

International MICE Outlook from North America 2007

The third annual International MICE Outlook poll from North America was conducted by IMEX amongst 121 buyers of meetings and incentive travel during July/August 2007. Close to 90% of the respondents are based in the USA, the balance from Canada. Key job titles included: meetings event planner; president; regional director; managing director; international sales manager; buyer, product purchasing; manager, global brand planning; national accounts director; partner; owner; ceo; and executive director.

A characteristic of the sample in contrast to last year is the higher proportion organising a higher number of international events (nearly half plan 10 or more events annually overseas, compared with 27% in 2006), with a higher proportion of these events larger in size (approx. 80% involve from 50-250 delegates, compared with approx 55% the year before). The range of categories of events organised includes: conventions, conferences, board meetings, incentives, client programmes, special events, academic conferences, seminars, workshops, and trade exhibitions.

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Expansionist strategic planning in response to factors associated with globalisation continues to drive the decision-making of those acknowledging their greater use of international destinations. Characteristic comments include: 'we are increasingly a global company – with customers in over 40 countries'; 'we are reaching out more to our growing worldwide membership'; 'acquisitions and mergers have brought us a multinational workforce that needs to meet'; and 'economic growth in emerging countries and transitional nations has created more reasons to stage events overseas'.

Further highlighted considerations include the 'rising cost of US domestic destinations'; the 'overuse of familiar US destinations following 9/11'; and 'the perception that overseas countries offer better value'. A caveat for many is that flights must be direct and that airport experiences should not be too stressful or unpleasant.

A more specific hierarchy of explanations is offered in **Table 1**, with equivalent rankings for the previous two surveys.

Table 1. Reasons for choosing international destinations (ranked order of influences):

	2007	2006	2005
* We have strong international links and a global outlook	1 st	1 st	3 rd
* The exotic appeal of international destinations	2 nd	2 nd	2 nd
* The better value of overseas destinations	3 rd	3 rd	5 th
* To encourage a more global outlook within our organisation	4 th	4 th	1 st
* We already have visited the majority of North American destinations	5 th	6 th	6 th
* We like to be different and adventurous	6 th	5 th	4 th

Acknowledging a 'growing interest in foreign sites' and a 'strengthening demand for new destinations' many North American buyers suggest that the process would be much quicker were it not for the weak US dollar/strong euro, fluctuating exchange rates generally (present and predicted), plus a still heightened fear of terrorist activity. As will be reported below a new and concerning factor for many is the risk of extreme weather.

sources of information

Respondents were again asked to explain which sources of information about destinations most influenced their planning, a ranking which follows in **Table 2**.

Table 2. How destinations are chosen (ranked order of influences):

	2007	2006	2005
* Own experience	1 st	2 nd	1 st
* Information gathered from an exhibition	2 nd	3 rd =	3 rd
* Suggestions from agencies/professional advisers	3 rd	3 rd =	4 th
* Member recommendation	4 th	1 st	2 nd
* Internet research	5 th	6 th	5 th
* Brochures and advertisements	6 th	5 th	6 th

The question as to which global regions most appeal to planners of international events is introduced in **Table 3**, with a relatively stable continuing pattern.

Table 3. Which regions appeal for international events?

	2007	2006	2005
Europe	1 st	1 st	1 st
Caribbean	2 nd	2 nd	2 nd =
Asia/Far East	3 rd	4 th	4 th
Australia/New Zealand	4 th	5 th	2 nd =
Latin America	5 th	6 th	5 th
Central America	6 th	3 rd	6 th
Africa	7 th	7 th	7 th
Middle East	8 th	8 th	8 th

50 preferred destinations

In more detail buyers voted for their preferred international destinations (cities and countries) with the 50 most asked-for listed as following (alphabetical order):

Europe, and Nordic Countries and Russia (Barcelona; Berlin; Budapest; Dublin; Dubrovnik; Edinburgh; Greece; Lausanne; Lisbon; London; Monaco; Oslo; Paris; Prague; Rome; Rotterdam; St. Petersburg; Vienna; Zurich); **Middle East** (Dubai; Egypt; Oman); **Central America** (Costa Rica; Dominican Republic; Ecuador; Puerto Rico); **Latin America** (Buenos Aires; Mexico; Peru; Rio de Janeiro; Santiago); **Caribbean** (Barbados; Curaçao; Jamaica; St Lucia); **Asia/Far East** (Beijing; Hong Kong; Kuala Lumpur; Kyoto; Shanghai; Singapore; Tokyo; Vietnam); **Africa** (Accra; Botswana; Cape Town; Morocco); and **Australia/New Zealand** (Sydney; Barrier Reef Coast; Wellington). (Note: Some US planners also mentioned Canada).

challenging problems

North American event organisers were asked again to identify what they feel are the most 'challenging problems' that they encounter when arranging international events. Ten verbatim comments that characterise the broad spectrum of such opinions are as follows:

- * *'budgeting generally, plus the weakening dollar'*
- * *'co-ordinating flights and travel logistics'*
- * *'attitudes of locals towards Americans in some countries'*
- * *'funding association events'*

- * *'explaining to suppliers in destinations that the needs of the Canadian incentive travel industry are very different from US requirements'*
- * *'cross-cultural human resource management ... particularly the different work ethic, and attitude to time'*
- * *'the language barrier – contracts are different and can be interpreted differently'*
- * *'finding venues in high-demand destinations ... getting hotels to reply promptly or provide accurate information ... persuading hotels to host inspection visits'*
- * *'dealing with airlines ... hassle at airports ... getting sufficient flight space'*
- * *'the distance to be travelled to reach truly exotic destinations'*

pleasant experiences

At the other extreme are the pleasant experiences that MICE planners report arising from their overseas events. Ten verbatim comments that characterise the broad spectrum of such opinions are as follows:

- * *'experiencing the unique culture, cuisine, and geography'*
- * *'the thrill of discovering new, and for us, undiscovered areas'*
- * *'using local culture to theme our social functions'*
- * *'renewing acquaintance with friends and work colleagues seldom seen'*
- * *'watching the excitement and happiness of clients, exceeding their expectations, and therefore confirming my choice of destination'*
- * *'new learning opportunities'*
- * *'the feeling of accomplishment when it all comes together'*
- * *'developing relationships with incentive travel professionals around the world'*
- * *'exposure to people and places I'd be unlikely to come across in my personal life'*
- * *'the cachet of working in an international destination'*

lessons

Research respondents are also willing to share their lessons, or tips, that they feel count especially when organising international events. Ten verbatim comments that characterise the broad spectrum of such opinions are as follows:

- * *'don't book site unseen....so first experience the destination yourself and take nothing for granted'*
- * *'expect surprises, and always have a 'Plan B''*
- * *'sweat the details ... listen ... be flexible ... ask lots of questions'*
- * *'use the local convention authorities for their wealth of knowledge and support'*
- * *'plan further ahead, book early, get written confirmation of everything, and understand the different ethics and working styles'*
- * *'always use an excellent interpreter!'*
- * *'learn about the destination, treat the local people with respect, and don't be pushy and demanding'*
- * *'anticipate and plan for the different style of meetings organised in different countries'*
- * *'beware an over-reliance on email as the major form of communication, and opt instead for faxes and 'phones for better and quicker results'*
- * *'never assume that English is widely spoken or well understood, and therefore be as detailed and descriptive as possible in relaying your requirements'*

ROI

Asked how they measure event ROI, the buyers contrasted significantly in their commitment to this performance analysis, with only around 1 in 3 admitting to the use of rigorous techniques. Characteristic replies (verbatim comments) include: 'we assess this qualitatively, not quantitatively'; 'we track revenue/attendee satisfaction/the ease of doing business'; 'post-event surveys'; 'as an agency we measure the overall cost –savings of the programme'; 'in hard CASH!'; 'do sponsors contribute more the next year?'; and 'we gauge and plan for the appeal of the incentive destination ... if participants have a strong desire to visit that location you can guarantee their strong performance'.

global issues

Respondents were questioned as to the relevance of five global issues in their planning of international events, with the characteristic spread of verbatim comments as follows:

- **Environment:** *'there is definitely more awareness from our clients'; 'minimal concern'; 'somewhat important but will become more so in the next two/three years'; 'a consideration, but not a major one'; 'not an influence, only a talking point'; 'our clients are beginning to require greener venues and destinations'; 'we have much more sensitivity in planning to the possible extremes of climate and now definitely avoid hurricane seasons even in popular places'; and 'weather has been impacted by the Greenhouse Effect ... so that historical weather tracking is now meaningless and makes it difficult to plan the optimum time to travel'*
- **Social Responsibility:** *'increased concern'; 'minimal interest'; 'more awareness but as yet not action'; 'larger associations and corporations are taking this seriously and host cities need to be aware of this situation'; 'some attendees won't come to conferences where they don't agree with the country's 'way of life'.'; 'people will not go to a destination where there are governmental infringements to human rights'*
- **Security:** *'the most important criterion for selecting a destination – attendees will not register if they are concerned about their safety'; 'top priority'; 'now critical'; 'cities where western interests may be threatened now concern us'*
- **'Multi-culturalism':** *'we live in one world so this is crucial'; 'now very relevant'; 'ever more important because international meetings reflect the multi-culturalism of the attendees'; 'crucial to help the diverse make-up of attendees to feel comfortable'*
- **Advanced Technology:** *'this has completely altered the way in which we communicate our programmes'; 'now crucial because we are a connected society and depend on technology'; 'expected'; 'only relevant in terms of internet access'*

Suggestions for governments

Finally, the IMEX research attracted suggestions from buyers concerning the future of the MICE sector that they wish could be put directly to governments. Ten verbatim comments that characterise the broad spectrum of such opinions are as follows:

- *'make peace'*
- *'end smoking in public areas in all countries'*
- *'end visa restrictions, lower air taxes, speed up admission to countries, and above all, invest more in airports because such places create the first and last impressions. Airport security and customs should be welcoming, not confrontational!'*
- *'support qualified fam trips'*
- *'reduce VAT for business meetings'*
- *'apologise to the world for our indiscretions so that Americans can be better received globally'*
- *'spend more to ensure strong and visible convention bureaux that understand the unique needs of this industry'*
- *'nothing motivates like a beautiful brochure, yet I have noticed a reluctance on the part of tourism destinations to provide adequate promotional material'*
- *'more strongly address local social issues (e.g. Aids and poverty; working conditions and health standards), and environmental concerns (e.g. air quality and pollution); and safety (e.g. terrorism threats)*
- *'be clear on realities and stop promoting a dream world ... let people know what their experience will be from arrival to departure'*

As a postscript to this study it should be recorded that the most significant development since last year has been the marked concern about weather. The implication of this can be seen in the comment of one buyer who admits, 'we now avoid places that were hitherto merely hot, but are not blisteringly hot'. Climate change clearly has the potential to drastically alter the meetings industry

- Ends.