

Insights into the future of business events in Canada: A planner pulse check in the era of COVID-19

March 2021 Edition

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KEY TAKEAWAYS SUMMARY

Meeting planners anticipate significant changes to the meetings industry in the next three years that will have a drastic impact on their bottom line.

Planners foresee corporate restrictions for travel and reluctance to travel, by attendees, being the key drivers affecting the market. Because of this, virtual and hybrid events are expected to be the norm, even in a post-COVID-19 world. With this, planners also feel that attendees will desire 'more and improved virtual content' to keep audiences at home engaged and will be looking to suppliers for expertise in this area.

Canada is perceived as a top destination for meeting planners. When asked to rate destinations, Canada ranks first when compared to other international destinations, with the highest overall rating as a safe destination for meetings or events (low incidence of COVID-19; good health & safety measures).

When marketing your destinations, the top best practices planners are looking for are right now:

- Images of socially distanced meetings
- Highlights of what is new in the destination
- Images of outdoor group meeting venues
- Short, succinct message about their meetings product
- Imagery of people wearing masks in the destination

Part 1: Meeting Planner Survey

RESEARCH OVERVIEW & OBJECTIVES

This report presents findings of a study of the meetings industry. It demonstrates meeting planners' assessment of the current state of the industry, feelings about the benefits and challenges anticipated to be brought forth in the future, and the ideal functions and leadership of the Convention and Visitor Bureau (CVB) or Destination Marketing Organization (DMO) in the meeting planning process. Destination Canada participated in research conducted by Destination Analysts, Inc. in partnership with Digital Edge and Miles Partnership.

The core objectives of this research are summarized below:

- Develop a deeper understanding of the value CVBs can provide meeting planners (across event types and sizes) based on current circumstances and anticipated changes in the industry
- Examine metrics meeting planners use to evaluate and report the success of their meetings and events
- Explore existing challenges in the industry and how the industry may evolve
- Benchmark the perceived performance of the CVB industry as a service provider to meeting planners
- Identify recommendations for how the CVB and meeting planner best work together towards the ultimate success of the destination and the event
- Provide participating CVBs a benchmark of their meetings destination brand performance

THE RESEARCH

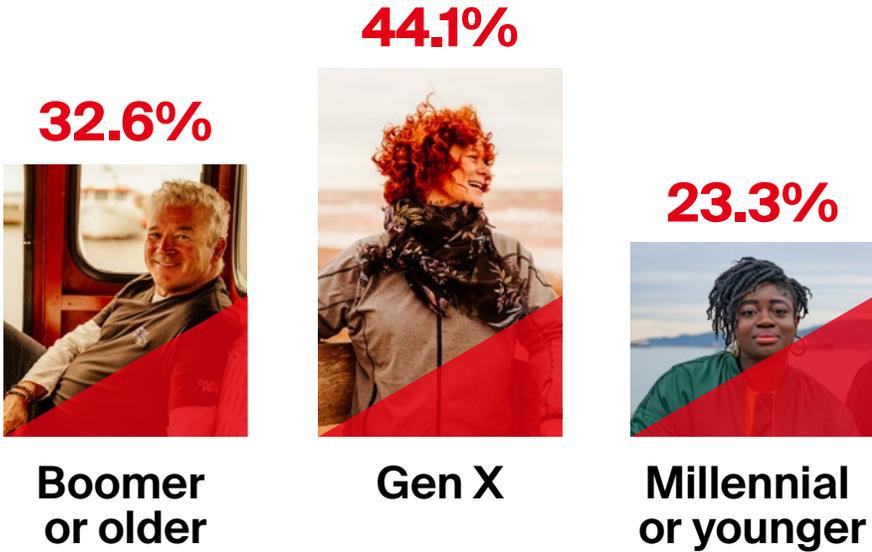
- Survey of Meeting Planners
- Study first launched in 2017
- Fielded two times last year: June 2020 and October 2020
- 528 completed surveys this wave

2020 MEETING PLANNER PROFILE

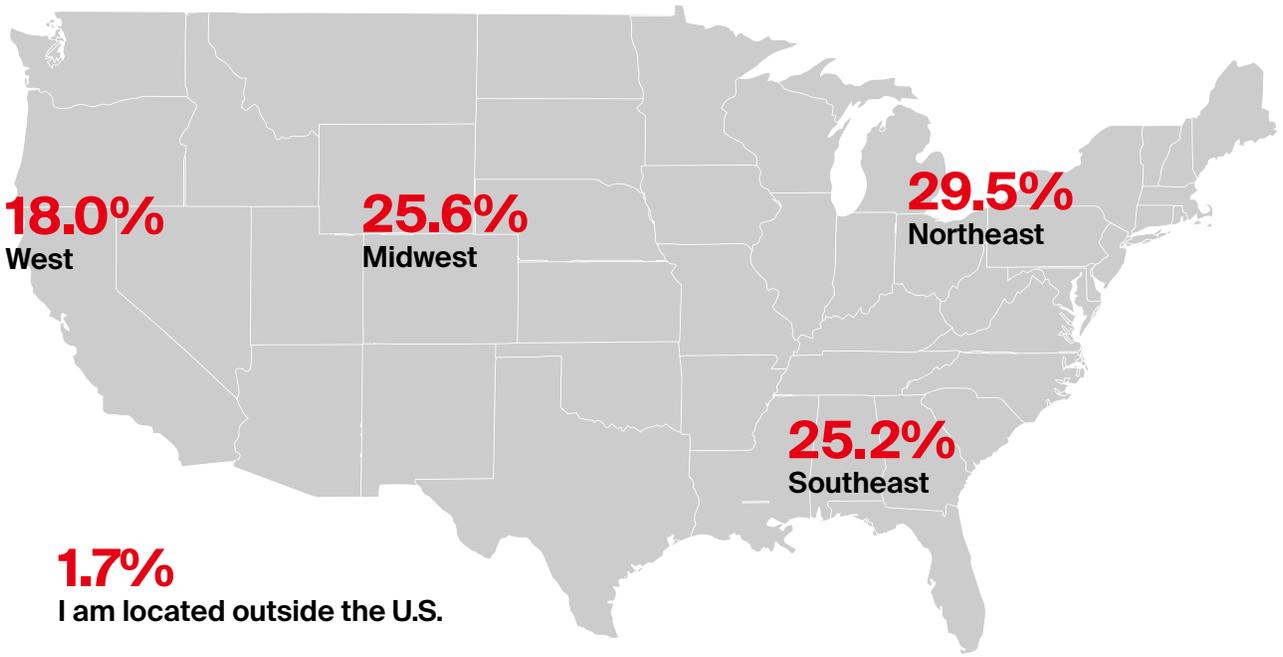
The 528 meeting planners surveyed for this research represent a full spectrum of meeting and event planners with experience in a variety of industries. These include corporate (42.0%), national association (43.9%), international association (21.6%), state/regional association (22.7%), third-party planners (18.4%) and social, military, education, religious and fraternal (SMERF) planners (34.3%), including government, non-profit, sports, ethnic/multicultural and reunions.

These meeting planners organize events that range in size from 1-100 to over 2000 room nights on peak. Over half (54.7%) plan city-wide events at least once every 2-3 years—including 31.6% who plans a citywide convention/event at least once per year. Meanwhile, 45.3% only plan self-contained programs.

GENERATION & REGIONAL LOCATION



Question: Which generation do you belong to?
Base: All respondents. 528 completed surveys.



Question: Which area of the United States are you located in?
Base: All respondents. 528 completed surveys.

ANTICIPATED CHANGES TO THE MEETINGS INDUSTRY

Meeting planners anticipate significant changes to the meetings industry in the next three years that will have a drastic impact on their bottom line. Most notably, a large majority feels that attendance figures for live events will decrease, as will the volume of live events held and attendee pickup for the room block. Additionally, 84.1% feel that the number of virtual or hybrid programs will increase, meaning reduced revenue and increased costs.

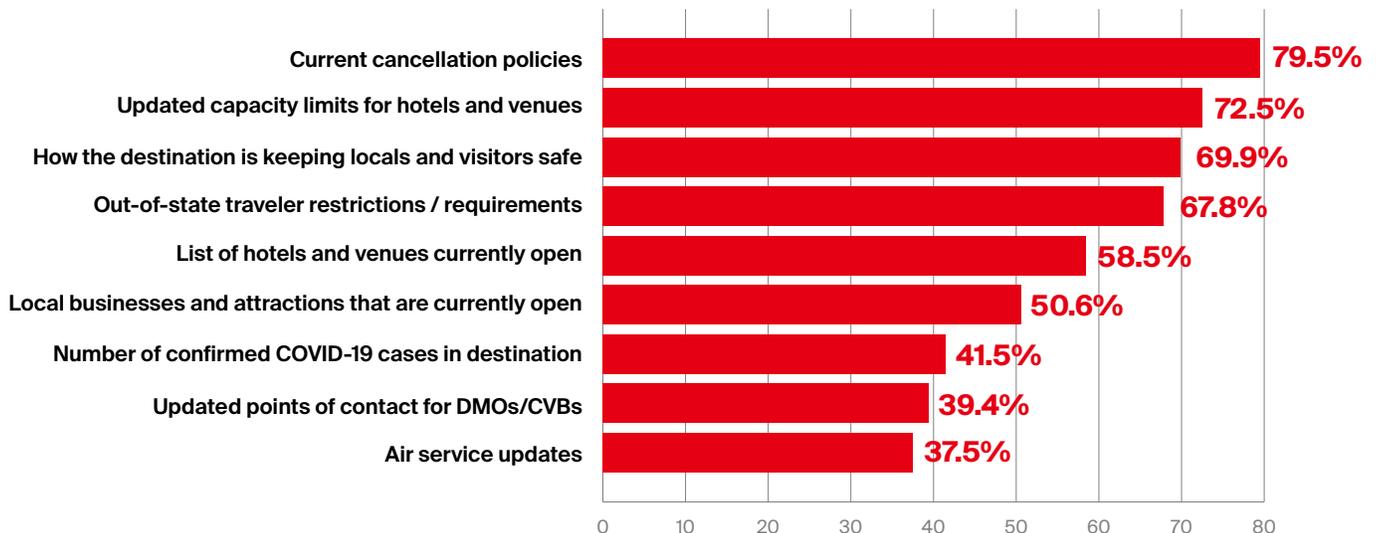
There is also an expectation that CVBs will increase the number of services, incentives and “hot dates” programs offered to attract meetings business to their destinations in the next three years.

	Decrease Significantly/ Somewhat	Increase Significantly/ Somewhat
Attendance figures at live meetings	81.3%	8.3%
The number/volume of live meetings held	76.9%	5.9%
Attendee pickup of the room block	73.9%	5.7%
Client/meetings budget	62.7%	8.0%
Airlift	51.1%	9.3%
Meeting planners' ability to negotiate with hotels	18.6%	58.1%
Service provided by Convention & Visitors Bureaus	10.8%	43.9%
Incentives offered by destinations to hold your meeting there	10.4%	67.6%
“Hot Dates”/Value dates programs offered by cities/ destinations	7.6%	61.9%
The number/volume of virtual/hybrid meetings held	6.8%	84.1%

“Financially, hybrid events are not profitable. You essentially have to plan two separate events. There are also additional costs like the virtual platform, cameras and other technology for live streaming.”

Question: Thinking about the future of the meetings industry, in the next 3 years, how do you expect the following factors related to the meetings industry to change (if at all)?

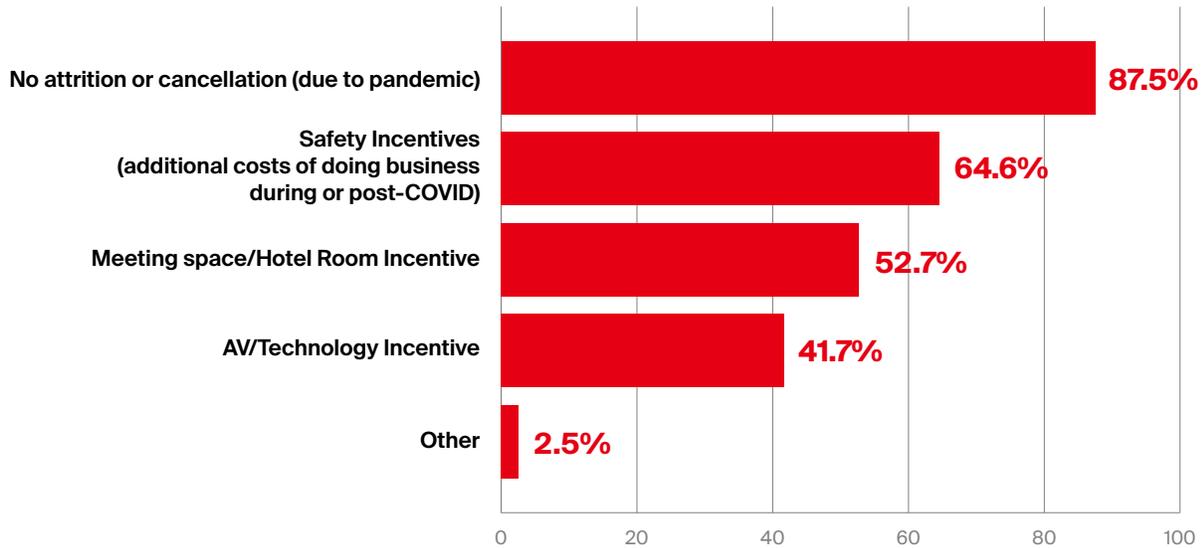
DESIRED INFORMATION IN DESTINATION ADVERTISING



Question: What information do you want communicated or advertised to you right now? (Select all that apply)

Base: All respondents. 528 completed surveys.

TYPES OF PACKAGES AND INCENTIVES CVBS SHOULD OFFER



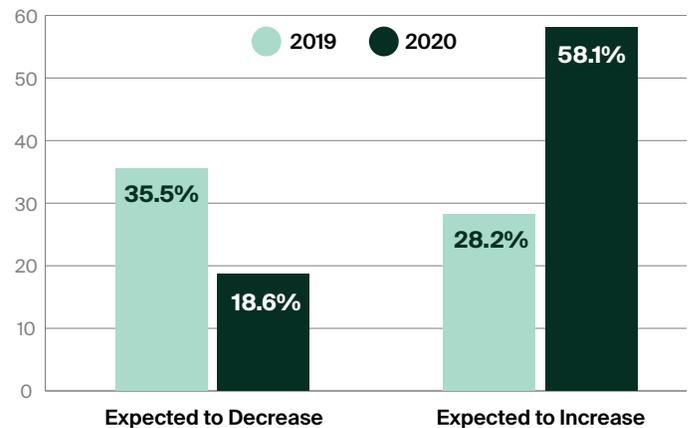
Question: What type of packages or incentives would you recommend CVBs offer based on the current environment?

Base: All respondents. 528 completed surveys.

ANTICIPATED CHANGES TO THE MEETINGS INDUSTRY

There are also strong indicators that meeting planners are in a more powerful position in terms of their ability to negotiate with hotels this year compared to pre-pandemic times. 58.1% of planners now feel that their ability to negotiate with hotels will increase somewhat or significantly in the next three years (last year only 28.2% felt this way while 35.5% had expected their negotiating power to get worse).

EXPECTATION FOR MEETING PLANNERS' ABILITY TO NEGOTIATE WITH HOTELS:



Question: Thinking about the future of the meetings industry, in the next 3 years, how do you expect the following factors related to the meetings industry to change (if at all)?

ANTICIPATED CHANGES TO THE MEETINGS INDUSTRY

When planners were asked if the types of destinations they select for meetings will change over the next year, the response was unclear with similar proportions saying yes (36.2%) as those who said unsure (35.4%).

Of those who anticipate destination selection changes, the most common changes cited were a shift towards safety, more space, outdoor venues and accessibility by car. Planners will be looking for destinations *“that have COVID-19 under control, or better market how they have it under control.”* They also anticipate their clients will want larger rooms, such as convention centers or hotel ballrooms for smaller groups to allow for social distancing. Paired with feelings that airlift will decrease in the next three years, planners are also shifting towards destinations that are accessible by car for their attendees.

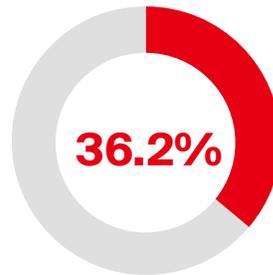
A handful of planners also feel that live, international meetings will be limited in the next year due to the COVID-19 pandemic. As one planner shared, *“We typically travel more internationally for incentives. We are now looking more domestically.”*

“Clients will lean more towards hotels with more outside space, possibly heading to resorts vs downtown properties.”

Planners will also be looking for destinations or venues that allow for flexibility in their contract, especially in terms of attrition. *“No one can predict what the future will hold, and so trying to plan in advance for meetings in future years involves much greater risk now. We will be looking for hotels willing to partner with us to help mitigate that risk.”*

Reiterating the need and desire for flexibility in contracts, when asked what they want CVBs to include in meetings-related advertisements, attrition policies were a top response behind COVID-19 protocols and incentives.

“Anything that indicates that hotels are waiving attrition and offering special rates to get back business. That will get my attention.”



Expect the destinations they source for meetings will change in the next year

“Destinations that have COVID-19 under control or that better market how they have it under control will lead the charge. Corporate Risk Management teams are driving this decision, so for smaller, less “corporate” type organizations, they’ll have more flexibility, but any fortune 1000 will need to drive.”

“We will look for the best partners first and look at location second. More important now is a site partner that can work with us to support the hub concept with live production for virtual stream.”

TOP TRENDS AFFECTING THE FUTURE OF THE MEETINGS INDUSTRY

The long-term fallout from the COVID-19 pandemic is likely to have far-reaching impacts on the meetings industry. Planners see corporate restrictions for travel as well as reluctance to travel by attendees depressing the meetings market. Because of this, virtual and hybrid events are expected to be the norm even in a post-COVID-19 world. With this, planners also feel that attendees will “*desire more and improved virtual content*” to keep home audiences engaged.

Among the many downsides to the virtual solution shift that planners have cited (added costs, reduced profit), it was also noted that there is a concern that hotel sales teams will continue to lose great salespeople who play a vital role in planners’ organization process.

“Attendee reluctance to return to live meetings, necessitating the implementation of hybrid solutions which will in turn increase the cost of meetings and the need for venues to be flexible with attrition terms over the next 3 years.”

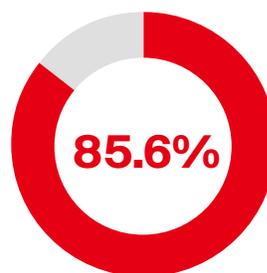
“Corporate restrictions for travel and meeting attendance will depress live events market. Government regulations may prevent international travel increasing regional events. Much more space needed for events with less F&B totals.”

“The hotel sales teams have been decimated. I think a lot of great salespeople are going to leave the industry out of necessity.”

THE RETURN OF LIVE EVENTS

As of October to November of 2020, 85.6% of meeting planners had live events on the books for some time in 2021, most commonly in the latter half of next year. When asked the timeframe in which they would advise their clients to hold live events again, 78% said 2021, with nearly half (48.7%) advising to wait until July or later. However, a notable proportion (17.2%) would recommend waiting to resume live events until 2022 or after.

Nearly a third of planners (31.1%) also say they are likely to break up larger meetings into smaller regional meetings in the next 12 months with corporate and third party planners the most likely to do so, while association planners are significantly less likely to make this logistical shift.



Have live meetings on the books for 2021

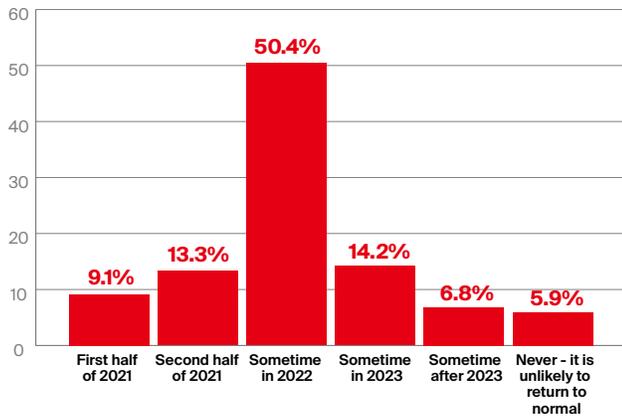


Nearly 1 in 3 planners are likely to break up larger meetings into smaller regional meetings in the next year

THE RETURN OF LIVE EVENTS

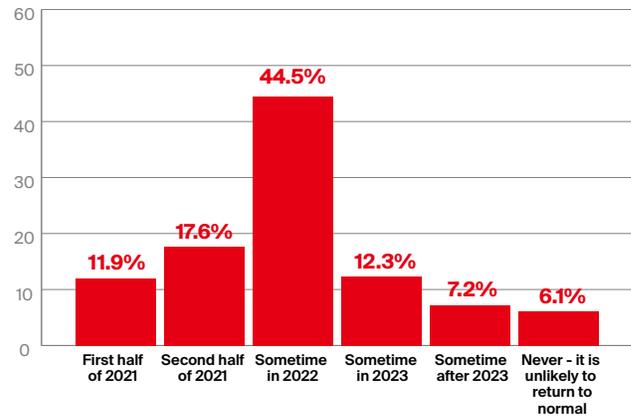
When asked when they predict live event volume will return to normal (or near normal) levels only 22.3% are optimistic about a 2021 timeline. Half of planners are looking to 2022 and 21% are predicting a full recovery will not happen until 2023 or later.

PREDICTION WHEN MEETINGS BUSINESS WILL RETURN TO NORMAL IN U.S.



Planners are slightly more optimistic about the meetings industry's recovery in Canada. 29.5% predict a return to normal live event volume in the country in 2021, 44.5% predict a 2022 timeline and 19.5% are looking to 2023 or after.

PREDICTION WHEN MEETINGS BUSINESS WILL RETURN TO NORMAL IN CANADA

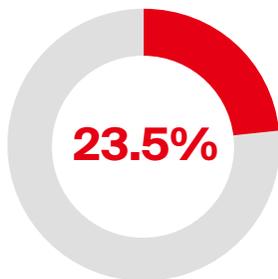


MEETING ATTENDEE SENTIMENT & PERSPECTIVE

From Destination Analysts Coronavirus Travel Sentiment Index—Week of December 14th, 2020

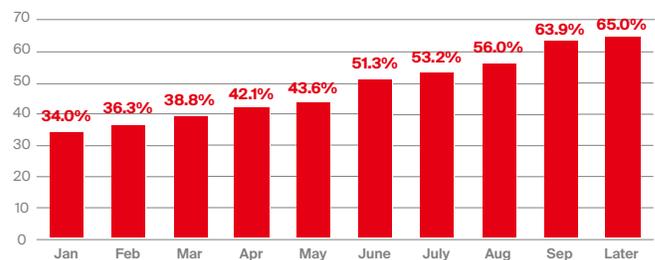
American travellers are growing increasingly comfortable with returning to conventions and other group meetings. The percentage of American travellers who at least have tentative plans to attend a convention or conference in the next year has risen to 23.5% from 15.7% two months ago. Data shows that comfort attending these events will also start to grow in June 2021. Presently, 64.9% say they at least somewhat trust other conference attendees to behave in a way that keeps others safe from COVID-19, while 69% say they trust the event producers to look out for their health.

Fortunately, when it comes to the threat of virtual meetings on the live meetings industry, 51.7% say they prefer in-person events to hybrid events. However, greater than one in five of these travellers (22.0%) say they prefer hybrid meetings and, very importantly for destination markets, the destination in which a meeting is held could still sway a preference for in-person.



Of American travellers has tentative plans to attend a convention/ conference in 2021

WHEN ATTENDEES EXPECT TO FEEL COMFORTABLE ATTENDING LIVE EVENTS

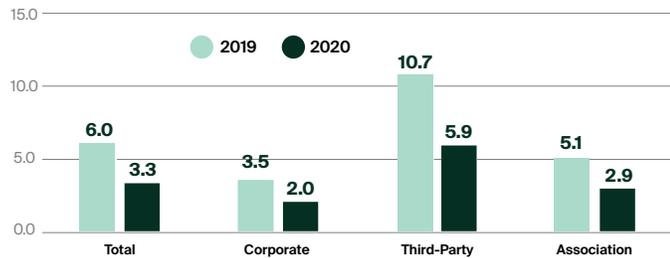


THE MEETING PLANNER CVB RELATIONSHIP

As expected, the pandemic has driven down the usage of CVBs in the past year. The typical planner has used 3.3 CVBs in the past year, down nearly half from 6.0 last year. Third party planners continue to utilize CVBs more than any other planner type (5.9—down from 10.7 last year) and corporate planners the least (2.0—down from 3.5 last year).

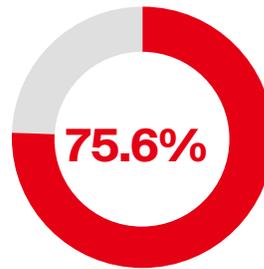
Over half of respondents say they are certain or very likely to use CVBs as a planning resource in the upcoming year—a sentiment that is strongest amongst third-party planners (64.9%) and association planners (57.7%).

NUMBER OF CVBS CONTACTED FOR PLANNING ASSISTANCE: 2019 VS. 2020

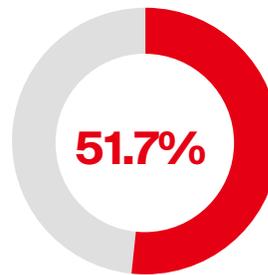


Still, planners understand the importance of CVBs to the meetings industry. In total, 58.7% of meeting planners consider CVBs “very important” (down slightly from 60.4% last year) and a majority see them becoming more or much more important to the industry in the future (52.7%—up from 51.6% last year).

80.3% use CVB resources in their planning process, with a contact at the CVB (55.1%), CVB website (44.7%) and CVB hosted events (43.9%) being the most common.

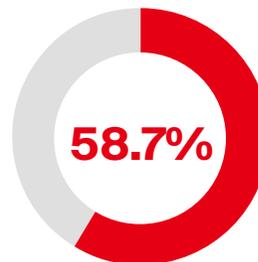


**Used a CVB
Past 12 Months**



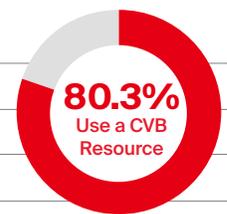
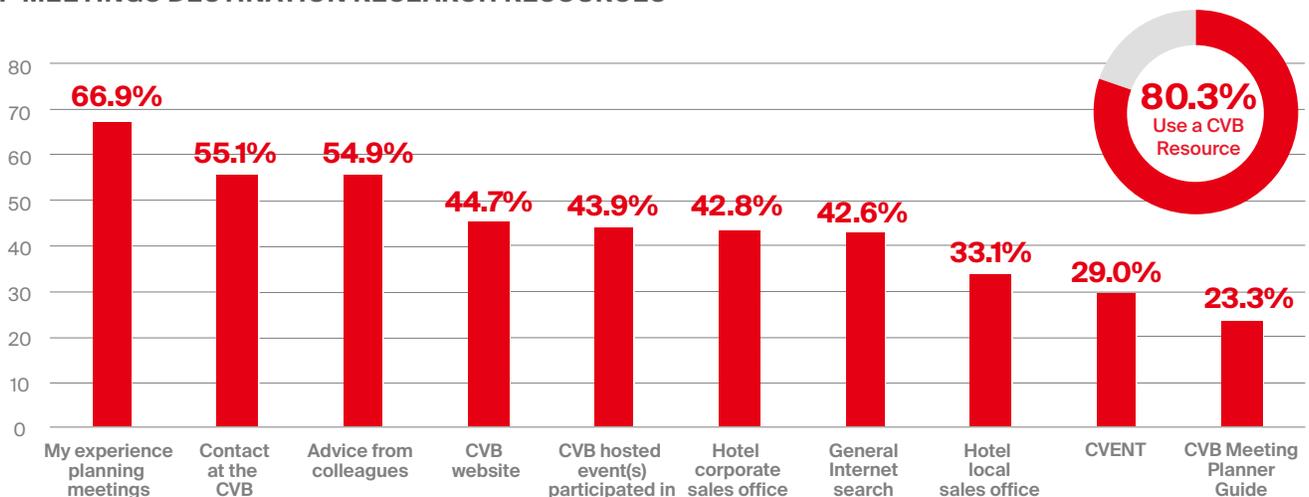
Of all planners say they are “certain” or “very likely” to use CVBs as a planning resource in the next year.

Additionally, 21.0% say they are “somewhat likely.”



Considers CVBs to be “very important” to the meetings industry and 27.7% considers them to be “somewhat important.”

TOP MEETINGS DESTINATION RESEARCH RESOURCES



MARKETING TO MEETING PLANNERS

COVID-19 safety procedures and how destinations are handling cases in their area will be a top consideration in the destination evaluation and selection process for planners.

In addition to their typical evaluation factors, hotel quality, meeting facilities and cost are prioritized. A large majority (over 80%) of planners now say, “overall good COVID-19 safety procedures” and “safety in terms of low incidence of COVID-19” will be a high or extremely important factor when determining the destinations in which to hold their in-person meetings.

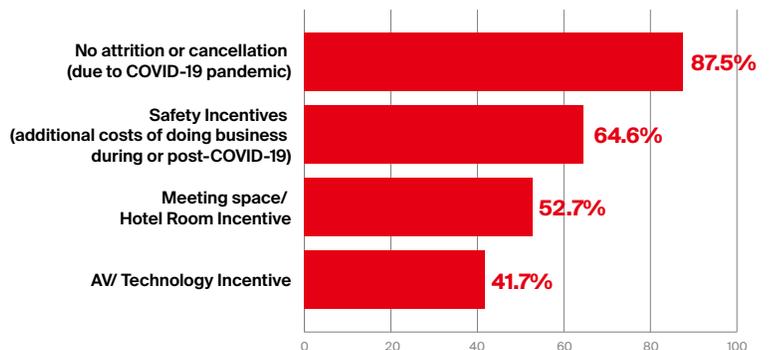
“Show me what the city and its venues are doing to help attendees feel safe, both from a COVID-19 perspective, and from a walkability perspective (feeling safe when outside of meeting venues/hotels); incentives being offered, such as zero attrition, flexible cancellation, etc.; information on in-venue broadcast studios to facilitate hybrid meetings.”

“How safe the area is in terms of the pandemic. What they’re doing in the location to remain safe and healthy or the protocols that are being put in place. Things that are still open and that they’re ready for business. Until the pandemic settles a bit, ideas for how they can help while we’re planning in solely a virtual setting might be helpful. How can I keep working with them even we when we aren’t meeting in person.”

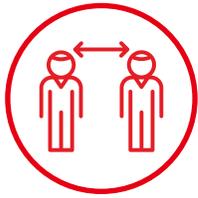
In terms of the packages or incentives they would recommend CVBs offer in the current environment, nearly all suggested no attrition or cancellation. Almost two thirds suggested safety incentives, and just over half recommend offering meeting space or hotel room incentives.

Planners overwhelmingly prefer to be solicited by CVBs via email newsletters and updates (56.8%) and a quarter would like promotional packages mailed to them.

MEETING PLANNERS’ RECOMMENDED CVB INCENTIVES TO OFFER



THE MOST IMPORTANT INFORMATION MEETING PLANNERS WANT CVBS TO INCLUDE IN THEIR DESTINATION ADVERTISEMENTS RIGHT NOW ARE:



Images of socially distanced meetings

(60.8%)



Highlights of what is new in the destination

(51.9%)



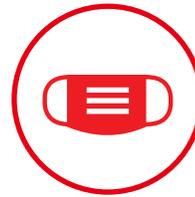
Images of outdoor group meeting venues

(39.4%)



Short, succinct message about their meetings product

(39.0%)



Imagery of people wearing masks in the destination

(34.3%)

Question: Which of the following would be most important for CVBs to include in their destination advertisements to meeting and event planners?
(Select up to 5)

Base: All respondents. 528 completed surveys.

Additional destination information planners are interested in having communicated to them include current cancellation policies, updated capacity limits for hotels and venues, information on how destinations are keeping locals and visitors safe, out-of-state traveler restrictions/ requirements, a list of hotels and venues that are currently open and information local businesses and attractions that are currently open.

Part 2: Meetings Related Advertisement Testing

RESEARCH OVERVIEW & OBJECTIVES

- Gain an understanding of brand associations and perceptions for Canada
- Learn about strengths and weaknesses of the meetings destination brand
- Identify ways in which the DMO can deliver memorable creative that positions their destination as a desired meetings destination

RESEARCH METHODOLOGY

- 45-minute in depth interviews with 20 meeting planners
- Interviews took place November 24, 2020, through December 16, 2020
- Participants were recruited from Destination Analysts' research respondent panel

PERCEPTIONS OF PLANNERS WHO SOURCE OUTSIDE THE U.S.

DIGITAL VS. PRINT DESTINATION INFORMATION

“I prefer digital. It allows you to see much more information. Print is more limited. Video in particular is great.”

“Digital absolutely. I don't see cutting down trees just to give me a brochure when I can get the same information online.”

INTERNATIONAL DESTINATIONS THEY ARE MOST COMFORTABLE MEETING IN POST-COVID-19

“I just don't know enough about Canada to find it appealing and I don't know enough to try to sell it to my clients.”

“I think of Canada as more of an extension of the U.S. so they feel very safe and familiar.”

INTERNATIONAL DESTINATION INSPIRATION SOURCES & CANADA SPECIFIC INFORMATIONAL SOURCES

Planners turn to a variety of sources when researching destinations outside the U.S. to host their programs.

Below are all international destination inspiration sources from these planners:

- Networking events & trade shows such as IMEX, ASAE, MPI
- Destination retreats/FAM trips
- CVENT
- Local Hotel Sales Offices
- Northstar Magazine
- Email promotions
- Testimonials from other planners
- Webinars and virtual site tours

“The most effective inspiration sources are destination contacts who are proactive at keeping their destination at the forefront of my mind by reaching out and sending me updates.”

TOP ASSOCIATIONS WITH CANADA AS A PLACE FOR MEETINGS

“Canada is safer than some parts of U.S. It also offers a diversity of experiences across the country. You have different choices for different kinds of groups which is appealing.”

“Canada is one of the easiest countries to do business in.”

“Canada is a lot more sophisticated and more outdoor oriented.”

ADVERTISING EVALUATION: BEST PRACTICES IMAGERY

MEETING VENUES WITH PEOPLE.
INCLUDE A NOTATION OF WHAT/WHERE
THE MEETING SPACE IS.



IMAGES THAT GIVE PLANNERS A SENSE
OF THE ATTENDEE EXPERIENCE



OUTDOOR MEETING SPACE



MESSAGING

**“People are longing
for connection,
especially now.”**

They want to know:

We have great venues and great food.

AND

What is new & what is open?

Next steps

We thank Destination Analysts, the survey respondents and interview participants for their time in sharing their feedback to provide us with an understanding of their current situation and how business events are evolving through COVID-19. We will continue the conversation in upcoming surveys and focus groups this year and share these findings as part of Canada's Response, Recovery, Resilience plan for COVID-19.

Contact



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