FutureWatch 2009

A Comparative Outlook on the Global Business of Meetings and Events

Presented by: American Express · MPI Meeting Professionals International

11:57 A.M. TRACK ALL VENDOR PAYMENTS FROM GLOBAL CONFERENCE.
12:01 P.M. TAKE LUNCH.

Streamline your workflow by consolidating event expenses on the American Express® Card. Consider us your dedicated payment solution for all your meeting and event expenses. We're available 24/7 to help you make things happen — whether that means paying your vendors exactly when you say, or providing an instant picture of your total spend. Mostly we're here to save you time, so you can focus on your events and not how you pay for them. Tap into our resources, including exclusive vendor discounts that will help you stay within budget. Visit **americanexpress.com/meetingsandevents**

AMERICAN EXPRESS ®

©2009 American Express Company.

FutureWatch 2009

Content Guide

Data collection for this survey was conducted from November 11, 2008 - November 27, 2008.

***Please note:**
In every instance where the title *"meeting professional"* is referred to, it is meant to be inclusive of the *"event professional"* as well.

MPI
MEETING PROFESSIONALS INTERNATIONAL

2009:
The Year of the Economy

2009 is shaping up as a decisive year for the global meetings and events industry, in which cost savings, value, flexibility, and innovation will be the key drivers of success.

FutureWatch 2009 revealed the issues that MPI members are facing and the practical steps they are taking to position meetings and events as an essential resource in addressing the immediate challenges of a tightening economy.

Executive Summary

Based on responses from 2,740 meeting professionals in 53 countries, and in all 70 MPI chapters and clubs, ***FutureWatch 2009*** found that:

• Meeting planners and suppliers expect that global economic uncertainty will lead to continued reductions in bookings, travel, meeting and event budgets, staffing, and event attendance. The overall trend will continue, they say, until the broader economy begins to rebound.

• Corporate meeting planners are already changing the way they do their jobs in response to serious budget reductions, and 17% predict further cuts in 2009. Twelve percent of association planners and 10% of government planners expect budget cuts in the next year.

• Across all meetings, ***FutureWatch 2009*** respondents expect net profit per meeting to increase by 2%, while gross revenue per meeting declines by 8%.

• As a percentage of organizations' overall budgets, meetings will decrease by 6% in 2009.

• Attendance, per meeting, is expected to increase by 3% in Europe, Middle East, and Africa (EMEA) and 9% in Canada, but decline by 5% in the United States. U.S. planners expect 15% fewer attendees at association meetings but 12% higher numbers at corporate meetings.

• Across all regions, 12% of association planners expect conference attendance to decline in 2009, due to corporate budget cuts and high travel costs. A small number of association planners also expect their organizations to lose members. Membership numbers and conference attendance are expected to recover once the economy improves.

• Meeting planners anticipate a 9% decrease in the number of meetings their organizations will hold in 2009, a 3% decrease in staffing, and a 5% increase in the number of meetings they will personally plan, manage, or support.

• Suppliers expect a 9% decrease in the number of meetings their organizations will support, a 4% decrease in staffing, and a 9% increase in the number of meetings they will personally plan, manage, or support.

• Independent meeting management professionals are preparing for a 0.5% decrease in the number of meetings their organizations will support. But their expectations for the year ahead vary considerably by region, with US independents predicting a decline in business but their counterparts in EMEA, and especially Canada, expecting more activity.

• In the second half of 2008, organizations cancelled an average of 4.1 meetings, representing 8% of the total for that period. For 2009, organizations have already cancelled an average of 3.4 meetings, representing 7% of all scheduled activity, at an average value of US$200,000 per meeting.

• As funds become more scarce, meeting professionals expect a greater effort to anticipate Return on Investment before a meeting is booked, based on past performance, attendee satisfaction, adherence to budget, and the ability to negotiate "extras" like free transportation and complimentary meals. Competitive bids will be sought more frequently, while options such as open bars, gifts, formal dinners, and entertainment will face greater scrutiny.

The Industry Responds

• Meeting and event professionals still see face-to-face meetings as the most effective tool for a variety of purposes that are central to their organizational missions: to build relationships and trust, engender a sense of community, conduct highly interactive programs, engage participants at an emotional level, and demonstrate new products that require physical use, from medical devices to sporting goods.

• Faced with a tough global market, the meeting and event industry in 2009 will sharpen its focus and streamline its activities to the necessities of economic life. Planners' operational decisions will be driven overwhelmingly by cost, secondarily by practicalities like airlift for destinations, and customer service for hotels and meeting venues.

> Meeting planners anticipate a 9% decrease in the number of meetings their organizations will hold in 2009

• The overall relationship between planners and suppliers is becoming a buyer's market, where planners can expect to negotiate more generous concessions, incentives, rates, and other contract provisions. Planners and suppliers alike expect to build more flexibility into their contracts to account for an uncertain market.

• Planners predict a scant 2% increase in average expenditure per meeting between 2008 and 2009. Just a year earlier, respondents to

FutureWatch 2008 predicted 11% growth in meeting budgets and a 22.6% increase in spending on individual meetings.

• About 25% of meeting professionals around the world expect that a reduction in the number of available flights will reshape the way they plan and conduct meetings.

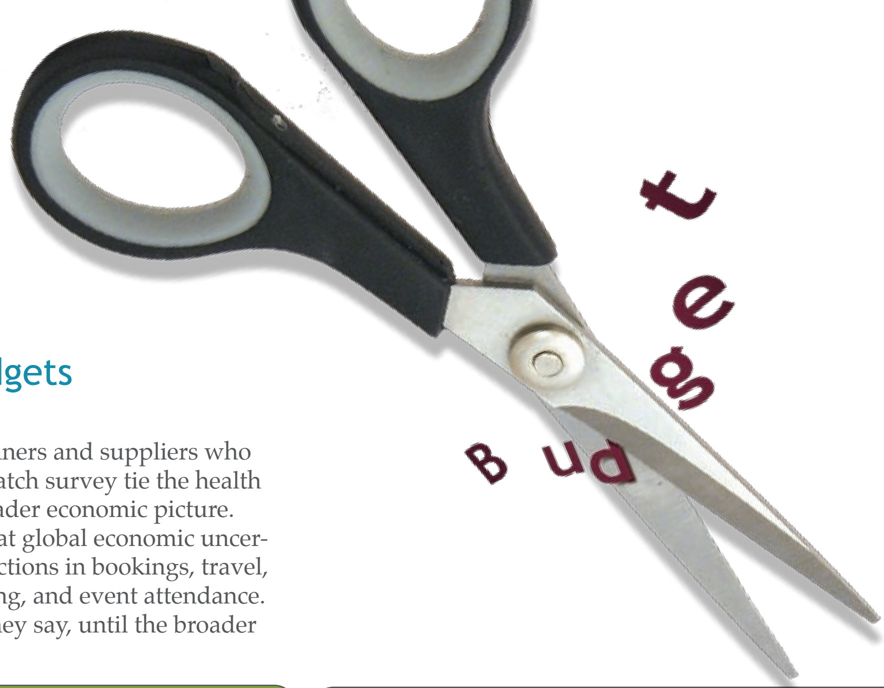
• Although meeting organizations will be on the lookout for employees with the right training, education, experience, and attitude, about 7% of meeting professionals predict a shortage of qualified staff in 2009.

• Planners and suppliers are still in the market for technologies that will help them meet specific objectives related to attendee feedback, onsite Internet access and wireless networking, customer relationship management, audio-visual services, and buyer-seller relationships. However, they are not always satisfied with the technology choices available to them.

• ***FutureWatch 2009*** respondents see virtual meetings as an important trend, and many of them predicted a shift to Web-based learning as a way to control meeting and travel costs. However, they are not entirely convinced that the enabling technologies are ready for prime time.

• One in 10 ***FutureWatch 2009*** respondents predicted a continuing trend toward greener, more environmentally friendly meetings, with specific features ranging from recycled name badges and biodegradable signage to reduced fuel consumption and paperless meetings.

• Although 61% of respondents reported that corporate social responsibility (CSR) was important to their organizations, specific CSR initiatives may be delayed in organizations that see them as non-essential in an uncertain economy.



Economy Impacts Budgets and Attendance

Ultimately, the 2,740 meeting planners and suppliers who responded to this year's FutureWatch survey tie the health of meetings and events to the broader economic picture. Over the next year, they expect that global economic uncertainty will lead to continued reductions in bookings, travel, meeting and event budgets, staffing, and event attendance. The overall trend will continue, they say, until the broader economy begins to rebound.

Meeting Planners Predicting Budget Cuts In 2009

Sector	%
Corporate Planners	17
Association Planners	12
Government Planners	10

• Corporate meeting planners are already changing the way they do their jobs in response to serious budget reductions, and 17% predict further cuts in 2009. The biggest changes have occurred in the United States, but the pattern is repeating in the Europe, Middle East, and Africa (EMEA) region and Canada. Anticipated staff reductions will require meeting professionals to work harder in 2009, either by stepping up their sales and marketing or by taking on extra duties.

• About 10% of government planners worldwide predict budget cuts in 2009. Several reported that their meetings are "required," and therefore less vulnerable to the economic pressures facing the private sector.

Organizational Spend on Meetings 2008-2009 (%)

	All		Corporate		Association	
	2008	2009	2008	2009	2008	2009
Under US$10,0000	3.8	3.2	3.2	2.5	4.7	4.3
US$10,000-$49,999	2.9	3.3	2.4	2.4	3.6	4.3
US$50,000-$99,000	3.8	5.4	3.2	5.0	4.7	5.9
US$100,000-$199,999	7.5	8.9	5.1	7.9	10.5	10.1
US$200,000-$499,999	14.4	15.0	14.1	13.7	14.6	16.6
US$500,000-$999,999	6.9	9.8	8.6	7.9	13.5	12.3
US$1,000,000-$4,999,999	35.1	34.8	34.4	34.3	36.5	35.3
US$5,000,000 or more	25.6	19.6	29.0	26.3	11.9	11.2

Meeting Organization Budgets Per Meeting 2008-2009

	All		Corporate		Association	
	2008	2009	2008	2009	2008	2009
Under US$10,0000	15.9	16.7	14.1	15.3	17.1	17.6
US$10,000-$49,999	24.3	24.8	23.9	23.4	25.5	26.6
US$50,000-$99,000	20.0	19.9	22.0	23.4	25.5	26.6
US$100,000-$199,999	12.3	12.5	12.6	12.7	11.8	12.2
US$200,000-$499,999	13.4	12.5	15.1	13.0	11.9	12.6
US$500,000-$999,999	8.8	8.1	6.9	6.5	11.9	10.8
US$1 million or more	5.2	5.5	5.3	5.8	5.2	5.4

Expected Change in Meeting Attendance, 2008-2009

	Association	Corporate	Government	All Planners
EMEA	N/A	-28%*	-37%*	+3%*
Canada	+21%*	-31%*	0%*	+9%
US	-15%	+12%	-4%	-5%

*Accuracy may be limited by small sample size

• Across the industry, ***FutureWatch 2009*** respondents predict that meeting attendance, per meeting, will increase by 3% in EMEA and 9% in Canada, but decline by 5% in the United States. US planners expect 15% fewer attendees at association meetings but 12% higher numbers at corporate meetings

• Across all regions, 12% of association planners expect conference attendance to decline in 2009, due to corporate budget cuts and high travel costs. A small number of association planners also expect their organizations to lose members. Membership numbers and conference attendance are expected to recover once the economy improves.

More Profit from Fewer Meetings

Across all meetings, ***FutureWatch 2009*** respondents expect net profit per meeting to increase by 2%, while gross revenue per meeting declines by 8%. However, while the next year will see no change in the proportion of meetings that generate a profit, the association sector will see a 16.5% decline in profitable meeting ventures, from 49.1% of all meetings in 2008 to 41% in 2009. The increase in the proportion of corporate meetings that generate a profit in 2009 will be almost, but not quite, statistically significant.

As a percentage of organizations' overall budgets, meetings will fall by 6% in 2009.

Profitability of Meetings, 2008-2009

	2008	2009
Association	49.1%	41.0%
Corporate	21.3%	24.9%
All Meetings	32.2%	32.4%

Fewer Meetings, More Work

FutureWatch 2009 respondents predict a decline in meeting and event volume and professional staffing over the next year, combined with an increase in work load for individual planners and suppliers. Significantly, while client-side planners foresee a 9% drop in volume, independent meeting management professionals expect only a marginal reduction of 0.5%. This either indicates a re-emergence of outsourcing, or independents' hope that organizations will offset staff reductions by relying more heavily on external services.

• Meeting planners anticipate a 9% decrease in the number of meetings their organizations will hold in 2009, a 3% decrease in staffing, and a 5% increase in the number of meetings they will personally plan, manage, or support. Planners expect to take direct responsibility for 1% more meetings in EMEA, 3% more in Canada, and 6% more in the United States.

• Suppliers expect a 4% decrease in the number of meetings their organizations will support, a 4% decrease in staffing, and a 9% increase in the number of meetings they will personally manage or support. The chart shows the differences in business activity trends by region, including the increases suppliers expect to see in their personal work loads.

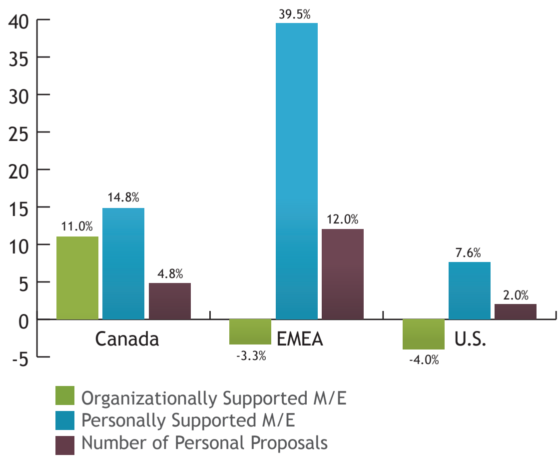
> ...independents hope that organizations will offset staff reductions by relying more heavily on external services.

• Independent meeting management professionals are preparing for a 0.5% decrease in the number of meetings their organizations will support. But their expectations for the year ahead vary considerably by region, with US independents predicting a decline in business but their counterparts in EMEA, and especially Canada, expecting more activity.

Expected Change in Meetings Activity, 2008-2009

Category	Total Meetings	Total Staffing	Personally Plan
Planners	-9%	-3%	+5%
Suppliers	-4%	-4%	+9%
Independents	-0.5%	-4%	+4%

Supplier Business Activity Trends, 2008-2009



Expected Change in Meetings that Meeting Management Professionals' Organizations Will Support, 2008-2009

	Planners	Suppliers	All
EMEA	+7%	+4%*	+5%
Canada	+23%*	+23%*	+30%
U.S.	-2%	-5%	-3%

*Accuracy may be limited by small sample size

Consistent with the results in the second half of 2008, organizations cancelled an average of 4.1 meetings, representing 8% of the total for that period. For 2009, organizations have already cancelled an average of 3.4 meetings, representing 7% of all scheduled activity...

• Independents predict a 4% decrease in staffing, and a 4% increase in the number of meetings they will personally plan, manage, or support. In EMEA and Canada, they also expect to spend considerably more time writing proposals. Five percent of independents expect outsourcing to increase in 2009, although fewer than 1% of client-side planners or suppliers expressed the same expectation.

In the second half of 2008, organizations cancelled an average of 4.1 meetings, representing 8% of the total for that period. For 2009, organizations have already cancelled an average of 3.4 meetings, representing 7% of all scheduled activity, at an average value of US$200,000 per meeting. Among corporate planners, 40% in North America and 30% in EMEA already report cancellations for the coming year, and nearly one-fifth of all meeting planners (19%) remain uncertain about meetings scheduled for 2009.

In response to open-ended questions, about 2% of FutureWatch participants predicted that the long-term strength and value of the meetings industry would reassert itself, regardless of difficult times in 2009.

Top Six Influences on Meetings for 2009, by Respondent Type and Region

	Planners			Suppliers			Meeting Management Professionals		
Greatest Influence	**US**	**EMEA**	**Canada**	**US**	**EMEA**	**Canada**	**US**	**EMEA**	**Canada**
More economic concerns		1†	1	5	3	1	2	1	1
Lower budgets	2	1†	3†	1	4†	2	1	3	2†
More remote/virtual meetings	1	3	4	3	2	4	3†		5
More green meetings	4	2	2		1			2	4
Fewer face-to-face meetings	3	4		2	4†		4	5	2†
Focus on value/ROI		1†			4†	5†		4	3
More in-house/drive meetings	6		5	4		3			
Less overall travel			3†			5†			
Political uncertainty							3†		
Fewer "frills"	5								
Fewer industry jobs							5		
Smaller meetings				6				6	

† Two or more factors tied with the same percentage

Value for Money

As funds become more scarce, planners and suppliers will more often have to demonstrate a return on investment (ROI) for every meeting—and every part of a meeting. About three-quarters of organizations currently conduct some form of in-house meetings evaluation, although the most common measure is still attendee satisfaction, along with revenue and adherence to budget.

In 2009, meeting professionals expect a greater effort to anticipate ROI before a meeting is booked, based on past performance, attendee satisfaction, adherence to budget, and the ability to negotiate "extras" like free transportation and complimentary meals. Competitive bids will be sought more frequently, while "frills" like open bars, gifts, formal dinners, and entertainment for accompanying persons will face greater scrutiny. Beyond immediate budget concerns, these changes will reflect the growing need for meetings to be seen as fiscally responsible.

Industry Influences

Once again for 2009, respondents were asked to list the influences that will have the greatest impact on the industry. While answers varied by respondent type and region, the common themes were clear: Almost all the major influences had to do with the economy, jobs, or the need for the industry to respond by cutting costs and demonstrating value.

Expected Change in Proposal-Writing, Meeting Management Professionals, 2008-2009

	Planners	Suppliers	All
EMEA	+7%	+29%*	+16%
Canada	+71%*	+9%*	+34%
U.S.	-2%	+1%	+0%

*Accuracy may be limited by small sample size

Meeting Planners Reporting Cancellations for 2009, by Category

	Association	Corporate	Government
EMEA	7%*	30%	33%
Canada	4%	40%	33%
U.S.	25%	40%	25%

*Accuracy may be limited by small sample size

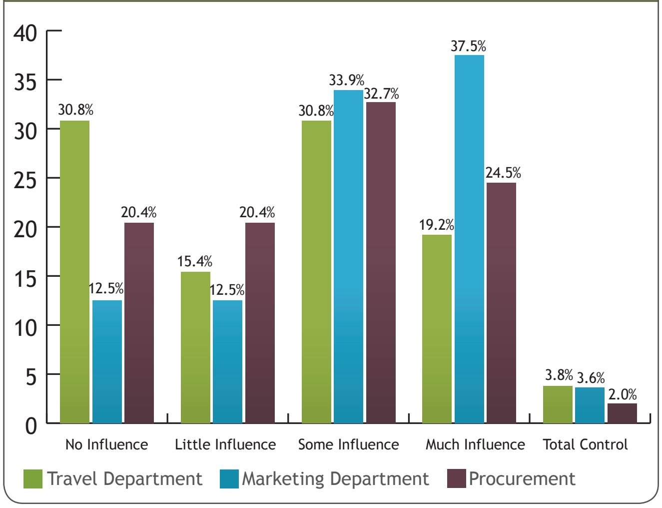
...the common themes were clear: Almost all the major influences had to do with the economy, jobs, or the need for the industry to respond by cutting costs and demonstrating value.

Within organizations, meetings decision-making is often shaped by marketing, procurement, and travel departments. ***FutureWatch 2009*** revealed differences in the way client-side planners, third-party planners, and independent suppliers perceived those influences. In-house planners reported that marketing has the most significant input to their work, generally followed by procurement. Consistent with the results of MPI's annual EventView survey, this finding confirms meetings as a leading component of the marketing mix in a time of economic turmoil.

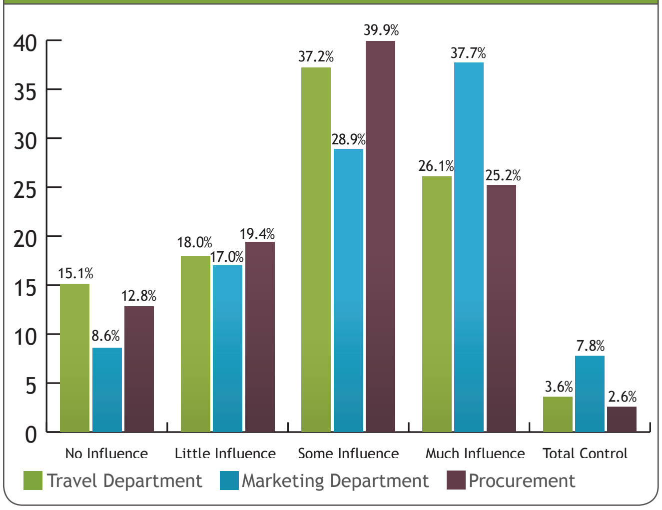
Third-party planners attributed the greatest influence to procurement, followed by marketing. Supplier-side meeting management professionals saw the most balance among procurement, marketing, and travel.

Nearly one in five meeting management professionals (18%) expect procurement, travel, or marketing departments to influence their fees or business models in 2009, leading to new fee structures or pricing methods, added services, greater flexibility, or an increase in à la carte service options.

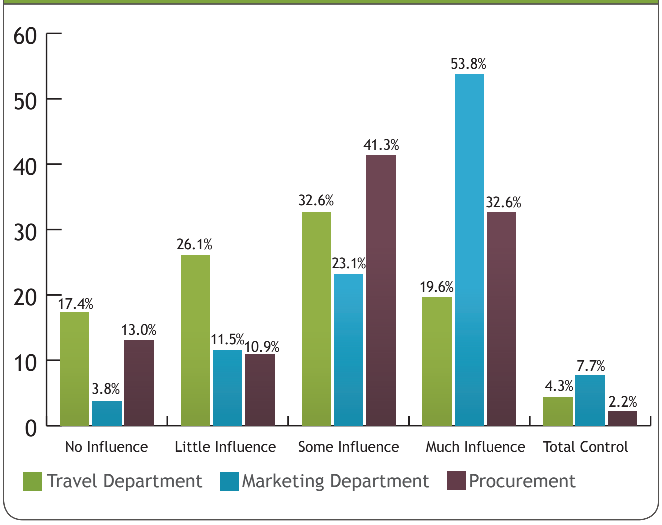
Influence of Various Departments on Canada Meeting Planners



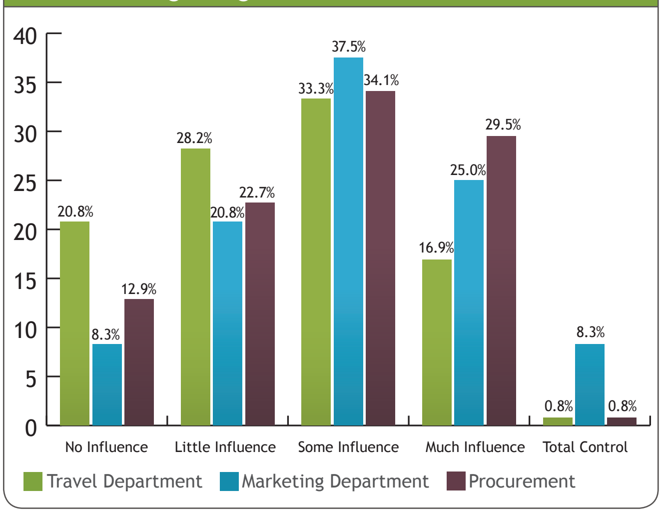
Influence of Various Departments on U.S. Meeting Planners



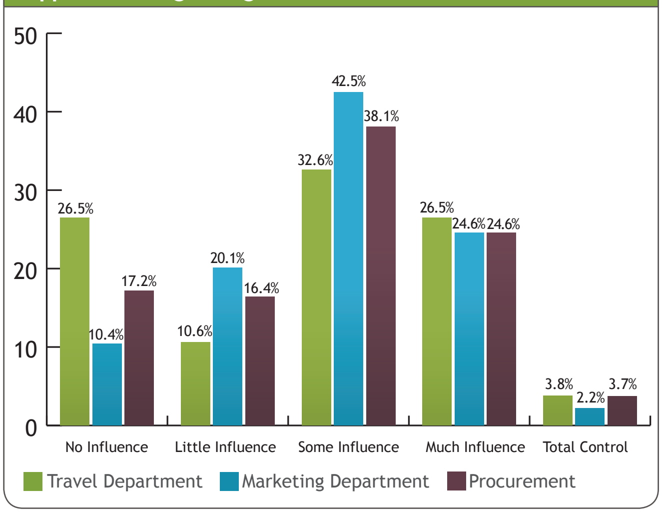
Influence of Various Departments on EMEA Meeting Planners



Influence of Various Departments on Planner Meeting Management Professionals



Influence of Various Departments on Supplier Meeting Management Professionals



The Industry Responds

Flexibility and Innovation

Planners and suppliers expect to fall back on their own creativity to address a variety of logistical and competitive challenges in 2009.

• The overall relationship between planners and suppliers is becoming a buyer's market, where planners can expect to negotiate more generous concessions, incentives, rates, and other contract provisions. Planners and suppliers alike expect to build more flexibility into their contracts to account for an uncertain market.

• On the other hand, about 25% of meeting professionals around the world expect that a reduction in the number of available flights will reshape the way they plan and conduct meetings. Arrival and departure windows will be extended, and air travel will be booked further ahead whenever possible. Meetings will be concentrated more heavily in destinations with the most frequent, reliable air service, and more planners will locate their meetings with drive times in mind.

• Although meeting organizations will be on the lookout for employees with the right training, education, experience, and attitude, about 7% of meeting professionals predict a shortage of qualified staff in 2009. Many organizations have responded with expanded internal training programs; others plan to outsource specific duties.

Back to Basics

Faced with a tough global market, the meetings industry in 2009 will sharpen its focus and streamline its activities to the necessities of economic life. Planners' operational decisions will be driven overwhelmingly by cost, and secondarily by practicalities like airlift for destinations, and customer service for hotels and meeting venues.

Factors Influencing Destination Selection, 2009	
Overall Cost	26.0%
Airlift	24.9%
Travel Costs	15.5%
Location relative to meeting purpose	11.4%
Ease of access/travel	10.9%
Proximity to members/attendees	7.1%

Factors Influencing Hotel Selection, 2009	
Overall Cost	31.3%
Customer Service	14.0%
Location relative to meeting purpose	6.7%
Willingness to negotiate/be flexible	6.4%
Incentives/concessions	5.8%
Room rates	5.8%
Condition/quality of hotel	5.6%
Meeting space requirements	5.1%
Value	5.1%

Factors Influencing Venue Selection, 2009	
Overall Cost	40.3%
Customer Service	11.2%
Quality/condition of venue	8.2%
Location relative to meeting purpose	6.6%
Meeting space requirements	6.6%
Flexible/dedicated staff	5.4%
Value	5.1%

In 2009, as in 2008, corporate planners will consider a larger number of facilities than their association counterparts.

Meeting Planners' Destination Choices, 2009

	United States	Canada	Central America	South America	European Union	Asia	Other
EMEA	12%	19%	7%	9%	36%	9%	8%
Canada	12%	57%	4%	6%	11%	7%	3%
U.S.	61%	13%	5%	5%	8%	6%	3%

Meeting Planners' Venue Choices, 2008-2009

	All		Corporate		Association	
	2009	2008†	2009	2008†	2009	2008†
City hotel	32%	35%	31%	35%	34%	38%
Resort hotel	23%	24%	25%	27%	18%	28%
Airport/suburban hotel	13%	10%	14%	11%	11%	10%
Conference center/ university	1-%	11%	8%	9%	11%	13%
Restaurant/club/ unique venue	8%	9%	9%	10%	7%	8%
Convention center	9%	10%	7%	8%	12%	13%
Other	6%		6%		6%	

† For comparison purposes, the 2008 percentages were recast and formatted to match calculation methods used in ***FutureWatch 2009***. All relativity between the percentages originally reported in ***FutureWatch 2008*** is preserved.

Meeting planners' decisions on venue type in 2009 will show little change over 2008. Increased use of airport hotels, a small decline for city hotels, and a sharper drop for association meetings in resort hotels, may indicate a preference for shorter meetings with lower costs, more straightforward logistics, and less extensive perks or amenities.

Planners foresee little change over the next year in the number of facilities they will consider for each meeting they hold. In 2009, as in 2008, corporate planners will consider a larger number of facilities than their association counterparts.

Number of Facilities Considered Per Meeting, 2008-2009

	Association	Corporate	Government	All
2008 average	5.20	7.10	5.69*	6.33
2009 average	5.15	7.11	6.29*	6.32
Change 2008-2009	-1%	No change	+11%*	No change

*Accuracy may be limited by small sample size

Planners predicted a scant 2% increase in average expenditure per meeting between 2008 and 2009. Just a year earlier, respondents to ***FutureWatch 2008*** predicted 11% growth in meeting budgets and a 22.6% increase in spending on individual meetings.

Strategic Use of Technology

Meeting professionals still see face-to-face meetings as the most effective tool for a variety of purposes that are central to their organizational missions: to build relationships and trust, engender a sense of community, conduct highly interactive programs, engage participants at an emotional level, and demonstrate new products that require physical use, from medical devices to sporting goods.

But planners and suppliers are still in the market for technologies that will help them conduct business more effectively. For the coming year, ***FutureWatch 2009*** respondents expressed greatest interest in technologies that enable them to:

- Generate better attendee feedback on the meeting experience
- Provide better Internet access onsite
- Introduce customer relationship management (CRM) programs or improve their existing ones
- Improve the audio-visual experience onsite
- Facilitate the request for proposal (RFP) process
- Identify and evaluate vendors, destinations, and venues
- Facilitate wireless networking and other forms of onsite communication

Technology to "get better feedback from attendees about their meeting experience" emerged as a top priority for planners, suppliers, and meeting management professionals, in all regions of the world, and more than half of respondents said the technology is adequate and affordable. But other technology options received more critical review.

• Suppliers in all regions expressed strong interest in CRM technology. But more than half in EMEA, 52% in Canada, and 46% in the United States said the available packages are either inadequate or unaffordable.

• Planners placed a premium on technologies that "provide better access to the Internet at meeting venues and hotels," but 70% said current arrangements are inadequate or unaffordable.

• ***FutureWatch 2009*** respondents see virtual meetings as an important trend, and many of them predicted a shift to Web-based learning as a way to control meeting and travel costs. However, they are not entirely convinced that the enabling technologies are ready for prime time. Webcasting and virtual meeting technologies ranked lowest for accessibility and affordability among planners and meeting management professionals in EMEA and Canada, though US respondents were more optimistic.

FutureWatch 2009 uncovered anecdotal evidence that CSR initiatives may be delayed in organizations that see them as non-essential in an uncertain economy.

Green Meetings and Corporate Social Responsibility

Perceptions and definitions of green meetings vary by region. Across the board, 10% of ***FutureWatch 2009*** respondents predicted a continuing trend toward greener, more environmentally friendly meetings, with specific features ranging from recycled name badges and biodegradable signage to reduced fuel consumption and paperless meetings.

In North America, a focus on green meetings was more prevalent among planners and meeting management professionals, less so among suppliers. Predictions for 2009 centered on increased use of virtual meeting technology, greater emphasis on smaller, regional meetings, and overall reductions in fuel use and carbon emissions. In EMEA, suppliers were more likely to see green meetings as a major focus for the coming year, and their priorities had more to do with recycling, reuse, and corporate social responsibility.

Importance of Green Meetings in 2009 by Region and Member Type

	Meeting Planners	Meeting Management Professionals	Meeting Suppliers
EMEA	14%	15%	19%
Canada	15%	11%	5%
U.S.	12%	10%	6%

Although 61% of respondents reported that corporate social responsibility (CSR) was important to their organizations, ***FutureWatch 2009*** uncovered anecdotal evidence that CSR initiatives may be delayed in organizations that see them as non-essential in an uncertain economy. Planners and suppliers expressed statistically equal CSR commitments on their organizations' behalf, at 63% and 61% respectively. Meeting management professionals, at just under 59%, showed a slightly lower degree of interest. On the whole, CSR was a more significant area of concern for meeting professionals outside the United States, and particularly in EMEA.

In organizations with CSR programs, the specifics were quite consistent across regions and respondent groups. Most of them had identified in-house leaders to guide and oversee their CSR efforts, and required employees to have some understanding of what was going on and why. Some organizations, particularly in EMEA, had dedicated CSR departments, and a number of respondents said their organizations had CSR champions in various departments.

A Business of Relationships

Suppliers' strategies for evaluating communications show that they see meetings as a business of relationships, as they have in past years. Suppliers in the United States, Canada, and EMEA reported that their competitive toolkits would include the following approaches:

Meeting Suppliers' Value Adds, 2009

	U.S.	Canada	EMEA
Follow up communication	20.4%	34.0%	6.8%
Constant communication	17.7%	10.6%	18.2%
Build relationship with client	8.6%	14.9%	18.1%
Excellent customer service	8.0%	10.6%	
More personal interaction	6.1%	8.5%	
Thank-you notes	5.3%		
Client incentives, complimentary services and amenities	4.8%	6.4%	
Pre conference and post conference meetings / reports	4.8%	6.4%	
Show appreciation	4.8%	6.4%	
Get feedback on what we could do better	4.4%		
Listen and confirm clients needs	4.4%	4.3%%	11.4%
Help save them money			6.8%
Customize work			4.5%
Evaluate the outcome and analyze results			4.5%

*Many respondents gave multiple responses to this question

The regional breakdowns show an emerging difference in perspective. North American suppliers generally favor a more transactional approach to customer outreach and constant follow-up, with a small proportion of US respondents open to packages of incentives and amenities that generated a degree of discomfort among planners responding to past FutureWatch surveys. In EMEA, by contrast, supplier respondents emphasized relationship-building, customization, cost control, and an interest in measuring outcomes and results.

In their responses to open-ended questions, suppliers from all regions agreed that a high level of personal service and openness will be the key to success in a highly competitive marketplace. They stressed their commitment to being flexible and helpful, and to delivering on the promises they make.

Meeting management professionals, meanwhile, expect to work for fewer clients in 2009. However, apart from a small number of independent supplier respondents in the EMEA region, they hope to plan or support more programs for each remaining client.

Expected Change in Client Activity, Meeting Management Professionals, 2008-2009

	Number of Clients			Meetings Per Client		
	Planners	Suppliers	All MMP	Planners	Suppliers	All MMP
EMEA	-10%	-19%*	-15%	+3%	-50%*	-19%
Canada	-3%*	-22%*	-12%	+18%*	0%*	+10%
U.S.	-4%	-15%	-10%	+6%	+6%	+6%

*Accuracy may be limited by small sample size

Meeting management professionals largely agree on the fee structures they use most frequently, whether they function as suppliers or planners. The main differences were a stronger preference for head count fees on the part of suppliers, and for project fees on the part of independent planners.

Frequency of Use, Meeting Management Professional Fee Structures

	Suppliers		Planners	
	Use Most	Ever Use	Use Most	Ever Use
Head count fee	1	17%	5	26%
Project fee	2	24%	1	57%
Percentage of cost	3	17%	3	34%
Commission	4	19%	4	41%
Time-spent fee	5	23%	2	52%
Retainer	6	9%	6	18%
Partnership	7	11%	7	15%

Although meeting management professionals often get to choose their preferred fee structure, independent planners, in particular, show a great deal of flexibility in working out the payment arrangements that will satisfy different clients.

About FutureWatch

Each year, in partnership with American Express, Meeting Professionals International (MPI) conducts a comprehensive survey of global meeting and event professionals, aimed at spotting the key trends and competitive factors that will shape the global industry in the coming year. ***FutureWatch 2009*** is the seventh installment of this one-of-a-kind study.

This year's survey drew responses from a record 2,740 MPI members representing 53 countries, all 69 existing MPI chapters, and one MPI chapter in formation, with more than 15,000 responses to open-ended questions.

FutureWatch 2009 respondents included:

- 1,032 client-side planners, with an average 12 years of industry experience
- 637 meeting management professionals, with an average 15 years of industry experience
- 959 suppliers, with an average 14 years of industry experience
- 75 faculty and students
- 4 lifetime, honorary, or retired members

The geographic range of the respondents reflected the rapid growth of MPI's global membership†:

- 2,167 from the United States
- 290 from the EMEA region
- 235 from Canada
- 30 from Central and South America
- 15 from the Asia-Pacific region

Planners participating in the survey reported their current employment as*:

- 51% corporate
- 24% association
- 9% government
- 5% independent meeting planning companies
- 2% association management companies
- 2% hotels
- 5% other

The vast majority of suppliers represented in this survey worked in a sales and/or marketing capacity. They represented*:

- 51% hotels
- 11% convention and visitor bureaus
- 6% convention or conference center
- 3% destination management company
- 2% consultants
- 2% independent meeting management companies
- 1% educational institutions
- 1% incentive companies
- 18% other supplier
- 4% other meeting facility
- 2% other

Of the meeting management professionals (MMPs) who took part in the survey, 58% (370) identified themselves as planners, 42% (267) as suppliers.

Planner-side MMPs worked for departments responsible for event management, conferences and events, sales, global management, marketing, planning, and site selection. Six percent of planner MMP respondents were company owners.

More than half of supplier side MMPs (55%) worked in sales and/or marketing, with the remainder drawn from operations, catering or dining, management, or the executive offices. Fewer than 1% of supplier MMP respondents were company owners.

*May not add to 100% due to rounding
†Three respondents did not provide geographic location

About MPI

Meeting Professionals International (MPI), the meeting and event industry's largest and most vibrant global community, helps our members thrive by providing human connections to knowledge and ideas, relationships, and marketplaces. MPI membership is comprised of more than 24,000 members belonging to 70 chapters and clubs worldwide.

For additional information, visit mpiweb.org.

Meeting Professionals International Headquarters

3030 LBJ Freeway, Suite 1700
Dallas, TX 75234-2759
tel +1-972-702-3000
fax +1-972-702-3089

EMEA

Europe/Africa

28, Rue Henri VII
L1725 Luxembourg
tel +352-2687-6141
fax +352-2687-6343

Middle East

PC5 Offices,
Education City,
Doha, Qatar
tel +974 454 8000
fax +974 454 8047

Canada

6519-B Mississauga Road
Mississauga, Ontario
L5N 1A6
Canada
tel +905-286-4807
fax +905-567-7191

Asia Pacific

73, Bukit Timah Rd
#04-01 Rex House
Singapore 229832
tel +65-6496-5504
fax +65-6336-2263

MPI

MEETING PROFESSIONALS INTERNATIONAL

Publisher:
Bruce MacMillan, CA

Editorial and Design Support
Trey Feiler, Chief Operating Officer, MPI
Bill Voegeli, President, Association Insights
Mitchell Beer, CMM, President and CEO, The Conference Publishers Inc.
Randy Crabtree, Marketing Manager, MPI
Jeff Daigle, Creative Director,
Jason Judy, Graphic Designer
Robin Pittfied, Copywriter
Lauren Manford, PR Manager
Val Bhakta, Marketing Specialist

Publications Staff
David Basler, Director of Publications and Editor in Chief
Blair Potter, Managing Editor
Jason Hensel, Association Editor
Michael Pinchera, Associate Editor
Jessica States, Assistant Editor

Special Thanks
American Express,
sponsor of MPI's ***FutureWatch 2009***

FutureWatch 2009 is an official supplement to the February 2009 issue of ***One+***, the official publication of Meeting Professionals International.

Printed by RR Donnelley & Sons Company

© 2009, Meeting Professionals International
All Rights Reserved