



MEETINGS & EVENTS

2015 Global Meetings & Events Forecast

2015 MEETINGS & EVENTS FORECAST

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Methodology

To develop this 2015 Meetings Forecast, a number of sources were used including proprietary American Express Meetings & Events data sources, licensed third-party data and industry information, as well as interviews with industry leaders.

Information and data was gathered from actual and planned meetings activity of American Express Meetings & Events globally. Surveys of meeting professionals were conducted via Cvent's proprietary web survey software to gather trends across North America, Europe (France, BeNe-Lux, Germany, Nordic, Spain and United Kingdom), Asia Pacific and Central/South America. A survey of leading hotel suppliers and follow-up interviews were also used to inform the finding in this forecast.

Please note that all information stated within this forecast is based on a survey distributed by American Express Meetings & Events to meeting industry professionals and suppliers during the months of July, August and September 2014.

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‘Back in Business’

Dear Reader,

It is our pleasure to bring you our fourth annual global forecast for the Meetings and Events industry. In reviewing the results of the forecast surveys and observing worldwide activity in the marketplace, it appears that meetings are very much ‘back in business’, in particular as a key component of sales and marketing strategies for many organizations. We see meetings playing a critical role in an overall return to business fundamentals due to powerful drivers, such as compliance, global expansion and standardized processes that will help to reduce risk and elevate its visibility and strategic importance within companies.

2014 brought the meetings industry a continued broad recovery. Of course in some micro economic climates uncertainty remains, and some traditional high-growth areas such as Asia Pacific have seen a slowing of their growth, but the industry overall continues to be on track for expansion. In many organizations, budget pressure exists, however people are still holding meetings where there is clear need and purpose. The last few years have highlighted meetings and events in a way that has driven a more disciplined approach around approvals

processes, increased scrutiny on spend and a larger focus around accountability for delivering expected outcomes from or meetings activity. We believe this focus and discipline should help drive the long term health of the industry.

New to the survey this year, we asked respondents to answer questions on meeting activity, number of attendees, length and more by individual meeting type. This more detailed analysis has helped to shed more light on how individual meeting types are faring within overall meetings programs. For example, the average advisory board meeting is predicted to be 1.7 days, while most conferences and trade shows are likely to be 2.6 days on average.

Meeting budgets are showing movement in the most positive direction since our initial 2011 forecast. Regional survey respondents are either predicting growth in their overall program spend, or a smaller decline than in 2014. Program cuts appear to be either getting smaller or reversing, which is a new trend and clear a positive development. Within organizations, it appears that changes in meeting budgets are much more likely to reflect overall budgetary changes in 2015, rather than being singled out for smaller increases or more significant



ISSA JOUANEH
Vice President and
General Manager,
American Express
Meetings & Events

cuts than other spend categories.

As we look to 2015, hoteliers we surveyed are very optimistic about their ability to increase rates, as well as fill rooms, predicting increases in both room rates and occupancy. Meeting planners, particularly those seeking high-demand locations for their meetings, will likely feel the additional pressure on their meeting budgets. With the exception of Central/South America, the optimism expressed by hoteliers is supported by the positive outlook of meeting planners who predict increases in nearly all meeting types included in our survey.

For the third year in a row, we expect a rise in demand for mid-tier properties across the globe. Those planners hoping to shift to mid-tier locations in an effort to control their budgets should consider booking well in advance as they are likely to face increased competition for those rooms from other planners and travelers. Hotel executives predict growth in the resort segment as well, as they are seeing increased demand from returning incentive travel programs and high-end leisure travelers.

Air costs are also predicted to rise worldwide due to the combination of slightly higher demand and the tight management of capacity by airlines. Overall, an increase of 2% is predicted for air fares in 2015, slightly up from the increase of 1.6% predicted for 2014. These increases may be driving some of the rising practice of integration of air into the planning of the meeting overall, both to increase efficiency by taking

advantage of group rates and help address duty of care needs.

When we asked planners about their top concern when planning a meeting, perception around use of resort destinations was their number one concern. Economic / Political instability concerns ranked second, perhaps reflecting continued awareness of the uncertainties that exist in many parts of the world, coupled with increased duty of care concerns. Environmental Issues / Green were not on the radar of many planners surveyed and appears to have declined in importance.

In all regions, planners indicate meetings policies are increasingly present in their organizations. Among policy components, payment and procurement processes are noted as being present more often in organizations than other components. Meetings-related compliance concerns within many organizations continue to increase, related to meetings in response to rising regulatory pressures for multinational corporations, particularly those operating in foreign jurisdictions.

The area of policy that saw one of the largest increases over the prior year was the notion of the globalization of meetings programs. Inclusion of language in policies around global expansion jumped significantly from last year with more than 24% of respondents in all regions, with Central/South America reporting 37%, indicating they are now applying their meeting policies globally. Whether driven purely by overall corporate global expansion or by increased

compliance pressures as companies increasingly operate in emerging economies, globalization is a rising trend. We see it driving many organizations' selection of suppliers, relying more on those with established global capabilities to bring global expertise and local capabilities together to deliver on their meeting program needs.

Technology continues to rise in importance with more meeting planners indicating an increase in implementation of technology in one aspect or another as part of their meetings program. With regard to virtual technology, planners indicate continued interest; however, adoption is slower than originally anticipated when comparing predicted use to actual use. That said, in 2014, more than a quarter of the planners in North America, Central / South America and Asia Pacific indicated using virtual as a component of their meetings. Looking ahead to 2015, planners across all regions are predicting virtual will be a part of at least 10% of their meetings. The evolution and sophistication of the technology appears to be making it easier to use, leading to more serious consideration around implementing virtual/hybrid today, whereas in past years the discussions were much more theoretical.

We've taken a different direction with our special sections for the forecast this year, with a goal of providing greater insight and best practices in some key areas including planning meetings in emerging countries, integrating technology into your meetings, working with event production companies, and

incorporating attendee travel management into your meetings. We continue to look for ways to enhance the forecast and hope you'll find this a valuable change.

This year has been an exciting one for us at American Express Meetings & Events, as we have worked with clients to help develop and expand their programs – often in response to global need and growth, and together identified strategies to capitalize on the opportunities presented by the changing technology landscape. In 2015, we will continue to help clients meet rising global expectations for their meetings programs and implement expansion plans. For new customers, we look forward to jointly designing and implementing meetings programs that will help them bring clear purpose, disciplined processes and measurable outcomes to their meetings investment.

As 2015 approaches, the meetings and events industry appears to once again have a solid foundation, with an increased focus on optimizing spend and delivering results that will make this next year an exciting and productive one for the industry. We look forward to experiencing it with you.

Thank you, as always, for your interest in the forecast.

Regards,

ISSA JOUANEH

*Vice President and General Manager,
American Express Meetings & Events*

As 2015 approaches, the meetings and events industry appears to once again have a solid foundation, with an increased focus on optimizing spend and delivering results.



2015 Global Meeting Activity



In This Section

1. Meetings Activity & Characteristics
2. Budgets & Planning
3. Group Hotel Rates
4. Global Meeting Property Demand & Supply
5. Global Group Air Trends

Meetings Activity & Characteristics

Number of Meetings by Meeting Type

Minor adjustments. In this year's forecast survey, we asked respondents to provide meetings activity predictions per meeting type, to help uncover any shifts in priorities within meetings programs. Not surprisingly, the projected movements in activity are small once again this year but primarily predict growth and there are some interesting indicators of where program owners are increasing and decreasing their meetings investments.

Overall, survey respondents in North America, Europe and Asia Pacific are positive in their predictions. The increase in predicted meetings activity in Asia Pacific, leads all regions, and represents a reversal from a small decline predicted for 2014 when there was a bit of a slowdown after years of growth as meeting activity in Asia Pacific leveled out along with the economy.

In North America, the positive sentiment for 2015 is a continuation from last year's prediction of a 1.5% increase in meetings activity for 2014.

European respondents overall predict minor activity increases in most meeting types, up from a zero growth prediction for 2014. There is some variance within the major European countries, which is discussed in more detail in the Europe section of this forecast.

In Central/South America, respondents see overall meetings activity essentially remaining the same in 2015, similar to their 2014 forecast prediction but they are making the most significant adjustments in the make-up of their programs.

Why are the predicted changes so small across all meeting types? During the last economic downturn many organizations cut meetings that were deemed 'non-essential' and implemented or refined their formal meeting approval processes. Adding a new meeting to a program is likely to face greater scrutiny in today's environment than in the past, and organizations may be more inclined to repurpose or expand an existing event, rather than add a new one. Deep cuts in activity are also less likely as the remaining events are often those that are critical to achieving business objectives such as training events.

Suppliers are bullish. Interestingly, hotel suppliers surveyed are much more positive in their predictions for meetings activity overall, as they anticipate a 3.7% increase in 2015. It is possible that, while individual organizations are not planning significant increases, more organizations in general are beginning to hold meetings, or increase the scope of existing meetings to add room nights, thus resulting in larger increases predicted by hoteliers.

Number of Attendees

Predictions for changes in attendee levels appear to mirror the activity predictions; the changes expected are relatively small, and no one meeting type stands out from the others across the regions.

Unlike activity levels however, there are a larger number of declines predicted, particularly in Europe and Central/South America, where the overall response is slightly negative. Meeting professionals in Asia Pacific predict the most significant increases in attendance, while North American attendee levels will likely remain flat next year.

■ Indicates highest response in each region

Number of Meetings by Meeting Type

TYPE	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA	GLOBAL HOTELIERS
Sales/Marketing	0.5%	0.2%	-1.2%	1.1%	3.7%
Training	0.9%	0.1%	2.4%	1.0%	
Internal Team Meeting	0.0%	0.5%	0.4%	1.9%	
Product Launch (Internal/External)	0.0%	0.0%	-0.5%	0.6%	
Conferences/Tradeshows	0.1%	0.4%	-1.1%	0.9%	
Senior Leadership/Board Meeting	0.7%	0.5%	-0.2%	2.0%	
Advisory Board	0.5%	1.2%	-0.7%	0.2%	
Incentive/Special events	-0.2%	0.0%	1.3%	0.7%	

Number of Attendees

TYPE OF MEETING	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA	GLOBAL HOTELIERS
Sales/Marketing	0.2%	-0.9%	-0.8%	1.4%	2.4%
Training	0.6%	-0.8%	-0.1%	0.6%	
Internal Team Meeting	-0.1%	-0.4%	-1.3%	0.7%	
Product Launch (Internal/External)	0.1%	-0.6%	-1.3%	0.4%	
Conferences/Tradeshows	0.5%	-0.8%	0.1%	1.1%	
Senior Leadership Meeting/Board Meeting	0.3%	-0.6%	-0.4%	0.6%	
Advisory Board	-0.2%	-0.1%	-0.3%	-0.3%	
Incentive/Special events	-0.2%	-1.0%	-0.1%	1.1%	

Number of Days per Meeting

TYPE	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA	AVERAGE
Sales/Marketing	2.4	2.0	2.6	2.2	2.3
Training	2.4	2.0	2.5	1.8	2.2
Internal Team Meeting	1.8	1.8	2.2	1.5	1.8
Product Launch (Internal/External)	2.2	2.1	2.0	1.3	1.9
Conferences/Tradeshows	2.9	2.8	1.9	2.6	2.6
Senior Leadership Meeting/Board Meeting	2.1	1.8	2.0	1.8	2.0
Advisory Board	1.7	1.6	1.8	1.6	1.7
Incentive/Special events	3.2	3.1	3.8	2.9	3.2

(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American and Key Supplier Surveys, August 2014)

The narrow range of predictions again suggests that there is no industry wide emphasis on increasing or decreasing the size of a particular meeting type. The small declines also suggest that many organizations have already 'right-sized' their meetings during the past few years and there is little room for further reductions.

Days per Meeting

To each its own. Where respondents predicted some significant variation is in average duration of different meeting types. Respondents indicated that global average for all meeting types was 2.2 days. Conferences/Tradeshows (2.6 days) and Incentives/Special Events (3.2 days) are significantly longer than the average, while Advisory Board (1.7 days) and Internal Team Meetings (1.8 days) are somewhat shorter in length.

Regionally, results indicate that meetings in Asia Pacific tend to be just slightly shorter than in other regions, by approximately 10%, on average. Meeting experts in the region see meeting owners who are facing budget constraints choosing to condense their meetings to a shorter duration in order to reduce their spend. As travel can also take significant time in the region, meeting owners may also be trying to minimize time away from the office for attendees.

Shorter and more succinct. Kaaren Hamilton, Vice President of Global Sales for Carlson-Rezidor noted that in the past it wasn't unusual to see a 4 or 5-day meeting. Over the last few years, since the recession, meetings of that length have disappeared for the most part in an effort by organizations to be more efficient. She believes this change is likely a permanent one and the survey results seem to concur.

Budgets & Planning

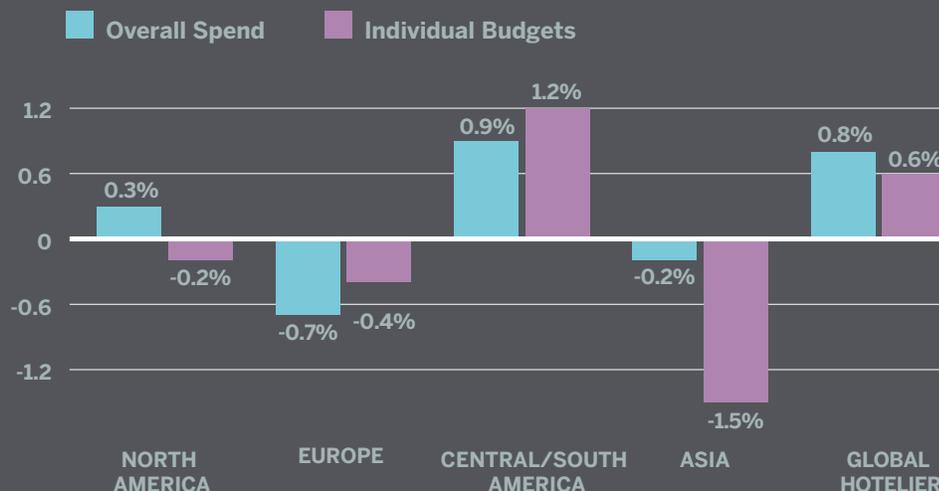
Overall Meeting Spend within Organizations

Slowly moving in the right direction. Respondent predictions for overall meetings program spend in 2015 are slightly more optimistic compared to their 2014 predictions. North American and Central/South American respondents expect slight growth in program spending. Respondents from Europe and Asia Pacific predict declines that are smaller in magnitude than in 2014. Program cuts appear to either be getting smaller or reversing, which is a good sign for the industry.

Individual Meeting Budgets

More, for a discount. While meeting spend overall is predicted to increase slightly, likely due to more volume of meetings, individual meeting budgets are predicted to decline across the globe, except in Central/South America. Meeting owners and planners will likely be in a position of trying to execute meetings of the same magnitude in 2015 with fewer funds to spend on a per-meeting basis. Planners interviewed have noticed that meeting owners are being pressured to deliver the same quality of experience as in previous years, but hotel and air rates are expected to rise which, according to several

Overall Meeting Spend within Organizations

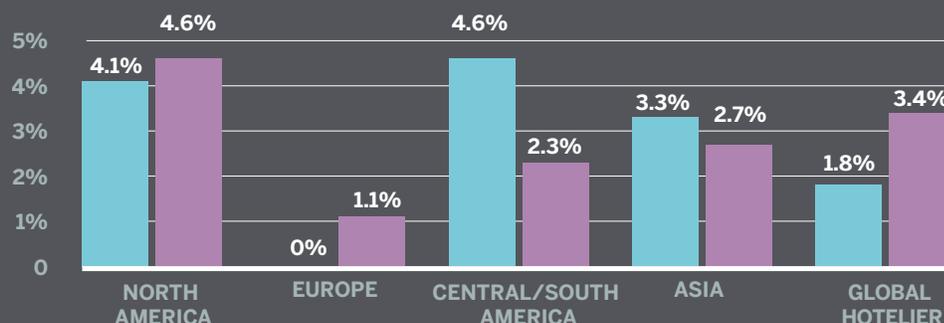


Lead Times

North America	-2.1%
Europe	-1.9%
Central/South America	-0.3%
Asia	-1.8%
Global Hotelier	-2.0%

(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American and Key Supplier Surveys, August 2014)

Group Hotel Rates



(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American and Key Supplier Surveys, August 2014 and September 2013)

Property Type Demand

■ Indicates highest response in each region

TYPE	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA	GLOBAL HOTELIER
Resort Properties	-0.6%	-2.6%	0.0%	-0.9%	3.2%
Luxury Properties	-0.9%	-2.2%	-3.1%	-1.9%	2.1%
Mid Tier Properties	2.3%	1.4%	1.6%	1.8%	3.8%
Lower-Tier Properties	-0.6%	-0.1%	1.1%	0.1%	1.9%
Non-Traditional Meetings facilities	2.1%	1.6%	0.0%	3.4%	4.5%

(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American and Key Supplier Surveys, August 2014)

meetings executives interviewed for this forecast, has already made some negotiations with suppliers quite difficult. Hotel suppliers are once again more positive in their predictions, with small global increases predicted for both overall meeting spend and individual meeting budgets.

Lead Times

A little tighter. Respondent predictions for shorter lead times are very consistent across all but the Central/South America region. The 2% decline expected is relatively small and commentary from multiple experts interviewed around the world seems to mirror this prediction. They feel that lead times have declined so much in the past few years that any further significant declines are highly unlikely. They also see the increasing occupancy rates at hotels putting pressure on meeting owners to begin their planning sooner in order to secure their desired meeting locations.

Group Hotel Rates

A higher price to pay. Average group hotel rates are expected to rise between 1% and 5% globally, putting pressure on individual meeting budgets, as mentioned above. Respondent predictions are a close match to their 2014 rate predictions, with North America leading this year at 4.6% and Europe on the lower end at a 1.1% increase.

Global Hoteliers are predicting a 3.4% increase in rates that is on the higher side of most regional predictions. A Director of Corporate Sales for a major hotel supplier noted that “Mid-week, hotels are filling up and occupancy is reaching 2007 levels.” He believes that the meetings industry has moved into a sellers’ market in many locations around the globe. This situation will increase the challenge for meeting planners looking to negotiate discounts on their room rates in 2015, particularly if they are working with a short lead time.

Global Meeting Property Demand & Supply

Property Type Demand

Meeting in the middle. Respondents see the demand for mid-tier properties continuing to rise in all parts of the world, likely pulling some demand away from resort and luxury properties. Unfortunately for meeting planners, global hoteliers are seeing demand in the mid-tier sector rising even higher, and demand rising in general, for all property types. Therefore, meeting owners will likely face increased competition for hotel rooms from not only other meetings but from increasing numbers of transient business and leisure travelers as well. Some meeting planners may face challenges in securing the

space required for their meetings at mid-tier properties, particularly in high-demand cities like Chicago or Paris. Hotel executives are predicting more growth in the resort segment, reflecting increases in incentives and higher-end leisure travel.

A need for something new. Meeting experts interviewed have noted that owners are looking for something new or different as it relates to their meeting location, hence the highest predicted rise in demand is for non-traditional meetings facilities – a continuing and growing trend from prior years. Meeting owners are asking their planners to research locations such

as museums and ball parks in their desire to find a unique location for their events. One expert even noticed a level of competition between meeting owners within some organizations as they attempt to secure the 'best new location' for their meetings.

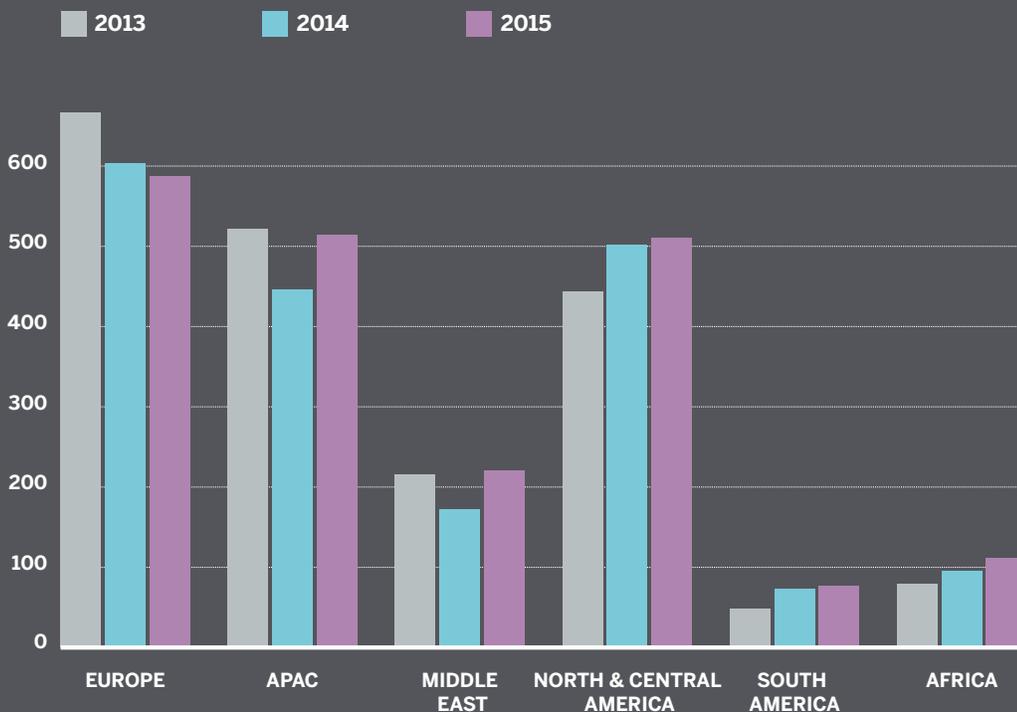
Within traditional properties, hotel suppliers are seeing meetings owners asking to hold events in innovative locations, such as an outdoor garden or courtyard to provide an alternative to typical meeting rooms for a portion of their events. Some of this demand is a result of the new generation of meetings attendees who “are used to multi-tasking with lots of things happening at the same time,” says Yma Sherry, Vice President of American Express Meetings and Events, North America. “Put them into a dark ballroom with PowerPoint and you’ve lost them.”

2015 Hotel Openings & Construction by Region

Construction remains steady. A look at mid-scale to luxury hotel openings from 2013 to 2015, compiled by TOPHOTELPROJECTS GmbH illustrates a very consistent pattern of Europe leading in new openings, followed by Asia Pacific and North & Central America. This trend is likely to continue; new hotel construction figures for 2015 also align closely with 2014 figures, albeit higher in all regions except for Europe.

Rolf W. Schmidt, Managing Director of TOPHOTELPROJECTS GmbH does not perceive any “dramatic changes” in openings and construction, although he does see new construction activity in North and Central America returning to pre-recession levels, which is a

Hotel Openings (Midscale to Luxury Segments) 2013-2015



(Source: TOPHOTELPROJECTS GmbH, as of August 2014)

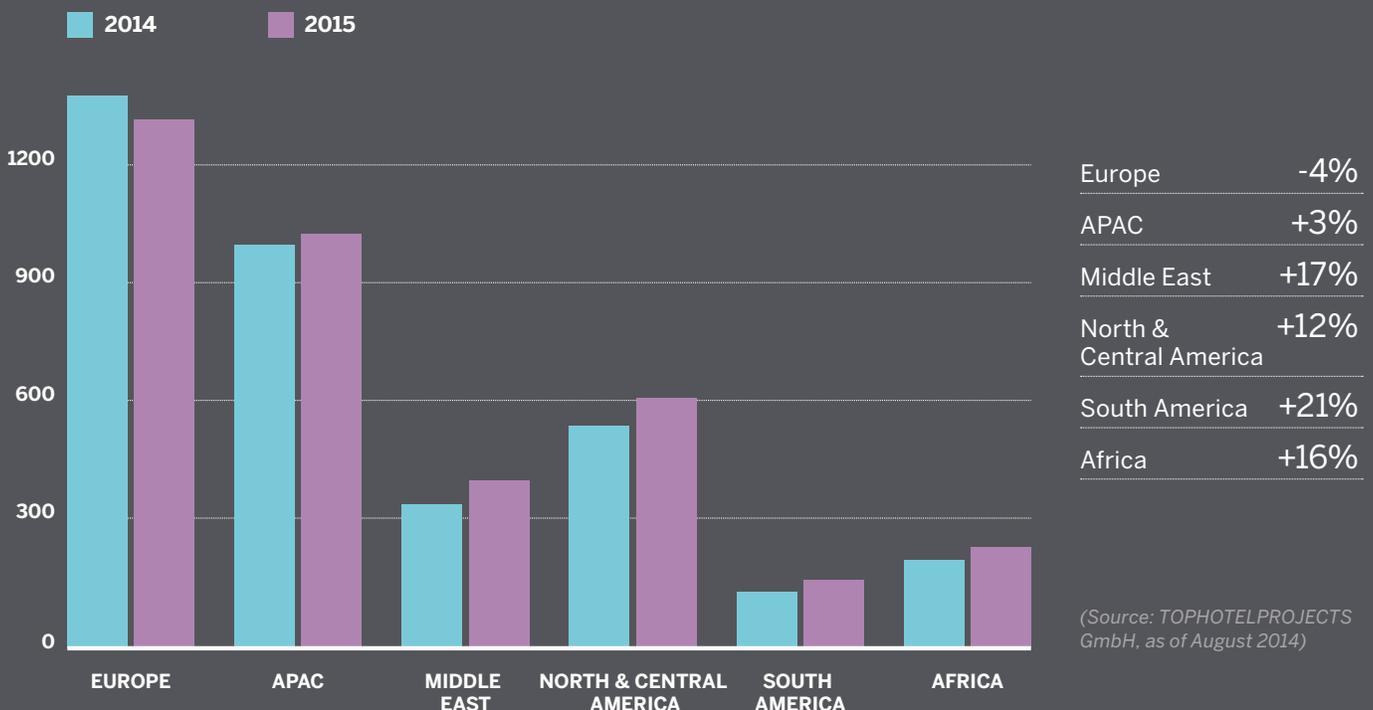
welcome sign for meeting planners looking for new and interesting properties. His sense is that nearly all upscale, and upper upscale projects are building for meeting space, as are many leisure properties that look to meetings activity to help fill their space in low seasons.

Africa. The heat is on. Mr. Schmidt has noticed that Africa has been referred to as a 'hot spot' with 2015 planned openings up 40% from its 2013 value. There are some doubts within the industry however, whether this level of new construction within the region is sustainable, particularly given some of the political instability present in some African countries and the challenges associated with initiating and developing hotel projects in a number of sub-Saharan countries.

Varying levels of luxury. A look at the ratio of midscale to luxury properties highlights the differences in regional hotel construction. Europe and North America in particular expect more than 3.5 midscale property openings for each luxury hotel opening, reflecting the demand from leisure, business and meeting travel in those regions. In Asia, the Middle East and Africa, more luxury properties plan to open than midscale ones in 2015.

The Middle East complex model. In the Middle East, hotels under construction are often built as part of a larger infrastructure complex, such as a shopping area, or a dedicated conference area. The hotels are designed specifically to integrate with these new complexes.

4 & 5 Star Hotels Under Construction 2015 vs. 2014



Top Cities for Hotel Openings

LONDON

38

DUBAI

34

NEW YORK

31

RIYADH

21

Top four remain the same. London, Dubai, New York and Riyadh top the list of cities for global hotel openings in 2015, as they did in 2014. Munich and Jakarta have joined this year's Top 10 list while Paris has dropped off the list. Chengdu and Berlin just made the cut, tied for 10th position.

Regionally, Jakarta is leading in hotel openings, an indication of its rising tourism development, supported by the Indonesian government. Mr. Schmidt also noted that a similar number of projects are planned for Bali.

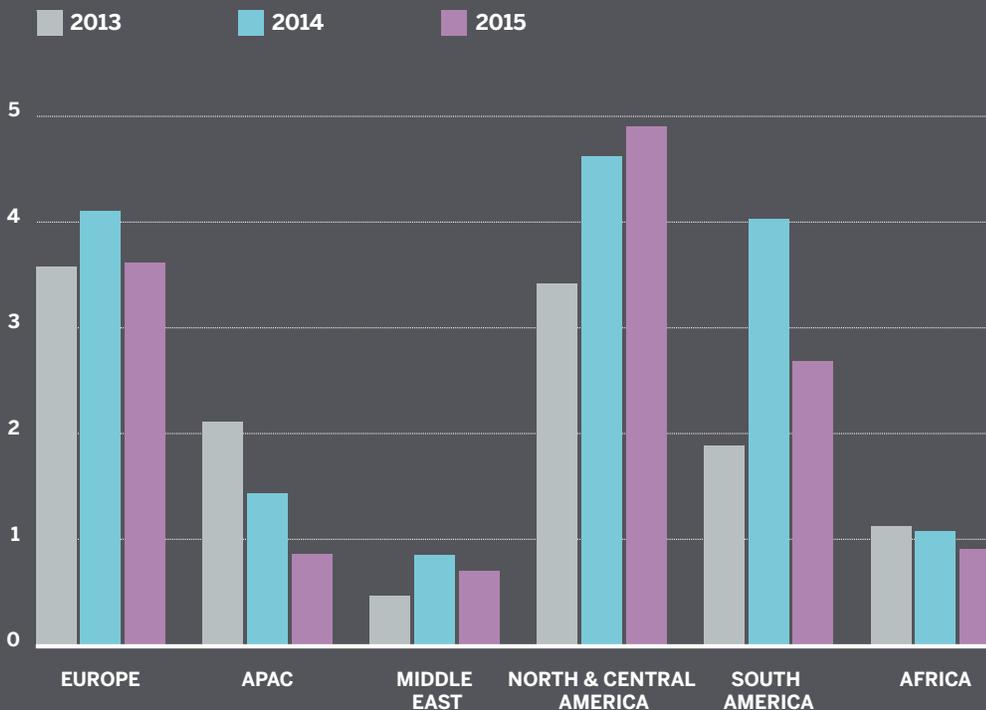
In China, the leading cities are Chengdu, a 'secondary' city, but still very large with a population of over 14 million, and Sanya, a popular tourist destination.

Noteworthy as well is South America's list, which includes Cartagena, a city seeing increased demand for meetings and events according to meetings experts within the region.

(Source: TOPHOTELPROJECTS GmbH, as of August 2014)

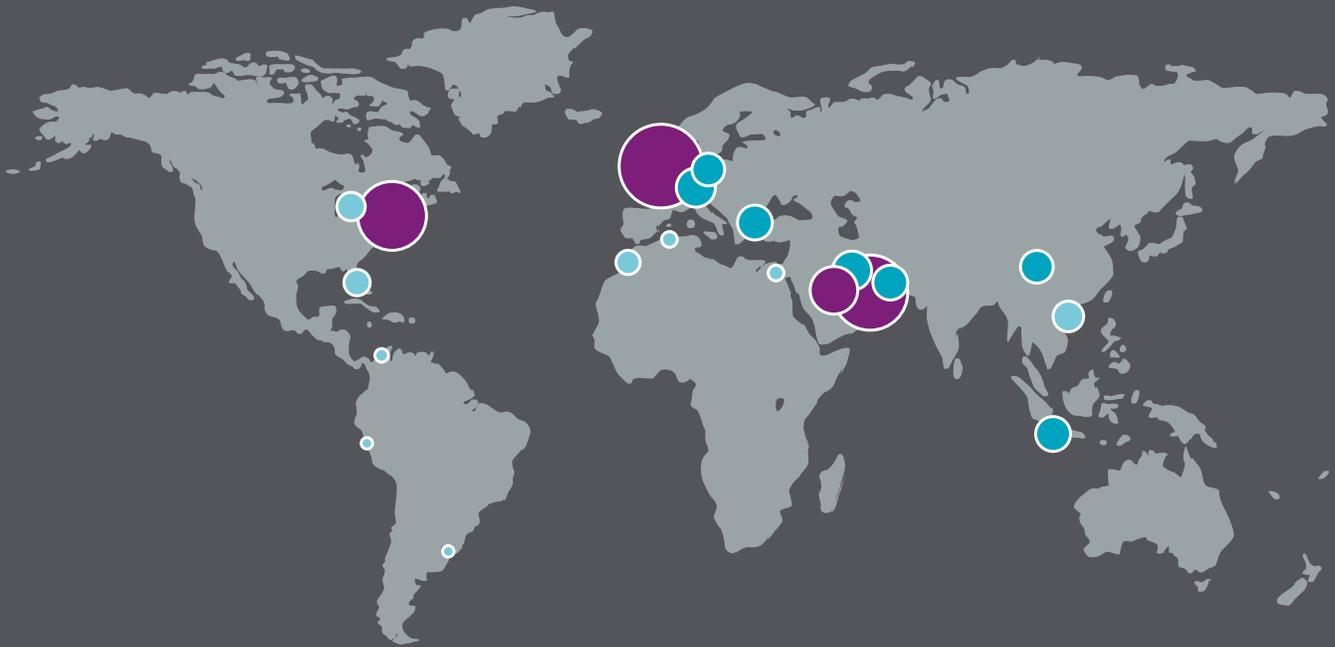
Ratio of Midscale to Luxury Hotel Openings, 2013-2015

Number of midscale hotel openings for every luxury hotel opening



(Source: TOPHOTELPROJECTS GmbH, as of August 2014)

Top 3 Cities per region: 2015 Hotel Openings



	CITY	HOTELS		CITY	HOTELS
NORTH AMERICA	New York	31	MIDDLE EAST	Dubai	34
	Chicago	12		Riyadh	21
	Miami	11		Doha	17
EUROPE	London	38	ASIA	Jakarta	15
	Munich	17		Chengdu	14
	Istanbul	15		Sanya (China)	13
SOUTH AMERICA	Cartagena	5	AFRICA	Marrakech	10
	Lima	4		Algiers	6
	Montevideo	4		Cairo	6

(Source: TOPHOTELPROJECTS GmbH, as of August 2014)

Global Group Air Trends

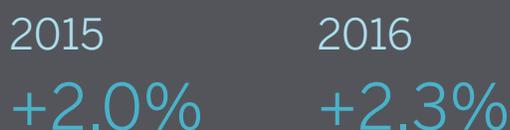
Group Air Rates

Rising higher. The results of our group air survey point towards increases of approximately 2% for both 2015 and 2016, up slightly from the prediction of a 1.6% increase for 2014.

With crude oil prices predicted by the U.S. Energy Information Administration to decline by approximately 4% (\$96.08 in 2015 vs. \$100.45 in 2014), it is unlikely that a significant change in jet fuel prices will be the main driver of these increases. Increasing demand for air travel in general, and tighter controls on supply by the airlines is likely providing them with the ability to push fares higher.

PREDICTION

Group Air Rates



Regional Group Air Rates

REGION	INCREASE
North America	5.0%
Europe	1.0%
Central/South America	1.4%
Asia Pacific	1.6%

(Source: American Express Meetings & Events Group Air Expert Survey, August 2014)

Regional Group Air Rates

Higher occupancies push North American fares higher. Survey respondents all see group airfares rising in 2015, with North American respondents anticipating the largest increase of 5%. Group air experts within American Express Meetings & Events have noted that additional fees associated with airfares are helping to push North American fares higher, and airlines appear to be less willing to negotiate as their occupancy levels rise.

According to one group air expert, it appears that airlines are monitoring their flights more carefully and are eliminating lower cost fares more quickly. She also feels that if a particular market is not performing as well as expected, airlines are quicker to reduce their schedules or exit that airport altogether.

One market that may not see an increase of this magnitude is Las Vegas due to the high volume demand that exists for that city.

Greater competition in Europe. European predictions of an increase are much lower than North America, at just 1%. The stiff competition amongst airlines within the major European markets helps to mitigate the impact of higher demand on air rates.

Airline Capacity & Group Volume

More seats available. Group air experts surveyed all see both airline capacity and volume rising slightly in all regions next year. As air availability increases in importance in the meetings location selection process, this is expansion in capacity is welcome.

Air experts however, see the airlines being very strategic about the placement of larger aircraft, specifically into markets where it is clear the demand exists. In other cases, airlines are reconfiguring some aircraft to increase their seat capacity instead of adding flights or larger aircraft. Either way, high demand cities will likely see added capacity, while lower demand cities may continue to pose a challenge for large group movements.

While it may rise slightly in 2015, an American Express Meetings & Events group air buyer based in Atlanta noted that demand for business class seats for group air programs, in general, has declined significantly over the past few years. “Six years ago, we saw more business class, particularly for international flights but we very rarely get business class requests anymore,” according to our buyer.

Fare Class Usage

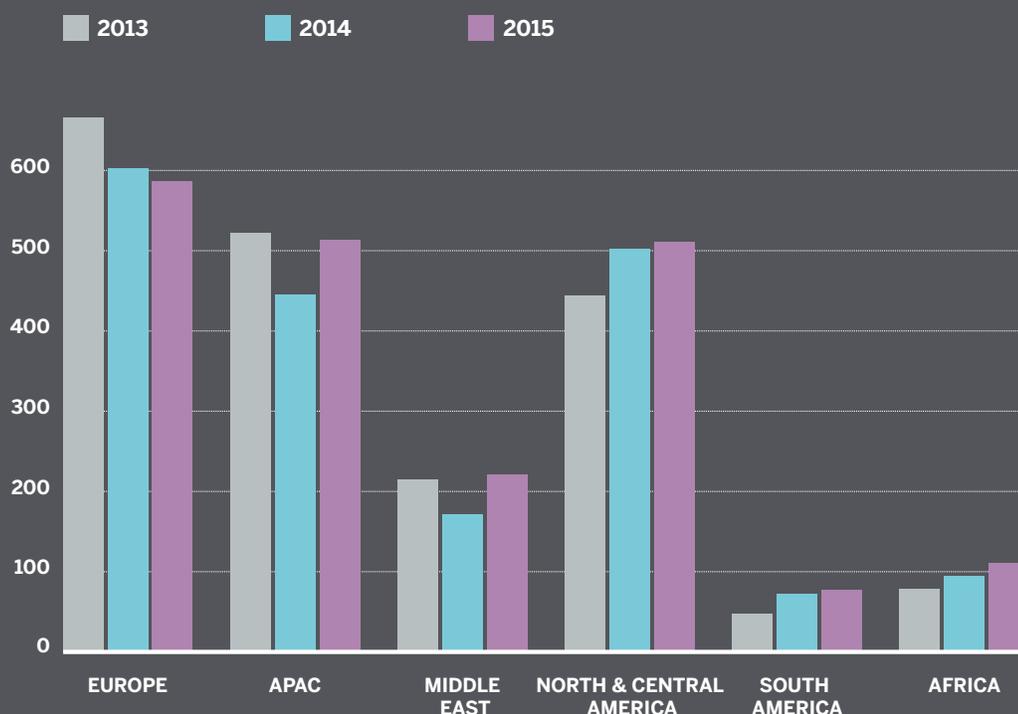
Respondents to this year’s group air survey are indicating a slight increase in the ratio of business class seats to economy seats in group air programs. Those surveyed are indicating that the ratio has risen to 10% from 8% in our 2014 forecast.

Managing Attendee Air

The inclusion of group air management into event planning can have many benefits, both for meeting owners, and for attendees. For more details, see the special section entitled “Attendee Travel Management: Why It’s Worth the Effort” included in this forecast.

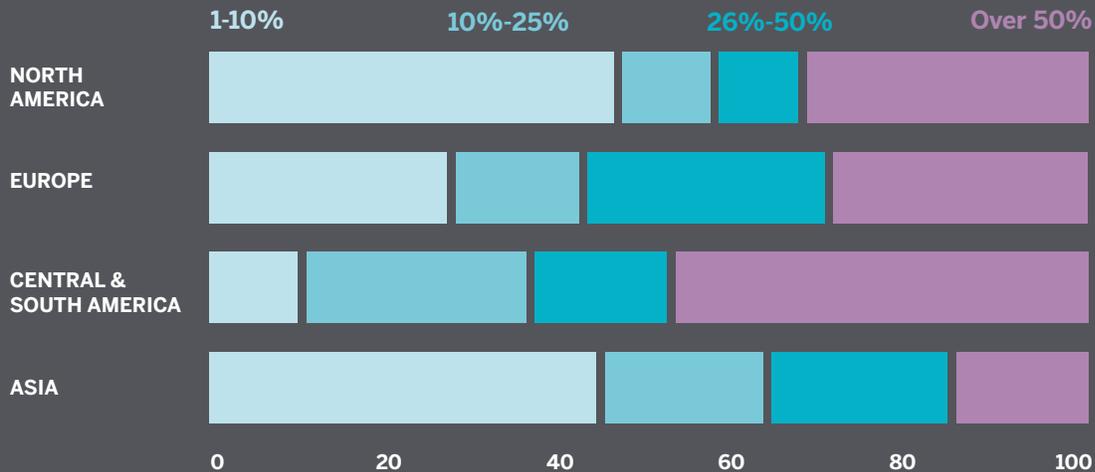
PREDICTION

2015 Airline Capacity and Volume



(Source: American Express Meetings & Events Group Air Expert Survey, August 2014)

Percentage of Meetings that Include Group Air Management



(Source: American Express Meetings & Events Group Air Expert Survey, August 2014)

This year’s survey results illustrate that the integration of air travel into meetings planning is not a standard practice across the majority of organizations. Instead, it is a relatively common practice (included in 50%+ meetings) for approximately 30% of North American and European respondents and nearly 50% of Central/South American respondents. In Asia Pacific, the practice is much less mature.

Meeting owners who are asking their planners to manage air travel as part of the meeting overall, indicate they are often doing so because it helps to keep air costs under control by ensuring that attendee flights are within the parameters set for the meeting, versus allowing them to book on their own.

Air Analysis Resurgence: In North America, meeting professionals have seen resurgence in the demand for assistance in conducting an air analysis for corporate meetings and events. Air analysis provides a reasonable estimate of the airfare costs associated with the event to potential destinations to assist the meeting owner with selecting the best destination for the event. Air

buyers are seeing more meeting owners who have meetings of 50 or more travelers requesting an air analysis as part of their planning process.

Norma Dean, Director of Specialty Sales for Delta Air Lines, has also noticed a significant increase in demand from North American organizations for the airline’s group and meetings travel products. She is seeing an increased involvement in group airfare discussions from individuals responsible for transient travel within their organizations, as companies are viewing their transient and meetings spend from a holistic perspective. “There’s a greater tie between the transient and the meetings business than has existed in the past,” says Dean.

There have also been increased efforts by many organizations to integrate their online booking tools with their attendee registration tools, which allows attendees to link directly to a sub-site of the transient booking tool to make meetings-related travel purchases. This integration also can enable meeting owners to easily access attendee travel data from the registration tools.

Coastal preferences. Our group air expert also noted that most requests for group air are related to events in North American on either the east or west coast of the US. The lower air lift available for many Midwest cities, such as St. Louis or Kansas City, is seen as a factor in driving down demand for events in those locations.

Types of Contracts

Flat rates preferred. Air experts indicate that airlines prefer to negotiate flat rate contracts for single destinations, and are open to adding mini route deals or conference rates as well. However the results indicate they do not like to negotiate mini-route deals or conference window rates on their own.

Group air professionals interviewed also mentioned that they often secure block space agreements with airlines to carry typically 20 to 40 attendees from a particular city, but securing discounts from airlines of more than 3-5% can be challenging. Above 40 travelers, the airlines are often less inclined to negotiate an

agreement as there is a sense that many attendees will need to fly with that airline, regardless of the presence of a discount.

Alliances aligning. Norma Dean of Delta mentioned that alliances such as SkyTeam have aligned their meetings product policies and processes to make the pricing and experience more consistent across alliance partners. Terms and pricing for group air contracts, consisting of 10+ passengers for a specific routing are more likely to vary across airlines within a given alliance, as they are negotiated on a specific airline basis.

Bigger in Japan? Japan's efforts to promote itself as an attractive destination for meetings and events appears to be paying off. Norma Dean noted the Delta's meetings-related business for Japanese destinations is relatively small, but is growing at a very significant rate.

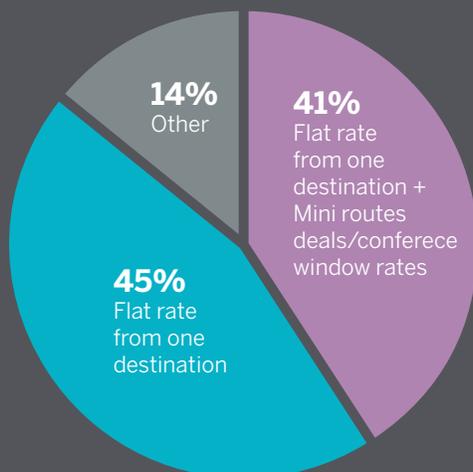
Group Air Contract Elements

Deadlines & deviations are open for negotiation. Ticketing deadlines and deviations, such as altering a routing or adding a stopover city, are the contract elements that respondents find airlines are most often willing to negotiate, likely because these elements do not directly result in a loss of revenue or increased hard dollar costs, and there is a recognition among airlines that meeting planners have to be flexible with their groups.

Not surprisingly, carbon emissions, cancellation fees and attrition penalties are more difficult for respondents to negotiate with airlines as they do directly impact revenues and costs for the airlines. Cancellation penalties for many North American based airlines are now on average \$200, according to our group air buyer.

SURVEY RESULTS

What Type of Deals Do Airlines Prefer to Negotiate?



(Source: American Express Meetings & Events Group Air Expert Survey, August 2014)

■ Indicates highest response

Terms Included in Group Air Contracts

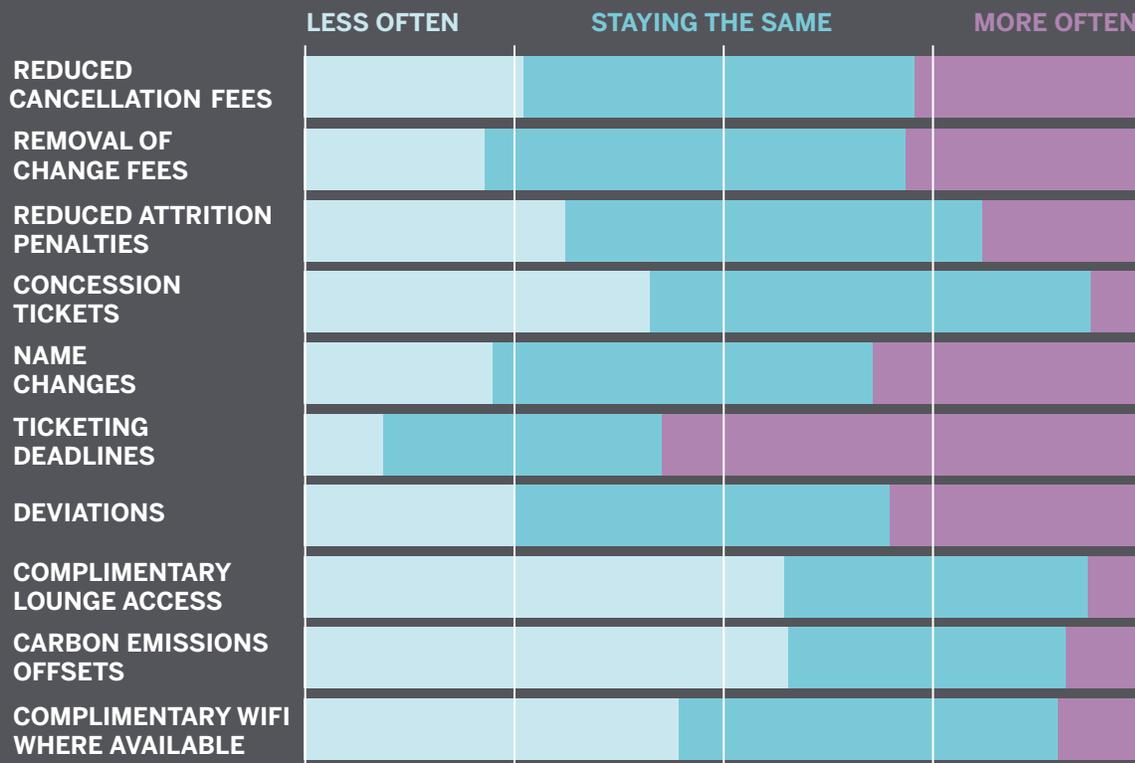
In line with the negotiation information above, the incorporation of terms related to ticketing deadlines into group air contracts is increasing, according to respondents.

More respondents see complimentary lounge access and carbon emission offset terms decreasing in contracts than any other terms. Air experts interviewed noted that they rarely are asked by meeting owners to request complimentary lounge access as prior experience has shown it is difficult to secure. Complimentary Wi-Fi access and concession tickets are also less often included in contracts for over 40% of respondents.

Terms Airlines are Open to Negotiate in Contract

Cancellation Fees	37%
Change Fees	61%
Attrition Penalties	38%
Concession Tickets	56%
Name Changes	70%
Ticketing Deadlines	95%
Deviations	81%
Complimentary Lounge Access	57%
Carbon Emissions Offsets	33%
Complimentary Wifi Where Available	56%

Terms Included in Group Air Contracts



(Source: American Express Meetings & Events Group Air Expert Survey, August 2014)



Global Trends

In This Section

1. Meetings Program & Policy Trends
2. Emerging Regions

Meetings Program & Policy Trends

Top Concerns

Perception, and reality. When asked to select their top concern when planning a meeting, the stigma attached to selecting a resort-style destination was the top concern for respondents in all regions, except for Asia Pacific, where there appears to be a greater acceptance of these destinations from a public relations perspective.

Economic and political instability concerns were also highly rated, as these uncertainties existed in many parts of the world during the latter half of 2014. Safety concerns, a top selection in the 2014 forecast, did not rate as highly this year, as compared to the other two concerns, though given the interrelated nature of these concepts, safety is still on the minds of planners.

Has 'green' lost its luster? Environmental or green issues was least selected as a top concern by all regional respondents. According to a meetings executive based in Germany, "Green is not really a trend anymore. It's something people talk about, but it's not driving the property decisions,

PREDICTION

■ Indicates highest response in each region

Top Concern When Planning a Meeting

TOP CONCERN	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA	GLOBAL HOTELIERS
Economic/Political Instability Concerns	23%	34%	32%	38%	34%
Currency/Exchange Rate	11%	4%	21%	9%	24%
Environmental Issues/Green	3%	3%	0%	2%	0%
Safety Concerns	23%	18%	16%	32%	17%
Perceptions around "resort" destinations for meetings	40%	41%	32%	18%	24%

(Sources: American Express Meetings & Events North American, European, Asia Pacific, and Central/South American Surveys, August 2014)

whereas two to three years ago it could drive the location choice.” He sees a much greater interest in how well a hotel is equipped with the desired technology for an event.

Policy Status & Components

Meeting planning gets more formal. We asked meeting professionals about the state of their formal meeting policies. Except in Central/South America, similar to last year, planners see policies becoming more formalized around the world. Over two-thirds of North American and European respondents report that a formal policy is in place for the entire organization, and nearly two-thirds of respondents in Asia Pacific have policies at least in place for some parts of their organization.

It appears that many more organizations have initiated or implemented a policy as well, with only Asia Pacific reporting more than 21% of organizations having no formal policy at all.

Respondents were also asked to indicate which of the following meetings components are explicitly addressed within their meetings policies.

Meetings ROI Metrics

ROI matters more. While still relatively small compared to other policy components, the percentage of respondents reporting explicit language around the expanded use of ROI metrics has risen significantly in all regions, except for Central/South America, from single-digit percentages in our 2014 forecast.

Closely tied with increased scrutiny of meetings during the approval process, more companies around the world appear to be demanding that

the results of meetings that receive investments be measured in some quantifiable manner.

There does not appear to be one consistent way meetings are measured. Companies use a variety of techniques to understand and measure the value of their meetings including traditional post-event satisfaction surveys, pre and post-event attendee surveys measuring progress against key objectives, or reviewing engagement metrics via mobile app data. Agreeing on key metrics for the meeting before planning begins should help keep the meeting owners and planners focused on delivering against those metrics.

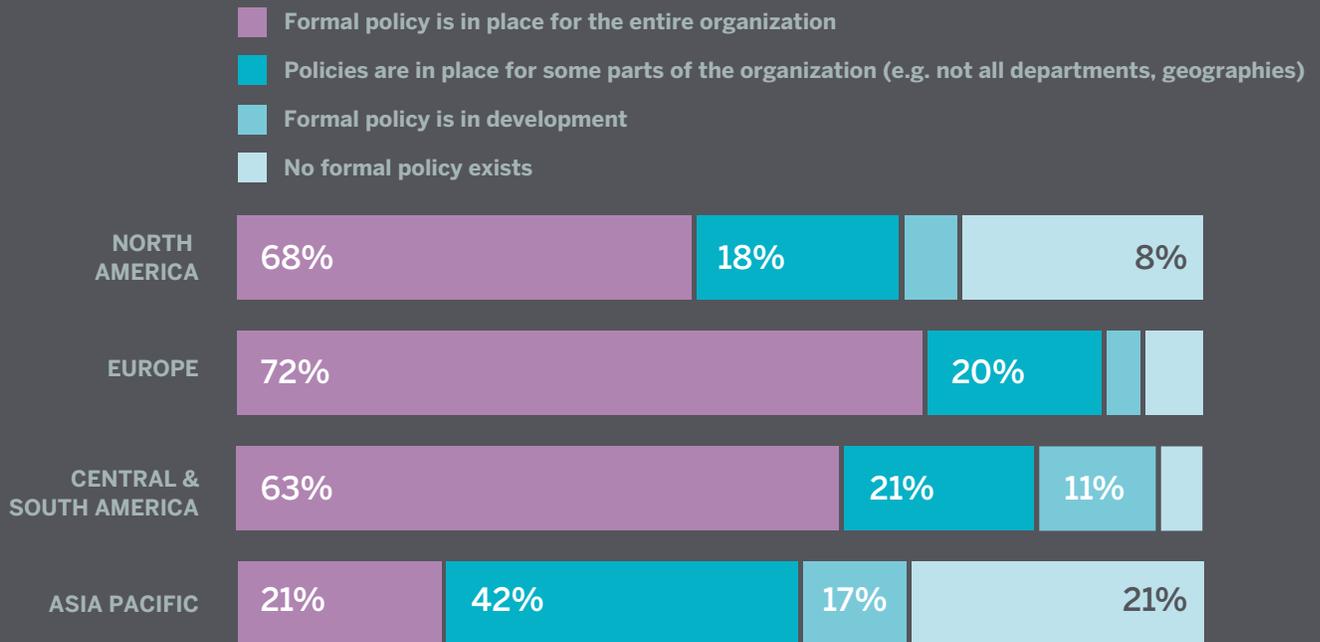
Global Expansion and Standardization

Thinking globally, successfully. Policy language related to global expansion and standardization of meetings and events programs has also apparently jumped significantly since last year’s survey when 17-18% of respondents in all regions reported their organizations included it in their overall meetings policy.

Now, more than 24% of all respondents in all regions, and as many as 37%, indicate that they are applying their meeting policies globally.

Milton Rivera, Vice President, Global Business Development for American Express Meetings & Events has noticed that a higher level of collaboration between company departments, such as sales, marketing, finance, communications and procurement, often in the form of global meetings-focused project teams or steering committees, is driving the successful implementation of standardized meeting practices. Whereas, in one example, Rivera had seen a procurement department make seven unsuccessful attempts

Formal Meetings Policy Status



(Sources: American Express Meetings & Events North American, European, Asia Pacific, and Central/South American Surveys, August 2014)

Components Included in Organizational Meetings Policies

■ Indicates highest response in each region

TYPE	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA
Expansion of meetings ROI metrics	13%	18%	5%	20%
Global expansion/standardization of meetings and events program	24%	30%	37%	26%
Implementation of meeting planning technology	22%	29%	16%	23%
Meetings/events payments tools	44%	31%	58%	35%
Social Media	10%	9%	5%	2%
Payment methods and processes associated with meeting/events goods and services	59%	45%	68%	38%
Procurement of meetings/events goods and services	59%	45%	58%	34%
Safety and security	37%	37%	68%	38%
Use of 3rd party meeting planners	35%	18%	32%	17%

(Sources: American Express Meetings & Events North American, European, Asia Pacific, and Central/South American Surveys, August 2014)

to standardize meetings practices globally in a ten year period, this new level of co-operation has “certainly resulted in a much higher success rate.” Rivera believes the impetus for this effort is the desire of organizations to manage their global meeting management activities from a transparency, financial and process standpoint.

Experts have also noticed that, as the business market begins to operate more globally, companies are more capable of implementing global level programs. While many companies in the past have struggled to take a successful strategic meetings management program in North America to other regions, due to market level autonomy and limited infrastructure, meetings-focused efforts can now take advantage of global infrastructures that have been put in place for other business objectives.

Meeting Planning Technology

Technology rises in importance. Policies associated with implementing meeting planning technology have also increased across all regions from a 2014 forecast range of 14-17%, to a range of 16-28% for 2015. One reason noted by experts interviewed is the increased integration between meeting technologies and other critical business systems that have increased their potential value.

Extending the conversation. A North American meeting expert notes that many meeting program owners are investigating how to integrate attendee management technologies into customer relationship management and marketing systems such as Salesforce.com. Within the last year, he is seeing an increase in companies taking a “thoughtful and systemic approach integrating meetings management technology into the end-to-end sales and marketing process.”

Striking a Balance: Global Standardization Tips

There appears to be a need to find a balance between standardization and allowing for unique requirements within the individual markets. Here are a few points of advice based on our experience helping global clients to standardize their meeting programs.

- 1 There's rarely a 'one-size-fits-all' approach that works across an entire global organization.
- 2 A global governance infrastructure that is then enabled by the local market service, execution and delivery personnel has been seen to work well for many companies.
- 3 Consider a set of strategies, guidelines and policies that is globally driven, and then allow for some customization to account for local market differences and regulations.
- 4 Keep in mind that from market to market, the volume of activity, available resources, and the vendor community will likely vary considerably, which can impact your organization's ability to operate at the same strategic level across all markets.
- 5 Each organization is unique. Take the time to identify the different departments and stakeholders that will be impacted and gain consensus on the degree of influence they will have on the design of the global program.

One example noted is the goal of using each attendee's unique session attendance information to influence and refine the sales process. Ideally, these efforts will result in an improved understanding of the ROI associated with each event as well.

Technology as the enabler, not the answer. On another positive note, Milton Rivera has witnessed, "a prevailing new understanding that meetings technology, in isolation, won't deliver a strategic meetings management program for an organization. It's a driver and enabler." According to Rivera, there's a recognition that it takes a combination of technology and formalized processes to ensure that the technology delivers the information and results an organization requires. In the past, he'd seen many global organizations purchase technology only to see it implemented properly by a small set of divisions and generate data that was both insufficient and incomplete.

Social Media

Social media continues to be a source of opportunity and risk for meeting owners, but its importance has yet to be reflected in many organizational meetings policies. No more than 10% of respondents in any region indicate the incorporation of specific language around social media use within their meetings policies. American Express Meetings & Events recently release a study specifically looking at technology use in meetings. In that study, we observed that social media is growing in importance to both meeting planners and attendees, so it is likely that the number of organizations incorporating social media into their meetings policies will increase in the coming years.

According to DoubleDutch, a leading provider

of mobile apps for meetings and events, the most popular feature within their apps is the activity feed, which is a contained social media feed that pertains directly to the event. It is seen that attendees participate more actively the event app's activity feed over broader social media channels, such as Twitter or Facebook, because event-specific posts are highly relevant and immediately actionable, may not be to the broader audience that exists on traditional social media channels. This focused social channel provides a more engaging outlet for attendees and the ability for planners to listen and respond to attendees easily, while capturing their implicit social signals of interest. Much can be learned from these app engagement metrics, empowering planners to improve future events.

John Iannini, Vice President Melia Hotels International, Meetings & Events noted that one of the reasons hotel rates are likely to rise is the need for properties to increase the Internet bandwidth available to meeting attendees who are increasing their use of mobile devices at events. It's likely that a significant portion of the bandwidth consumption is related to social media activity.

Payment Trends

Policies specifying meetings and payments tools are incorporated into 31% to 58% of organizations, depending on the region with Central/South American respondents reporting the highest percentage.

Card use rising. Survey respondents are indicating significant increases in the use of company- issued cards as the most frequent payment method for meetings-related expenses in Europe and Central/South America, at 56% and 79% respectively, compared to 32% and

GLOBAL COMPLIANCE INSIGHTS

In recent years, regulatory pressures for multinational corporations operating in foreign jurisdictions have become intense. From overall scrutiny around engagement of third parties and outsourcing, to information security, data privacy, and anti-corruption regulations, global companies are faced with overlapping and sometimes conflicting regulations and pressures from multiple enforcement agencies from various different jurisdictions. Meetings is one area where these pressures create the need for organizations to consider their options and put programs in place to help mitigate their risk.

Control around expense management is a hot button not only from an internal budgeting perspective as meeting planners need to do more with less, but also due to the potential need to defend against allegations or scrutiny around corruption or bribery issues. The number of global companies that are being investigated for their use of third party intermediaries including meeting management companies is growing, and travel and entertainment expenses are increasingly becoming the focus of US as well as overseas and local regulators. As such, getting internal approvals to conduct meetings and conferences where external parties, business partners, suppliers, customers and local regulators attend are difficult not only from an expense management perspective but also from a regulatory compliance perspective.

Some companies are still trying to figure out what the appropriate metrics or threshold should be from a regulatory defense

perspective. More and more companies are requiring accurate expense tracking and post-event reporting, and audit services from their meeting management companies, as well as putting strict controls in place to prevent expense fraud at the execution level. Meetings management organizations vary in their experience with regard to working with companies to build policies and processes designed to help companies achieve compliance, making careful review of potential partners even more important as regulatory pressures increase.

Challenges are even greater in emerging countries, where business growth opportunities and the need for in-person face-to-face training or conferences can be greater. Internal compliance departments are often being inserted as final approvers for engagement of meetings management companies as well as for each individual meeting or event to occur. Some controls being put in place include review of agenda, control over attendee list, per attendee spending budget reports including accumulative reporting on an annualized basis, and follow-through on the backend to confirm attendance, spending, and other key metrics. Meetings policies nowadays will also often include a review of regulatory compliance, in addition to budgeting.

As organizations increase meeting spend and activity, and look to expand into emerging countries, it is important to keep in mind the need for policies and processes that drive compliance to help mitigate risk.

■ Indicates highest response in each region

Most Frequently Used Payment Method

TYPE	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA
Company-issued Card (Meeting Card, Corp Card)	83%	47%	79%	37%
Electronic Funds Transfer	2%	21%	21%	37%
Invoice/Check	13%	32%	0%	25%
Personal Card	2%	0%	0%	2%

(Sources: American Express Meetings & Events North American, European, Asia Pacific, and Central/South American Surveys, August 2014)

43% in our 2014 forecast survey. North American card use remains high, while Asia Pacific is much more evenly split between company-issued cards and Electronic Fund Transfers as the most frequent payment method.

At a high level, meetings experts responsible for Europe and Central/South American activity think that the increased use of company-issued cards is tied to an increased interest in understanding and monitoring the costs associated with meetings activity. Payment cards can serve as a means to consolidate meetings spend information particularly as an initial step to understand total meetings spend, similar to their use for office supplies or transient travel expenses.

Use of Third-Party Meeting Planners

Leaving it to the experts. Policy language specifying the use of third party meeting planners is highest in North America at 35%, closely followed by Central/South America at 32%. There appears to be an increasing trend

towards the consolidation and outsourcing of the meeting planning process for both compliance and financial reasons. A Director of Meetings and Events in the UK has noticed this trend as well, “Whereas a few years ago, many companies were taking their meeting planning activities back ‘in-house’ they’re now looking to out-source their entire program.” The single-source reporting that comes from the consolidation of meetings management with one planner can greatly simplify the organization’s efforts to meet compliance reporting requirements and can increase the accuracy of financial tracking of overall meetings activity.

Another trend is in the consolidation of meetings spend within the clinical research arena. According to one expert, previously the use of third party meeting planners was common place and without many restrictions. Now she sees many clinical research organizations consolidating their meeting spend with a small network of preferred suppliers to both help ensure their end customers receive the value and help meet compliance needs.

Meeting Approvals

In this year's survey, we probed respondents about the level of difficulty associated with the approval process for different types of meetings. The responses were perhaps surprisingly relatively uniform, indicating that, in general, all meeting types face a similar level of scrutiny.

Incentives and special events did rank as the most difficult meeting type to approve in three out of four regions. Senior leadership and board meetings appear slightly easier to get approved, except in Central/South America.

It starts with socialization. Yma Sherry of American Express Meetings & Events has noticed two different approaches to approvals

amongst North American companies. One approach involves sourcing the meeting up to the point of having a contract ready to sign and then awaiting approval before moving forward. A second approach involves providing monthly reports to executives of new meetings that are being planned and may already be under contract, with the understanding that the executives may then force a cancellation of the event. In both situations, she has noticed that few meetings are actually cancelled or not approved, as they have been 'socialized' (e.g. in one-on-one sessions) with the approvers well in advance of the formal approval process. Events that meetings owners sense are not likely to be approved therefore do not ever proceed to the point of reaching the formal approval process.

SURVEY RESULTS

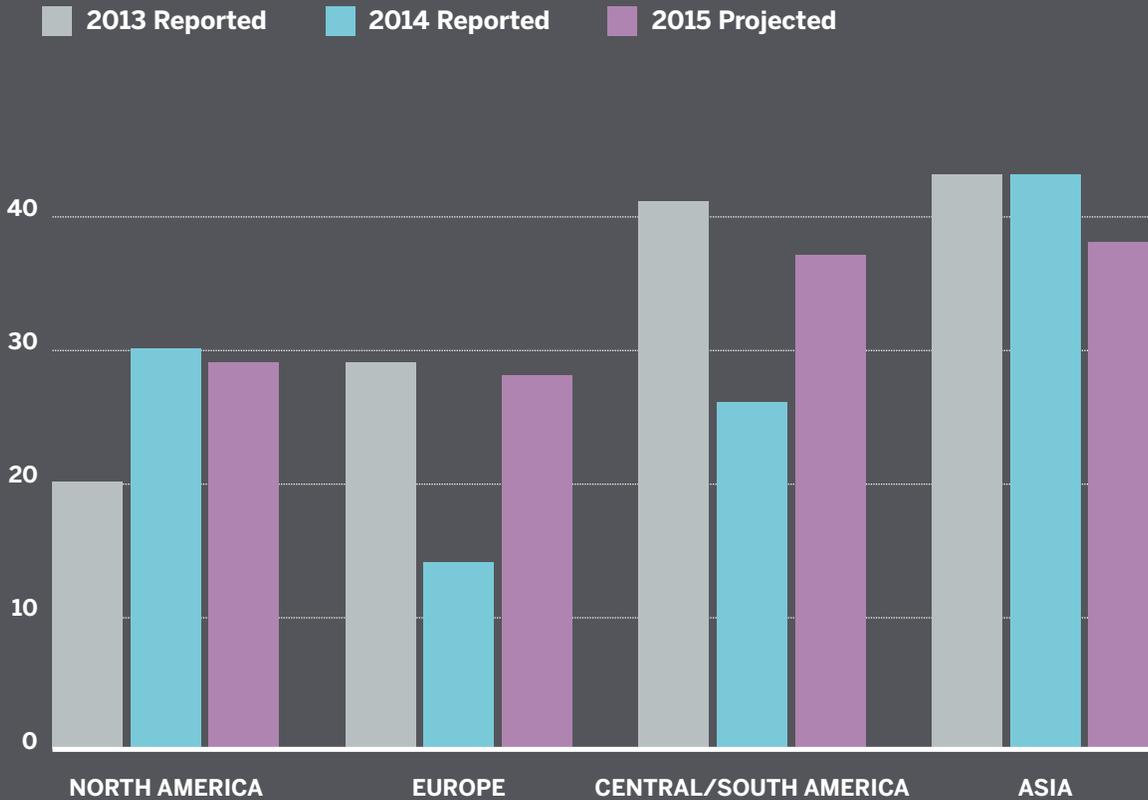
Meetings Approval Process

Difficulty of getting approvals for each type of meeting on a scale from 1 to 5.

	1 = VERY EASY	2 = EASY	3 = NEUTRAL	4 = DIFFICULT	5 = VERY DIFFICULT
TYPE					
	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA	
Sales/Marketing	2.9	3.1	2.7	2.9	
Training	2.7	2.9	2.6	2.8	
Internal Team Meeting	2.9	2.9	2.8	2.8	
Product Launch (Internal/External)	2.9	3.4	3.6	3.0	
Conferences/Tradeshows	2.9	3.2	3.6	3.2	
Senior Leadership Meeting/Board Meeting	2.7	2.9	3.2	2.7	
Advisory Board	2.8	3.0	3.0	2.9	
Incentive/Special events	3.3	3.7	3.8	3.4	

(Sources: American Express Meetings & Events North American, European, Asia Pacific, and Central/South American Surveys, August 2014)

Virtual/Hybrid Usage 2013–2015 (More than 10% of meetings)



(Sources: American Express Meetings & Events North American, European, Asia Pacific, and Central/South American Surveys, August 2014)

Virtual & Hybrid Meetings

Experiencing some turbulence. The prevalence of virtual/hybrid meetings has varied considerably in 2014 according to respondents. Reported use of virtual/hybrid solutions in more than 10% of meetings has climbed from 20% to 30% in North America, but has stagnated in Asia Pacific and has fallen significantly in Europe and Central/South America.

Respondent predictions for next year indicate a

rebound in Europe and Central/South America but no significant change in North America and Asia Pacific.

Brighter skies ahead. Milton Rivera of American Express Meetings & Events sees meeting owners starting to develop virtual strategies to help them extend the audience, or to reinforce the key messages before and/or after the event. “They are interested in leveraging virtual technology but they are struggling with how to design their meetings to take advantage of it,”

■ Indicates highest response in each region

Most Compelling Reason to Use Virtual/Hybrid Solution

REASON	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA
Ability to reach a broader audience	26%	25%	19%	27%
Ability to re-purpose meeting content for multiple uses	9%	9%	13%	12%
Cost savings	32%	35%	36%	31%
Improve the overall effectiveness of the meeting	6%	8%	12%	6%
Reduce travel and time out of office	27%	22%	19%	24%

Obstacles to Expanding Use of Virtual/Hybrid Solution

OBSTACLES	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA	GLOBAL HOTELIERS
Dealing with complex technology issues	22%	31%	25%	31%	34%
Inability to effectively engage audience and monitor active participation	36%	19%	38%	27%	17%
Lack of project management skills to support logistics requirements for these solutions	7%	4%	0%	7%	3%
Lack of understanding around how to build an agenda and deliver content in virtual or hybrid meeting	8%	14%	25%	15%	14%
Meeting owners are not ready to think traditional live meeting formats	11%	19%	13%	13%	14%
Virtual and hybrid meetings are not viable alternatives to live meetings	16%	15%	0%	7%	14%
Other (only answer choice for Hoteliers)					3%

he notes. He also believes that meeting owners are becoming better equipped to utilize the available virtual solutions but that it's an evolutionary process. Up until recently, Rivera felt that "the complexity and sophistication of the tools outstripped the ability of the marketplace to use them effectively."

Cost savings and more. Cost savings is ranked the most compelling reason to use a virtual solution, but the ability to extend the reach of an event is not as far behind as it has been in

past survey results. This is a welcome sign that meeting professionals are beginning to value the ability of virtual/hybrid solutions to drive business outcomes, almost as much as their ability to reduce meeting spend.

Kaaren Hamilton of Carlson-Rezidor reports that she is "definitely seeing more hybrid activity in larger meetings where the desire is to reach larger audience, in particular with respect to association events and conventions."

■ Indicates highest response in each region

Clearly Defined Virtual Policy

ANSWER	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA
Yes	10%	4%	11%	11%
Most Clients Do	7%	9%	11%	5%
Most Clients Don't	6%	14%	32%	12%
No	46%	25%	26%	46%
I Don't Know	31%	47%	21%	26%

Clearly Defined Virtual Strategy

ANSWER	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA
Yes	9%	3%	11%	12%
Most Clients Do	6%	8%	11%	5%
Most Clients Don't	7%	16%	32%	11%
No	46%	25%	16%	46%
I Don't Know	33%	48%	32%	26%

Primary Responsibility for Integrating Virtual Meetings

RESPONSIBILITY	NORTH AMERICA	EUROPE	CENTRAL/SOUTH AMERICA	ASIA
Communication	8%	10%	13%	0%
HR	4%	0%	0%	0%
IT	25%	11%	0%	20%
Learning & Development	15%	11%	31%	20%
Marketing	13%	20%	31%	5%
Meeting Planning	23%	35%	13%	20%
Procurement	13%	13%	13%	35%

(Sources: American Express Meetings & Events North American, European, Asia Pacific, and Central/South American Surveys, August 2014)

Complexity and apprehension remain.

Complexity and apprehension remain. Concerns regarding technology use and effectively engaging attendees remain significant obstacles to expanding the use of virtual/hybrid solutions in 2015. A Director of Meeting & Events in the UK sees concerns about technology amongst meeting professionals in the country. “Live virtual meetings are perceived as a real risk. If attendees are all connecting remotely, there’s a concern that they might not be able to, or won’t know how to use the technology,” leading attendees to either miss the meeting or have a suboptimal experience.

A Director of Meeting & Events in the Asia Pacific region agrees and adds that, “Often, meeting owners don’t think about incorporating virtual or hybrid solutions far enough in advance. Then, there is insufficient time for the technical due diligence required to ensure it will work properly the day of the event, which results in it not being utilized.”

Survey results indicate that a small percentage of companies are developing both virtual-related strategies and policies, with little movement from the numbers reported in the 2014 forecast.

As noted in our special section on virtual and hybrid meetings in the 2014 forecast, “The creation of a strategy supported by policy is crucial to ensure organizations have the appropriate infrastructure and skill set in place, along with the alignment of meeting owners.” Combined, these documents can help increase both the use and the effectiveness of virtual/hybrid meeting solutions for an organization.

Frustratingly fragmented. Responsibility for integrating virtual/hybrid solutions remains highly fragmented across all regions, according

to respondents. Only in Europe do respondents indicate that the meeting planning department has this responsibility in more than a third of organizations. This fragmentation is a good indication that virtual/hybrid solution usage is not managed strategically in the majority of organizations. For organizations where virtual or hybrid meetings will play an increasing role, there appears to be opportunity for meeting planners to come forward and lead the strategy, and create ownership over the use of virtual and hybrid meeting tools.

Mobility

Improving real time communications, consistently. According to a recent American Express Meetings & Events study on technology in meetings, mobile apps continue to grow in popularity, with scheduling and communications features being most popular among both planners and attendees. Meeting attendees are looking for ways to connect and communicate more efficiently with one another, arranging networking meetings, sharing their thoughts on sessions and speakers, and providing feedback to meeting owners. Doing this via a mobile app fits well with how attendees use their mobile devices in the rest of their lives, and is becoming an expectation within the meetings environment.

Meeting planners are also looking for easier ways to communicate with attendees, share updates and communicate changes to rooms, schedules and more during meetings. The industry appears to be in a test and learn phase as related to mobile apps with all regions indicating an increase in the use of mobile apps in 2015 with Asia Pacific and North America leading, predicting a 4-5% increase in use.

Emerging Regions

For the second year in a row, we asked meeting professionals about their activities in the emerging countries of Brazil, Russia, India and China, often referred to as the BRIC states.

Formalizing Meetings Programs

Already formalized? The degree to which organizations are formalizing their meetings programs in these emerging countries appears to be declining when survey results are compared with the 2014 forecast figures. Whereas 43% to 70% of respondents from all regions were formalizing their programs in at least one country in last year’s survey, the range has dropped to 21% to 49% in this forecast survey. It may be the case that respondents have already formalized their meetings programs in many of these countries.

China is the country where program formalization is most likely to take place for North American, European, and Asia Pacific organizations. Yma Sherry of American Express Meetings & Events has noted that many organizations have “a perception that their meetings in China are not being managed well and the proper controls

PREDICTION

■ Indicates highest response in each region

Formalizing Meeting Programs

REGION	NORTH AMERICA	EUROPE	CENTRAL/ SOUTH AMERICA	ASIA
Brazil	18%	13%	21%	8%
Russia	4%	4%	0%	2%
India	16%	3%	0%	17%
China	24%	16%	0%	40%
None of the Above	66%	76%	79%	51%

(Sources: American Express Meetings & Events North American, European, Asia Pacific, and Central/South American Surveys, August 2014)

■ Indicates highest response in each region

Greatest Area of Focus by Region

	AREA OF FOCUS	BRAZIL	RUSSIA	INDIA	CHINA
NORTH AMERICA	Enforcement of Meetings Policy	19%	11%	14%	15%
	Identifying Appropriate Destinations	21%	16%	17%	13%
	Securing Preferred Supplier Agreements	11%	4%	5%	7%
	Complying with Company Expense Policies	11%	11%	8%	6%
	Destination Management Support	9%	18%	12%	10%
	Overall Program Management in Country	23%	24%	36%	31%
	Complying with Local Privacy Laws	7%	16%	8%	16%
EUROPE	Enforcement of Meetings Policy	23%	35%	20%	24%
	Identifying Appropriate Destinations	18%	24%	20%	14%
	Securing Preferred Supplier Agreements	5%	0%	0%	5%
	Complying with Company Expense Policies	14%	12%	20%	14%
	Destination Management Support	32%	12%	13%	29%
	Overall Program Management in Country	9%	18%	27%	10%
	Complying with Local Privacy Laws	0%	0%	0%	5%
CENTRAL & SOUTH AMERICA	Enforcement of Meetings Policy	0%	17%	17%	50%
	Identifying Appropriate Destinations	17%	17%	0%	0%
	Securing Preferred Supplier Agreements	33%	33%	50%	17%
	Complying with Company Expense Policies	0%	17%	17%	17%
	Destination Management Support	33%	17%	17%	17%
	Overall Program Management in Country	17%	0%	0%	0%
	Complying with Local Privacy Laws	0%	0%	0%	0%
ASIA	Enforcement of Meetings Policy	0%	0%	4%	9%
	Identifying Appropriate Destinations	21%	19%	11%	15%
	Securing Preferred Supplier Agreements	11%	0%	7%	12%
	Complying with Company Expense Policies	5%	6%	15%	12%
	Destination Management Support	42%	63%	30%	15%
	Overall Program Management in Country	16%	6%	30%	24%
	Complying with Local Privacy Laws	5%	6%	4%	15%

(Sources: American Express Meetings & Events North American, European, Asia Pacific, and Central/South American Surveys, August 2014)

aren't in place. They are starting to look for help because their meetings activity is only increasing in China."

Areas of Focus

Regional influences dominate. When asked about their greatest areas of focus within these emerging countries, responses appeared to be driven more by the location of the respondent rather than the destination country. North American meeting professionals are focused most highly on overall program management, whereas Asia Pacific-based professionals are more interested in destination management support. European respondents are more likely to vary their focus across several areas, such as enforcement of meetings policy in Russia, compared to destination management support in China. Central/South American respondents show a higher interest in securing preferred agreements in most of these countries.

Tips

For tips related to planning meetings within these emerging countries, see our special section entitled "Considerations for Planning Meetings & Events in Emerging Countries".



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Four Empowering Digital Event Solutions

Meeting professionals now have the opportunity to rethink meeting design and content delivery to capitalize on digital solutions and engage the audience in new and exciting ways. New technologies are enabling meeting planners to:

- Improve the quality of the content delivered;
- Streamline the registration process;
- Enhance the meeting experience with the integration of mobile apps and social media; and
- Expand their audience through virtual meeting solutions.

THE FOUR SOLUTIONS:

In this section, we'll discuss the potential uses and value of four different digital meetings solutions that are increasing in their prevalence and importance around the world:

- 1. Attendee Management Solutions**
- 2. Event Mobile Applications**
- 3. Social Media Solutions**
- 4. Hybrid Meeting Solutions**

We'll also offer some insight regarding their implementation to help you make the most of your investment in digital solutions.

1. Attendee Management Solutions



Personalized content can now be pushed to specific attendees to match their interests.

POTENTIAL IMPACT

Attendee management software solutions are now offering many new features to help ensure that each participant's experience is optimized based on their unique interests and the specific goals of the meeting host. Personalized content can now be pushed to specific attendees to match their interests. Based on their profile, attendees can receive customized promotional materials by e-mail and be served relevant and useful information via the event website and/or the event mobile application. Event websites can be linked to social event networking features in order to engage participants with each other. Combined, these capabilities can help the planner deliver much more individualized experiences for each attendee.

KEY FEATURES

- Attendee registration and management in one single web platform.
- Preparation and management of personalized invitations through e-mailing campaigns.
- Promotion of the event using a branded website and social media.
- Attendee check-in using QR codes, e-badges or the mobile event application.
- Real-time data collection and consolidated event reporting.

IMPLEMENTATION ADVICE

- Design the look and feel of the event website to align with the theme of the meeting, to help evoke the appropriate response from attendees. Business meetings may be simple and to the point, while client meetings or incentives may require features that generate more excitement.
- Create an event website that is simple for attendees to navigate while giving them the necessary information for the meeting. Ensure contact information is easily found on the site in case an attendee has questions or issues during or after the registration process.
- From this one location, collect all the attendee information that is necessary to enable effective program planning. Do not ask for more than needed, to reduce any attendee discomfort around the gathering of personally identifiable information.
- Think ahead and gather information in areas such as food choices, t-shirt sizes or mobile device platforms. Not only will attendees be pleased to get what they need onsite, but the planner will be able to adjust the meeting logistics accordingly to meet the needs and availability of the attendees.



Personalized content can now be pushed to specific attendees to match their interests.

2. Event Mobile Applications

POTENTIAL IMPACT

Event mobile applications provide numerous benefits to participants, from helping to manage event information to driving engagement with event content and other attendees. On-site attendees are now expecting a “heads-down” mobile experience. They’re at the event physically, but also planning their next sessions, asking questions, sharing comments and answering polling questions all from their mobile application. Mobile apps also offer additional value by extending the lifetime of the event beyond the physical event, both before and long after the event has concluded.

KEY FEATURES

- **Event information:** Event agenda/schedule, floor plan & maps, push notifications, speaker profiles, branding, exhibitor list, on-site registration, video player.
- **Networking:** Attendee profiles, event calendar sharing, lead retrieval, instant messaging.

- **Participation:** Polls, surveys, instant messaging, Q&A sessions, Twitter feeds and other social networks integration, gamification.

IMPLEMENTATION ADVICE

- Define what portions of the event life cycle the event mobile applications will address.
- Develop an editorial process for any app features that require content management, such as session descriptions or exhibitor information.
- Distribute and promote the event application at least a month prior to the event using print, QR codes, social media channels, websites or any other relevant marketing channel.
- Track and monitor social feeds or “activity feeds” during the event to enable planners to make onsite adjustments to better meet attendee needs or address areas of dissatisfaction where possible.

3. Social Media Solutions

POTENTIAL IMPACT

Consuming user-generated content, blog posts, videos, tweets and other posts are the norm for a large portion of today's attendees, in virtually any country. They expect to interact, learn from and create relationships with each other. Social media channels can help to drive attendance; create buzz before, during and after an event; and ensure that the event receives maximum exposure.

As the social media options and potential uses are numerous, it is critical to clarify your objectives and audience's needs. This initial assessment will help to define the key themes to develop across social media channels, such as event awareness and attendee interactions, and also identify which channels are most appropriate for the event.

Social media activity can be monitored and displayed live through social walls. Social walls are a single place where comments from all social media can be brought together for easy viewing by attendees. A good practice for these walls is to generate a curated feed of the user generated content developed during the event from all the social media channels (streams of pictures, tweets, videos and comments). Curating helps ensure that you're sharing the most relevant information to attendees, which helps maintain their interest and generate increased participation.

IMPLEMENTATION ADVICE

- Select the social media channels that are most relevant to the event.
- Prioritize simplicity, consistency and seamless integration across all digital solutions (e.g. integrate social media with online registration and mobile event applications).
- Use Facebook or LinkedIn to post about the event topics, speakers, build a community, start discussions on the event wall and groups.
- For smaller, private meetings and events, consider an activity feed via a meeting app to allow event attendees to share socially within the context of the event itself.
- Create a unique event hashtag on Twitter. Introduce the hashtag specific to the event on invitations and on the event website. Follow the conversations happening in Twitter about the conference. Engage in those conversations by answering questions and thanking participants. Re-Tweet relevant messages that use the hashtag and/or the event Twitter account.
- Produce short video teasers or a welcome video and post them on a YouTube channel and promote them through Twitter and the event website.
- Use Pinterest or Instagram to streamline pictures and short-videos.



Social media can drive attendance and create buzz before, during and after an event.

4. Hybrid Meetings

POTENTIAL IMPACT

Organizations can complement their face-to-face, on-site, physical meeting with simultaneous online viewing over the web, and on-demand post-event. Hybrid solutions can enhance and expand the value of in-person meetings by connecting with new audiences online giving them a taste of what the on-site event is like.

They add value by increasing interaction, reaching a broader audience with the event content and boosting event exposure. High bandwidth internet availability in venues, at the office or on-the-go and the added benefit of incorporating remote presenters are boosting adoption rates as organizations strive to extend their reach and capture a larger global audience.

KEY FEATURES

- Ability to create an online experience that mirrors the face-to-face event, complete with high-quality synchronized real-time video, audio, and content including interactive tools features.
- Replay/archive capabilities for people who are unable to be present.
- The tracking of metrics, including attendance during live and archived sessions, poll/survey/Q&As statistics.
- A cost-effective way to get the message out to your audience at the same time, regardless of their physical location.

- 1 Run an in-studio event with live audience whenever possible
- 2 In the video being broadcast, incorporate close ups of presenters while giving their speeches mixed with wide views of the audience and studio.
- 3 Poll the webcast audience live, then push the poll results for the audience to see, and discuss the feedback live. Use polling features that display both percentages and easy-to-read pie graphs, to allow the audience a glimpse of how their fellow remote audience members are responding.
- 4 In addition to the live video, pre-recorded videos, downloads and information around your live content could be added to the webcast to give some background, highlighting the importance of the live event and creating excitement.
- 5 Track the consumption of pre-recorded content so you can analyze which attendees accessed which materials.
- 6 Small details, such as the name of the current or upcoming presenter and presenter biographies, add context for live viewers and anyone joining the webcast mid-event.
- 7 Easy sharing through social media integration can be enabled to spread event awareness and create a buzz around your content.
- 8 Incorporate Q&A when possible, that includes both live and remote audience questions.
- 9 Use animation in your PowerPoint presentation and other interactive website features.
- 10 Post-event, execute an email campaign to reach anyone who was unable to attend in person or unable to watch live from their computer, and provide access to the archived webcast on-demand. The campaign can help extend the reach of the in-person event to not only the full intended audience, but also a social audience through replays.

Best Practice Advice for Selecting and Implementing Digital Event Solutions

Every digital solution offers a unique opportunity to increase the overall value of an event. Here are some best practices based on the experience of American Express Meetings & Events meeting planners from around the world who have helped integrate digital solutions into a wide variety of events for our clients.

1. Define the Desired Area of Impact: Work with meeting owners to identify, by meeting type and meeting objectives, what portions of the event lifecycle you wish to improve through the use of one or more digital event solutions.

2. Assess the Audience: Before selecting a digital solution, it is important to assess how likely it is that your audience is familiar with the technologies you are considering. The results of this assessment can not only impact the choice of solutions but also the way in which they are implemented and introduced to the audience.

3. Select the Solution(s): Evaluate all solutions to understand which will, enhance the audience experience and improve business outcomes.

4. Identify Stakeholders: A key component of the process will be to identify all key stakeholder groups that are responsible for the implementation and/or are impacted by its integration. Typical internal and external stakeholders include:

- Meeting owner
- Procurement
- Compliance
- IT and Digital
- Meeting Management Company

The successful execution of digital events is a collaborative effort involving interaction among

internal resources and aligned third parties. Open communication is essential.

5. Identify Tasks and Assignments: Clearly define all tasks associated with the fulfillment of digital events and meeting projects. Then assign each task to the appropriate group or individual. For each event, initial tasks include:

- A well-defined scope of work with a clearly defined event flow and content delivery road-map.
- A detailed implementation project plan and timeline for completion of tasks.
- Identification of required interactions with attendees across all digital tools.
- Plan for any required training related to the usage of the digital event solutions – both for speakers / presenters and attendees.

Digital event solutions cannot be effective without context, planning, content, promotion, staff participation, technical support, processes and integration. A clearly defined digital deployment tactic helps to unify everyone in the organization around what needs to be done and why. It is critical that the primary objectives and key timeline events are clearly understood and agreed upon by all stakeholders.

Conclusion: Meeting planners are constantly looking for opportunities to elevate their event 'to the next level' and taking advantage of one or more of these four digital solutions offers great potential for success. As with any aspect of meeting planning however, none of these solutions will deliver the results you're looking for on their own. The best results are achieved when a planner takes the time to select the right solution for an event, and effectively plan for its integration in the overall event plan.



Planning Meetings & Events in Emerging Countries

Have you considered placing a meeting in an emerging country? What do you need to look out for when planning an event there? And what is an emerging country anyway?

An emerging country is a country that has been typically less developed but the economy is beginning to rapidly grow. The four largest emerging and developing economies are the BRIC countries (Brazil, Russia, India and China), with India and China considered to be the largest. Some other countries that are considered by some to be emerging are Mexico, Indonesia, South Africa, South Korea and Turkey.

The meetings business in emerging countries has grown significantly in recent years, as these

economies have increased in importance. There is a much greater desire to meet in these countries than ever before, and that brings to light a different set of challenges, experiences, as well as a greater sense of duty of care for planners.

There are five aspects to meeting planning that are imperative for planners to focus on in order to ensure their meeting goes smoothly in an emerging country: security, technology, transportation, food & beverage, and payments.

1 BE PREPARED FOR VARYING LEVELS OF SECURITY

Security issues vary country to country and it is essential that planners are up to date on security in emerging countries. The U.S. Department of State site (www.travel.state.gov) is a great resource for ensuring your meeting is in a location that meets the security needs for your client. In countries where unrest or other political issues may be a factor, a strong force majeure clause is required in your contract can help ensure you are able to cancel the meeting without penalty if a security issue arises. Items to consider in a force majeure clause should include consideration of curtailment of transportation due to strikes or unrests well as consideration for attrition if attendees cannot arrive on time due to these issues.

Meeting with security experts in the local country can help planners ensure understanding of issues to be on the lookout for, and how local security, the venues and the planner should handle those concerns. Be sure to ask the venue about their policies and procedures for medical situations (i.e. whether there is a doctor on staff, the location of the closest hospital, whether the staff is trained in CPR, etc.). Ideally, planners should meet with hotel security during a site inspection prior to the meeting regardless of the location, but it's especially important in emerging countries. However if that is not possible, talk to the hotel security to ask specific questions about their contingency plans for natural disasters, medical issues, political unrest, strikes,

etc. You should also know who your main point of contact is in case of an emergency and have their number with you at all times while onsite.

2 KNOW THE TECHNOLOGY LANGUAGE, AND KEEP ATTENDEES IN TOUCH

Even though technology in emerging countries is not as different from that in developed countries as one may think, it is important to make sure you are speaking the same technology language. As a simple example, confirm that the adapters you need for your printers or laptops are readily available or you will need to bring these with you. Ideally, connecting a technology specialist from your home country with a technology specialist in the host country can go a long way to ensure that you have everything you need to make your event successful. Be sure to make your onsite technology requests early on, so the venue can meet the needs of your program.

Beyond attendee security, there is the added question of IT security. Due to a lack of transparency, as well as rumors about the way other countries manage technology, many companies choose to err on the side of caution rather than assume data will be secure. Recently, one company's security director strongly advised against attendees bringing work laptops with them to a meeting program operating in China and suggested they bring a clean laptop without proprietary information. This decision was due to the company's security concerns that China could have the capability to obtain proprietary

5

SUCCESS FACTORS



SECURITY



TECHNOLOGY



TRANSPORT



FOOD & BEVERAGE



PAYMENTS



Ask for drivers who speak both your language as well as the local language to ensure you and your attendees feel comfortable.

information from electronic devices once entering the country. Although not all companies will have clean laptops for a situation like this, it is important to consider these possibilities.

Mobile networks in emerging countries are often quite advanced and can be very useful in maintaining contact. Suggest to your attendees that they purchase a temporary international cell phone plan if they don't have one. If their phone does not accommodate international calling or their cell phone remains off unless they are making outgoing calls, you may not be able to reach them in an emergency, even if you have their contact information.

You may want to consider the option of renting a satellite phone while onsite in an emerging country. Satellite phones are able to work even if the normal infrastructure for communications goes down. While they may be costly to rent, it is a small price to pay for peace of mind.

3 TRANSPORTATION PREFERENCES AND POLICIES WILL BE DIFFERENT

Transportation can be challenging in emerging countries, and one country may offer very different modes of transportation and have different requirements when booking travel from another. For example, in China it is important to ensure attendees are booked with changeable airline tickets as schedules can frequently shift. It is important to discuss all booking options and preferences with your client, in

addition to educating them on what the specific country is able to offer in terms of transportation. A local Destination Management Company (DMC) or your hotel contact should be helpful resources.

Take into consideration that many attendees may need to take connecting flights in order to arrive in an emerging country destination, either due to their travel distance or reduced airline capacity into certain areas of the country.

Duty of care is also an important item for companies to consider. One must be able to reach attendees in case of a natural disaster or any kind of emergency situation. If attendees book their own transportation, duty of care can become a big issue as there is no central record of attendee travel plans. For example, throughout parts of Asia and Europe, train tickets must be purchased by the individual traveler. In these types of situations, self-reporting of reservations by an attendee within their meeting registration should be required in order to help provide a way to manage changes or required communication throughout their journey.

Additionally, traveling in a country where you don't speak the language can be quite challenging. Ask for drivers who speak both your language as well as the local language to ensure you and your attendees feel comfortable when traveling in a foreign region. The local DMC can be a great resource in arranging transportation and providing a sense of comfort and understanding of the local culture and language.

Many countries require a Visa for entry. Although it may be easier, discourage attendees from trying to enter these countries as a tourist if they are truly there for a work-related event, as they risk being banned from the country and turned away upon arrival. Partner with a group that specializes in Visa applications (i.e. CIBTvisas) to make certain that attendees are able to answer all of the questions on the application correctly. Visa regulations are updated constantly, and these service providers can help ensure the most current requirements are met, allowing all applications to be processed as efficiently as possible. Applications can be lengthy, so planning ahead is the best course of action. Some countries even require individuals to apply in person which will take additional time. If you are working with a hotel and/or DMC, they may be able to provide a Visa invitation letter stating the purpose of the visit and/or confirming the existence of a hotel reservation.

Many applications need to be sent via a hard copy and require your passport, so planning is required should travel to other foreign destinations be required during the approval process. If there is a possibility that someone will be visiting the same country again in the future, look at a multiple entry Visa application versus a single entry; while the cost may be higher the advantages can outweigh the expense.

4 TAKE FOOD & BEVERAGE INTO CONSIDERATION

Food and beverage is an integral part of every meeting. It is important

to understand the food and beverage norms in each country and work with the chef to ensure all food needs are met.

When building your menu, keep alcohol in mind. In some countries, alcohol can be very expensive due to taxes and distribution costs. Serving local wines and beers can not only have a big impact on reducing your budget, but also gives your attendees a chance to taste beverages that they may not otherwise have the chance to try. Conversely, it is important to know that in some areas of the world (for example, parts of India) alcohol is prohibited. This may be a challenge for some clients and knowing this before you start to source your location can eliminate unnecessary challenges in the planning process.

Make sure your attendees understand the culture of dining in the country they are visiting. In many countries, meals are not only for sustenance but also for socializing and can start much later than attendees are used to. Be sure to highlight the timing of the meals so attendees are prepared to eat at the appropriate time as well as any other important local customs or norms in pre-trip communications.

When planning your menu, try to incorporate as many local foods as possible. This gives your attendees a chance to experience food that may only be available to them once in a lifetime. For example Stroganoff is traditionally thought of as Russian. Although versions of Stroganoff are available around the world, experiencing this food in



Try to incorporate as many local foods as possible. This gives your attendees a chance to experience food that may only be available to them once in a lifetime.



Holding meetings in emerging countries can be a very rewarding experience for attendees and planners alike and can bring a new dimension to your event.

Russia, made by a Russian chef, can make for an impactful and memorable culinary experience for your attendees.

5 THE DIFFERENCE IN PAYMENTS

Billing and payments can be a very complex process in emerging countries. In some, it is required to pay the entire bill up front before arrival. Be prepared that this may be the norm and that a partial payment or the waiving of a deposit may not be acceptable.

In some countries, like Brazil, it is difficult to navigate the payment waters due to country restrictions and paperwork. And while globally the US dollar is more widely accepted than some other forms of payment as there are fewer restrictions on sending USD to many countries. Alternatively, in countries such as China, local payment or cash may be more easily accepted. Also keep in mind that international corporate card or meeting card acceptance may be limited. Both establishing clarity around payment expectations with vendors and understanding your company regulations as well as the financial nuances of the host country will go a long way in

making for a smooth payment process.

One also needs to be aware that not all attendees in some of these countries may have access to credit cards. For example, in China, it is less common for attendees to have personal credit cards so incidentals must be charged to the master account at the hotel. The attendee would need to settle with cash upon check-out.

MAKE A PLAN FOR SUCCESS

In general, whenever planning in a foreign country, one must be aware of cultural norms and language barriers. Additionally, it is imperative to start your planning early to ensure you have enough time to account for differences in time zones, currencies, country specific holidays and work/life philosophy.

Holding meetings in emerging countries can be a very rewarding experience for attendees and planners alike and can bring a new dimension to your event. Keeping technology, security, transportation, food & beverage and payments front of mind can make planning meetings smooth, rewarding and enjoyable for everyone.



The Benefits of Attendee Travel Management

Travel to and from a meeting or an event is very much part of each attendee's event experience. Meeting planners and attendees alike can benefit from inclusion of air travel as part of the overall planning process. Best practices and customer feedback have demonstrated that integrating travel planning with meetings management can provide substantial benefits related to experience, cost and duty of care.

INFORMING THE DESTINATION CHOICE

Air travel can influence the choice of destination for a meeting. In particular, performing an event travel analysis as part of the planning process can help planners to select the best destination among those under consideration. Items to consider when evaluating destinations from an air travel perspective include:

- **Accessibility** – Where is the airport located in relation to potential hotels and venues? How long is the ground transfer time to the meeting location?

- **Average flying time and number of direct flights** – Flight time should be considered as part of the attendee experience, especially for situations where attendees may need to transition into meetings immediately upon arrival.

- **Airfare costs** – Airfare cost comparisons can obviously have a major influence on the destination choice. In the case of two similar destinations, a significant difference in air cost can be a deciding factor.

- **Focus destinations** – Most airlines have focus



Understanding the flight pattern for an event in advance can influence the agenda timing and often reduce event costs.

or new destinations where they are promoting reduced fares or new aircraft. These destinations can offer savings.

- **Risk Management** – A limited number of flight choices could result in the number of attendees per flight exceeding organizational guidelines. Early indication and joint air / meeting planning can help to avoid this increased risk by identifying alternative routes, and enables planners to seek additional insurance cover in advance rather than after ticket issue

- **Previous event & travel analysis** – Understanding past air travel experiences and issues can help planners to make recommendations for future events.

OPTIMIZING THE EVENT AGENDA

Understanding the flight pattern for an event in advance can influence the agenda timing and often reduce event costs. Arrival pattern reports can reveal where a lack of air options may prevent attendees from arriving in time for a planned start. This information will give planners the opportunity to make informed choices about the agenda and weigh alternatives. For example: Do we allow 50% of attendees to arrive the night before increasing the budget for bedrooms and food and beverage? Or is it better to move the start time to allow for morning arrivals?

Departure reports also can help with agenda planning and addressing logistical issues. If you can see that the majority of your attendees must depart later in the day, you can make arrangements

ahead for meals, negotiate late check-out past the typical 11 a.m. timing and manage luggage storage as needed.

REDUCING THE BUDGETARY IMPACT

Integrating the management of air travel as part of planning allows planners to manage the budget in a comprehensive fashion. If not controlled, air travel can easily consume up a significant portion of an event budget. However, savings achieved through proper management of air travel can provide funding for other areas such as food and beverage.

Ancillary expenses associated with air travel, such as ground transportation, can also be managed to improve the attendee experience and deliver savings. Use of complimentary airport shuttles can be optimized via pre-trip communications, or the movement of an entire group from the airport to the meeting site through a negotiated agreement with a ground transportation company can result in savings as well.

FACILITATING EFFICIENT COMMUNICATIONS

Communication is another area that benefits from integrated air travel planning. Communicating information regarding the booking process is simpler as air, ground transfers and accommodations are all being managed through a single source, giving planners what they need to minimize back and forth with attendees. Attendees benefit as their experience is being managed and communicated in a comprehensive manner and they can view the entire trip on one complete itinerary, inclusive of

AIRLINE ALLIANCES

Many airlines and airline alliances have offerings to benefit groups. Airlines typically define groups as ten or more individuals per flight. These offerings vary from airline to airline, but often include benefits such as:

- **One agreement/contract for all tickets / attendees**
- **Discounted fares & incentives**
- **Ability to make name changes**
- **Streamline operations / simplify planning**

However, research shows many groups do not fit into the definition of 10+ per flight. Therefore, more products are coming to market offering solutions for group movements of 10+ from multiple departure points. For example, some airlines are now offering 'conference window fares' valid with one airline or within an alliance for the duration of an event, allowing similar savings for multiple points of origin.

ground transfers. This single view helps minimize the need for additional communications to attendees, and reduce the number of attendee questions sent to planners.

Hotels and other associated suppliers also benefit. With access to all attendee arrival and departure information, planners can work with the property management to ensure all rooms are ready as needed. This single list eliminates guesswork and helps with manage the flow at check-in and check-out.

During program operations, the planning team has the needed information to reach out and assist passengers in the case of a travel disruption, and to work directly with the hotel on any resulting changes that may be required. No shows for air travel can be communicated to the ground transportation resource to avoid unnecessary waits at the airport that may delay other passengers on the same transfer. Plus, early notification regarding changes to both ground transportation and hotels, as a result of a missed or delayed flight, may mean savings to the program.

Integration of air travel provides both the meeting planner and the attendee with one clear communication framework, simplifying the planning, booking and change process so all associated elements of the meeting can be managed holistically.

INCREASING VISIBILITY & RESPONSE TIMES

Technology such as online meeting registration sites simplify the collection

of attendee air travel requirements including nearest airport and desired arrival/departure time information. These systems enable planners to run ad hoc reports rather than wait for an automated daily download of the latest information, which facilitates faster turnaround time for air bookings.

This centralization of all meetings and travel data provides planners with quick access to critical attendee information in the event of an emergency situation.

ATTENDEE SATISFACTION

Ultimately, managing air travel as part of the event planning process can also increase attendee satisfaction for the reasons listed above. As an example, we surveyed attendees of the same incentive event over the course of eight

years where air was incorporated for five of the eight years and unmanaged for the other three. The chart below shows the attendee experience is better when travel is factored into the planning stages.

Air travel is an integral part of the logistical, financial and experiential aspect of an event. In this paper, we've shown how integrated group air planning can benefit a meeting at all stages, from destination evaluation, budgetary savings, agenda optimization, improved communications, increased productivity, and risk reduction. When a single event component can have that significant of an impacts on the desired results, it's worth incorporating it into the overall event planning process.

Impact of Attendee Travel Management

Attendee meeting satisfaction where travel is managed vs. unmanaged.



(Source: American Express Meetings & Events Attendee Satisfaction Survey)



Event Production Trends and Insights

Meetings and events are held to achieve specific outcomes including training, generating awareness and excitement, developing loyalty, launching new products and more. How the event's key messages are conveyed, its look and feel from staging and lighting to graphic design and audio/visual usage, and its use of audience

engagement tools, all fall under the category of event production.

When properly executed, event production effectively utilizes an audience-appropriate combination of these tools to create a visually stimulating environment in which to engage, inform, educate, inspire and even entertain attendees.



‘Event production is really about storytelling, not just head knowledge, but heart knowledge. We know that emotion drives a message home. It’s our job to help create that emotion.’

SETH KERR
Enliven Productions

WHAT IS AN EVENT PRODUCTION COMPANY?

Event production companies range from traditional audio/visual (A/V firms) with a focus on providing equipment, through to end-to-end experiential marketing design firms and full-service marketing or branding agencies. Before you engage a firm to assist with your meeting, it is important to understand desired outcomes, budget, and your meeting type as many event production companies specialize in different areas such as live events, meetings/conferences, media/press events, and trade shows / exhibits.

Event production firms include:

- **Traditional A/V firms** — Focus on equipment and hardware.
- **Event design firms** — Focus on the environment including the audio and visual experience.
- **Experiential agencies** — Focus on immersing an audience by incorporating multiple technologies in order to engage and motivate them to action.
- **Individual/Freelance event producers** — Act as general contractors on behalf of the client.
- **In-House agencies** — Outsourced third-parties associated with specific hotels, convention centers, etc. – a growing trend.

Meeting planners need to understand their options within this category and be prepared to ask relevant questions in order to determine which partner can best meet their needs.

AN OFTEN UNCONTROLLED CATEGORY

Within organizations where meetings programs and policies exist, event production often remains an uncontrolled category of spend due to its complexity and the emotional nature of the purchase. Typically event production is approximately 35% of the total budget for a meeting. As a significant investment, it’s worthwhile taking the time to understand how it can deliver the greatest results and return on investment.

The elements associated with event production are high visibility:

- Do the microphones work in the general session?
- Is the lighting right?
- Do slides, sound effects and music cue as expected to provide a seamless experience for presenters and attendees?

Mistakes in this area are very visible and often impact leadership during presentations – a situation meeting planners and meeting owners want to avoid. Therefore once a trusted resource is found, planners tend to prefer working with that resource as the ‘lower risk option’ when compared to contracting with another firm. That said, in many companies, procurement is turning their attention to this category as they are to all categories of meeting spend, which typically means that ‘trust’ is no longer the overriding factor in the decision-making process. Greg Van Dyke, SVP Global Sales & Marketing for PSAV has observed this dynamic and sees both sides. “Trust is always

important, particularly onsite. The live team has to have trust with their provider as production is a very visible part of a meeting. Many organizations are going to a preferred model with a sub-set of providers. We would rather be preferred than mandated, so the trust is there and we have a sense of partnership with the client.”

Strategic sourcing processes can be applied to event production, however it's important to realize that not all of the deliverables of event production agencies fit neatly into defined categories. In addition to rate card, gear rental costs, labor rates and other fees, consideration should be given for creative development, delivery quality, ability to handle last minute changes and more that come with the event production category. “Procurement must be able to recognize the overall value event production agencies bring to their meetings and to their organization beyond the more easily compared common denominators. For example, firms that own their equipment inventory have a substantive pricing advantage that other agencies do not. That is not solely, however, a reflection of the quality of service delivered, creativity and other elements they may bring to the table,” says Seth Kerr, vice president and CMO of Enliven Production Group, Inc.

CREATING AN ENGAGING ENVIRONMENT

Today's event production companies are more likely to ask questions about your meeting goals and desired outcomes in an effort to help design and deliver the most effective environment in which to get your message across to attendees.

SOLUTIONS

GETTING THE MOST FROM YOUR EVENT PRODUCTION AGENCY

- Engage them as early as possible in the process - site selection, venue evaluation, agenda development
- Clearly share theme, messaging and desired outcomes at the beginning of the engagement - this information will provide the event production agency the best opportunity to create an immersive environment
- Tap into their experience and the perspective their work with other clients provides – many times they have “been there done that,” so can help guide you by sharing other successful approaches
- Understand that not all event production companies are alike, and know what you are looking for from your production resource to ensure you have the right match for your event – are they an equipment provider only? Do they have live meeting experience? Is their experience consistent with the scale and scope of your event?
- Be open to new technologies and approaches that can enhance the meeting experience for attendees and deliver a better return on your meeting objectives



Just like we may watch the Oscars at home and tweet along on our smartphones, we can engage event attendees in similar behavior to deepen their level of engagement.

Seth Kerr notes, “Event production is really about storytelling, not just head knowledge, but heart knowledge. We know that emotion drives a message home. It’s our job to help create that emotion – through music, sound, visuals and more.” Agencies are focusing on creating break-through; new environments to pique interest and full engage attendees. “Getting the most from your event production agency today means sharing the full picture with them and allowing them to come to the table with new ideas, it’s not about ordering a screen and wireless microphones,” says Kerr.

As technology and the role of mobile apps, virtual / hybrid meeting tools and more play an increasing role in meetings and events, event production agencies can serve as a guide to integration into the overarching event experience. “Today, technology is pushing us at warp speed toward a fully integrated and more immersive event environment – which incorporates branding, mobile apps, smartphone technology and the integration of tablets/devices, digital signage and social media overlays,” Kerr observes. “It’s important, however, not to use it all just because you can. Meeting owners must weigh the advantages and then carefully consider if a certain technology is right for the event experience or if it’s just cool and trendy but serves no measurable and relevant purpose.”

Other growing trends in event production include use of super-wide screens and video mapping – the ability to project images in a way that works with the environment, such as projecting images that wrap around columns or appear

on the side of a building. Taking images beyond the traditional screen opens up the opportunities for meeting planners to create a truly immersive environment.

‘Second screen’ is also a big opportunity for meeting planners. Attendees are already pre-disposed to multitasking and looking at their personal devices. Event production companies like PSAV are working with an increasing number of clients to embrace this natural tendency. They use it to provide additional content and forums for audience interaction, for example. Just like we may watch the Oscars at home and tweet along on our smartphones, we can engage event attendees in similar behavior to deepen their level of engagement.

Social Q&A is another trend PSAV is seeing. Avoiding the traditional passing of the microphone, Social Q&A allows for questions to be submitted and vetted via a mobile app. The audience can then rate the questions submitted, ensuring your speakers are spending time responding to questions that are of interest to the majority of your audience.

It’s not just about A/V anymore, but rather about using the right tools in the right way to engage your audience – whether they are in the room at the meeting, or attending via a virtual technology. Event production plays a role in working to ensure the engagement of every attendee. As a significant portion of meeting budgets, and an important contributor to meeting their objectives, developing a process for selecting the right event production firm is definitely worth the investment.



Trends by Region and Commentary

In This Section

1. North America
2. EMEA
3. Asia Pacific
4. Central & South America

NORTH AMERICA

Meetings Activity

Number of Meetings by Meeting Type

A few more and a bit bigger. Changes to the number of meetings and their size for all meeting types are forecast to be quite small, but mostly positive in North America. Training programs have the slightest of leads over other meeting types with the highest increase in activity and size, though overall are predicted to be flat.

Hard questions. After several years of reducing meeting activity in the aftermath of the economic downturn, North American companies appear to be asking themselves hard questions in an effort to maximize their budget. “‘Should we have a meeting at all?’ is a much more prevalent question than ever before,” says one North American meetings professional managing programs for multiple clients. If the answer is yes, “then the focus is on being creative with what they have, and getting more bang for their buck.”

Focus on results. Training is one meeting

category that may be experiencing resurgence greater than the survey data suggests. “We’re seeing a lot of requests for training meetings. There’s a pent-up demand for training events that weren’t happening post-recession,” according to one North American meeting leader. As with other meeting categories, the emphasis on results and return on investment is leading to closer monitoring of meeting effectiveness. “There’s a scrutiny on objectives and weighing that against the costs before approving training, though,” she also notes. “Companies are also looking to measure the effectiveness of the training, doing pre- and post-event surveys to see if participants gained knowledge and found the meeting worthwhile.”

Number of Attendees per Meeting

Attendee levels seem to have stabilized, with no major changes for any specific meeting type. Overall, there seems to be pressure within

■ Indicates highest response

Number of Meetings

MEETING TYPE	CHANGE
Sales/Marketing	0.5%
Training	0.9%
Internal Team Meeting	0.0%
Product Launch (Internal/External)	0.0%
Conferences/Tradeshows	0.1%
Senior Leadership Meeting/Board Meeting	0.7%
Advisory Board	0.5%
Incentive/Special events	-0.2%

Number of Attendees per Meeting

MEETING TYPE	CHANGE
Sales/Marketing	0.2%
Training	0.6%
Internal Team Meeting	-0.1%
Product Launch (Internal/External)	0.1%
Conferences/Tradeshows	0.5%
Senior Leadership Meeting/Board Meeting	0.3%
Advisory Board	-0.2%
Incentive/Special events	-0.2%

Days per Meeting

MEETING TYPE	DAYS
Sales/Marketing	2.4
Training	2.4
Internal Team Meeting	1.8
Product Launch (Internal/External)	2.2
Conferences/Tradeshows	2.9
Senior Leadership Meeting/Board Meeting	2.1
Advisory Board	1.7
Incentive/Special events	3.2

companies to limit the number of attendees to only those deemed as necessary.

Days per Meeting

New to this year's survey was a question about average length of meetings by type. Respondents were asked to estimate the length of their events, as a way to set benchmarks within the industry and for future forecasts. Similar to the global market, in North America incentive and special events were reported to be the longest meeting by category, followed by conferences.

Meeting experts and hotel suppliers have noticed that many meetings have been reduced in size over the past few years, which is increasing the demand for meetings at airport properties, as meeting owners try to maximize the productive time available for attendees.

Overall Meeting Spend and Individual Budgets

MEETING BUDGETS	CHANGE
Overall Spend	0.3%
Individual Budgets	-0.2%

Primary Locations for Meetings



Group Hotel Rates

PRICING TRENDS	CHANGE
Group Rates for Hotels	4.6%

(Source: American Express Meetings & Events North American Survey, August 2014)

Top 10 U.S. Cities based on Meetings & Events Activity

1. Chicago
2. Orlando
3. Las Vegas
4. Atlanta
5. San Diego, Calif.
6. New York
7. Dallas
8. Washington, D.C.
9. New Orleans
10. Nashville, Tenn.

(Source: Cvent, 2014)

Meetings Budgets & Planning

Overall Meeting Spend and Individual Budgets

Overall meeting spend and individual budgets are predicted to remain essentially unchanged in 2015, according to North American survey respondents. Less than 7% of respondents predicted changes of 10% or more to their program spend or meeting budgets.

More strategy, higher expectations. Meeting planning continues to undergo transformation at many companies, with the trend toward strategic meeting management driving greater collaboration to ensure value for money. Milton Rivera of American Express Meetings & Events says organizations are making an effort “to determine the best way to pursue building a strategic program within the organization and understand what each group wants to accomplish.” Rivera says a coherent plan that puts sales, marketing and procurement all on the same page makes dealing with third-party suppliers much easier and more effective.

Others see the same evolution in client sophistication leading to pressure for meeting organizers to do more with less, with one noting, “The expectations from 3 to 5 years ago are no longer sufficient. The meeting owner is expected to drive more results, so they’re looking for more creativity from their meeting planners.”

Policies with teeth. For some companies, meeting and event policies are one line in a long corporate document, but many are now developing comprehensive guidelines putting budgeting and approvals into a formal process. Approval processes bring more scrutiny to the rationale

and effectiveness of individual meetings as part of the decision-making, and there is increased pressure to keep individual meeting budgets in check.

Incentives untouched. North American meeting experts interviewed did note that demand for incentives and client meetings and their associated budgets remain largely intact as corporate leaders make it a priority to invest in maintaining company morale.

Meeting Locations

Primary Locations for Meetings

Staying close to home. “There’s a continued push to stay close to home and host meetings where the highest number of attendees live,” says one North American meeting expert. “This ties back to reduced budget and need for cost savings.” At the same time, Kaaren Hamilton, Vice President of Global Sales for Carlson-Rezidor, sees strong demand in both primary and secondary city destinations in North America. Even close to home, there’s a push for fun or unique locations, especially ones that offer high-tech experiences for today’s multi-tasking attendee.

Resorts vs. reality. The desire to hold an event at a resort location remains, with some meeting owners being unaware that the use of these properties may be prohibited by their company’s guidelines. This highlights the need for organizations to communicate and promote guidelines internally to ensure the company is not put at risk. It also points to the benefit of centrally managing meetings, in order to avoid inappropriate locations being selected without the company’s knowledge.

Top 10 U.S. Cities

The top ten cities for meetings and events within the U.S. according to Cvent, Inc. are listed on the facing page. Based on activity within the Cvent Supplier Network between July 2013 and June 2014, Chicago claimed the top spot. Orlando slipped to second place, while Las Vegas remained in third place.

Pricing Trends

Group Hotel Rates

No vacancy. Meetings, leisure and transient business travel demand continues to outpace capacity in the hotel sector, with occupancies reaching record levels in some locations, and rates rising as result. Thus, survey respondents are anticipating group rate increases of 4.6%. This rise is putting increased pressure on meeting budgets, pointing to the value of things like pre-negotiated corporate rates or preferred hotel programs that lock in rates to help insulate organizations from further rate increases during the contract term.

Not quite as nice. Event owners without preferred programs may increasingly find themselves in the challenging position of trying to drive cost savings in a seller’s market. Some meeting owners scale back their expectations — for example, from a four-star to a three-star property — in order to meet budget objectives.

EMEA

Meetings Activity

Number of Meetings by Meeting Type

Uneven recovery. Meetings activity predictions from European survey respondents generally mirrors the economic situation of the individual countries in 2014. As Germany has struggled economically, its events market predictions have softened from a 4.1% predicted increase in overall activity for 2014 to a range of declines for each meeting type of up to 2.2%. Similarly in France and Denmark, predictions for small decreases in meeting activity and spending reflect economies that haven't yet fully stabilized. Spain however, after a difficult period, has seen some strong growth economically, which is playing out in the meetings sector through predicted increases in events, particularly internal meetings and incentive travel to motivate sales teams.

UK respondents are positive predicting small increases across all meeting types, but less so than last year when a 4.5% increase was expected for 2014.

Less Incentive in Germany. Perhaps not surprisingly, incentives and special events are declining in popularity in Germany. Companies are looking for other ways to motivate people, fueling a trend toward educational workshops and networking events, and away from all-inclusive trips to exotic destinations.

High-tech heating up. Meeting owners in Europe, particularly Spain and France, are driving experimentation with newer and diverse technology. Event planners are offering everything from social media to connect attendees, to tablets to facilitate interaction with speakers or hosts. The pressure to innovate is leading to the development of meeting-specific apps in some markets.

Pharmaceutical congresses under pressure. A Belgian meetings expert has noted that pharmaceutical congress participation is under pressure as companies try to minimize travel expenses. One company has chosen to stop hold congresses altogether and has chosen instead to host smaller, local meetings to reach the same audience.

Number of Attendees per Meeting

The personal touch. Across the European market, only incremental declines are predicted for the number of attendees in nearly all meeting types. Germany and the UK, two countries with positive predictions for 2014, are expecting slight declines across the board, while Spain and France are seeing smaller declines predicted for 2015 than in our previous 2014 forecast. Virtual meetings have not captured the hearts of meeting owners in Europe as much as in North America, but a few markets such as Spain are experimenting more than others. Experts see growth in hybrid and

■ Indicates highest response in each region

Number of Meetings

MEETING TYPE	EMEA	UK	GERMANY	FRANCE	SPAIN	DENMARK SWEDEN	BELGIUM NETHERLANDS
Sales/Marketing	0.2%	0.6%	-1.4%	-1.8%	3.0%	-0.6%	0.2%
Training	0.1%	1.4%	-2.2%	0.3%	0.5%	-1.1%	3.1%
Internal Team Meeting	0.5%	0.9%	-1.7%	-0.1%	2.6%	-0.6%	2.0%
Product Launch (Internal/External)	0.0%	0.3%	-1.4%	0.9%	2.1%	-2.7%	-0.3%
Conferences/Tradeshows	0.4%	1.1%	-1.8%	1.5%	1.1%	-2.5%	4.7%
Senior Leadership/Board Meeting	0.5%	1.4%	-0.3%	-0.5%	1.5%	-1.1%	1.8%
Advisory Board	1.2%	3.3%	-0.1%	2.4%	1.5%	-0.8%	2.1%
Incentive/Special events	0.0%	0.6%	-0.3%	0.6%	2.1%	-4.8%	-0.6%

Number of Attendees per Meeting

MEETING TYPE	EMEA	UK	GERMANY	FRANCE	SPAIN	DENMARK SWEDEN	BELGIUM NETHERLANDS
Sales/Marketing	-0.9%	-1.6%	-1.1%	1.2%	0.1%	-1.5%	-2.0%
Training	-0.8%	0.2%	-1.2%	-2.1%	-0.4%	-2.7%	1.2%
Internal Team Meeting	-0.4%	-0.6%	-1.1%	-1.4%	0.7%	-1.3%	1.3%
Product Launch (Internal/External)	-0.6%	-0.4%	-1.1%	-0.4%	0.1%	-1.4%	0.0%
Conferences/Tradeshows	-0.8%	-1.2%	-1.3%	0.6%	-0.2%	-3.6%	0.8%
Senior Leadership/Board Meeting	-0.6%	0.2%	-0.5%	-2.8%	0.0%	-1.8%	-0.7%
Advisory Board	-0.1%	1.0%	-0.5%	1.8%	0.0%	-1.7%	-0.3%
Incentive/Special events	-1.0%	-0.3%	-0.1%	-2.0%	-0.8%	-3.3%	-2.4%

Days per Meeting

MEETING TYPE	EMEA	UK	GERMANY	FRANCE	SPAIN	DENMARK SWEDEN	BELGIUM NETHERLANDS
Sales/Marketing	2.0	2.2	1.6	2.7	2.5	2.1	1.6
Training	2.0	2.6	1.8	2.9	1.8	1.6	1.9
Internal Team Meeting	1.8	2.0	1.5	3.2	2.0	1.5	1.6
Product Launch (Internal/External)	2.1	2.0	1.8	2.3	2.5	2.2	1.7
Conferences/Tradeshows	2.8	2.6	3.0	2.7	3.2	2.1	3.1
Senior Leadership/Board Meeting	1.8	1.6	1.9	3.0	2.0	1.8	1.5
Advisory Board	1.6	1.7	1.5	1.8	1.7	1.5	1.2
Incentive/Special events	3.1	2.6	2.5	1.8	4.7	2.7	2.5

(Source: American Express Meetings & Events European Survey, August 2014)

virtual solutions coming, but not in the immediate future.

Days per Meeting

Investment in incentives. The outlier among European markets in meeting length is clearly Spain, where incentives and special events

last on average almost 5 days, nearly two days longer than the European average. France consistently leads the market in length of other meetings, particularly internal events such as advisory board, leadership and training sessions. At 3.2 days, internal team meetings in France are a full 1.4 days longer than the European average.

SURVEY RESULTS

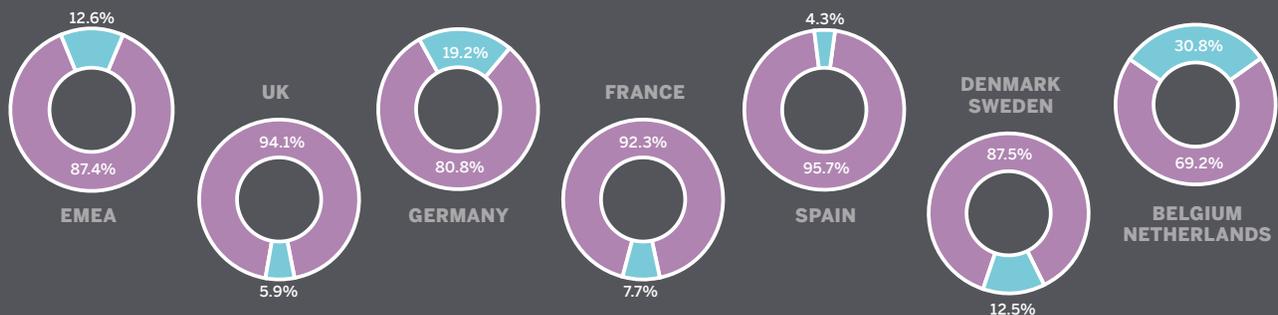
■ Indicates highest response in each region

Individual Meeting Budgets

MEETING BUDGETS	EMEA	UK	GERMANY	FRANCE	SPAIN	DENMARK SWEDEN	BELGIUM NETHERLANDS
Overall Spend	-0.7%	-1.1%	0.2%	-3.8%	-0.4%	-3.8%	1.4%
Individual Budgets	-0.4%	-0.7%	0.5%	-2.9%	0.3%	-2.9%	0.2%

Primary Locations for Meetings

■ Primarily large city locations ■ Primarily second-tier city



Group Hotel Rates

	EMEA	UK	GERMANY	FRANCE	SPAIN	DENMARK SWEDEN	BELGIUM NETHERLANDS
Group Rates for Hotels	1.1%	2.8%	-1.5%	1.4%	1.7%	2.5%	1.8%

(Source: American Express Meetings & Events European Survey, August 2014)

Meetings Budgets & Planning

Overall Meeting Spend & Individual Budgets

Creativity within constraints. Doing more with less is the mantra of most meeting owners, and their 2015 budgets reflect that. Even in Spain, where the economy is gaining strength and companies are more willing to invest in meetings, budgets are predicted to be relatively flat in 2015, however that is an improvement over the 7.1% decline predicted for 2014. Respondents also indicated spending will drop most significantly in France and Denmark, while Germany, Belgium, and the Netherlands registered incremental increases over the previous year. The UK is predicted to see a decline of just over 1%.

Individual Meeting Budgets

Fewer snack breaks? Per meeting spending is expected to shift downward slightly in most countries in 2015. Predicted declines in the number of attendees will certainly help facilitate these cuts in many markets.

Meeting Locations

Primary Locations for Meetings

Large cities maintain their dominance. Large city locations are once again predicted to see the lion's share of meetings activity across the region. Respondents from Belgium and Netherlands are the most likely to select a second-tier city for their events next year.

New hot spots. The economic crisis has

developed a silver lining for some markets, as southern European cities hard-hit by the downturn, such as Madrid, Athens and Rome, have become more attractive to meeting owners looking for lower rates. Classic big-city destinations such as Paris, London and Dublin continue to draw clients – but at a price, says one expert on the Benelux meetings market. “Other destinations such as Warsaw, Lisbon, Bratislava and Budapest are also becoming more popular for cost conscious meeting owners,” she notes.

Four-star, no-star. The trend toward choosing four-star over five-star hotels continues. According to a meetings expert in France, this situation is prompting some new hotel properties to take an innovative approach by launch with no star rating at all, in order to avoid being excluded from hosting meetings for compliance reasons.

British thrift. Some companies from the United Kingdom are organizing more meetings in the European Union, in part to boost participation from Central European attendees without pushing travel costs too high. One veteran observer of the UK market sees a trend toward airport locations, driven by the mandate to keep meetings short. “The meeting needs to be easy to get to, and airport properties are getting more attention because of the convenience factor. It addresses the need for face-to-face connection in a shorter time frame.”

In the Benelux countries, for many meeting owners, being cost-conscious means pursuing alternatives to face-to-face meetings where appropriate, such as the increased use of conference calls or webinars, something experts expect to continue.

Cutting the distance. Moving away from large events that draw attendees globally, some European companies are continuing to pursue

regional meetings instead. The content and programming remain consistent, but the delivery in different locations enables some cost saving on travel. In Spain, many clients are thinking even more local, according to a Barcelona-based meeting industry leader. “Many meeting owners prefer to choose domestic venues and are staying within Spain.”

Easier access. For delegates traveling from Eastern Europe to meetings, one expert sees Istanbul as a popular destination due to the ability to purchase visas online with relative ease prior to travel, as compared to longer visa application processes associated with other destinations.

Top Ten European Cities

Based on the activity American Express Meetings & Events clients, the list of top 10 European cities has once again remained quite stable and contains a list of familiar and traditionally popular meeting locations. All top four cities have retained their spots from last year’s forecast. Berlin has traded places with Brussels as a slightly more popular location, now in fifth position.

Pricing Trends

Group Hotel Rates

Higher occupancy, higher prices. As occupancy rates rise in many European markets from the combination of leisure, business and meetings demand, suppliers are predicting increased rates, and meeting survey respondents are no different. After a flat prediction for Europe in our 2014 forecast, survey results

largely point to increases for 2015, led by the UK and Denmark/Sweden at 2.8% and 2.5%, respectively. Spain respondents have reversed a predicted 1.8% decline in 2014 into a 1.7% anticipated increase for 2015. German respondents have done the opposite; after two years of predicted increases of 2.4% and 2.7%, 2015 is expected to bring a slight decline of 1.5%.

AV included in the Nordic rates. In the Nordic markets, basic technology requirements – such as projectors and other AV capabilities – are increasingly seen as standard inclusions in a meeting contract. “Venues have invested a lot into their spaces to win these events,” says an M&E manager for the Nordic countries. “Now you often get Wi-Fi, projectors, sound systems, hearing aids, and microphones all included in the meeting room price.” This trend may help meeting owners with meeting their budget constraints within those countries as room rates increase.

Top 10 European Cities based on Meetings & Events Activity

1. London
2. Paris
3. Barcelona
4. Amsterdam
5. Berlin
6. Nice
7. Brussels
8. Rome
9. Frankfurt
10. Munich

(Source: American Express Meetings & Events Destination Analysis, September 2014)

ASIA PACIFIC

Meetings Activity

China's star still rising. Meeting activity in Asia Pacific is surging ahead in some countries, yet softening in others. The Chinese mainland continues to experience strong demand as a destination and healthy growth in the number of meetings, while in Australia some meeting cancellations are contributing to a slowdown according to a meetings leader in the region. A similar softening seems to be underway in Hong Kong.

Concerns about compliance. Behind the scenes, many companies in Asia Pacific are continuing work on their internal processes, with concerns about compliance appearing to be at the forefront across the region. Heavy compliance fines levied against companies in China have led many organizations to review their practices.

Number of Meetings by Meeting Type

Big meetings, small drop. Survey respondents confirmed that meeting activity in Asia Pacific region is stable, but the level of activity varies greatly within the region. "We're seeing a small decrease in the number of very large meetings,"

says one meeting professional. "Nothing dramatic, but enough to monitor closely."

Number of Attendees per Meeting

Spending wisely. Across the region, attendee levels range from stable to moderately reduced. In some cases, that reduction reflects a desire to reallocate meeting budgets. "Companies want to be sure they're spending their money on the right people and the right event," says a local meetings professional, based in Melbourne.

Days per Meeting

Shorter, but longer. Meetings in the Asia Pacific region tend to be shorter overall than those in the North American region, with the exception of product launches and conferences. Meeting owners are leaning toward fewer and shorter meetings overall, freeing up resources to spend on marquee events. One Asia Pacific meeting professional has observed, "That priority event may even be a little longer than the norm, such as an intensive training meeting that might extend from half a day to overnight."

■ Indicates highest response in each region

Number of Meetings

MEETING TYPE	ASIA	AUSTRALIA
Sales/Marketing	1.1%	0.6%
Training	1.0%	0.8%
Internal Team Meeting	1.9%	2.7%
Product Launch (Internal/External)	0.6%	0.0%
Conferences/Tradeshows	0.9%	0.3%
Senior Leadership Meeting /Board Meeting	2.0%	2.8%
Advisory Board	0.2%	0.5%
Incentive/Special events	0.7%	0.3%

Number of Attendees per Meeting

MEETING TYPE	ASIA	AUSTRALIA
Sales/Marketing	1.4%	1.3%
Training	0.6%	0.4%
Internal Team Meeting	0.7%	0.8%
Product Launch (Internal/External)	0.4%	0.2%
Conferences/Tradeshows	1.1%	0.8%
Senior Leadership Meeting /Board Meeting	0.6%	0.9%
Advisory Board	-0.3%	-0.1%
Incentive/Special events	1.1%	0.8%

Days per Meeting

MEETING TYPE	ASIA	AUSTRALIA
Sales/Marketing	2.2	1.8
Training	1.8	1.5
Internal Team Meeting	1.5	1.4
Product Launch (Internal/External)	1.3	1.2
Conferences/Tradeshows	2.6	2.5
Senior Leadership Meeting /Board Meeting	1.8	1.8
Advisory Board	1.6	1.4
Incentive/Special events	2.9	2.7

(Source: American Express Meetings & Events Asia Pacific Survey, August 2014)

Meetings Budgets & Planning

Overall Meeting Spend & Individual Meeting Budgets

A little less. Cost-cutting related to program spend and individual budgets in AsiaPacific is expected to be incremental overall. In fact, a slightly higher number of respondents predicted increases than decreases in their overall spend, but the percentage increases were smaller. Responses for individual budgets point more definitively to a small decline, with those predicting a decrease nearly double the number predicting an increase.

Meeting Locations

Primary Locations for Meetings

Big cities still reign. Over 85% of meetings and events are expected to take place in large cities in Asia Pacific, essentially the same as last year. Australians are even more focused on major cities, at 94%.

A new normal. Asia Pacific meetings professionals observe that more and more meeting owners are looking to four-star hotels as their standard destination instead of five-star. The “wow” factor remains important for meeting owners in the region, with a keen interest in keeping up to date on the newest venues. Meeting owners in Australia and elsewhere in Asia are increasingly interested in Singapore as a destination with their relatively new integrated resorts. Interest in Thailand has fallen due to political instability, while Vietnam and Japan have generated more interest recently.

Top 10 Asia Pacific Cities

The top ten cities for meetings and events within Asia Pacific according to an American Express Meetings & Events destination analysis are listed on this page. The top four cities are the same as last year's forecast but have shifted in order. Singapore replaces Shanghai as the top-ranked city, and Sydney drops one spot to third.

The American Express Meetings & Events team in Asia Pacific feel that Bali is back "on the rise." They also have seen that Seoul, with its increase in internationally branded hotels, is being increasingly requested, particularly for meeting owners that are looking for an alternative to Tokyo. Sydney continues to be a popular destination for China outbound meetings.

Pricing Trends

Group Hotel Rates

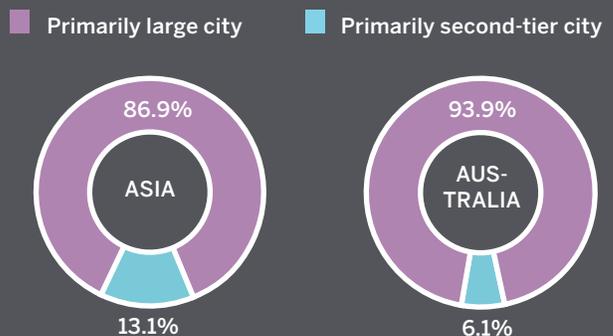
Up again, but not as much. Survey respondents expect group hotel rates to rise once again in Asia Pacific, but the predicted increase of 2.2% continues to decline from estimates of 4.7% for 2013 and 3.3% in 2014. Supply appears to be catching up to demand in the region.

Boosting supply. In Asia, meeting experts note that rates for high-demand cities such as Singapore have been rising and are expected to continue to climb. Interestingly, Chinese hotel companies are bringing new supply into the country so quickly – nearly tripling growth in 18 months – that it is outpacing demand and some experts anticipate rate declines in China as a result. At the same time, there is some indication of softening Asia-to-Asia demand as organizations indicate they are choosing to host their events locally to reduce transportation costs.

Overall Meeting Spend and Individual Budgets

MEETING BUDGETS	ASIA	AUSTRALIA
Overall Spend	-0.2%	0.2%
Individual Budgets	-1.5%	-1.3%

Primary Locations for Meetings



Group Hotel Rates

MEETING LOCATIONS	ASIA	AUSTRALIA
Group Rates for Hotels	2.7%	2.4%

(Source: American Express Meetings & Events Asia Pacific Survey, August 2014)

Top 10 Asia Pacific Cities based on Meetings & Events Activity

1. Singapore
2. Hong Kong/Macau
3. Shanghai
4. Sydney
5. Bali
6. Bangkok & Phuket
7. Tokyo
8. Seoul
9. Ho Chi Minh & Hanoi
10. New Delhi

(Source: American Express Meetings & Events Destination Analysis, September 2014)

CENTRAL & SOUTH AMERICA

Meetings Activity

Number of Meetings by Meeting Type

A slight rise? Predictions for the number of meetings by meeting type point are essentially flat. While the changes by meeting type are small, they are more significant in Central/South America than the shifts anticipated in other regions.

Like North America, training meetings appear to be 'coming back' in 2014, with the largest increase of 2.4% predicted, followed by incentive/special events at 1.3%. Unlike in other regions, Central South American respondents are the only ones to predict a decline in sales and marketing-related events. Meeting experts interviewed however are not seeing a decline in the requests for these types of events perhaps pointing to differences in activity within specific companies or industries. Internal meetings and large conferences and tradeshows are also predicted to experience a modest reduction.

The recent world football (soccer) tournament in Brazil dominated that market, and the effect

is expected to continue through the 2016 global sporting event in Rio de Janeiro. Companies not affiliated with the football tournament organized fewer events across the region and many Brazilians took time off during the tournament, prompting meeting organizers to shift some activity to other dates on the calendar. It will be interesting to see how demand for Brazil is impacted over the long term as a result of the increased exposure and new infrastructure resulting from these events.

Number of Attendees per Meeting

More RSVPs for fewer places. Meeting size is predicted to remain stable in most markets, with very small adjustments anticipated in each meeting type. In Mexico, for example, there are some indications that the reduction in the number of large meetings over the past few years is leading to more individuals accepting invitations to the smaller events that are being organized. The preference for more local meetings in some markets is also helping to consolidate the attendance rates.

■ Indicates highest response in each region

Days per Meeting

More time to meet. According to survey respondents, average meeting lengths in the region are longer than the average for all other regions, with the exception of conferences and tradeshows.

Incentives and special events stand out as the longest events; they are reported to be nearly 20% longer on average than the rest of the world. A Latin American meetings expert has seen a rise in incentive trips from South America that are both larger and are being held in more distant locations such as Russia and China. The increased time to travel to those destinations may account for the lengthier events predicted, particularly incentives and special events.

Meetings Budgets & Planning

Overall Meeting Spend and Individual Budgets

The biggest jump. Spending on meetings overall and on individual meetings is poised for a small increase in 2015. Although activity is at lower levels than before the economic downturn, these increases are the largest predicted for any region, a positive sign for the future.

More money per meeting. An even more positive sign for the region is that individual budgets are anticipated to rise for the first time since we began preparing the forecast in 2012. Although companies continue to implement approval processes, especially large international organizations, it appears that organizations are seeing the benefit of increasing their investment in meetings, even if it is a relatively small amount!

Number of Meetings

MEETING TYPE	CHANGE
Sales/Marketing	-1.2%
Training	2.4%
Internal Team Meeting	0.4%
Product Launch (Internal/External)	-0.5%
Conferences/Tradeshows	-1.1%
Senior Leadership Meeting/Board Meeting	-0.2%
Advisory Board	-0.7%
Incentive/Special events	1.3%

Number of Attendees per Meeting

MEETING TYPE	CHANGE
Sales/Marketing	-0.8%
Training	-0.1%
Internal Team Meeting	-1.3%
Product Launch (Internal/External)	-1.3%
Conferences/Tradeshows	0.1%
Senior Leadership Meeting/Board Meeting	-0.4%
Advisory Board	-0.3%
Incentive/Special events	-0.1%

Days per Meeting

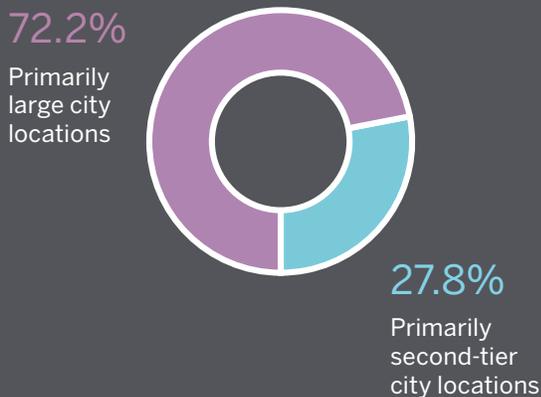
MEETING TYPE	DAYS
Sales/Marketing	2.6
Training	2.5
Internal Team Meeting	2.2
Product Launch (Internal/External)	2.0
Conferences/Tradeshows	1.9
Senior Leadership Meeting/Board Meeting	2.0
Advisory Board	1.8
Incentive/Special events	3.8

■ Indicates highest response in each region

Overall Meeting Spend and Individual Budgets

MEETING BUDGETS	CHANGE
Overall Spend	0.9%
Individual Budgets	1.2%

Primary Locations for Meetings



Group Hotel Rates

	CHANGE
Group Rates for Hotels	2.3%

(Source: American Express Meetings & Events Central/South American Survey, August 2014)

Meeting Locations

Primary Locations for Meetings

More for the major cities. Respondents are predicting a rise in the share of meetings in large cities from 65% for 2014 to 72% in 2015. This reversal will be interesting to follow and may be related to the slight rise in available funds for the events. A Latin American meetings expert notes that she is seeing an increase in centralized events that are concentrated in the larger cities.

Being selective vs. luxurious. With tighter resources overall and price increases anticipated, regional experts noted that meeting owners are looking to maximize location quality while staying within their budgets. The expansion of hotel space, particularly in the 4-star category, is helping meet that demand. Elsewhere in Latin America, hotel chains are building additional properties – domestic chains in Mexico and Argentina, international chains in Colombia and Costa Rica. Experts believe the demand for those properties will continue.

Top Ten Central/South American Cities

The top ten cities for meetings and events within Central/South America according to an American Express Meetings & Events destination analysis are listed on the facing page. Rio de Janeiro, Brazil and the Riviera Maya/Cancun region of Mexico have retained the top two spots from our 2014 forecast. Ciudad de Panama, Panama has made a big jump to third place (from ninth last year) due to its location, reasonable cost, and the expansion of its hotel infrastructure.

Also new to this year's list is Sao Paulo, Brazil.

Pricing Trends

Group Hotel Rates

Up again. Respondents expect hotel rates to continue to rise at an average of 2.3% overall, and experts see increases of up to 4 per cent in some markets. This rise is less however, than the 4.6% increase predicted for 2014.

Border discount disappears. Mexico's tax increase in its border region from 11% to 16% to match the rate in the rest of the country applies to hotel, food and beverage purchases, and has led to an increase in costs for many hotel events.

Similarly the major global football competition sparked significant rate increases in Brazil's major cities. With the major global sporting event coming to Rio de Janeiro in 2016, rates are expected to remain high for the near future. The rest of Latin America is enjoying stable rates, with just the expected 2-3% increase.

Top 10 Central/South American Cities based on Meetings & Events Activity

1. Rio De Janeiro, Brazil
2. Riviera Maya / Cancun, Mexico
3. Ciudad De Panama, Panama
4. Sao Paulo, Brazil
5. Cartagena De Indias/Bogotá, Colombia
6. Punta Cana, Dominican Republic
7. Buenos Aires/Mendoza, Argentina
8. Cusco / Macchu Pichu / Lima, Peru
9. Puerto Vallarta, Mexico
10. San José / Punta Arena, Costa Rica

(Source: American Express Meetings & Events Destination Analysis, September 2014)

TOP 10 CITIES PER REGION





ASIA PACIFIC

1. Singapore
2. Hong Kong/Macau
3. Shanghai
4. Sydney
5. Bali
6. Bangkok & Phuket
7. Tokyo
8. Seoul
9. Ho Chi Minh & Hanoi
10. New Delhi

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American Express Meetings & Events provides continuous insights that give you new visibility into your meetings program – helping to make your meetings program a driver of your organization's success.

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