

Quarterly IMEX Barometer of Business Tourism Confidence

The pattern of recent Barometers is retained: a slight increase is expected in the intended volume of MICE events, but little change in the associated budgets. This edition looks especially at trends, and benefits in this respect from the views of many hundreds of hosted buyers responding to the post-IMEX analysis of their visit to the show (see also the report entitled 'Vision 2007 – 12')

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The essential statistics for the extended (April/June) edition of the IMEX Barometer are as follows: 65% of respondents anticipate growth ('significant' or 'slight') in the number of events that they will arrange (compared with 64% in January), but with the proportion predicting 'no change' in the size of their overall annual budgets up to 67% (from 61% in January). The research incorporates the views of 100+ meetings and incentive travel specialists from 15 European and Scandinavian countries.

Asked to rank 10 factors that most influence their decision-making, the result reiterates the concerns that persist over the evaluation of the results of expenditure on meetings and incentives. The hierarchy of answers was as follows (in order):

Table 1

* <i>The growing costs involved in meetings/incentives</i>	1st
* <i>Uncertainty as to the return on investment that events represent</i>	2nd
* <i>The state of particular markets in which you operate</i>	3rd
* <i>World economic/financial circumstances</i>	4th
* <i>Time constraints: delegates are away too long from their offices</i>	5th
* <i>One-off factors internal to your organisation</i>	6th
* <i>Environmental concerns</i>	7th
* <i>Security issues caused by the threat of terrorism</i>	8th
* <i>Complications that arise from issues such as multi-culturalism, delegate preferences, etc.</i>	9th
* <i>The growing scope to replace face-to-face events with virtual (or electronic) meetings</i>	10th

Clearly considerations relating to finance and productivity still dominate (arguably each of the top five factors), but it is surprising that green considerations are not impacting more on event planning.

shorter-notice booking

Turning to the apparently unstoppable trend towards shorter-notice booking, the proportion acknowledging this is up slightly at 60% (compared to 56% last quarter), with the hierarchy of explanations as follows (in order)

Table 2

* <i>Waiting to see if the budget is still available</i>	1st
* <i>Reasons related to our internal decision-making</i>	2nd
* <i>Reasons related to competitive pressures in our market</i>	3rd
* <i>Too busy to start planning any earlier</i>	4th
* <i>Uncertainties over possible external events (terrorism; extreme weather, health scares)</i>	5th
* <i>Hoping for lower prices in venues</i>	6th

Broadly speaking the pattern of expenditure remains the same as in earlier surveys on this topic (though budgeting has overtaken the factor of internal decision-making), with the anticipation of reduced prices again proving to be the least significant factor.

Frustrations

Frustrations identified by buyers continue to characterise these Barometer polls and as always are intended to foster debate within the sector. A selection that characterises the prevailing climate follows (with country of source):

- *'Clients expect more creativity and quality yet for less and less profit for the agency' (Greece)*
- *'Poorly-trained agency/DMC staff – so we need better career possibilities in this industry (France)*
- *'Incorrect pricing information from destinations' (Belgium)*
- *'Price fluctuations in hotels from one month to the next' (UK)*
- *'Poor budgeting forecasts by non-specialist managers in my company that leads to the selection of destinations that are not workable, and to*

costings that are untenable' (Germany)

- *'Hidden charges and supplementary booking fees ... chaos at airports... high costs of some major exhibition venues' (UK)*

trends

In keeping with the focus on forecasting that is the theme of this Barometer (see above), the following verbatim predictions add emphasis to the sense that this is a period of continuing change in the MICE sector. The country of source of the buyer concerned is noted.

- *'Incentive programmes will become more environmental in focus – avoiding excess and putting something back' (Germany)*
- *'The future looks bright: the industry will continue to expand, and the next generation of long-haul larger Jumbo jets will accelerate the opening up of even further-away destinations' (Belgium)*
- *'Healthy food for delegates will become more of a concern' (Sweden)*
- *'Meetings planning and booking/billing will become increasingly an online activity' (Germany)*
- *"'Bored delegate syndrome" is emerging as attendees feel fed up with visiting the same destinations. Traditional destinations must become more adventurous in their marketing and programmes' (UK)*
- *'The issue of carbon emissions will have more impact on the industry as environmental lobbyists and corporate stakeholders adopt an even more vigilant scrutiny' (UK)*
- *'Venues and destinations will have to do more to develop and promote their uniqueness' (Spain)*
- *'Multi-culturalism will be viewed as a patronising term, because as a matter of course we should all – already – be taking issues of ethnicity, sexuality, disability, age, and religion fully into account' (France)*
- *'An increasing trend towards domestic and regional events, avoiding longer-distance travel' (Hungary)*
- *'The warming of the planet will lead to a reduction of business tourism away from those countries perceived to be 'hotting up' to more northerly destinations' (Belgium)*

- *'The new 'honeypot' countries will be those without political problems'*
(Italy)

- Ends