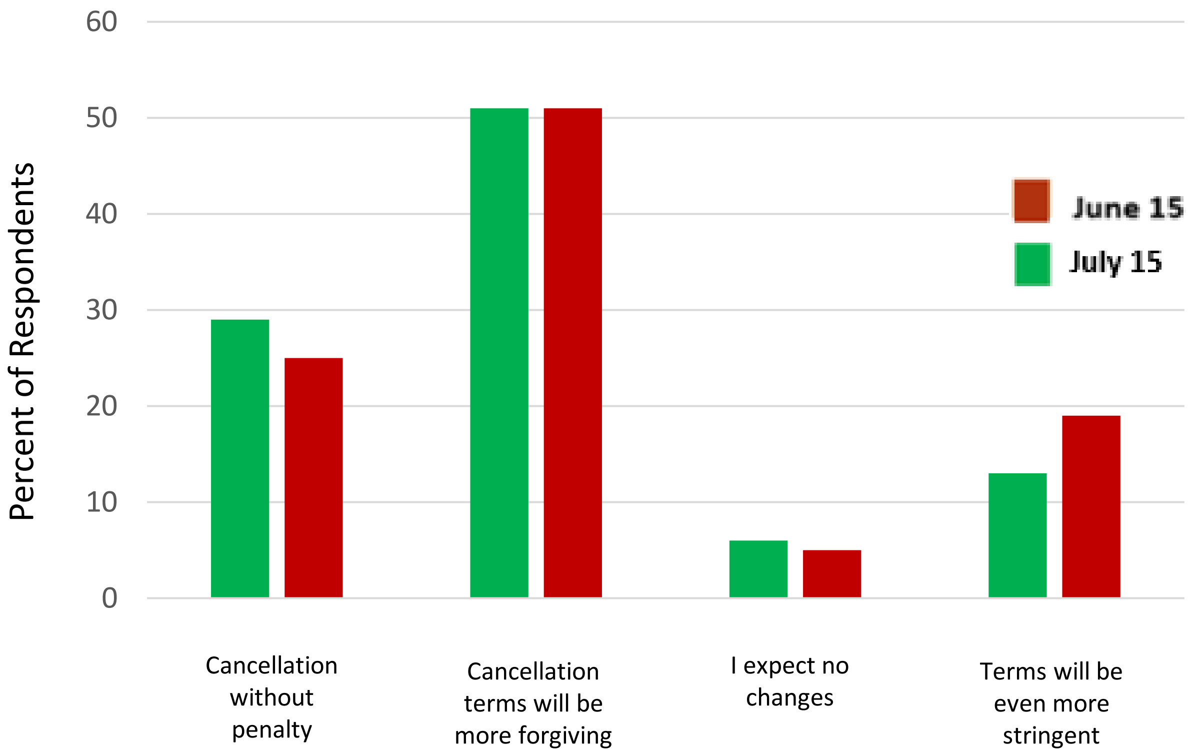


Planners are increasingly sanguine about contracts and cancellation terms

What are your expectations regarding cancellation clauses?

July 15 Responses

ANSWER CHOICES	RESPONSES
Contracts will allow for cancellation without penalty	29.37%
Cancellation terms will be more forgiving	51.27%
I expect no changes	5.95%
Terms will be even more stringent	13.42%



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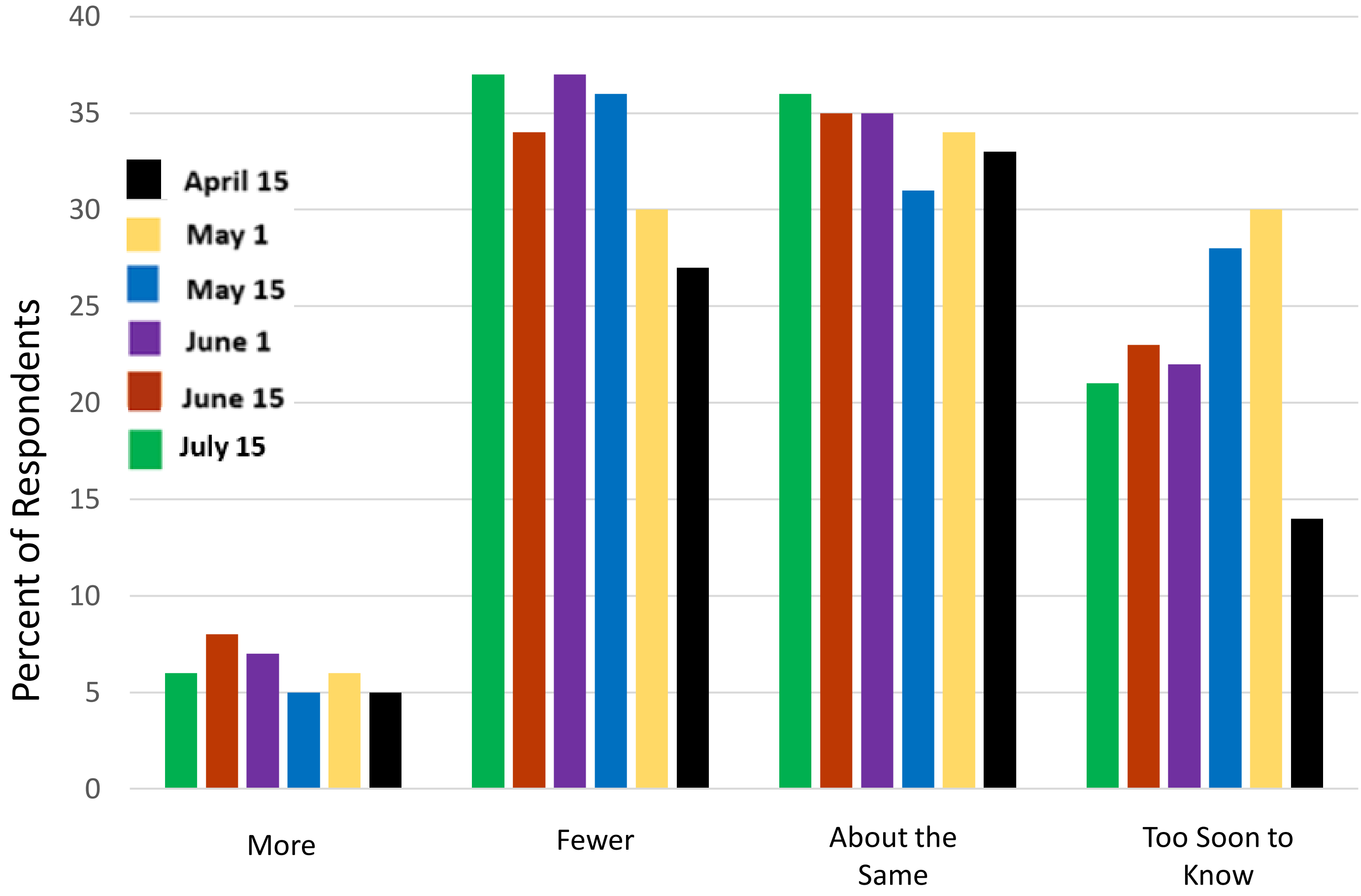
Fewer Events Continues to Be the Fear

Slight gain in early summer confidence retreats in July

Once the threat of COVID-19 has passed, over the next 12-18 months, will you plan more or fewer meetings?

July 15 Responses

ANSWER CHOICES	RESPONSES
More	5.71%
Fewer	37.31%
About the same	36.04%
It's too soon to know.	20.94%



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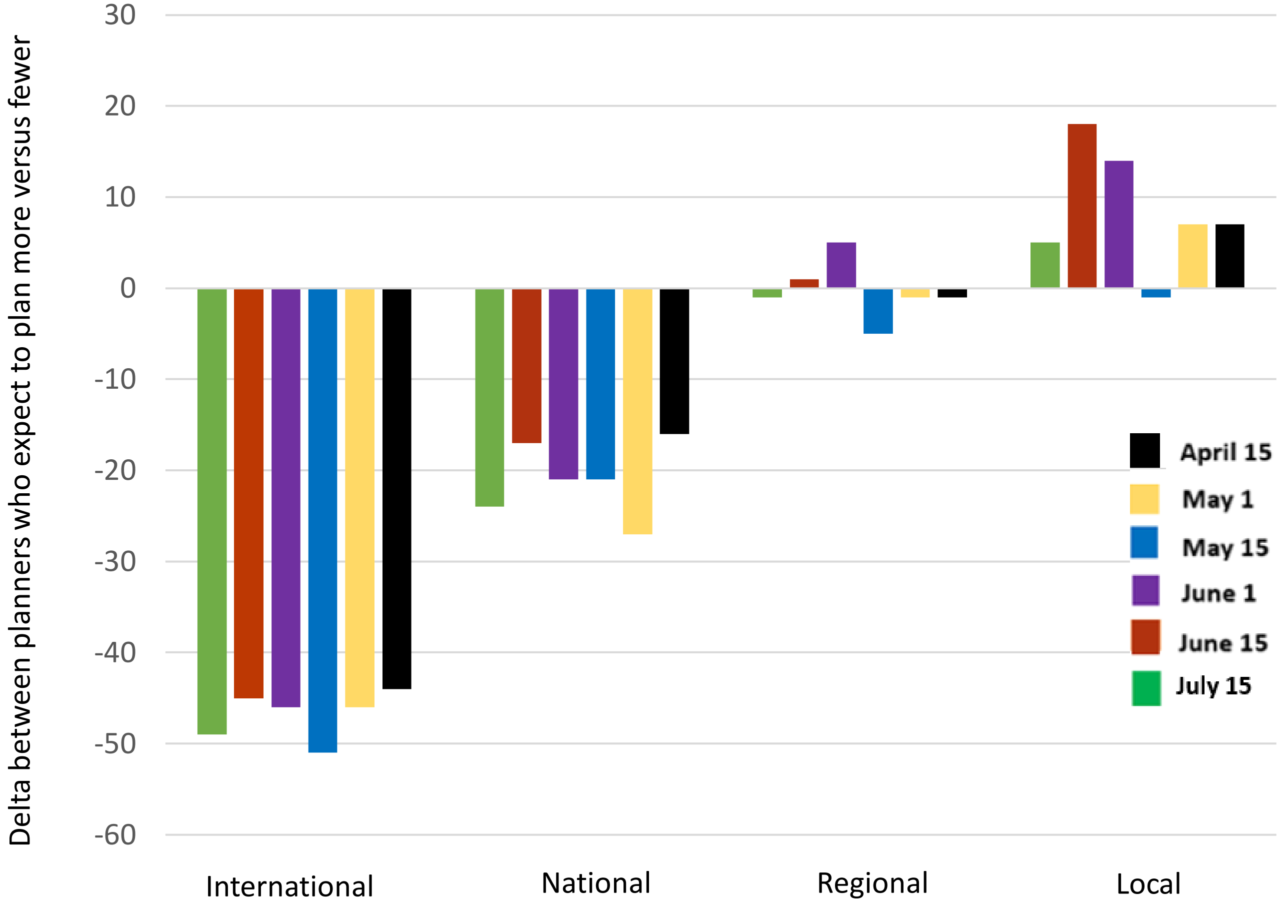
Will you plan more or fewer?

Local events see a marked decline in confidence as national, international events drop back

Once the threat of COVID-19 has passed, will you plan more or fewer meetings over the next 12-18 months?

July 15 Responses

	MORE	FEWER
International	7.09% 29	55.99% 229
National	10.06% 63	34.19% 214
Regional	24.96% 145	25.82% 150
Local	26.77% 144	21.93% 118



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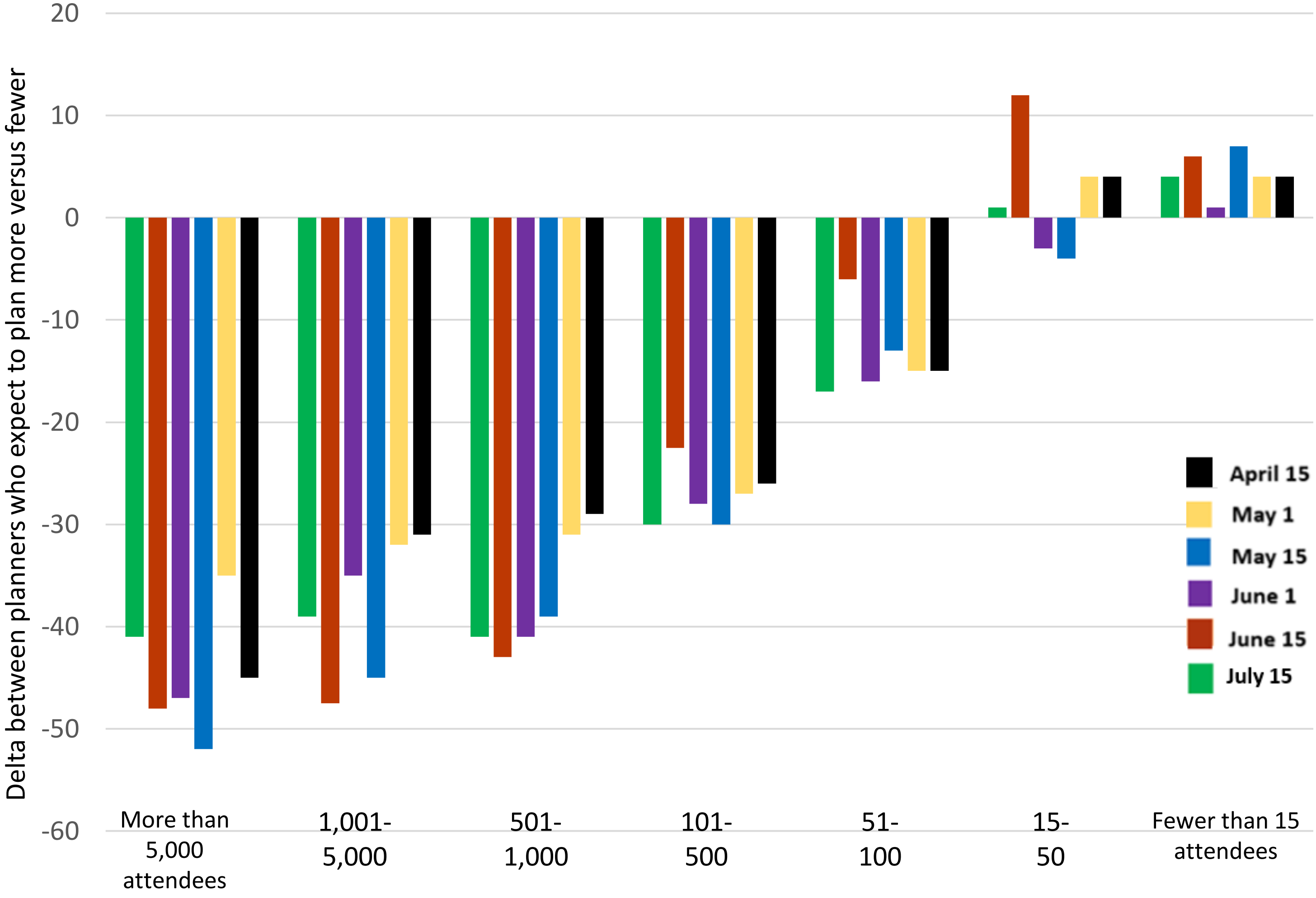
Will you plan more or fewer?

Expectations for meetings < 500 attendees drops, though still more likely than larger events

Once the threat of COVID-19 has passed, will you plan more or fewer meetings over the next 12-18 months?

July 15 responses

	MORE	FEWER
More than 5,000 attendees	4.02% 8	45.73% 91
1,001-5,000 attendees	3.92% 12	42.81% 131
501-1,000 attendees	5.42% 20	46.34% 171
101-500 attendees	7.83% 48	38.17% 234
51-100 attendees	14.71% 89	31.40% 190
15-50 attendees	21.90% 129	21.39% 126
Fewer than 15 attendees	27.48% 108	23.66% 93



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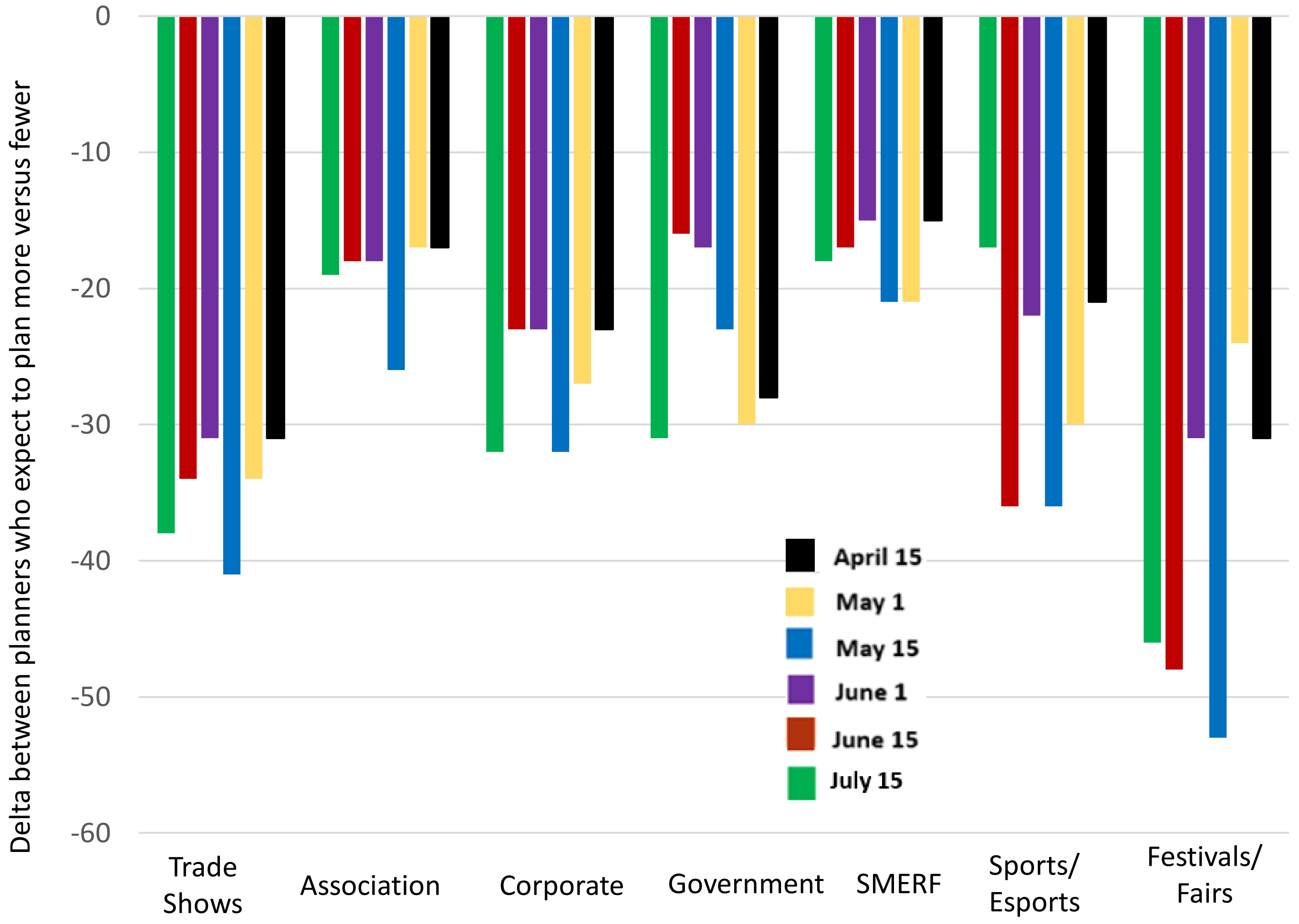
Sports a Bright Spot

But Corporate, Government Events Lose Momentum

Once the threat of COVID-19 has passed, will you plan more or fewer events over the next 12-18 months?

July 15 Responses

	MORE	FEWER
Trade Shows/Exhibitions/Congresses	2.68% 11	40.98% 168
Association	7.51% 29	26.42% 102
Corporate	8.94% 38	40.94% 174
Government	10.71% 15	41.43% 58
Social, Military, Education, Religion, Fraternal	13.53% 28	31.40% 65
Sports/Esports	19.57% 27	36.96% 51
Festivals/Fairs	9.02% 12	54.89% 73



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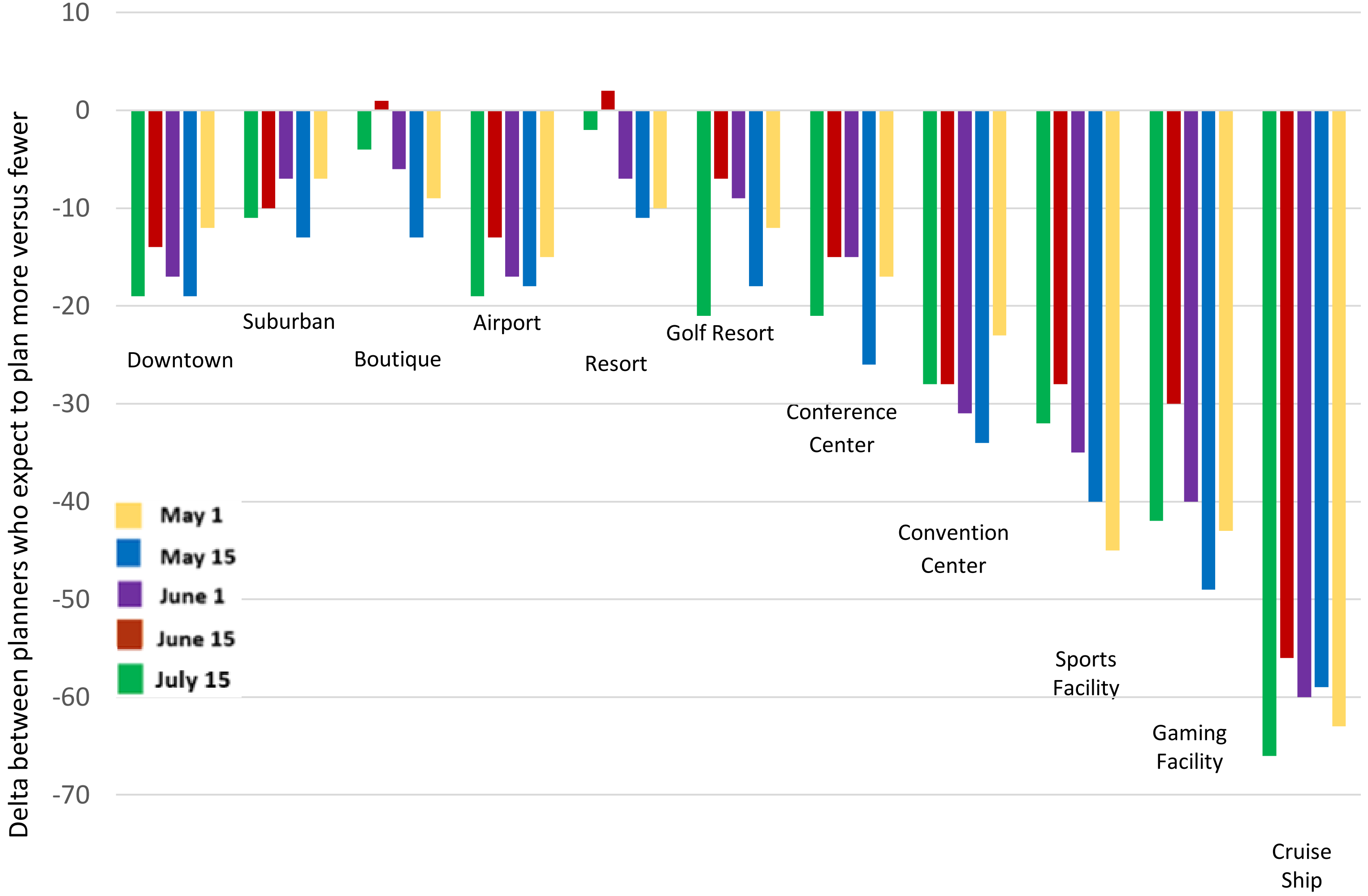
Regardless of clean building standards, confidence that had been gaining for several meeting venue types has waned over the past month

July 15 Responses

	MORE	FEWER
Downtown Hotel	4.37% 29	23.08% 153
Suburban Hotel	9.55% 51	20.79% 111
Boutique Hotel	15.99% 75	20.26% 95
Airport Hotel	10.54% 41	29.05% 113
Resort	13.81% 75	15.65% 85
Golf Resort	10.25% 37	21.61% 78
Conference Center	7.10% 36	28.40% 144
Convention Center	5.43% 24	33.03% 146
Sports Facility/Stadium/Arena	9.41% 19	41.58% 84
Gaming Facility	5.88% 10	48.24% 82
Cruise Ship	6.38% 9	73.05% 103



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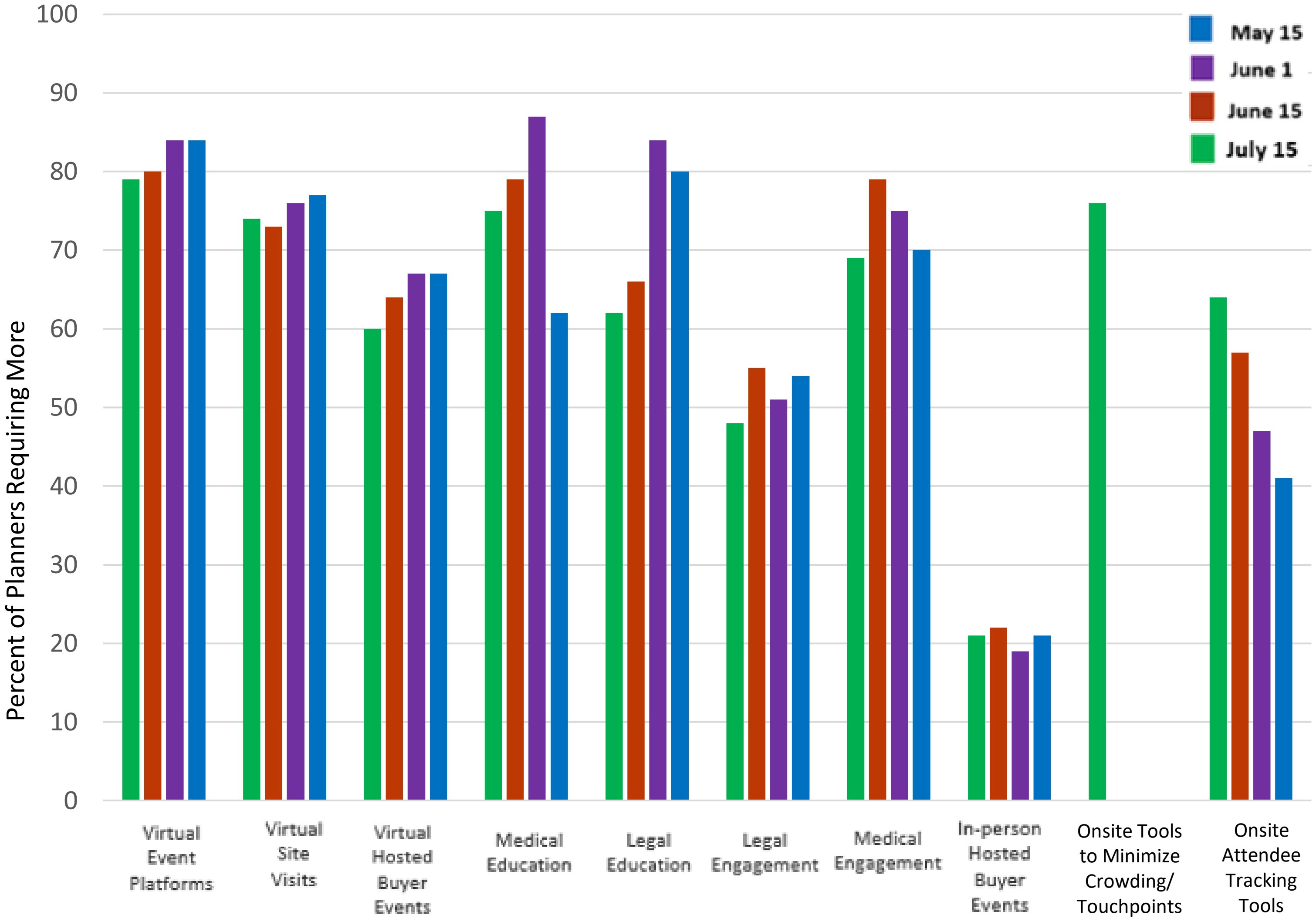
"Virtual" is still real, but onsite tools to help produce live events are needed

Do you expect you will require more or fewer of these products/services to plan your meetings and events?

July 15 Responses

	MORE	FEWER
Virtual event platforms	78.80% 576	8.07% 59
Virtual site visits	73.86% 500	8.12% 55
Education specific to legal matters	62.11% 400	3.88% 25
Education specific to health/medical safety matters	74.67% 507	3.98% 27
Engagement of professional legal advisory services	47.55% 282	5.40% 32
Engagement of health/medical safety advisory services	68.65% 427	4.66% 29
In-person, hosted-buyer events and fams to support buying decisions	21.10% 115	39.45% 215

	MORE	FEWER
Virtual hosted-buyer events and fams to support buying decisions	60.19% 319	15.66% 83
On-site registration tools to minimize crowding and touch points	75.60% 536	6.49% 46
On-site attendee-tracking tools	64.29% 387	7.31% 44



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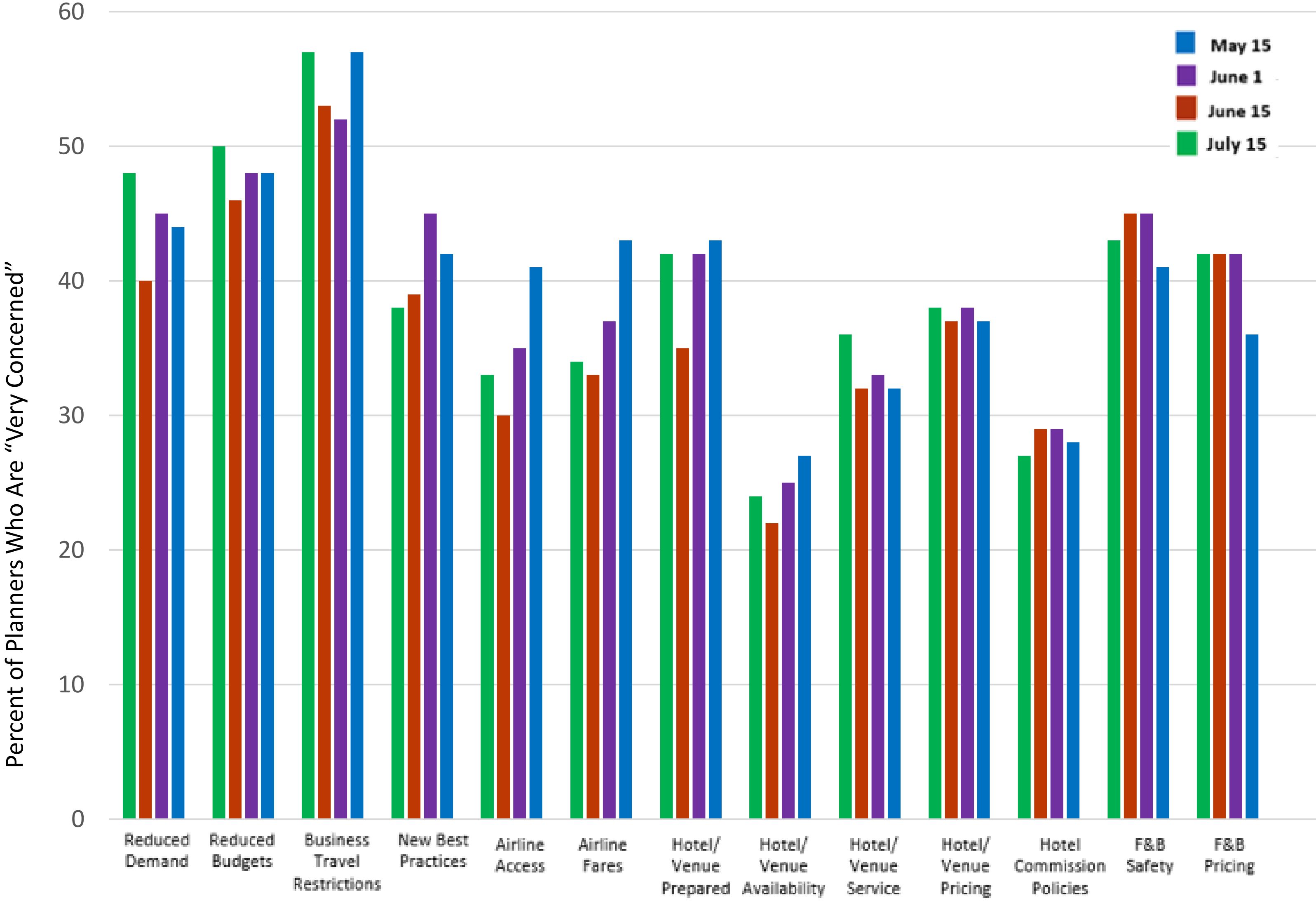
Top Concerns: Business Travel Restrictions, Reduced Budgets/Demand

How concerned are you about the following?

July 15 Responses

	VERY CONCERNED
Reduced demand for in-person meetings and events	47.93% 370
Reduced meeting and event budgets	50.84% 393
Travel policy updates restricting business travel	57.14% 436
New best practices for gatherings	37.84% 291
Airline accessibility	32.83% 239
Airline fares	33.88% 248
Hotel and venue health and safety preparedness	41.91% 324
Hotel and venue availability	24.22% 186
Hotel and venue service levels	35.55% 273
Hotel and venue pricing and rates	37.92% 292
Hotel commission policies	26.69% 170
Food-and-beverage safety	42.78% 329
Food-and-beverage pricing	42.37% 325



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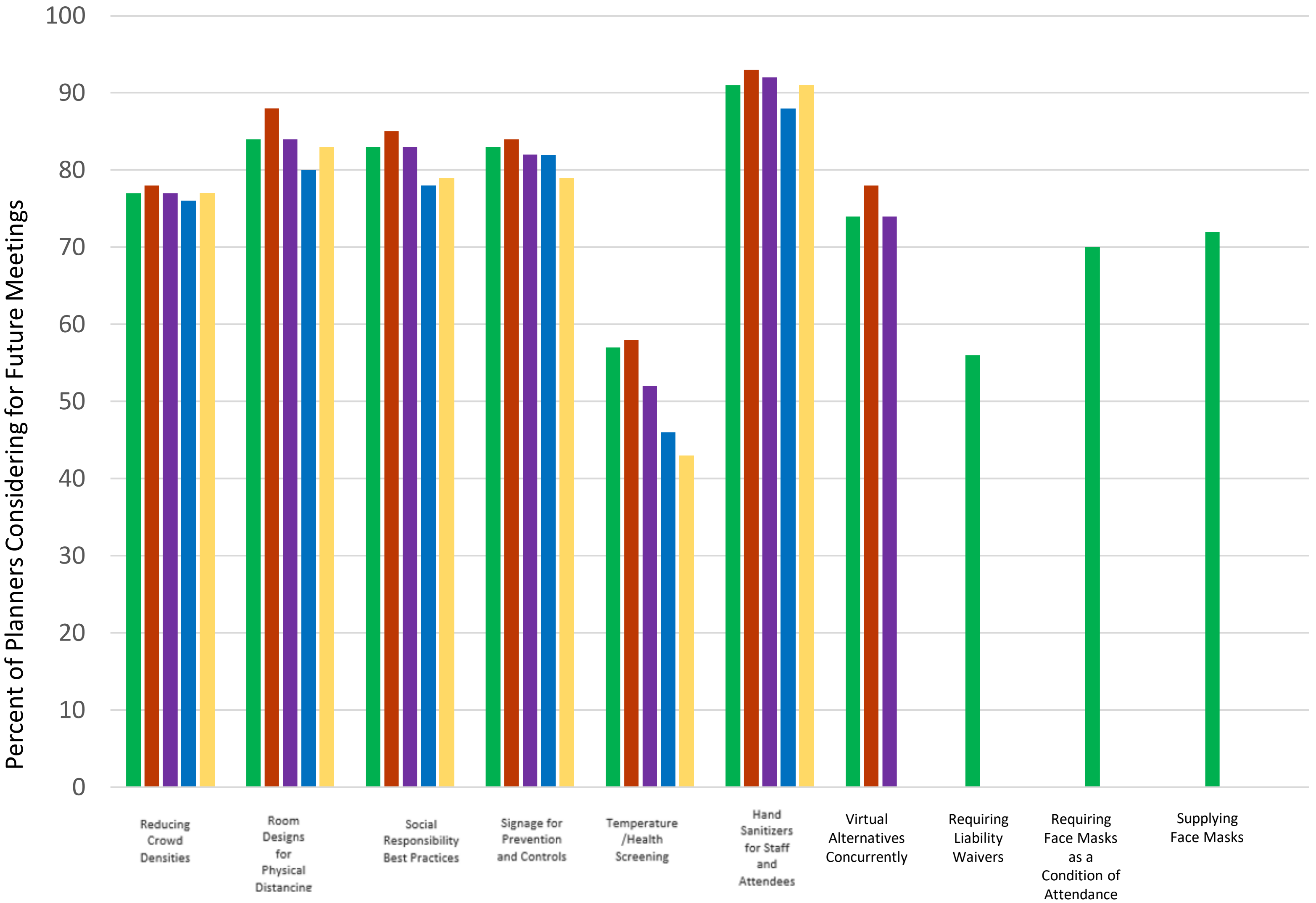
The Face Mask Debate?: 70% of Planners Will Require *and* Supply Them

Are you considering any of the following in the planning of future events?

July 15 Responses

ANSWER CHOICES	RESPONSES
Reducing and managing crowd densities	77.40%
Developing meeting room designs to encourage physical distancing	83.71%
Putting into place social responsibility best practices, including protocols for attendees who are ill	83.33%
Providing signage regarding prevention and control measures (shaking hands, washing hands, etc.)	82.70%
Providing temperature/health screening	57.20%
Providing hand sanitizer on-site for staff and attendees	91.16%
Providing virtual alternatives concurrently with physical events	73.74%
Requiring liability waivers as a condition of attendance	56.44%
Requiring face masks as a condition of attendance	70.08%
Supplying face masks for attendees	72.10%

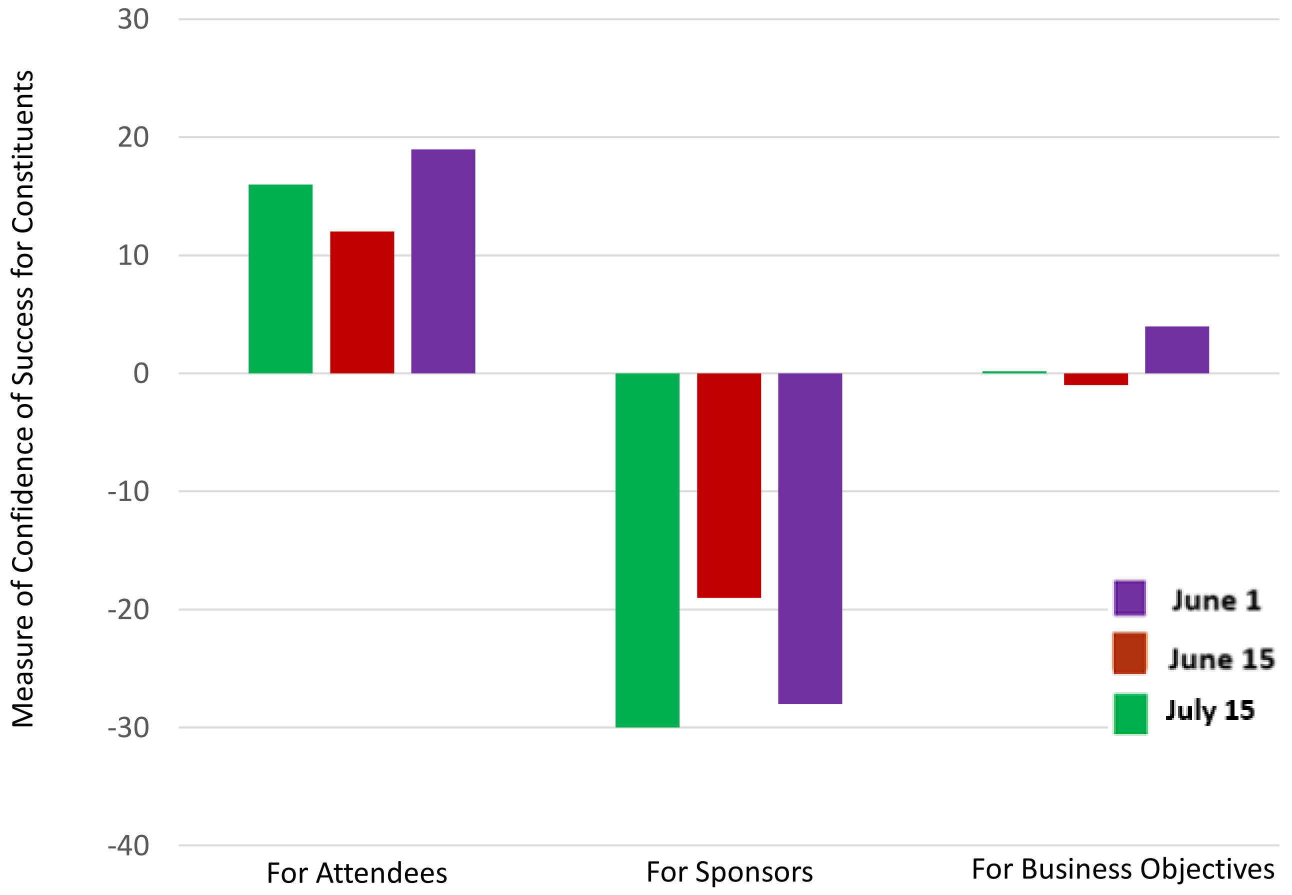


Is Virtual an Opportunity or a Threat?
The virtual events business model remains elusive

How successful will virtual events be for your constituents? Please rate your confidence, 5 being highly confident, one being not at all confident

July 15 Responses

	1-2	3	4-5
For attendees	26.38% 205	31.02% 241	42.60% 331
For sponsors	49.40% 372	31.47% 237	19.12% 144
For business objectives	32.86% 254	34.02% 263	33.12% 256
Not applicable	60.51% 95	21.66% 34	17.83% 28



In Summary:

- ✓ Fewer events continues to be the big fear
- ✓ Confidence gained in June erased in July
- ✓ Increase in cases a key downward driver
- ✓ Even small, local events -- once a bulwark against the tide -- see a decline in confidence
- ✓ Rebooking is the primary focus . . . again!
- ✓ Expectations for actualizing current year events drops considerably
- ✓ New events show more promise outside the US
- ✓ More planners are now looking a year out (or later) to book their new events
- ✓ Planners anticipate continued contract resiliency, flexibility
- ✓ As soon as live events come back, planners will require (and supply) masks
- ✓ Planners embrace virtual, but reluctantly

- "We are rebooking cancelled events although we'll have fewer participants and smaller budgets. Uncertainty remains our biggest enemy."
- "Pricing and contracting – to buyers' favor – must change to get meetings back."
- "Virtual events have been added to our portfolio, but in-person events will remain key. What we need is government or venue protocols for health and safety. It will be useful to have international guidance that event organisers can follow."
- "The back-and-forth dance of open, close, open, close makes it impossible to plan for in-person events. Opinions, perceptions change daily."
- "I'm concerned about live events over the next two years and am considering what other options I have for employment. I have done one virtual event and that looks to be my immediate future, though it's not something I'm interested in long-term."
- "Relationships are key to business success, and they can't be made and cultivated virtually. Meetings and events are essential to business development. There's both a direct and indirect relationship between meetings and economic growth. We won't have a healthy travel industry or overall economy without being able to gather again."