



PULSE SURVEY

**NEW
DATA**

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

MARCH 4, 2021

 **NORTHSTAR**
meetings group

EXECUTIVE SUMMARY

This is the turnaround we've been waiting for, per the promising results of Northstar Meetings Group's latest PULSE Survey. The research, conducted from Feb. 18 to March 2, found that 81 percent of meeting planners will hold their next in-person event sometime this year. Most of that business (59 percent) will fall in the second half of 2021. Just 19 percent will hold their next real-life gathering in 2022 or later.

Many planners have already gotten back to business. Nearly a quarter (22 percent) of the survey's 929 respondents will hold or will have held face-to-face events by the end of the second quarter. Nearly 13 percent say booking new meetings is now the primary focus of their jobs, up from 7 percent in January. Meanwhile, the percentage of respondents who are not currently focused on planning in-person events dropped from 28 percent in January's survey to 24 percent this month.

Planners in the U.K. and Europe show more caution about resuming face-to-face events, and more reliance on virtual and hybrid meeting formats, revealed the concurrent U.K. PULSE Survey conducted by Northstar's Britain-based counterparts, Meetings & Incentive Travel and Association Meetings International.

Northstar's PULSE Survey, launched in March 2020, captures evolving planner sentiment as our industry responds to challenges brought on by the global pandemic.

Front-Line Corroboration

Industry suppliers are likewise seeing a rebound in booking activity. At Associated Luxury Hotels International, which represents more than 300 properties, "unique leads in January were the best we had seen since April of 2020, and we have exceeded that number in February by 100 percent," said Michael Dominguez, president and CEO of ALHI. "Definite contracts executed in February are back to prepandemic levels," he added.

Maritz Global Events is reporting signs of recovery, as well. "We recently delivered registration and on-site solutions for two in-person trade shows, and we are seeing increased sourcing volume for future meetings and incentives," noted company president David Peckinpough. "Our data shows that we will begin seeing an uptick in late summer and early fall, with a more robust recovery happening in 2022."

The recovery will take some more patience, however. "Right now, we are predicting about 75 percent recovery to pre-Covid levels by the end of 2022," said Peckinpough. "The impact and efficacy of the vaccine program continues to be critical to recovery."

This is consistent with recent data from Tourism Economics, which predicts group business for the year will reach 34.5 percent of 2019's total. The fourth quarter will finish strong, coming in at 65 percent of 2019's Q4 volume. Group business will gradually increase year over year, returning to 95 percent of prepandemic levels in 2024.

Associations Lead the Charge

Interestingly, associations are leading in this progress toward recovery, followed by independent planners and sports. Respondents from those market segments are more confident that vaccine rollouts will speed our industry's recovery, more likely to hold their next in-person events in the second quarter of 2021, more apt to be planning hybrid meetings and much less likely to hold all-virtual gatherings. These planners also are twice as likely as the general planner population to attend in-person meetings or events themselves over the next three months.

For many in the industry, it isn't surprising that association events are coming back first. The buyer-seller connections made at trade shows are vital to the economic health of association members and the industries they represent, noted David DuBois, president and CEO of the International Association of Exhibitions and Events. What's more, "consumer and trade exhibitions attract mostly drive-in attendees, which is a perceived safety advantage since it doesn't require air travel," DuBois added. "Also, associations don't have the same liability issues that corporations generally have."

Corporate Meetings Will Be Slow to Return

Several factors have corporate meetings lagging other market sectors. First and foremost, many corporations are still restricting employee travel. "Large companies, in particular, are risk-averse," commented Elizabeth West, editorial director for Northstar brands Business Travel News and Travel Procurement. "As a rule, they are loath to require travel for employees who may have underlying health issues that make them more susceptible to Covid-19." Liability concerns are another hindrance to the return of corporate meetings and travel, said West. "As we see more states begin to legislate around this, some companies may reconsider," she added. Or, with vaccine efforts ramping up, "they might envision a safer environment in the near future and be willing to wait."

Budgets, too, are a significant factor. "Meetings cost money, and if corporations aren't suffering tremendously from not holding a particular event, they might decide it's reasonable to wait for their financial position to become clearer," said West.

One survey respondent predicted the corporate sector will hold off until herd immunity is reached in the United States. Another suggested that meetings be limited to people who have been vaccinated and have Covid-19 antibodies.

Sports Are a Silver Lining

Sporting events were among the few market segments that did not come to a halt in 2020. Youth sports, in particular, have been a gift to destinations that reopened quickly, and that business remained strong even during the height of the pandemic, pointed out Al Kidd, president and CEO of the Sports Events and Tourism Association. Evidence that children are less susceptible to the virus gave parents more confidence in letting their kids participate in events, and organizers followed the example of professional leagues to minimize risks and control outbreaks.

"Youth-tournament organizers really focused their energy on going to places that were open," Kidd noted. "That was a smart thing." In markets across Florida, Texas and South Carolina, destinations were able to pick up events that had cancelled in states such as Pennsylvania, North Carolina and Delaware, he said. Now, as more destinations open up, youth sports are attractive because they are typically run by organizations that can make a quick decision — in as little as two weeks — if they have a willing venue or city.

"Destinations have always seen the benefits of a strong youth-sports marketing effort, and now that is becoming more evident," said Kidd. "I've spent a lot of time with CVB presidents. They do understand the value of sports, and they're recognizing it more and more. They see how fast sports can come in and the impact that has on the hoteliers."

Should the Meetings Industry Meet?

Seventy-one percent of planners are in favor of meetings industry organizations or related businesses holding in-person events at present. This remains a hot-button topic, as Northstar Meetings Group previously reported. Opinions on the matter — expressed in hundreds of comments from survey respondents — are strong and diverse.

Among the naysayers, one respondent said holding live industry events "sends the message that the entire meetings industry is out of touch with what is really going on in non-meeting/hospitality industry businesses and associations. It makes them look like all they care about is the money, not the health of the attendees. Use that time and energy to help planners plan amazing virtual meetings so that we keep employed and are able to bring back business when it's time."

Another commented that in-person meetings reflect poorly on the host's reputation. "There are some serious optics surrounding bringing people together and risking exposure. Our sponsors do not support our organization meeting in 2021 due to the moral/ethical concerns of exposing our members to higher risks."

"I'm not going in person until I'm vaccinated and feel that it's safe," noted a respondent, "but if they hold them with all restrictions and protocols, people can do what they want."

Planners Aren't Traveling

While more than 7 out of 10 planners are in favor of industry meetings, almost as many (69 percent) won't attend any in-person events over the next three months. This number has decreased significantly, however, from January 2021, when 76 percent said they would not attend meetings in the first quarter of this year.

Progress in U.S. vaccination efforts are an encouraging factor. Three-quarters of respondents expect vaccines to speed the industry's recovery. Another 16 percent aren't sure, while a pessimistic 8 percent don't expect vaccines to make a difference.

People Are Divided on Protocols

Seventy-four percent of planners will require attendees to wear masks and adhere to recommended safety protocols at their next in-person events, up somewhat from 67 percent in January. Consistent with previous findings, about one in five will require proof of a negative Covid test for admittance to their events, 20 percent intend to conduct rapid tests on-site and 19 percent will require proof of Covid-19 vaccination.

When asked about planned safety protocols, one respondent commented: "None of the above. When we hold events, they are as clean and safe as can be expected with large gatherings of humans. We don't intend to violate our attendees' personal decisions or their civil rights as Americans or visitors to our great country."

Conversely, another expressed plans to do "whatever the geniuses at CDC advise to make the corporate lawyers able to sleep at night."

The effectiveness of health-and-safety measures concerns planners, too. "We do medical programs," noted a respondent. "Our observation is that even when protocols are being used, most are poorly designed and not properly executed. People aren't following them correctly. They are merely stage dressing. In the current situation, I wouldn't risk my life right now."

Is Hybrid the Future?

Virtual-only events are viewed as somewhat successful. Since October, planners' confidence in the value of online meetings declined a bit but stabilized at an index of 2.8 out of 5 — better than average.

Meanwhile, hybrid event models are slowly catching on. More than half of respondents (54 percent) are now planning meetings with both online and in-person components or planning to do so, up from 48 percent in January. The percentage of planners who don't intend to hold hybrid events, or aren't quite sure, decreased by a few points in the same time period.

Not only are hybrid events here to stay, but all events might be hybrid in the not-too-distant future. That eventuality was the topic of Northstar's recent webcast, "Why Hybrid Events Are Essential to Your 2021 Strategic Plan." Presenters Marco Giberti, founder and CEO of Vesuvio Ventures, Denzil Rankine, executive chair of AMR International, and Northstar's technology editor Michael J. Shapiro discussed the reasons why in-person and digital gatherings will only become further intertwined, even in a post-Covid world. That concept is a central theme of the book *Reinventing Live: The Always-On Future of Events*, co-authored by Giberti and Rankine.

U.K./Europe More Reserved

While just 24 percent of respondents in North America are not focused on booking in-person meetings at present, a significantly higher 35 percent of the U.K. PULSE Survey's 134 respondents are holding off. The timeline for returning to live events lags in the U.K./Europe, too, with 71 percent planning to hold their first in-person meeting this year, vs. 81 percent in North America.

Meanwhile, 69 percent of U.K. PULSE respondents are working on hybrid events or expect to do so, vs. 54 percent in North America. All-virtual meetings also are more prevalent in the U.K./Europe, and confidence in their effectiveness is slightly higher.

Interestingly, fewer U.K./Europe planners will mandate mask-wearing and general safety protocols for their future in-person events, and more will rely on testing and proof of vaccinations. That difference is likely due to the finding that many of our European counterparts will resume live meetings at a later date, when the threat of the virus likely will have abated.

American Confidence Could Have Repercussions

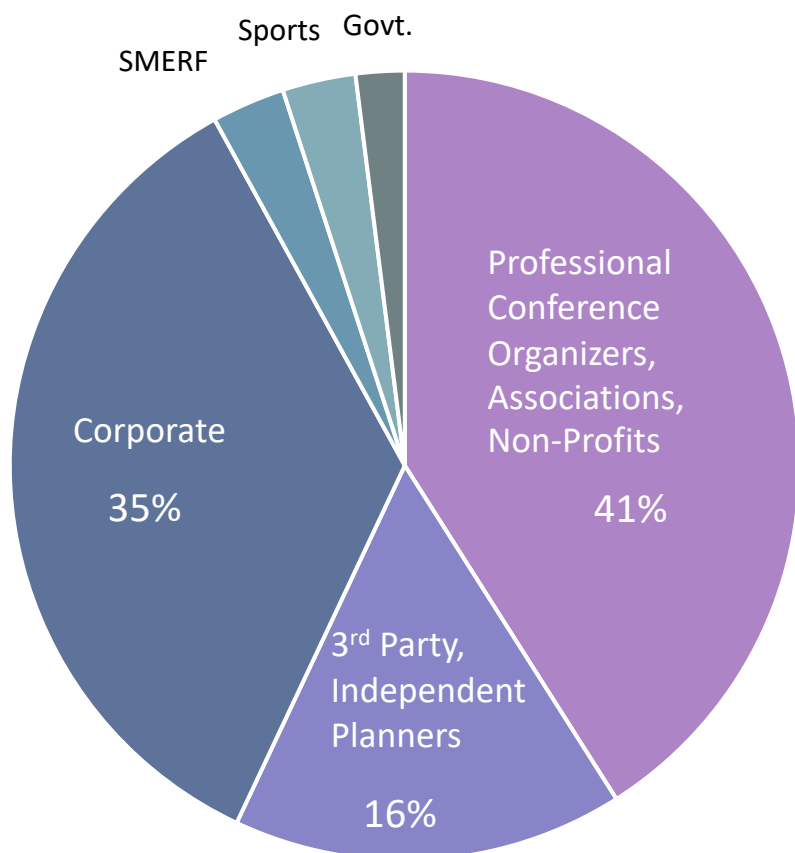
We might be excited to be on the cusp of our industry's revival, but several onlookers opined that U.S. states are relaxing restrictions too quickly, as Northstar has reported — and they'll take their meetings elsewhere.

"Not until there is sufficient mask compliance from Americans will in-person meetings be held there by Canadians," said one respondent. "Thankfully, the Canadian government is taking Covid seriously and not rushing people back together. Keeping the Americans out of our country helps curb the spread. People from the U.S.A. cannot be trusted to behave responsibly and carefully in a grocery store; what makes you think it's appropriate to put them together at a conference? It's foolish and deadly."

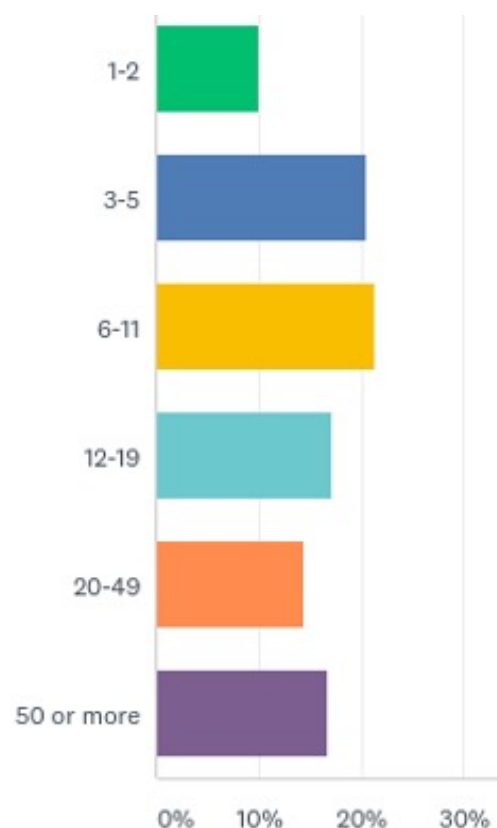
Many Americans, meanwhile, agree with the PULSE Survey respondent who said, "It's time to move on from it. Flip the switch. If you are afraid of Covid-19, stay home and let those who want to get back at it do so."

Respondents By Type, Volume and Size

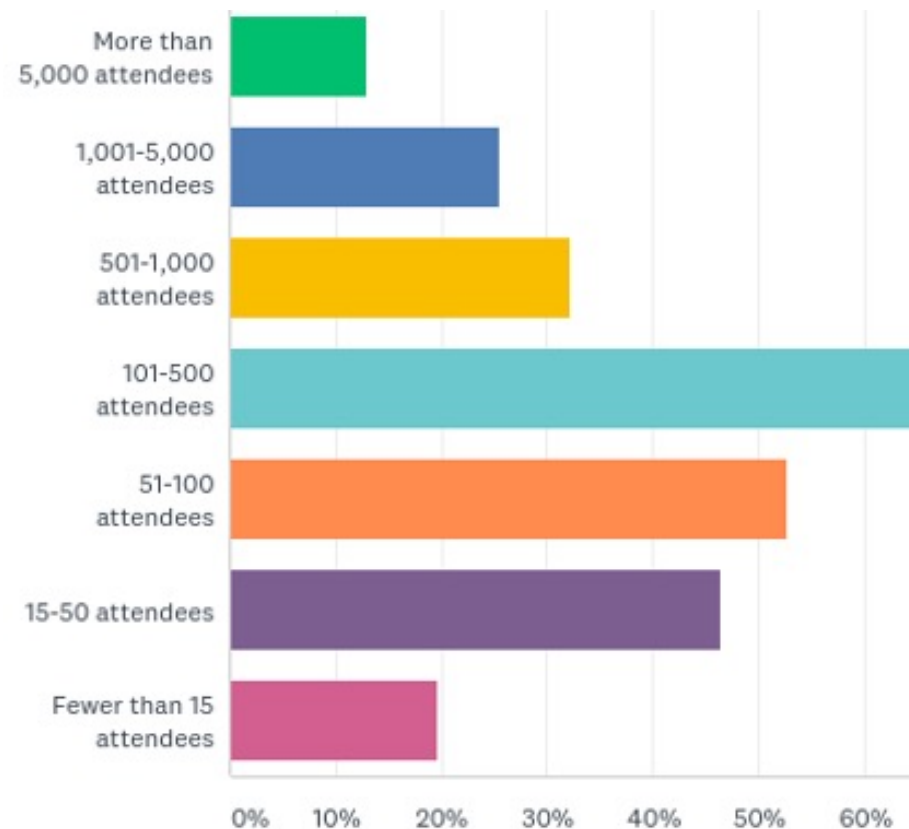
929 Valid Planner Responses



Type



of Meetings



Size of Meeting

New Business Activity Begins Again

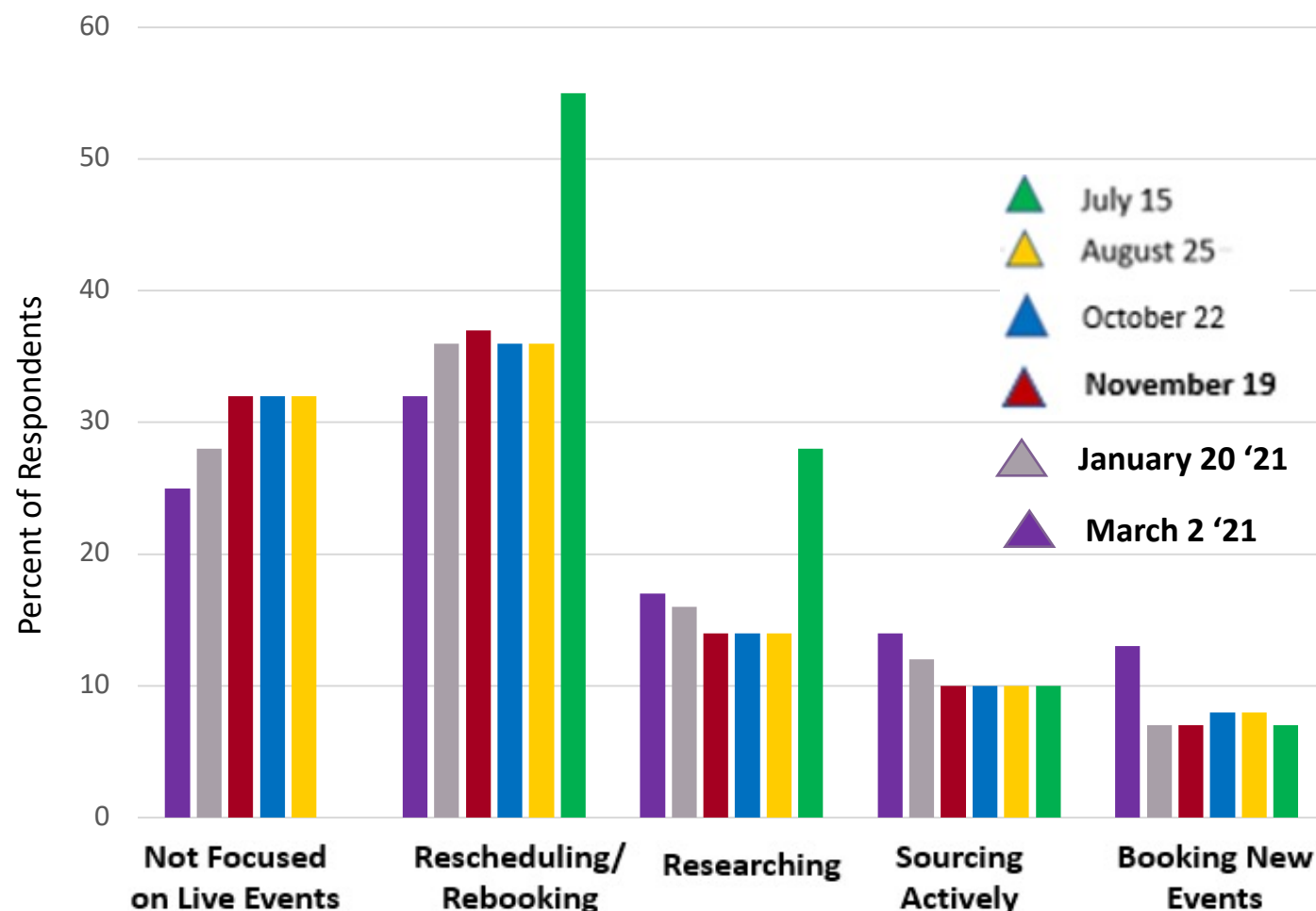
Booking Activity Nearly Doubles; Sourcing and Researching Also Up

For the first time new business activity exceeds 10% of planners surveyed.

What is your current primary focus as it pertains to your live, in-person events?

Responses as of March 2, 2021

ANSWER CHOICES	RESPONSES
▼ I am rescheduling or rebooking events	32.12%
▼ I am researching potential new events, but not ready to issue an RFP or lead	17.41%
▼ I am actively sourcing (issuing RFPs or leads) for new events	13.53%
▼ I am booking new events	12.59%
▼ I am not currently focused on live, in-person events	24.35%



Who Is Booking New Events Now?

Characteristics of Planners Booking New Events

These are the 108 planners (out of 929 total) whose *primary focus* now is booking new events.

▼ Professional Conference Organizer	12.04%	13
▼ Association/Nonprofit Organization or Association Management Company	34.26%	37
▼ Third Party/Independent Planner/	18.52%	20
▼ Exhibitions/Trade Show Organizer	0.93%	1
▼ Government	0.93%	1
▼ Travel Agency	0.93%	1
▼ Social, Military, Education, Religious, Fraternal	2.78%	3
▼ Sports	5.56%	6
▼ Pharmaceuticals, Healthcare, Medical	5.56%	6
▼ Finance, Insurance, Banking, Real Estate	2.78%	3
▼ Manufacturing	0.93%	1
▼ Technology/Communications	2.78%	3
▼ Services/Other	8.33%	9
▼ Multilevel Marketing	0.93%	1
▼ Other Corporate	2.78%	3

Planners Who Are Booking Now Are:

- More likely to be association planners, independents and sports organizers, and less likely to be corporates.
- More likely to expect to produce their first event in Q2 2021.
- Expecting to plan more events and larger events than the general planner population.
- More actively engaged in currently planning hybrid events and much less likely to be planning virtual events exclusive of live events.
- Decidedly less confident in the ability of virtual events to meet their constituents' needs.
- Twice as likely to attend meetings/events themselves over the next three months.

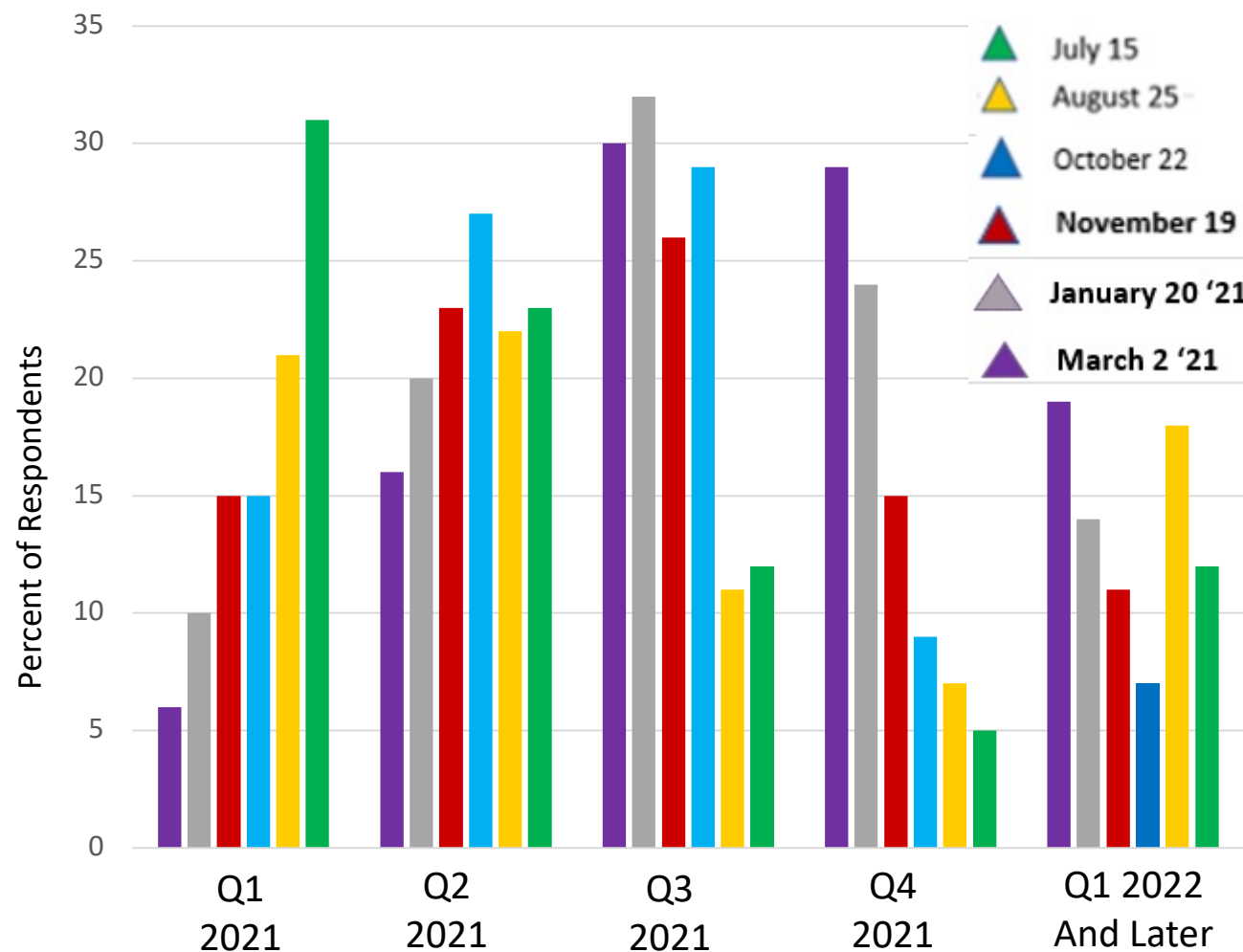
When's Your Next Live Event?

60% of planners expect to be live in the back half of '21, while nearly 20% are looking to next year.

When at the earliest do you expect to hold your next in-person or hybrid meeting or event?

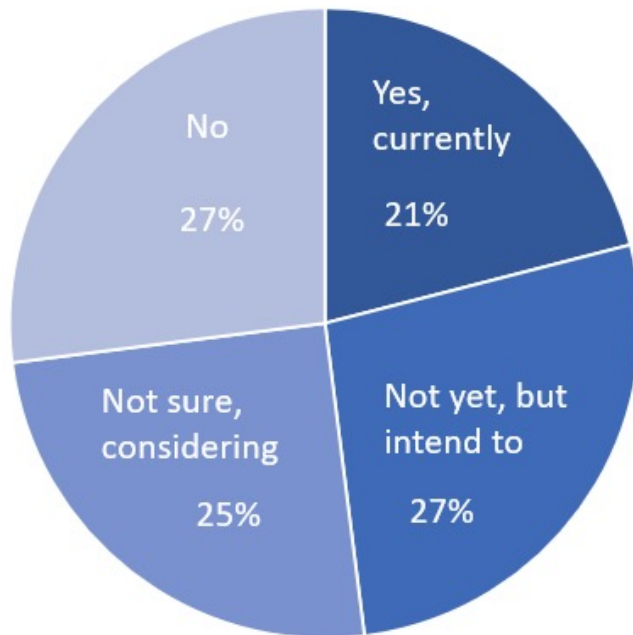
Responses as of March 2, 2021

ANSWER CHOICES	RESPONSES
▼ Q1 2021	6.09%
▼ Q2 2021	15.75%
▼ Q3 2021	30.07%
▼ Q4 2021	29.12%
▼ 2022 or later	18.97%



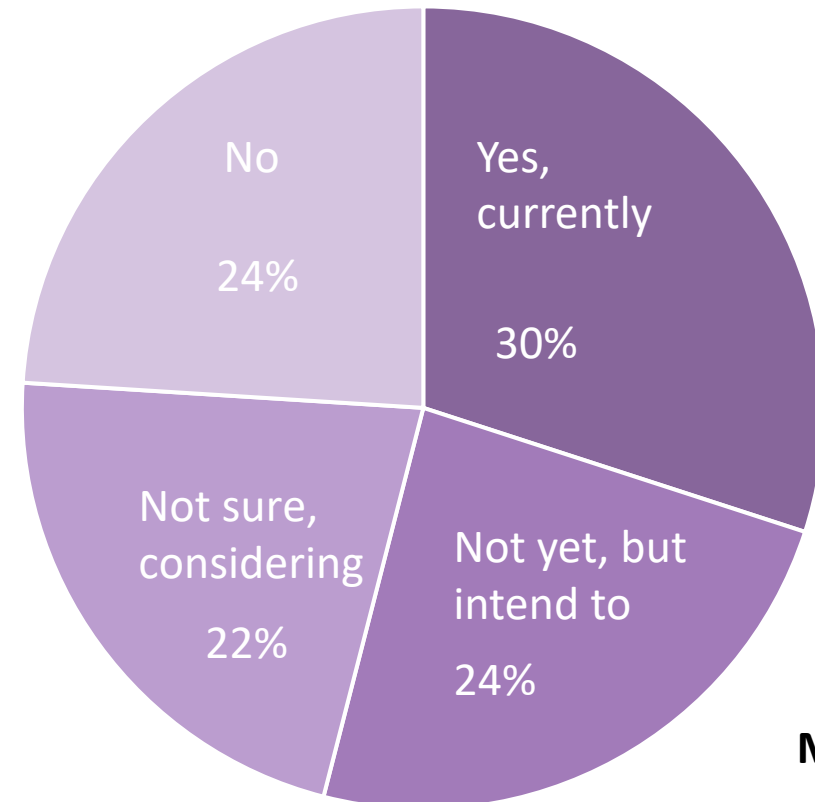
Hybrid Model – Better Understood, or Catching On?

Are you currently planning hybrid events
(with both in-person and virtual audiences)?



January 20, 2021

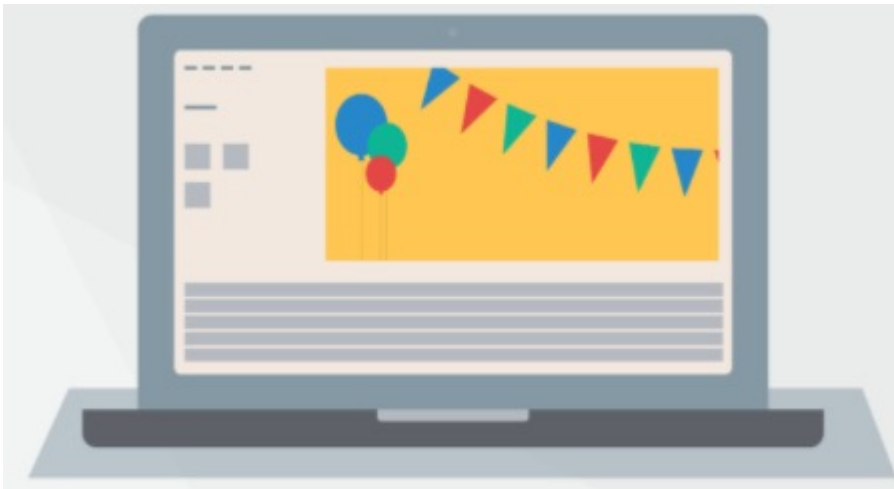
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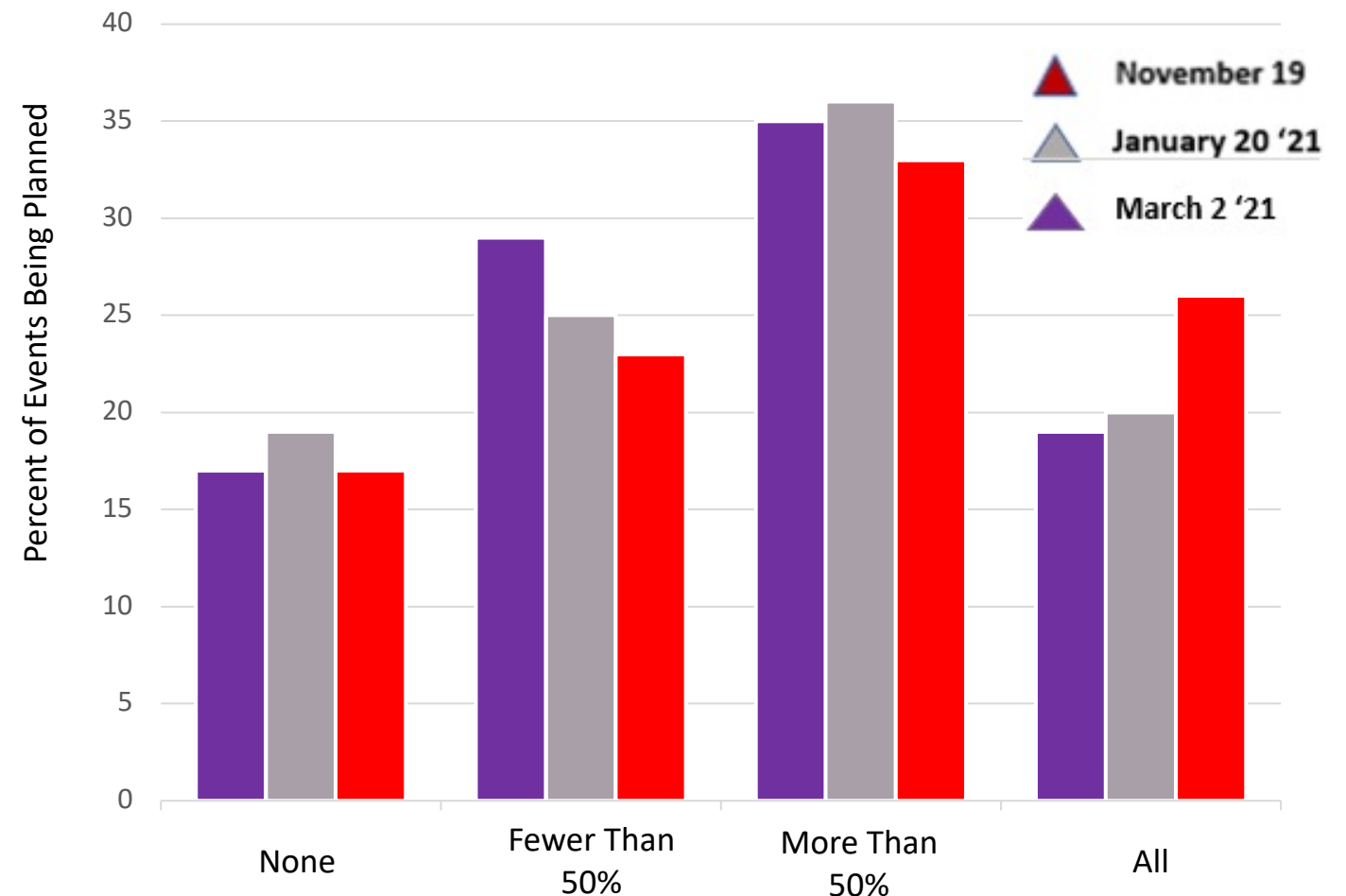
March 2, 2021



What percentage of the events you are now planning will be online only?



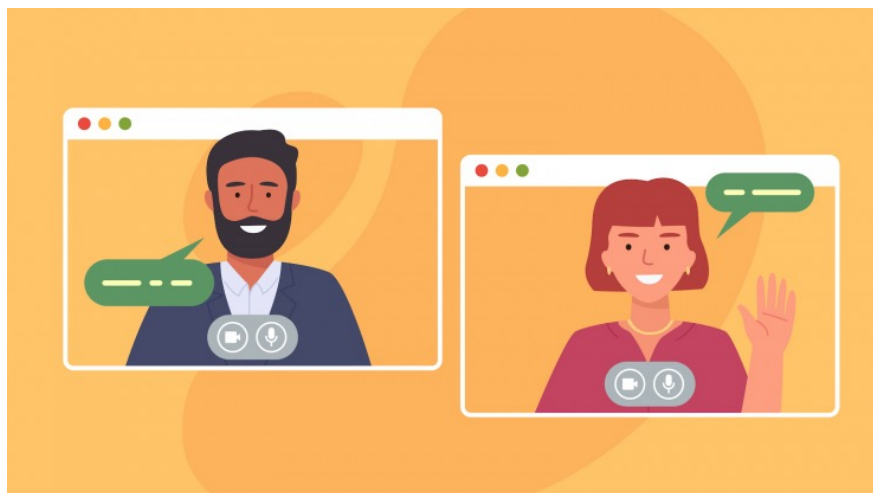
As planners shift to planning and booking in-person, they shift away from virtual



Virtual Event Confidence: No Change

Since October, planners' expectations for the success of their virtual events have fallen but stabilized to slightly better than average, indicating a relative level of satisfaction.

How successful will virtual events be for your constituents?
(with 1 = not at all confident; 5 = highly confident)



October

3.13

November

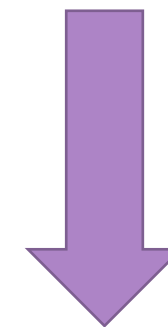
2.98

January

2.81

March

2.80

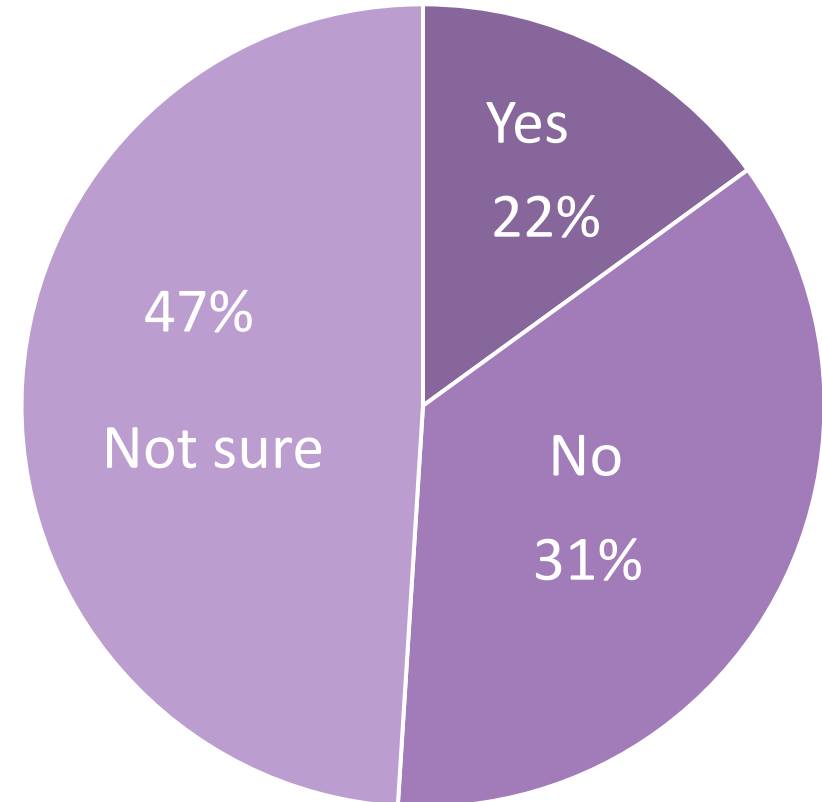


Out of 5

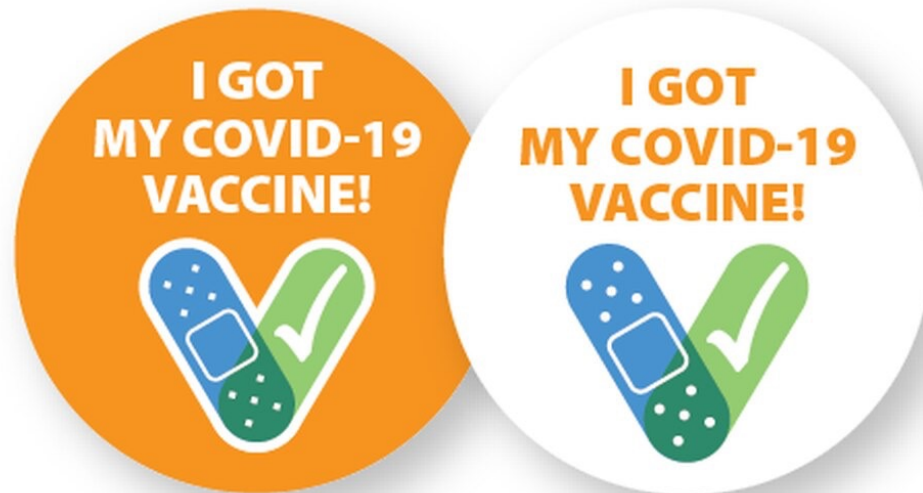
Don't Credit the Feds for Industry Recovery, Planners Say



Do you expect the travel and meetings industry to receive sufficient federal stimulus aid to support recovery?

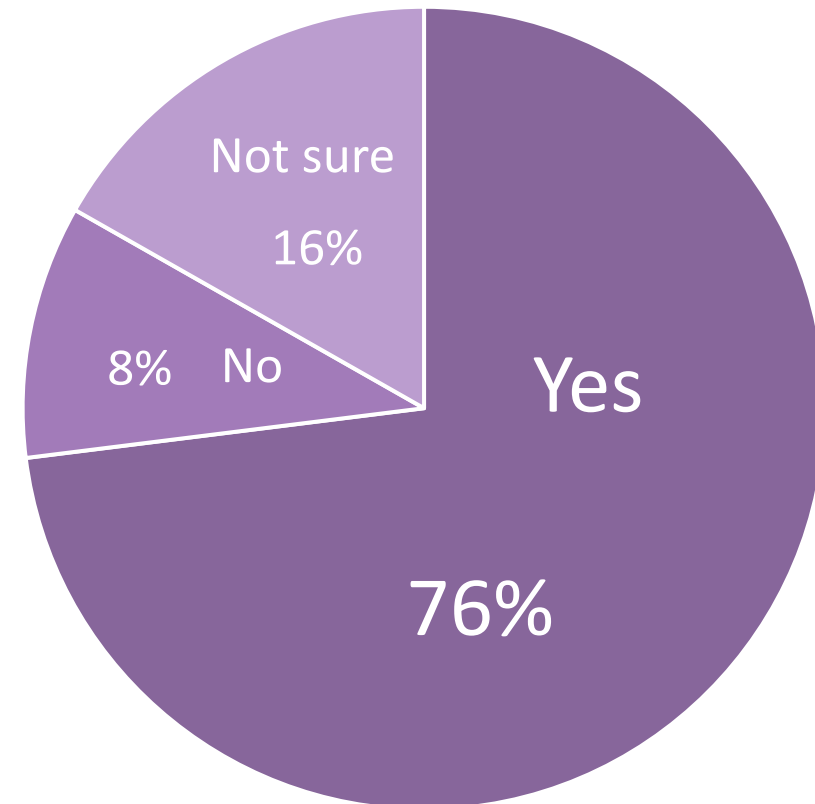


Vaccine Rollout Continues to Encourage Planners



% of planners who think vaccines are
aiding recovery grows 3 points, to 76%

Do you believe the rollout of Covid-19
vaccines will lead to a quicker economic
recovery for our industry?



More Planners Intend to Attend Meetings Soon, Indicating Growing Confidence

Do you plan to attend any in-person meetings or business events
over the next three months?

As of November 19, 2020

71% Said “No”

As of March 2, 2021

69% Say “No”



As of January 20, 2021

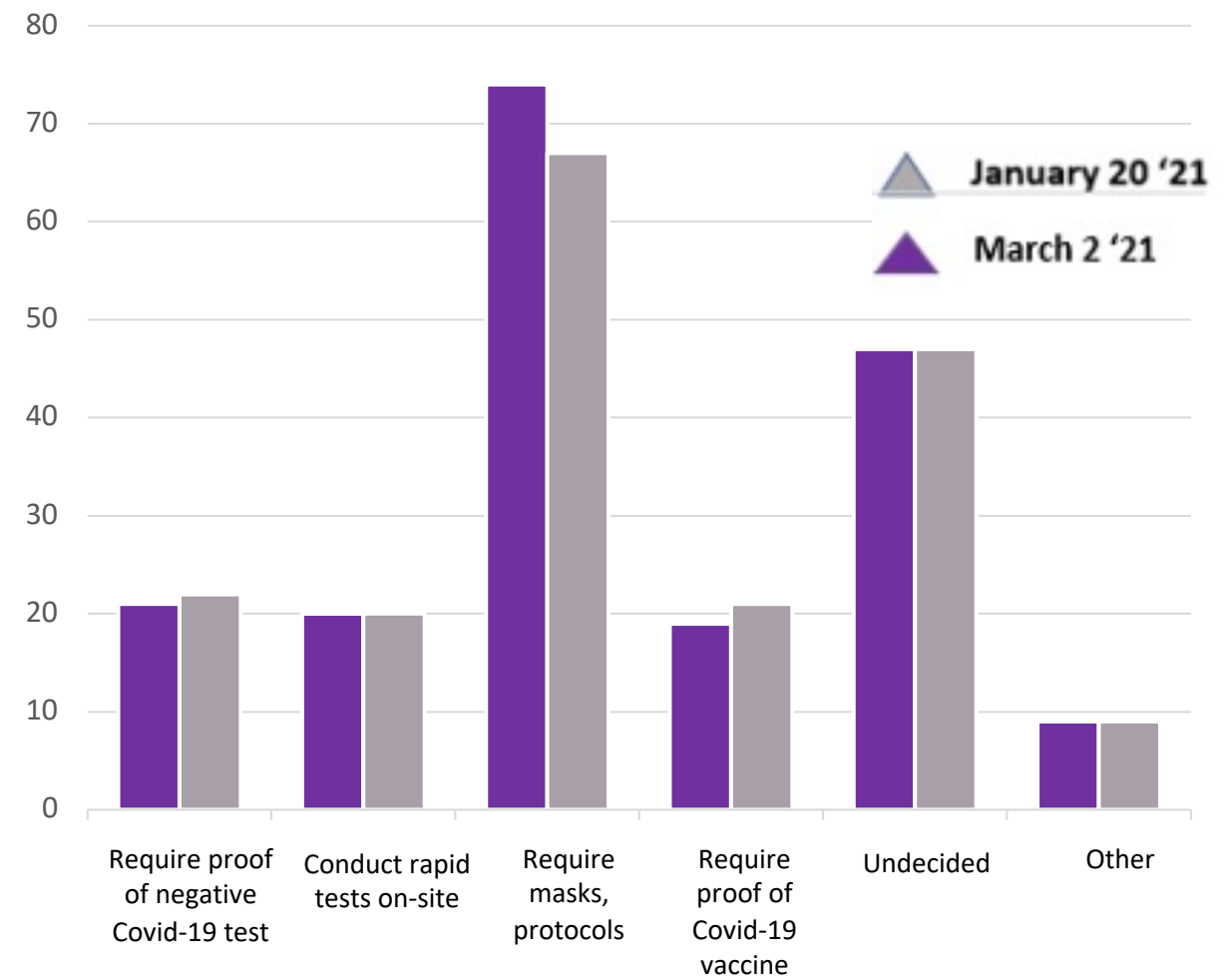
76% Said “No”

Support for Requiring Masks, Protocols Grows

**SAFETY
MATTERS**

Interest in providing tests or requiring proof
of testing and vaccination declines.

Which of the following measures do you expect to
enact at your next in-person event?



Which measures do you expect to enact?

Sample “Other” Verbatim Comments:



Which of the following measures do you expect to enact at your next in-person event?

“We are still deciding. We’re trying to compile information from federal, state and local authorities. Nothing is consistent - so how do we match to our attendees' expectations?”

“We need to be flexible enough to ensure there is a balance between protocols and participant enjoyment of our events.”

“I have had recent events where we required a negative PCR test within 10 days of the event in conjunction with a rapid test on-site. This works great but is expensive.”

“We will adhere to whatever local regulations are in place.”

“Some protocols, such as distancing, changes in buffets, sanitizing stations, and liability waivers will for sure be in place - but mask requirements will no longer be in place and tests will be available as an option.”

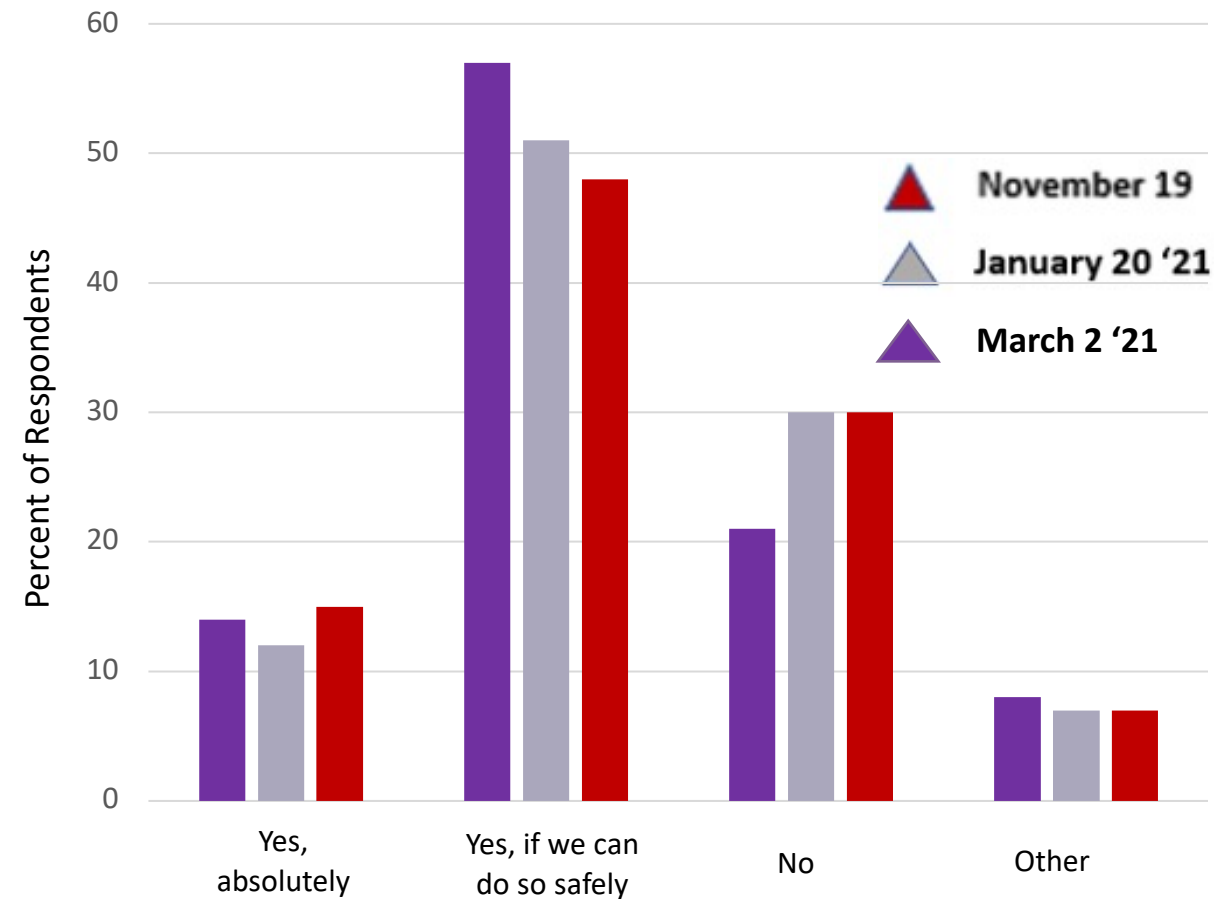
“People from the USA cannot be trusted to behave responsibly and carefully in a grocery store; what makes you think it's appropriate to put them together at a conference?”

More Planners Support Industry Meetings



**# of Planners Who Say “No”
Declines By One-Third**

**Should meetings industry organizations or related
businesses be holding in-person meetings?**



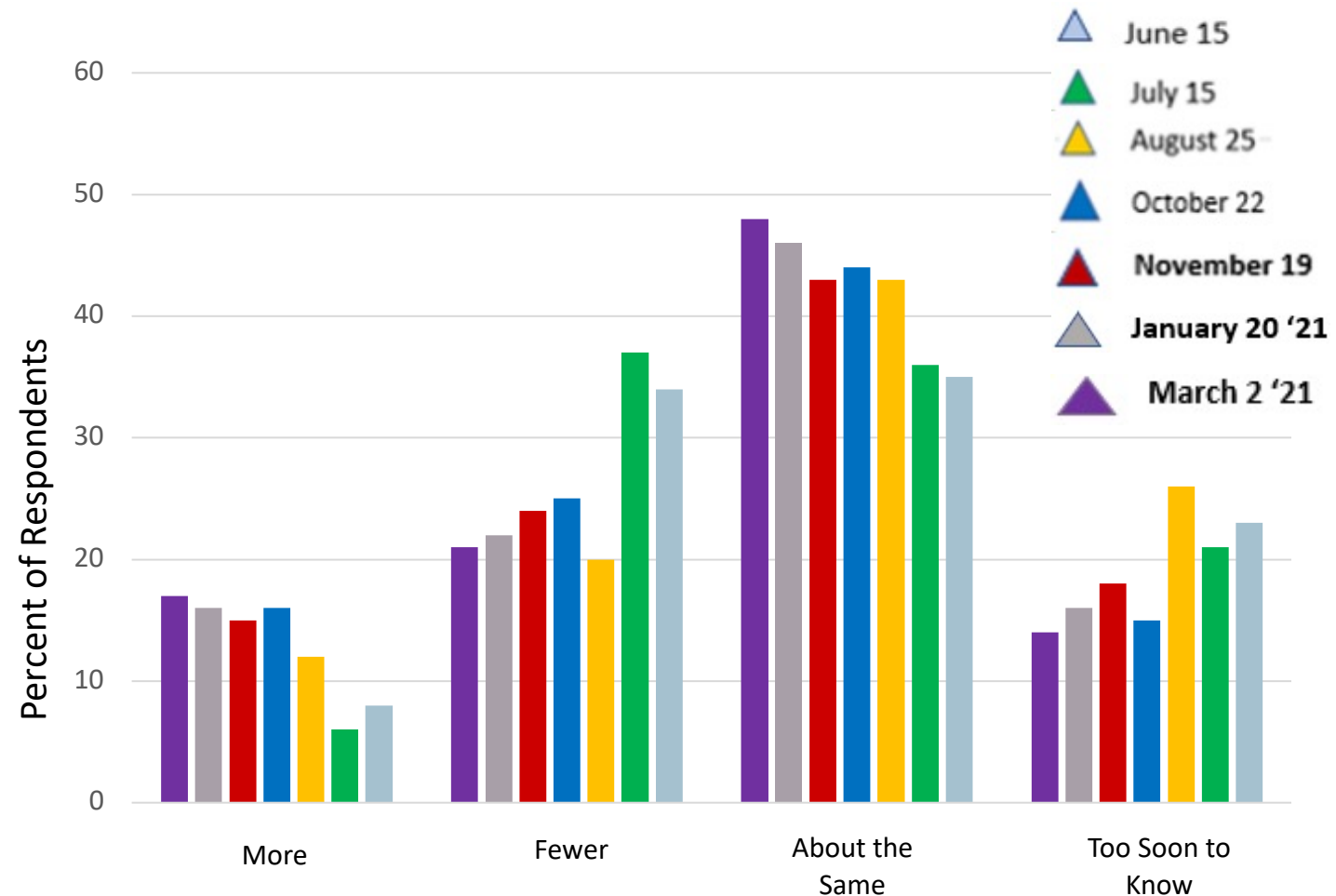
More Planners Expect the Same Number of Meetings

And the gap closes again between “fewer” and “more,” reflecting a skew to the positive

When in-person gatherings are no longer restricted, do you expect more or fewer in-person or hybrid meetings than before Covid-19?

March 2, 2021 Responses

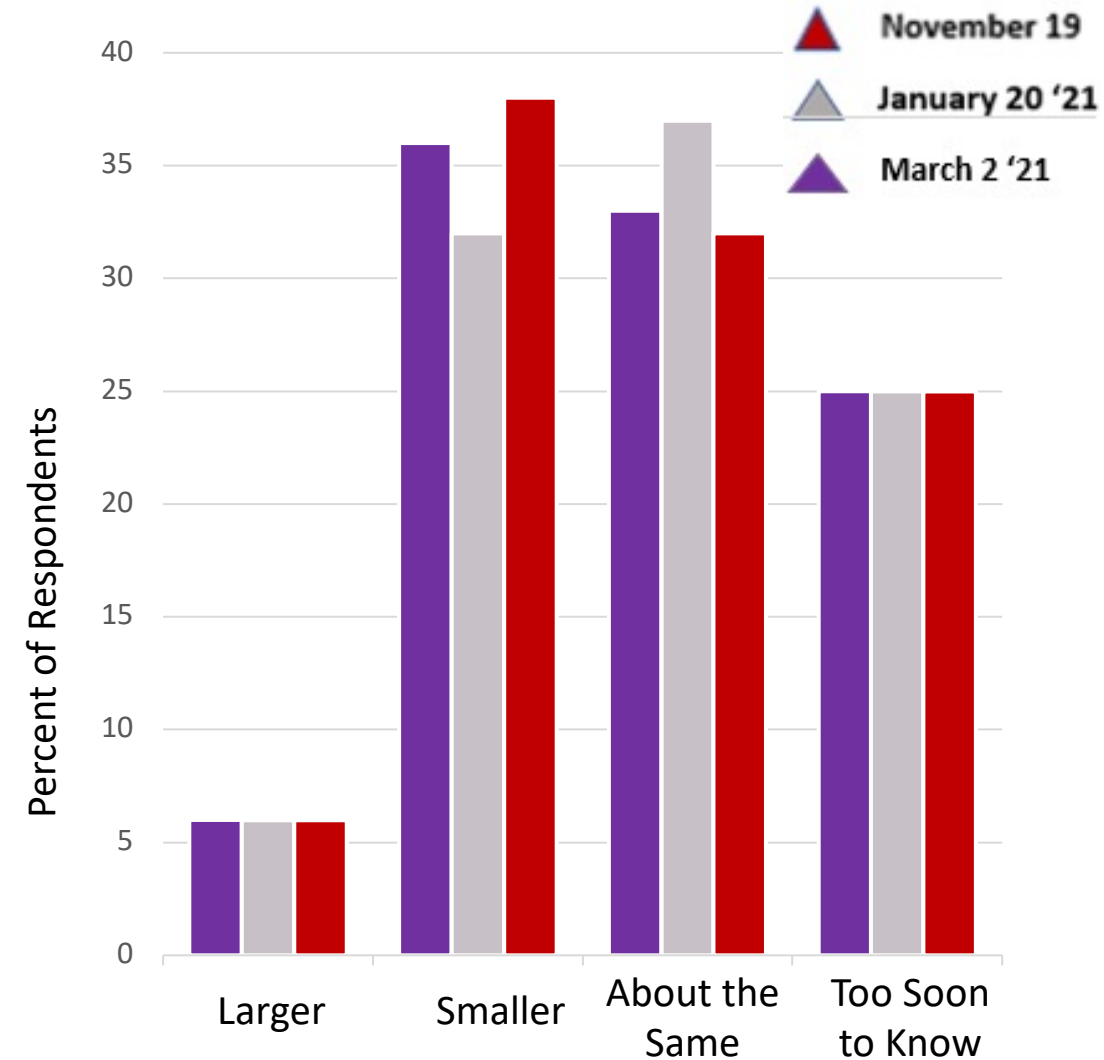
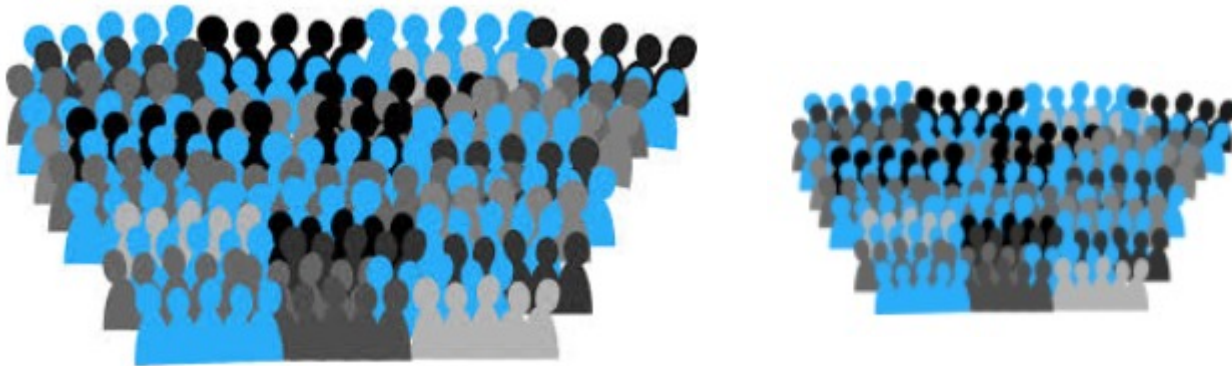
▼ More	16.67%
▼ Fewer	21.10%
▼ About the same	48.56%
▼ It's too soon to know.	13.67%



Audiences Will be Smaller or About the Same

Though confidence is building, planners continue to expect audiences will be smaller.

When in-person gatherings are no longer restricted, will the size of your live audiences be larger or smaller than before Covid-19?



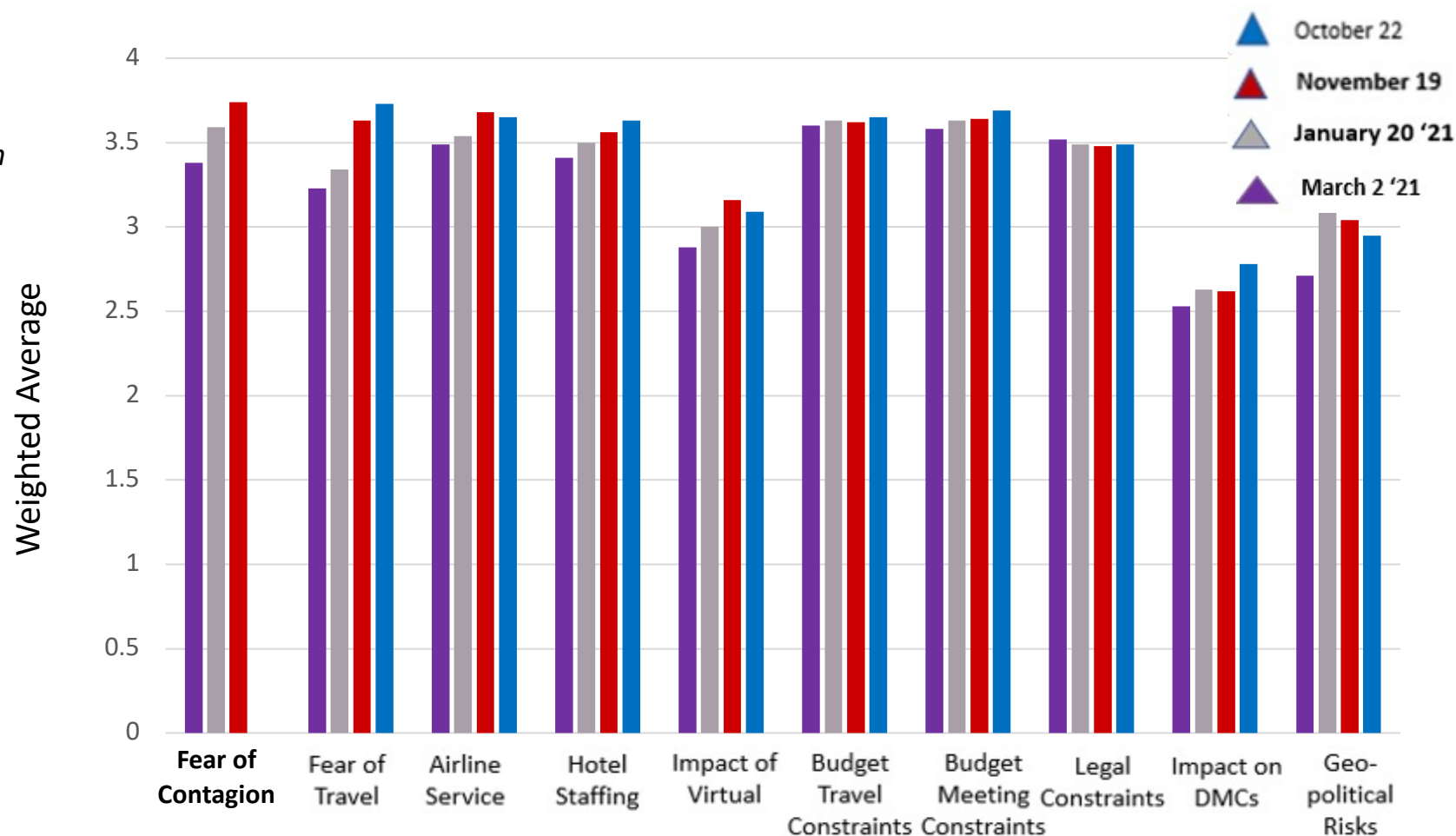
As Confidence Grows, Fears Begin to Recede

Vaccines Allay Fear of Contagion, Travel

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”)

Continued fear of travel extending over long-term	Constraints on business travel budgets	Risks associated with geopolitics, civil unrest, crime, immigration, trade, etc.
Continued fear of contagion from Covid-19	Constraints on meetings budgets	
Impact of crisis on airline service, routes, pricing, etc.	Inflexible legal/financial contractual terms	
Hotel staffing reductions/hotel closures	Loss of destination marketing companies to support programs	
Impact of virtual events on demand for physical events		

Travel, Meetings Budgets, Airlines, Legal Now Top Concerns



In Summary:

- ✓ For the first time since the pandemic struck, **more than 10% of planners are primarily focused on booking new events.**
- ✓ 60% of all **planners expect to be back meeting face-to-face again** in the second half of this year.
- ✓ More than 50% of **planners are planning for hybrid now** or intend to plan for it soon.
- ✓ As planners shift to planning and booking in-person events, **they shift away from virtual.**
- ✓ Planners remain **underwhelmed** by the federal support for the industry, but clearly **vaccines have made all the difference.**
- ✓ As vaccines distribution rolls along and confidence grows, **fears of contagion and travel decline.**
- ✓ More planners support industry meetings, and more of them will attend a meeting soon.

Selected Verbatim Comments:

- “I looked at a hotel meeting space diagram today for the first time in months and couldn't help but smile! It's nice to start to feel some optimism.”
- “Huge uncertainty about how to meet our multifaceted stakeholders' needs once in-person events are operating again. I don't think hybrid is the answer, but don't know what is!”
- “Clearly the severity of the virus is lessening. We need people to know this. We need to help them feel more comfortable about travel and in-person events. If not us, who?”
- “I feel very lost — stuck in-between planning virtual meetings and soon hybrid. Now that I've been planning virtual meetings for the past year, and will be through 2021, I'm feeling lost about how to start planning and forecasting for our next (hopefully) face-to-face meeting in January 2022.”
- “There is more optimism that we will return to physical events than previously experienced; however, there's also a view that the events industry is evolving, and virtual events will be a significant element, whether in their own right or running as hybrids.”
- “The political ineptitude, misogyny, systemic racism and overwhelming Covid-19 death toll that is constant in the USA makes it impractical to consider bringing anyone from another country into the States for any type of event. As a country you should sit down, shut up and learn how to be a decent global citizen.”