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## Trends Watch Report 2022

By Alistair Turner



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## INTRODUCTION

Whilst both working with, and listening to, businesses in the global meetings and events industry this year, much discussion has focused on where one draws 'the line'; the moment that separates pandemic and post pandemic.

It is of course simplistic and wrong to look at the situation like this; the pandemic is still very much a part of our daily lives and continues to take its toll on communities around the world. However, this mythical line signifies when businesses, industries and regions acknowledge a new chapter for their organisations; one that puts the past behind them and looks to the future. The line is not universal, and differs between regions, industries, and businesses. What is universal however, across every person and business this report has been influenced by, is that the transition into post-pandemic has now been marked in the sand somewhere.

This has created an almost 'frontier' style atmosphere across business, and very much so within the meetings and events industry. It's both exhilarating and scary at the same time, as many organisations take a leap into the unknown and look to predict the future they are walking into, and how they will adapt to it. Throughout all the interviews and data points that support this report, this embracing (or retreat) of the great unknown is palpable.

This frontier mentality touches on many aspects of this report as we look to how different industries and regions are approaching the future to come. How have consumer behaviours changed, what are the new mindsets that will be entering our conference halls and event spaces? How will different regions once again look to connect with the rest of the world? How quickly and sustainably can they do so? What will be the role of technology, and how will it continue to shape industries such as our own?

At the same time, how is this future being created in a way that offers more stability and protection for our industry? How robust, or even 'defendable', are we as we move into an age of pandemics and other global disruptions? Where is the next generation of talent that will spur us on into the future, is it even out there? Is a career in the meetings and events industry still desirable? In short, are we prepared for this new frontier we're marching into?

This report does its best to lean on both empirical evidence and highly credible opinion, that give us a glimpse into both the immediate and long-term futures we face. We look at the past to predict the future, but also find 'grass root' trends that may grow to dominate how we go about our business. We also, once again, look around the world to find trends that are being formed locally that may be replicated globally.

Finally, we look to understand how 2022 and beyond will 'feel'. At the moment, the general perspective is positive. There was a continuing return to normal (or at least new-normal) throughout 2021, and economic figures are predictably ahead of 2019 and 2020 performance. Globally, business was always going to bounce back, the question was then going to be how high that bounce would be.

This is an inherently positive industry, but it is also one suffering its own kind of post traumatic shock. It is not the only one either, and it's worth seeing how other industries are looking to navigate their own frontiers. How are they changing their structures and traditions, pivoting their products, and capitalising on their people to bounce back higher and in a more contemporary way.

We hope this report provides ideas and inspiration to the leaders in our own industry, who are looking to do the same.

Thank you, as ever, for reading.



ALISTAIR TURNER

## THE GLOBAL ECONOMIC OUTLOOK 2021

The IBTM World Trends Report always begins with a look at the wider global economy; setting the scene for the industries that operate within it and that, in turn, influence the prospects of those businesses working in meetings and events.

Historically this section has seen steady numbers with predictable growth and decline based on the fortunes of national and regional economies. However, this has changed wildly with the onset of the pandemic and once again economists are struggling to keep up with the implications brought on by policy, politics, vaccination strategy and the spread of the disease.

The opening of this report starts more positively for the global economy than in recent times. According to the 'World Economic Update' by the International Monetary Fund (IMF), the global economy is projected to grow 6.0 per cent in 2021 and 4.9 per cent in 2022.

Looking more closely at the data, and comparing emerging markets with that of developed economies, the former is expected to grow 6.3 per cent in 2021, while the latter will see a 5.6 per cent increase (see Table One, right). These figures have changed throughout 2021, with predictions, in general, being revised up for developed economies and down for those emerging.

The revisions reflect pandemic developments across these economies and the changes in policy support. The increased confidence within developed economies owes much to renewed confidence in the US, again reflective of policy changes within the country, and its repercussions elsewhere in the region as well as throughout western economies.

The figures from the IMF are roughly in line with those quoted by the Economist Intelligence Unit (EIU) in its Global Outlook

(real GDP, annual percent change)	2020	2021	2022
<b>World Output</b>	<b>-3.2</b>	<b>6.0</b>	<b>4.9</b>
<b>Advanced Economies</b>	<b>-4.6</b>	<b>5.6</b>	<b>4.4</b>
United States	-3.5	7.0	4.9
Euro Area	-6.5	4.6	4.3
Germany	-4.8	3.6	4.1
France	-8.0	5.8	4.2
Italy	-8.9	4.9	4.2
Spain	-10.8	6.2	5.8
Japan	-4.7	2.8	3.0
United Kingdom	-9.8	7.0	4.8
Canada	-5.3	6.3	4.5
Other Advanced Economies	-2.0	4.9	3.6
<b>Emerging Market and Developing Economies</b>	<b>-2.1</b>	<b>6.3</b>	<b>5.2</b>
Emerging and Developing Asia	-0.9	7.5	6.4
China	2.3	8.1	5.7
India	-7.3	9.5	8.5
ASEAN-5	-3.4	4.3	6.3
Emerging and Developing Europe	-2.0	4.9	3.6
Russia	-3.0	4.4	3.1
Latin America and the Caribbean	-7.0	5.8	3.2
Brazil	-4.1	5.3	1.9
Mexico	-8.3	6.3	4.2
Middle East and Central Asia	-2.6	4.0	3.7
Saudi Arabia	-4.1	2.4	4.8
Sub-Saharan Africa	-1.8	3.4	4.1
Nigeria	-1.8	2.5	2.6
South Africa	-7.0	4.0	2.2
<b>Memorandum</b>			
Emerging Market and Middle-Income Economies	-2.3	6.5	5.2
Low-Income Developing Countries	0.2	3.9	5.5

Report, which reflects on the impacts of the COVID-19 pandemic. The report reminds readers of the deep economic cost of the pandemic, which sent the global economy into a recession 'not seen since the Great Depression in the early 1930s'. However, it now predicts a return to global economic growth at 5.8 per cent in 2021 and 4.4 per cent in 2022.

Again, similar to the IMF, the EIU also reports that most developed countries are now seeing an economic recovery, which it predicts will continue to accelerate as immunisation rates continue to climb quickly. It too picks out the US as leading the way, with an economy that has started to bounce back strongly over the summer and into the autumn, 'fuelled by ample fiscal stimulus and a fast rollout of vaccines'. This rollout has also gathered pace in the euro zone, and the report predicts that the bloc will post record-high growth this year.

It's worth mentioning the outliers as well. China remains an exception, as its success in containing the pandemic meant that it, along with only Turkey in the G20, did not record a recession last year. The country will continue its economic growth with projections showing an increase of 8.1 per cent and 5.7 per cent in 2021 and 2022 respectively.

However, the report also issues a warning. Headline growth rates this year are deceptive given the low base of comparison; economies that experienced the biggest contractions in 2020 will generally register the fastest growth rates. Equally, global forecasts mask widespread disparities between countries and regions. As with the IMF, the EIU report predicts that Asia and North America will recover the fastest, with real GDP returning to pre-coronavirus levels as early as the end of 2021. The recovery will stretch into 2022 in Europe, Latin America, and the Middle East and Africa.

Equally, the New York Times reported that the resurgence of the coronavirus and 'supply chain chokeholds' could threaten the momentum of the global economic recovery. This is mostly due to the prospects of the less advanced economies. The report read that 'in low-income countries, a staggering 96 per cent of people are still unvaccinated, while poverty, hunger and unmanageable debt are all on the upswing'. Employment has fallen, especially among women, reversing many of the gains made in recent years.

The OECD shares a similar concern around this disparity. In its OECD Economic Outlook Interim Report, it comments that while the global economic recovery remains strong, it remains uneven with countries in the earlier stages of emerging from the crisis facing

different challenges. This underlines the importance of a global effort to ensure vaccination and economic support reaches those areas where the pandemic continues to rage.

Meanwhile the EIU also advises that, because so many governments implemented such unprecedented fiscal responses to the coronavirus pandemic, this has led to a sharp increase in public debt in developed and developing economies. It also predicts that inflation will jump sharply for the remainder of 2021 as the global economic recovery gets under way.

Finally, the EIU advises that, as the coronavirus pandemic had a huge impact on trade flows in 2020 (goods trade contracted by 8.1 per cent, while services trade shrank by about 20 per cent), we should expect global trade volumes to rebound sharply this year, fuelled by recovering demand as economies reopen. The nature of the return of global trading will also be one to watch, especially the balance between supply and demand. This report will go on to look at the repercussions of an even balance; not least within the UK over Q3 of 2021.

In general, says the EIU, 'the pace of immunisation programmes will determine economic prospects this year and beyond. Production remains the biggest challenge, as half of the world's projected supplies for 2021 have already been pre-ordered to immunise just 15 per cent of its population.'

As with 2020, the destiny of the global economy remains tied to that of its ability to manage the pandemic.



## GLOBAL MEGA-TRENDS

The global think tank 'Trends Watch' characterises trends as all driven by deeper 'human needs'. It reminds us that everything we do, especially within the events industry, is driven by human behaviours and, as these behaviours change, they in turn affect wider global trends.

The organisation classifies these behavioural needs as: Convenience; Self-Improvement; Status; and Delight. As the needs change, new trends emerge; for instance, the need for convenience has spurred the growth in On Demand services and companies such as Uber, Netflix, Just Eat and beyond. The need for Self-improvement is behind much of the move towards wellness, fitness, nutritional understanding, and health. Status continues to drive the growth of social media platforms while Delight is why people love events.

It is because of this human element that this report looks to understand the continued impact of global trends - or mega-trends - on the way businesses talk to consumers, companies talk to shareholders, and governments talk to citizens. Equally, how do these trends dictate the state of mind of delegates as they enter our meetings, as well as the thought processes and values of brands as they look to invest in new event concepts.

## Sustainability

Shortly before this year's IBTM World in Barcelona, another event of global significance will have taken place. It is not understating the case that the Conference of Parties (COP) 26 represents one of the most important events that will ever take place in the global fight against climate change.

The event itself, which takes place at the Scottish Event Campus (SEC), Glasgow, Scotland, 1<sup>st</sup> - 12<sup>th</sup> November 2021, is organised by the United Nations Framework Convention on Climate Change (UNFCCC), the entity tasked with supporting the global response to the threat of climate change. Out of previous 'COPs' treaties have been agreed, committing its signatories to far reaching action at a state level; these include both the Kyoto and Paris Climate Change treaties.

This particular event takes place under the backdrop of an almost global swath of public opinion towards a more sustainable future. Within this report last year, sustainability issues were comprehensively studied, identifying the growing pressure from; staff towards their employers; consumers towards their brands; shareholders towards their investments; and citizens towards their governments.

Earlier this year the IPCC (Inter-governmental Panel on Climate Change) issued a report with the headline grabbing phrase 'a code red for humanity', advising that the target of bringing global warming levels below that of 1.5 °C above pre-industrial levels, was likely to fail. It was at COP21 in Paris, where signatories committed to this level; now the IPCC report has set the scene for the forthcoming COP in Glasgow and the massive challenge its members face as it looks to set a new plan for the planet's future.

In the meantime, in the wake of the COVID-19 pandemic, a trend has emerged towards greater local community engagement, twinned with more global awareness. This 'Local-Global' trend (explored later in this report) has also heightened the worldwide societal response to climate change and increased action across businesses, industry, and government. One of the more positive trends from the pandemic was a greater awareness of the connectivity of every part of the planet, and how we are each both responsible and reliant on those local, national, and international communities.

There has been widespread action from politicians around the world; the new Biden administration in the US addressed climate change within days of the new President being sworn in. President Xi in China has also committed the country to achieve major

targets in fighting climate change, including realizing a carbon emissions peak in 2030 and achieving carbon neutrality in 2060. Equally, very few businesses are yet to address the subject for fear of looking backward or behind in their commitments to the planet; every day we see new companies making their own Net Zero targets.

Both the business and governmental commitments should interest those in the meetings and events industry. Climate change is not just on the minds of every delegate entering into a meeting or event in 2022, it is also high on the corporate agenda of those businesses that fund them.

Across the world, the meetings and events industry is assessing both its responsibility and ability to make tangible change through the running of events. A number of initiatives are already in place across many territories that allow organisers to measure, track, report and improve CO<sup>2</sup> outputs, both within the meeting itself, but also outside of it; from the supply chain associated with the event to delegate travel to and from it.

Meetings and events planners have the opportunity to make major changes by doing small things that make a big difference, because of the scale of people and produce that is used. However, the conversation has moved away from traditional 'smaller' initiatives around saving energy, reducing single use plastics etc. to how the industry can make bigger contributions.

Food will play a large part in the conversation. In 2020, this report explored the growing popularity of the hashtag #FORO (fear of running out), a movement in the UK towards the reduction of food waste by encouraging planners to under order, not over order, delegate meals. Now, global food business Compass has committed itself to a Net Zero target by 2030 that will affect hundreds of meetings and event venues. At the same time, other brands are banning air freighted ingredients while many more still are mandating the end of beef being served on menus for meetings over 50.

What is most interesting is the perception of the meetings and events industry in the eyes of those looking to attack industries that are deemed harmful to the planet. In the past; meetings and events has taken its share of reputational damage because of the global nature of what it does, and the often-wasteful practices that take place in some events. However, COP26 itself is being hailed as one of the most significant events of its generation, and many within the environmental movement are campaigning on the importance of it being face to face, despite some negative media reports.

COP26 will, hopefully, not only signal renewed optimism in the face of one of the most clear and present threats to the global population, but also prove that it is only through meeting face to face, that such monumental threats can be taken on. The industry needs to continue to be the solution to climate change, and not the problem.

## The Events Industry Kicks Off Towards Net Zero

The Joint Meetings Industry Council (JMIC) announced plans to host a new initiative earlier this year – Net Zero Carbon Events - connecting the events industry globally to the rapidly growing movement towards net zero by 2050.

Through this initiative, JMIC aims to link with all stakeholders in the corporate, professional, academic and destination communities world-wide, that have also committed to engagement, in what is one of the biggest collective challenges faced today, and to invite those that have not done so yet to join.

The Net Zero Carbon Events initiative aims to bring together a wide range of industry stakeholders to:

- Jointly communicate our industry's commitment to tackling climate change and driving towards net zero by 2050
- Develop common methodologies for measuring the industry's direct, indirect and supply chain greenhouse gas emissions
- Construct an industry-wide roadmap towards Net Zero by 2050, and emissions reductions by 2030 in line with the Paris Agreement, with support and guidance on key issues
- Foster collaboration with suppliers and customers to ensure alignment and common approaches
- Establish common mechanisms for reporting progress and sharing best practice

The new initiative arises from the work of an organizing task force initiated by JMIC members UFI, AIPC and ICCA, joined by representatives of Emerald Expositions (US), Freeman (US), HKCEC (China), Informa (UK), Javits Center (US), MCI (Switzerland), Messe München (Germany), RX (UK) and Scottish Event Campus (UK), and it was born from a discussion with the UNFCCC secretariat which is also supporting the initiative.

## Security

The subject of security is one that dominated this report last year and will continue to do so for years to come. However, it also looked to breakdown the far-reaching breadth of the subject and to understand the different threats event organisers need to consider when creating meeting programmes.

These areas were:

- Physical safety: the need to keep delegations safe from physical harm, be it crime, terrorism, or other kinds of personal attack
- Information / Data Security: the need to protect the data of both individuals and organisations
- Environmental: the continued threat of environmental disruption, from natural disasters to those affecting travel
- Disease: How disease now can affect global commerce and cause instant disruption of events

Meetings Professionals International (MPI) has been one of the primary voices around security and Jessie States, Vice President of the MPI Academy, is once again delving deeper into the subject and looking at the psychological state of our event delegates as well. She commented, "We are expanding our view of safety outside past norms of physiological safety to consider the impact of events on psychological safety, and whether this can and should be part of our safety planning processes."



Jessie States, Vice President of  
the MPI Academy

To look at the planet over the last 12 months, each of the above has been compromised; from forest fires in Australia and the West coast of the US, to hurricanes in the US and Asia, the continued threat of coronavirus and even the recent withdrawal of NATO forces from Afghanistan. Businesses are increasingly aware of security and risk, and the pressure it puts on the people around them.

Equally, risk is not a new subject to those within the meetings industry. For a long time, the simple 'risk assessment' has been a consistent part of running events. However, there continues to be increasing pressure over risk and where liabilities should lie in the future.

Last year the industry suffered catastrophic cancellations across all events and, in an effort to inject confidence back into the industry, the balance and sharing of risk was beginning to be distributed across the supply chain. Who carries the risk, and the liability, for a cancelled event is a question being asked by many corporate lawyers and financial directors whose previous involvement in the events programme has been more minimal.

Equally, there is also the question of cost, and who pays for the additional liability. According to MPI's Meetings Outlook report, 35.5 per cent of meeting professionals say that they are seeing event security-related cost increases. However, the costs are not increasing at the rate of some other expenses, like audio visual, accommodation or even rental cars.

The approach to risk now has to encompass the risk to the delegate, and the commercial risk to the company running the event. There is fear that the increased risk to the organiser is suppressing creativity and the will to hold future events. Many industry associations are calling upon government backing to help mitigate this risk and create a better balance of incentive for those involved in the conception and creation of events.

This is a view shared by the Joint Meetings Industry Council's James Rees, who comments, "As a result of the pandemic, the whole issue of risk-sharing is already being re-addressed, particularly in the interface between organizers and suppliers. The best outcomes will be achieved by supporting and encouraging that discussion to produce new forms of agreements that reflect logistical and economic realities.

"It has to work both ways. Suppliers by acknowledging the significant risks of uncertain attendance, the incremental costs of multiple formats, and the added health & safety measures. While organisers need to accept that service providers need to be economic in order to be there in the first place."

However these conversations play out, it is safe to assume that risk will continue to be a big word for the whole of 2022, and potentially much beyond. For events to happen there needs to be a balance of risk vs reward. How we manage the threat of security, on both a physiological and psychological level, will be a defining factor to a successful industry as we look forward to 2022 and beyond.



### **Jessie States, Vice President of the MPI Academy**

"If anything positive can come from the pandemic, it's that researchers, associations and health organisations have been collecting, gathering and now sharing a wealth of data, information and resources on how to host safe meetings during health crises. Unlike past regional outbreaks like SARS and MERS, we can take the lessons we learn now to ensure that future health emergencies don't have the profound and deep ability to disrupt our business. With procedures and protocols developed by any number of groups and now the implementation of those being studied, we will soon be able to collate best practices to guide our industry through future crises."



## Wellness

In a report published in Scientific Reports, a medical periodical, called 'Global prevalence of mental health issues among the general population during the coronavirus disease-2019 pandemic: a systematic review and meta-analysis', brought to life the tidal wave of mental health concerns, tied in with the global pandemic.

The report, which aims to 'provide a (study) of the contemporary global prevalence of mental health issues among the general population amid the coronavirus disease-2019 (COVID-19) pandemic', took into consideration data points from 32 different countries. The report broke down this global prevalence as; 28 per cent for depression; 26.9 per cent for anxiety; 24.1 per cent for post-traumatic stress symptoms; 36.5 per cent for stress; 50.0 per cent for psychological distress; and 27.6 per cent for sleep problems.

The report's findings also highlight the disparities between countries in terms of the poverty impacts of COVID-19, preparedness of countries to respond, and economic vulnerabilities that impact the prevalence of mental health problems.

Equally, a new paper from the University of Calgary, published in the medical journal JAMA Paediatrics, entitled 'Youth, the pandemic and a global mental health crisis', also reported that 'An alarming percentage of children and adolescents are experiencing a global-wide mental (health) crisis due to the COVID-19 pandemic'. It also reported that depression and anxiety symptoms have doubled and that help is needed to combat this second health crisis, not least among children and young adults.

In short, many health authorities are seeing mental health as an impending epidemic in its own right, and there is genuine fear that infrastructure will struggle to deal with both.

In our own industry, the seriousness of the 'mental health pandemic' should be taken more seriously than others. Previously this report has covered both the incidence of mental health within the industry, and why our professionals are more susceptible to its issues.

Additionally, we must accept the very real circumstances many have, and will continue to have, faced over the last 18 months. Including:

- Loss of Employment: There can be no doubt that we have lost many highly talented people from the industry. Loss of work is directly associated with mental health issues both for those involved and their colleagues in the work place



- Absence from work: this is an industry where what we do defines us as individuals, and while many could be 'jealous' of those on furlough schemes and similar breaks, this lack of productivity will have hit event professionals hard
- Collapse of Infrastructure: It is not just people we have lost, but businesses and organisations as well. This will have caused instability within event professionals; an undercurrent which will add to negative mental health exposure
- Switch in day-to-day roles: We talk much about the pivot from live to digital and the continual growth in hybrid events. This has also meant a massive change in the roles of event professionals. Whereas, historically, this role has been associated with attention to detail, organisation, and content, it is now as much about broadcasting, production, and skill with technology. More is being asked of our event professionals, their roles have been changed and expanded and, as yet, there is still much training to be done to properly equip them

It is still very early to see what the true cost of the pandemic has been for event professionals specifically, but it is safe to say that if the statistics published in Scientific Reports represent a global population, those within the events industry will be facing a heightened version.

This makes wellness one of the most urgent topics for the events industry over the next few years.

Equally, and moving away from wellness specifically, we now need to look at how desirable the events industry is to a new raft of young talent entering the workforce. The last two years has not shown the industry as one that is stable and reliable for a strong healthy career, and its relationship with mental health and wellness can also be a second destabilising factor. The subject of talent is already being discussed by many of our trade organisations and the results will be a big part of the industry's destiny over the next decade.



## Laura Capel-Abra, Stress Matters

"Insights have always been at the heart of what we do at Stress Matters and our 2021 research, in conjunction with University of Hertfordshire, found that 53 per cent of respondents believed that the event business that they work for has taken a more active role in trying to improve their wellbeing in the last 12 months. This is a step forward for our industry but what worries me is that 47 per cent didn't take a more active role.



"It could be argued that they were already doing everything they could, but I think that's unlikely. In 2019, only 13 per cent respondents felt their employer genuinely cared about reducing stress in their job, this has now dramatically increased to 79.5 per cent, which is an incredible jump, but we are still missing the action element for many of these businesses. Employers being conscious of it and caring is one thing, taking steps to improve workplace wellbeing is another.

"Employees currently believe that employers are approaching it as a tick-box exercise rather than making it a strategic priority. Data found that depression has doubled in adults in the UK over the course of the pandemic and workplace wellbeing support needs to go from being a tick-box exercise to a fundamental change in culture.

"The question about how desirable the industry is to new talent is a big challenge when we have such a poor reputation for looking after our people. This attraction, but also retention, is a real threat that businesses should be consciously trying to combat, Stress Matters found that 81 per cent respondents would put the reputation of a business's approach to workplace wellbeing in the top five reasons to select a new employer. Meaning employers not only need to take action but also, they need to ensure that talent knows what actions they are taking."



## Diversity, Equality & Inclusion

In a year that has seen few positives in and around the events industry, one of the more encouraging news stories is how it has embraced the subject of Diversity, Equality, and Inclusion (DE&I). Much of the commentary around the issue has highlighted that, broadly, the industry has much work to do around the subject, specifically around race; organisations such as Diversity Ally, Black in Business and the work done throughout the global trade associations has been quick to identify both the issues and the solutions the industry needs to address.

The Events Industry Council (EIC) is just one of these associations looking to take on the subject head on. Earlier this year the organisation launched the first phase of its Equity Acceleration Plan for the industry. It sees this initial step as researching and benchmarking where the industry is right now, through a far-reaching research project. In the form of an industry-wide survey, the initiative aims to determine the current state of DE&I within the workplace across the events industry. The results will inform the development recommendations in subsequent phases of the plan. Moving forward, the EIC also aims to produce a series of specially created educational courses, tools, and resources to support the industry in its shared goal of a more diverse and inclusive future.

This approach from the EIC should be applauded as it shows a sensible approach to the subject including benchmarking and measurement, that allows it to take it on thoroughly and responsibly.

Corporate pressure represents the significant incentive around the subject. Like sustainability earlier in this report, this is a subject that represents a company's values and ethics; those of which need to be communicated through its events programme. Equally, for those working in the events industry, the EIC's research is expected to show a genuine passion for the subject amongst those running events as well as the brands they work alongside.

One such business is Wasserman. Predominantly a sports marketing and talent management company, based in Los Angeles, US, the company works with major sporting events and brand activations, working across the NFL, NBA, NHL and Expo 2020 Dubai among others. In May 2019, following the murder of George Floyd and the subsequent global movement around Black Lives Matter, the company accelerated its plans around DE&I with events becoming one of its many battlegrounds. The company

commented, "Wasserman is partner to the world's most iconic athletes, artists, brands, properties, broadcasters, coaches, sport executives and influencers across sports, entertainment and culture, so we appreciate full well the role these sectors play in defining culture."

In 2021, Wasserman released a Brand Citizen's guide to immediate social impact in sports and entertainment – Step Up or Sit Out. The report collated clear data to show the increasing demands from fans and consumers on the businesses they engage with to be present, authentic, and genuine when it comes to social impact; on racial justice, social justice, LGBTQ+ rights, women's rights, sustainability and more. This trend towards brands becoming 'super-citizens of the world' has been covered in this report in the past, but it continues to grow in visibility, as consumers make purchasing decisions around the ethical qualities of brands they choose.

Wasserman add that, "As an agency, we are seeing an increase in demands from our clients to ensure diversity, equity and inclusion is a key priority. This can come in many forms, such as diversity of thought in teams, inclusion riders, purpose-led sponsorship and partner deals, and diverse supplier chains. Now more than ever, it is clear that accountability and sustainable positive change are going to be the key indicators in 2022 of whether we in the events industry have listened to these expectations and demands."

One of the predominant hurdles for many businesses, both within and outside of the industry, is how to implement a strategy and plan that effectively addresses DE&I. There is no lack of will, but turning this into an action will be a challenge the industry needs to face down quickly in 2022.

An initiative working well for Wasserman is run in partnership with Facebook, involving the creation of talking shops where voices from underrepresented communities across the organisation's businesses, are heard in front of senior leadership. By hearing from these voices, the businesses look to better understand their perspectives, act on them, and create more inclusive teams.

Wasserman recently received certification in ISO 30415, Human Resource Management - Diversity and Inclusion. The new accreditation was published by the International Organization for Standardization (ISO) in May, covering actions, principles, measures and their associated accountabilities and responsibilities.

A large part of achieving the accreditation was the company's ability to set specific goals. These goals also provide a helpful roadmap for those looking to implement successful business strategies in the area of DE&I. They include:

1. Develop anti-bias training globally that helps to educate and support employees
2. Create subcommittees for each of Wasserman's DE&I Council focuses: Training & Development, Women, Recruitment, Wellness, Mentoring and Culture.
3. Create safe spaces for discussion - town halls, roundtables, forums, and Employee Resource Groups - and opportunities to support initiatives to further progress social and racial justice causes
4. Diversify recruitment resources for internship and employee hiring.

These activities, and many others like it, should be a source of pride within the meetings and events community. However, while it has been open and honest about the challenges it faces in ensuring a more diverse industry, our community will inevitably be assessed on its ability to demonstrate change. The rewards are writ large and can be a major signal of the industry building back better for the future.



### **Wasserman Chairman & CEO, Casey Wasserman**

"Diversity, equity and inclusion are essential to Wasserman and our clients. We understand that change starts at home, within our business, and by achieving the ISO 30415 we will be keeping ourselves accountable year by year as we progress. Our commitment to support diversity, equity and inclusion will be measured by our actions."



## The Virtual Experience Economy

In 2019, this report covered the emergence of the Virtual Experience Economy, an era that followed the Experience Economy (2009 – 2020) which, it was suggested, would bring together a mixture of technology, purpose, and a higher level of engagement within events.

The key to this era is a recognition that the way we engage with our world has changed. We live in a more seamless live and online world requiring a more hybrid approach that delivers not just more engaging experiences, but experiences that are more personal, accessible, environmentally sustainable, and socially purposeful. Transformative experiences that can make a real difference.

Of course, The Virtual Experience Economy is not just confined to the meetings and events industry; it covers retail, workspaces, attractions, marketing, and learning. However, it is the expertise of those within our industry that many are looking to as the primary guardians to design, create, and deliver a new level of experiences.

In the wake of the pandemic, there has been an understandable dip in the number of live shared experiences created, and the 'virtual' element of The Virtual Experience Economy has gone into hyperdrive. Kim Myhre, CEO and founder of Experience Designed (xdesigned.com) explains, "In the Virtual Experience Economy, a new generation of digital-native audiences have emerged. Needs and preferences have changed and new event technologies, and the digitalisation of experience, has created new expectations and new opportunities for event designers."

However, it is important to underline that the events industry has been experimenting with hybrid experiences for decades, what has changed is the recent more rapid adoption of technology. Again, as in the previous section on Security, a large proportion of this adoption has been about the need for, and value of, events, but also those unwilling to take the risk of a fully live event. Virtual and hybrid events have been driven by necessity as well as opportunity. Now, more and more, hybrid isn't just the contemporary option, but one that speaks to a world where businesses have heightened sensitivity around risk and liability, but which have also become more comfortable with meeting online.

As the technology - much of which had been in development pre-COVID - that powers quality hybrid meetings continues to be adopted, a raft of 'hybrid-ready' delegates also

enter our meeting rooms, but with a renewed confidence in the technology at their disposal. Kim Myhre continues, "Today, most of us already live in a 'hybrid' world that is partly live and partly online. We shop live and online, network live and online, drive with satnav; we read, entertain ourselves and learn live and online."

Kim continues, "So, as we begin to meet live again, will we want the same disconnected events of the past or will we want the excitement of new more connected, technology enhanced, content-rich experiences? This is all now possible in a hybrid event format that reflects the way we experience the world." Better understanding the needs of this more digitally enabled audience is one of the key issues the meetings and events industry continues to wrestle with in our 'post-COVID' journey'. How has the industry changed to keep up with the changing demands of its delegates? Are we ahead or behind the curve?

Toby Lewis, Managing Director of international meeting and event organiser The Live Group adds: "Our whole business reset itself over the pandemic. We had always been doing hybrid events and will continue to do so. I don't see one meeting, out of the 1,000s we will organise in 2022, as being purely live. The shift though is that we look to organise digitally first, and then add on a live version if it is justified; in the past it was the exact opposite."

Kim's view is that many working in experience design are beginning to recognise the potential of this opportunity, representing a brighter new face of the industry, "The move to hybrid offers significant new opportunities to enhance and transform the attendee experience in ways that traditional live events never could. Imagine this new world of technology enhanced experiences, that can reach and actively engage more people in more personalised, convenient, meaningful, and potentially life changing ways."

**Kim Myhre, CEO & Founder,  
xdesigned.com**

"At the root of hybrid, is the value to be gained by more seamlessly integrating our live and online lives to reflect the way that we increasingly engage with the world.

"The one thing we don't need to continue to debate is whether technology is going to be an integral part of the event experience. Technology will increasingly be a central feature of the event experience, whether live, virtual or hybrid. We are in a period of rapid technology innovation where we will continue to see breakthroughs in new experience technologies, apps, virtual, social media, AI, VR, drones, interactive video, projection mapping, holograms and more.

"What we now need to think about is how we apply this dizzying array of technology in the best and most meaningful ways to enhance and extend the attendee experience."



Equally, as The Virtual Experience Economy also looks to take on this new frontier within the meetings and events industry, there is still a chance that it goes back to previous outdated models. "The events industry should take advantage of the recent disruption to finally apply the fresh thinking and innovation that we have all needed for some time," advises Kim. "Earlier this year, nearly everyone I was talking to in the events business had just one thing on their mind - 'Live events are coming back'. This was, of course, good news for organisers and the ecosystem of suppliers that support them. But for many, the jury may still be out. Have we learned anything new that we can now apply to create better event experiences on the other side of lockdown?"

Finally, outside of the technological aspects of The Virtual Experience Economy, it's important to remember that the movement is as much about brand values as it is about technology. As Kim says, "Corporate brands are now more motivated than ever to demonstrate that they care for the social issues that their customers care about."

This is about a new demographic of consumers pushing their brands to do more, which is reflected in the events they run. For example, in the UK there are more than 17 million



millennials that make up the largest generational workforce. In Africa, the average age of the population is 19, with millions of teenagers moving into the workforce over the next few years. These people are digitally enabled with access to more, immediate information about the world around them, and they want to associate with brands that care about the issues that are important to them.

Says Kim, "According to a Nielson Survey, 81 per cent of Millennials expect their brands to make a public commitment to good corporate citizenship. The growing trend to make brand experiences more purposeful, meaningful, and socially impactful is positive progress. But there is still some heavy lifting to do to deliver on the promise of purposeful experiences. We often use words such as 'break-through' and 'game changing' to describe the brand experiences we create, without seriously moving the needle on social, environmental or wellbeing initiatives."

The Virtual Experience Economy is like many trends. While it has been a key beneficiary of the move to a more digitally trusting and competent consumer, it has also spent a good 18 months working to overcome resistance to change. However, this mixture between live experience, intelligent technology, and authentic purpose, does all play well into the new psyche of many societies around the world. We know that modern consumers place a high prize on experience. If we can engage them with heart as well as innovation, this will be a trend that will continue to make incredible progress over the next 12 months.

## Local – Global

One of the key trends that emerged in 2020, and that has grown throughout 2021, is the juxtaposition between Global and Local behaviours. In 2020, Euromonitor International's Top 10 Global Trends report highlighted a move that it called 'Proudly Local, Going Global'.

The report addressed the pride and power in local culture, that was becoming more sharply defined and relevant in 2020. The trend captured a growing consumer desire to adopt and appeal to a sense of individuality and growing national identity from local inspiration. This was set against the growing expectation for multinationals to respond appropriately and creatively to local culture, social norms and consumer habits.

At the same time, the report addressed a growing connection between consumers and societies with the wider world; brought on by heightened awareness around the pandemic, the need to collectively solve large issues such as global warming, and the increasing ability of technology to connect individuals, colleagues, and families, otherwise stuck in their homes, with others around the world.

This global awareness, combined with more local community values, is affecting the way societies behave on a day-to-day basis, but it is almost directly reflected by a trend that has been growing for some time within the meetings and events industry; roadshows. These roadshows, now often described as 'hub and spoke' model meetings, are created to achieve the same juxtaposition as the global consumer trend; a mixture of global convening with localised tailoring to reflect local needs and subject matters.

In previous editions, this report has covered the growing incidence of roadshows as a model that can work on a local, national, and international basis and now, through the increase development and confidence in technology, these events can run simultaneously and across multiple time zones. The structure of this model could differ; from a main hub city surrounded by other cities within a chosen country; using a central country across a continent or wider region; or having a destination hub across a global meeting.

In each case the opportunity to 'localise' content whilst still enjoying the value of bringing people together on a mass participation scale, provides the best of both worlds for the delegate and the meeting organiser. Equally, the format, lends itself to more sustainable events as delegates will typically cut down on travel time. Finally, it exploits the

abundance of streaming technology that has been created and refined over the last 18 months.

The hub and spoke model should be of additional interest for those in the destination and venue sector. The trend points towards a reduction in mass gatherings of professionals from around the world, to a series of smaller ones with a slightly larger central hub. This means, the way that destinations pitch for business will be less around the infrastructure needed to hold every single delegate, to its ability to show capabilities around media, streaming infrastructure, and an understanding of its ability to hit different time zones that have direct relevance to the organiser.

This is a trend that could prove transformational for the industry, not least because of the way it answers many of the problems the industry is faced with as we enter 2022. It does not mean the end of mass conventions, but it does open the door to more flexible handling of these meetings, and a more creative, innovative and hybrid option for businesses, brands and organisations looking to send 'global' messages that will resonate with a new consumer mindset.

## INDUSTRY TRENDS

The meetings and events industry is a 'horizontal' market place, one that crosses many others. There are medical, automotive, association, and media events, all of which fit into those specific sectors, while at the same time contributing to our own global industry.

This section of the report acknowledges this horizontal nature of the industry, and looks to understand some of the key industries that, when flourishing, can have a positive effect on our own.

### Banking & Finance

One of the most historically influential sectors is banking and finance. This is an industry that has a duty to share results, keep stakeholders invested, communicate success, and create confidence in its marketplace. Similarly, it is one that has seen massive innovation and change, all of which have fuelled the knowledge economy and added further need for conventions, conferences, meetings and events; 2022 looks to continue this dynamic.

Banking & Finance is a complex sector with many different subcategories, so this report takes its lead from the many industry research and trend predictions it creates. Here they define the sector as those organisations that engage in financial services-related activities; from lending, and investment management, to personal banking services, brokerages, payments, and fund transfer services.

According to The Business Research Company's Latest report, The Financial Services Global Market Report 2021: COVID-19 Impact and Recovery to 2030, the global financial services market is expected to grow from \$20.4 trillion in 2020 to \$22.5 trillion before the end of 2021 at a compound annual growth rate (CAGR) of 9.9 per cent. This growth is expected to continue into next year and beyond, with the report projecting the market to reach \$28.5 trillion by 2025, at a CAGR of 6 per cent.

These projections are supported by those of global Market research company Markets and Research, who project the same growth figures for the sector. Its research also points out where this growth will most likely come from. Western Europe remains the largest region in the market, accounting for 40 per cent, an increase of 1 per cent from the company's report last year. North America is the second largest with 27 per cent share, on a par with last years, while Africa remains the smallest. Meanwhile, much of the

sector's future growth will be attributed to the Asia Pacific and Middle East regions, who continue to grow their marketplaces at an exponential rate.

Another area of growth, and a continuation of the trends identified in this report last year, is that around technological innovation. According to the Markets and Research data, many wealth management companies are investing in big data and Artificial Intelligence-led capabilities to generate insights around clients. These analytics are being used to find both investments and investors, track performance and even track the likely lifetime value of a particular investor. An example of this is CargoMetrics, an investment firm based in Boston, who used Automatic Identification System (AIS), to collect data on commodity movement to develop an analytics platform for trading commodities, currencies, and equity index funds.

Equally, banks and financial institutions are adopting digitisation to modernise their commercial lending business. This move is mainly a result of increasing competition among banks and the growing demand for a simplified and quick lending process. Banks know that this investment leads to improved customer satisfaction and improved efficiencies in the business.

The global payments industry has also witnessed a rapid increase in the adoption of EMV technology (Europay, MasterCard, Visa). This growth is driven by a higher level of data security offered by EMV chip and PIN cards. According to global technical body EMVCo, the adoption rate of EMV chip payment cards has steadily grown across various regions in world, reaching 71.7 per cent in Canada, Latin America and the Caribbean, 61.2 per cent in Africa and the Middle East, and 32.7 per cent in Asia Pacific.

This trend underlines the continuing integration of technology and ITC with Banking & Finance. These digital payment 'cards' are found within apps from WeChat to Apple Pay, and across wearables and portables from phones and tablets to watches.

These trends also underline those that we continue to see in the corporate world. Despite its reputation, this report has always singled out the Banking & Finance sector as one that is quick and early to adopt new technology and react to those human demands of convenience and delight. Equally, this is a sector that continues to grow its appreciation of the need for quality service and the need to place a high value on individuals' personal data.

However, technology and geographic expansion is not the only reason for this continued growth in the Banking & Finance sector. According to The Business Consultancy, this is an industry that has used the disruption of the pandemic to restructure and rearrange its operations and to make it more future fit. Again, this has been done quickly and with considerable agility and represents positive signs for 2022 and beyond.

In summary, for those in the meetings and events industry, this should all make for positive reading. This report has identified in the past the 'sweet spot' for growth in meetings and events as the combination of vertical industry growth and innovation; both are in high evidence in the Banking & Finance sector, making it one to watch in 2022.

## Esports & Gaming

According to NewZoo's Global Esports & Live Streaming Report, the global live streaming audience for esports will hit 728.8 million before the end of 2021, representing a growth of 10 per cent on 2020's figures. There are lots of reasons why this report continues to look at the Esports industry, this continued growth in digital audiences is just one.

As covered in The Virtual Experience Economy chapter earlier, it is worth noting the continuing growth in consumers who are quite content to watch streamed live events, even those played on digital platforms, as a part of their everyday life. Equally, it's important to note that this is an industry that started life online and has made a conscious choice to grow itself into live experiences, the exact opposite of all traditional industries. Again, this represents a very good reason to understand its dynamics.

In terms of the esports market itself, again according to NewZoo's report, global esports revenues will grow to \$1,084 million in 2021, a year-on-year expansion of 14.5 per cent and up from \$947.1 million in 2020. Of this revenue, some \$833.6 million and over 75 per cent of the total market, will come from media rights and sponsorship; this is an industry that is attracting brands in their hundreds.

According to NewZoo, the pandemic had a predictably positive effect on the attendance of live streaming, so the market is cautious that this continuing high rate of growth will begin to plateau. However, says the report, growth rates will stay in the double digits for most of the developing economies right into 2024; Latin America is predicted to grow 14 per cent, the Middle East and Africa 15.0 per cent, Central Southern Asia 14.8 per cent and Southeast Asia also 14.8 per cent.

From a language perspective, Spanish and Portuguese live broadcasts showed the biggest growth, positioning themselves besides English as the most-watched dialects on live streaming platforms. Spanish grew by 369 per cent to now reach 1.4 billion hours viewed, while Portuguese grew by 189 per cent to 1.1 billion hours. Globally, the total esports audience will grow to 474 million people before the end of 2021, continuing its recent trajectory with a growth rate this year of 8.7 per cent.

In the meantime, China will have the most esports enthusiasts in 2021 with 92.8 million people, ahead of the US and Brazil. China will also be the largest market for the live streaming of games, with an audience of 193 million in 2021. Finally, it will also be the

largest market by revenue, with a total of \$315.1 million, followed by North America at \$243 million and Western Europe at €20.8 million.

It is important to note the nature of these events as we begin to take learnings from this industry into our own. The League of Legends World Championship was the biggest event in 2020 and 2021, with a viewership of 91.9 million hours across Twitch and YouTube – two of the primary streaming sites in the esports world. This year's event took place in Reykjavik, Iceland in October 2021 with figures yet to be released, but with numbers expected to continue their astronomical rise, despite the 'live' event being scaled down considerably because of the pandemic.

The events themselves follow the formula established by the esports industry almost a decade ago; at its core is the streamed event, but now supplemented by ever more extravagant festival style events across major stadia or convention venues. Within both are highly sophisticated, broadcast quality editing, commentary, and expert analysis, while the live event creates a memorable experience for the super fans within the community and an atmosphere for those in the crowd and watching online.

The breakdown of these communities and online audiences makes for interesting reading; more than six in every ten internet users watching esports are aged between 16 and 35 years old, say Infront, a sports media and marketing brand. Infront also report that the average age of traditional sports fans is about 50; for esports it is 26 and, while largely male, the different sports turning their hand towards esports, are starting to attract a growing proportion of female audiences.

Equally, this is an audience that is increasingly receptive to brands. Research by Nielsen found that social media sentiment around a partnership between Puma and esports organization Cloud9 was more than 700 per cent higher than the sports industry norm. Because of its digital nature, esports fans are well connected to each other and readily able to generate their own content online, with streamers offering a further avenue for brands to tap into the esports ecosystem.

These statistics and outcomes will make for interesting reading for those looking to create more engaged hybrid meetings and events. Not only are esports organisers able to tap into their community to create and share content, create momentum and marketing, also they are able to allow them to seamlessly engage with brands and sponsors. They can do this because they understand the community nature of what they



do, and smart companies exist that guide new brands into the world of esports in a safe and non-problematic way.

Any event brand that can gain this level of traction with its community will be well set for the new era of hybrid events.

### **League of Legends 2021 e-sport World Championship to fire up Iceland's events industry**

Conference & Meetings World reported the news that Riot Sports would host the League of Legends 2021 World Championship in Reykjavik, Iceland. The event is one of the biggest viewed tournaments in the esports calendar, with an expected 100 million people expected to watch the live stream from the Laugardalshöll indoor sporting arena, (5 October - 6 November 2021). The World Championships will kick off with The Play Ins, followed by various knock-out stages of the tournament and culminating with the finals on 6 November 2021.



## Information and Communications Technology

The Information and Communications Technology (ICT) sector continues to be a major influence on the fortunes of the meetings and events industry. The sector is vast, and breaking it down is, in itself, a major challenge, comprising of every business from mobile phone producers, apps and information technologies to the Internet of Things.

Regardless though, what unites this sector is its understanding of meetings and events, and the need for these brands to use face-to-face mediums to engage customers and stakeholders in an otherwise 'digitally-first' world. Equally, this is an industry that continues to hit the 'sweet spot' of the meetings and events world; one that encompasses growth, but also innovation and expansion. Once again, this year, this chapter reports on continued dynamism and success, meaning good news for our industry.

In its latest forecast on ITC spending, Gartner predict an increase of 8.6 per cent, from \$3.8 trillion in 2020 to \$4.2 trillion in 2021. This growth is ahead of the industry's predictions, with the global research and advisory firm adjusting its projections from a rise by 6.2 per cent to a \$3.9 trillion in 2021, to one 3.4 per cent higher. The firm also believe that the \$4 trillion mark will be surpassed a year earlier than previously expected.

Gartner believe that this growth is due to boards and CEOs being increasingly willing to invest in technology that has a clear tie to business outcomes. For example, the report shows a 13.2 per cent growth in enterprise software spending and 13.9 per cent increase in device purchases in 2021, with the latter having suffered a 1.5 per cent decline in 2020.

Additionally, the IT services segment was found to be the third-highest growth area for 2021, forecast to increase by 9.8 per cent from 2020 to a total of \$1.2 trillion. This, the report comments, is largely driven by a boost in 'infrastructure as a service' spending. This report last year quoted Gartner, who commented that '... through 2024, businesses will be forced to accelerate their digital transformation plans by at least five years, in order to survive in a post-COVID world, where remote work and digital touchpoints will be the norm.' It appears that this advice has been heard and acted upon.

**Table 1. Worldwide IT Spending Forecast (Millions of U.S. Dollars)**

	<b>2020 Spending</b>	<b>2020 Growth (%)</b>	<b>2021 Spending</b>	<b>2021 Growth (%)</b>	<b>2022 Spending</b>	<b>2022 Growth (%)</b>
Data Center Systems	178,466	2.5	191,648	7.4	201,659	5.2
Enterprise Software	529,028	9.1	598,957	13.2	669,114	11.7
Devices	696,990	-1.5	793,973	13.9	800,172	0.8
IT Services	1,071,281	1.7	1,176,676	9.8	1,277,228	8.5
Communications Services	1,396,287	-1.4	1,444,980	3.5	1,481,878	2.6
<b>Overall IT</b>	<b>3,872,052</b>	<b>0.9</b>	<b>4,206,234</b>	<b>8.6</b>	<b>4,430,051</b>	<b>5.3</b>

Source: Gartner (July 2021)

However, despite the overall positivity surrounding the industry, it is also one that continues to suffer from huge growing pains. Increasingly, as covered in this report last year, there is closer scrutiny around the size and power of some of the businesses that are driving it. There continues to be pressure around governance and policy that drive the knowledge economy within this sector, and almost every week we see a new instance of big businesses grabbing the wrong kind of headlines.

Social media platform Facebook is representative of the wider industry's issues and the business has had a particularly tough year to date. In early October, not only were its practices brought into question by a high-profile whistleblower, a lengthy outage saw the brand, and its family of apps - Messenger, Instagram and WhatsApp - inaccessible for over five hours, taking out vital communications mediums for billions and showcasing just how dependent many have become on a company which continues to face such scrutiny.

According to the New York Times, "The impact of the shutdown was far-reaching and severe, leading to unexpected domino effects such as people not being able to log into shopping websites or sign into their smart TVs, thermostats and other internet-connected devices. In some countries, like Myanmar and India, Facebook is synonymous with the internet. More than 3.5 billion people around the world use (the company's apps) to communicate with friends and family, distribute political messaging and conduct business."



The year has finished with the businesses rebrand to Meta, a move that TechCrunch+ commented as "... a lifeboat to save a declining user base." The commentary also concluded that "... the future of Facebook is rooted in owning a major hardware platform. Facebook's brand pivot to 'Meta' ... is the third inning of a multibillion-dollar game of balance sheet roulette."

Outside of Facebook, at times, this is an industry that continues to live in a perpetual frontier style existence. The sheer scale and pace of innovation makes it a difficult one to predict, and every new kind of application opens moral, predictive, and human dilemmas. International trend watching company Trendwatching.com, calls this the Great Acceleration, with AI technology one the key drivers.

October saw the \$2.9 billion IPO of UK-based pharma company Exscientia; the company that has developed, and now sent to clinical trials, the world's first medicine created entirely by AI – a treatment for obsessive-compulsive disorder.

This IPO is underlining both how AI is set to revolutionise healthcare, industrial design, transport, and much beyond, but also how the meetings and events industry sits to benefit from this continual convergence between industries. The knowledge economy within ITC is one that is driven by regulation as well as communication, and the more it brings itself closer to Pharma, the more important these meetings are.

However, on top of this, Trend Watch believes that AI is now emerging, and being accepted as, an authentic creative force. Again, earlier this year, researchers at Rutgers

University used AI to complete Beethoven's unfinished Tenth Symphony, which premiered in Bonn, Beethoven's birthplace.

This level of accepted power is one that needs to be considered by those within the ITC industry, as its ripples could cross into every other sector of business (including events).

The knowledge economy is of course a great opportunity for events businesses to create memorable experiences, it is also one that underlines the importance of what we do in our industry to help others tackle the very largest questions.

## Pharmaceuticals

It makes sense to move from the world of Information, Technology and Communication to Pharmaceuticals, as the two industries continue to merge in many areas. The pharma market has historically been crucial to the success of the events industry; its mixture of major brand conferences, industry conventions and exhibitions, continual professional development (CPD) learning, and its heavy reliance on knowledge sharing, make it a natural partner.

Therefore, it should be seen as positive news that this industry continues to grow. The 'Pharmaceuticals Global Market Report 2021: COVID-19 Impact and Recovery to 2030' report by Research and Markets predicts the global pharmaceuticals market will increase from \$1,228.45 billion in 2020 to \$1,250.24 billion in 2021, at a compound annual growth rate (CAGR) of 1.8 per cent.

The report says that this slightly slower growth is mainly due to companies rearranging their operations and recovering from the COVID-19 impact, which had led to restrictive containment measures, remote working, and the closure of commercial activities. However, early signs show the sector ready to continue its long lasting and consistent growth; the report expects the market to reach \$1,700.97 billion in 2025 at a CAGR of 8 per cent.

According to the Euler Hermes Pharmaceutical Sector report, this return to higher growth is down to the sector's agility during the pandemic crisis. The report's assessment is that many factors were projected to exert pressure on pharmaceuticals, including the delay or cancellation of non-urgent treatments and the postponement in the approval of new drugs. However, this impact was mitigated by the growing demand for COVID-19 vaccines, and the shift towards telemedicine and prescription drugs, which recorded a near all-time-high during lockdowns. Equally, this is a market that continues to invest heavily in research and development, not least around the need for new variant vaccines and the aim of reaching herd immunity.

Equally, the market is reacting to changes in the global population, which continues to see an expansion in the middle classes, especially within emerging markets, and the need for governments to provide better healthcare outcomes for citizens. The global population also continues to get older; according to the Population Reference Bureau, the share of population over the age of 65 increased from 8 per cent in 2015 to 9 per cent in 2019 and continues to rise. This increase in aging has grown the patient pool of

many chronic diseases such as rheumatoid arthritis, hypertension, diabetes, and cancer. In turn, this increase in patient pool has driven the demand for pharmaceuticals used in the treatment of these diseases.

Another of the evolving trends are pharmaceutical companies offering drugs for customized individual treatment. This 'personalized medicine', also referred to as 'precision medicine', aims to provide medical care according to the patient's individual characteristics and genetic makeup. The integration of these technologies with wearables once again brings it into closer contact with the ITC industry.

However, growth will be challenged by historic hurdles that the pharmaceutical sector continues to get used to. One is related to the rollout of the COVID-19 vaccines and the rethinking of global supply chains as the pressure to 're-shore' drug production has risen during the pandemic. These supply chains underlined the world's reliance on China for many active pharmaceutical ingredients. There is growing sentiment among governments to reduce medical imports using trade barriers, regulations, and incentives to encourage the development of domestic pharmaceutical supply chains in the years ahead.

The Research and Markets report also says that the three main drug segments are projected to grow at different paces: +2 per cent for generic drug makers, compared to +8 per cent for Big Pharma and +21 per cent for biotech drug makers. Biotech and Big Pharma benefited from substantial help from governments and humanitarian organisations, such as the World Health Organisation (WHO), who would secure, in return, a supply for less advantaged countries. The race to find a cure against the virus channelled around \$25bn into pharmaceutical research and development, with half coming from the US's 'Operation Warp Speed'. Not only had these operations supported the development of vaccines in much shorter timelines, they also drove up the operating margins of patented drug makers (orphan drugs).

These orphan drugs are a major sector of the marketplace that this report has focused on in the past, the development of new treatments for disease. This is an area where most research and development spend will be focused, and which most directly fuels the knowledge economy. One of the main areas of focus is mRNA technology, which is close to becoming a game-changer for the sector, especially in oncology treatments, and that has benefitted widely from its role in developing the vaccines against coronavirus.

Equally, the WHO recently announced a major milestone in the fight against malaria, by approving the first vaccine for the disease. Made by GSK, the vaccine, which is aimed for children, could help save the lives of tens of thousands of young people in sub-Saharan Africa alone.

This is a highly dynamic marketplace, combining with different industries from ITC to global supply chains, influencing government policies and the wellbeing of individuals and families. Regulation and competition remain in hot debate, while at the same time the industry is changing the world through the research and development of new medicines. More than ever, this is an industry that needs to speak and convene regularly to continue to solve problems and to grow positive outcomes for every part of society.



## MEETINGS & EVENTS PERFORMANCE

This report is constructed so that we get two views of the 'buying' marketplace; the first is covered in the previous chapters where we look at different 'vertical' industries, their dynamics and how they will influence the pattern of meetings and events behaviours.

However, because every industry will have differing uses of meetings and events, it is also beneficial to look at the three broad sectors of our own industry in a little more detail; corporate, association, and incentive travel. To do this we work in partnership with our many trade associations and industry media to give us a credible snapshot of where each of these markets are, and where they may be going.

### Corporate Events

'Ensuring the sustainability of events' has risen to become the key challenge corporate organisers are looking to tackle between now and 2024, according to this year's ICE Annual Benchmarking Research Report. ICE, which stands for 'in-house corporate events', is a UK based organisation that works closely with event organisers around the world, but exclusively within the events departments of businesses and brands.

The report, which is sponsored by Cvent, is one of the most credible resources for the corporate events world and accurately represents the agenda of this sector of the industry. It is therefore not surprising that a 'green' objective leads the way in the survey, with 77 per cent of respondents scoring 'ensuring sustainability' ahead of any other priority. Again, unsurprisingly, the second most popular response was 'the ability to deliver hybrid events' (73 per cent), with the research representing both the anxiety and opportunity of creating hybrid events.

The third most pressing objective for the market over the next few years was 'educating internal audiences on when live / hybrid formats should be adopted' (53 per cent). This is an important statistic as it differentiates the corporate sector from others across the industry. The subject of influencing internal stakeholders is one that ICE continues to turn to and underlines the constant aspiration in-house organisers have in moving the standing of events up the priority list in their businesses.

The report also underlined the importance of measurement to event organisers in achieving sustainability goals. Most planners reported that their organisations have

already established CSR goals, however measurement remains key with close to 40 per cent of respondents reporting its importance. Across the research, organisers prioritised the 'Tracking of CO<sub>2</sub> emissions' as a key metric for live events, behind 'Electricity consumption', 'Distance travelled by visitors and organisers', and 'Sustainability of catering'.

In the meantime, and similar to last year, delivering more virtual/hybrid events also remains a key challenge for planners. In the 2020 report, the challenge around virtual/hybrid events centred on increasing the technological competency within the events team. Now these individuals have more experience delivering these events, challenges have moved to the volume being delivered to optimising the experience.

A new challenge has also emerged in relation to the hybrid world, that of 'Educating internal contacts on when live/virtual events should be considered'. Over half of respondents said that this is an issue they are hoping to tackle in the next few years.

However, as well as the immediate challenges the industry faces, ICE continues to show its concern around a lack of a clear 'home' for event planners within the organisational structures of large businesses. The report highlighted the issue; 50 per cent of respondents saw the natural place of events within the marketing division, however the remainder were spread across over 15 different company departments.

Talking on the issues, Anita Howard, Founder and CEO, ICE, added: "We talk a lot about this 'natural home' within the ICE community. We do so because we see it as a massive sleeping giant of an issue that, when it wakes up, could be incredibly destructive. Event departments need protection through the structure of the company; if they are out on a limb, they can be isolated, whereas, if they are integrated, they can add more value across the organisation."

The research also underlined the growing challenges of actually being an event professional, with 14 different skills identified as being important to the role, up from 10 in last year's report. These included working with stakeholders (31 per cent), multi-tasking (30 per cent) and project management (50 per cent). Converting events to digital (67 per cent) and understanding technology (69 per cent) were both predictably strong new inclusions in the growing #eventprof skill set. This expansion in role also adds to the concerns covered in the wellness section of this report, and both the constantly changing skill set and responsibilities of event professionals.

In summary, this is a sector of the industry that is both widely representative of event professionals across the industry, but also of businesses and consumers around the world. This is community that is clearly taking sustainability more seriously than ever before, but also one that has navigated through the pandemic to be more competent and aware of hybrid technology.

As ever though, corporate event organisers need proof and justification for what they do, both to keep hold of their budgets and to increase the level of support and belief the wider business has in what they do. We should all be supportive of them in this aim.

## Association Conferences

For the 60th Annual Congress in October 2021, ICCA implemented a hub-and-spoke event model (see previous section on Global – Local) that featured a Congress host in Cartagena, Colombia, and five Congress Hub locations worldwide. Delegates could also participate on a cutting-edge virtual platform and flexible registration allowed people to change their registration type without an additional fee.

This is a model that has been well adopted both within and outside of the association congress world, as organisers look for more regionalised content and a more sustainable footprint. Toby Lewis, Managing Director of The Live Group, who organise significant amounts of global association meetings commented; 'if you want to organise a sustainable event, don't organise an event.' While dramatic, it is this thinking that is occupying the thoughts of many association organisers, and The Live Group is also a major fan of the hub-and-spoke model as a way of using streaming to reduce the carbon footprint of events whilst giving them a more local flavour.

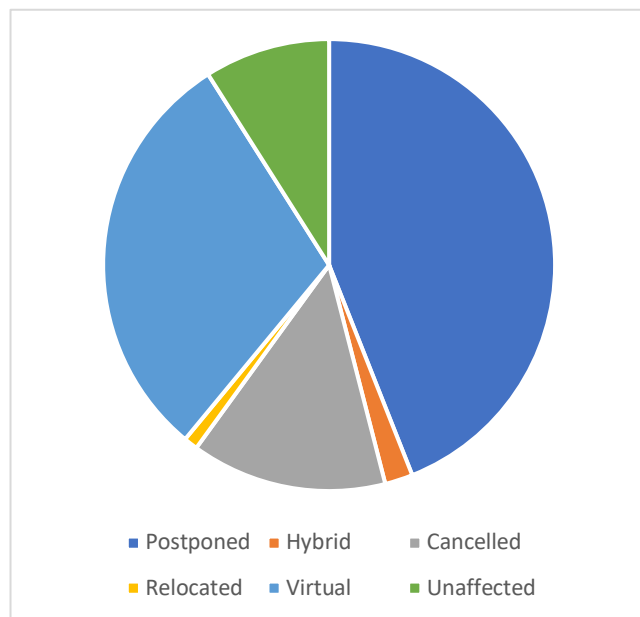
For ICCA World, this model resulted in a record number of Congress attendees during a time when many were still dealing with travel uncertainty, and the association believes the model will continue to be replicated by larger associations that have the financial and personnel capabilities to make it viable.

This financial viability is a major point for association congresses. Events clearly have a higher purpose for these organisations, be it progressing scientific discovery, sharing knowledge and CPD, or convening leadership to take far reaching decisions. However, for many, they are also a major source of income that is much needed (and much missed) by many associations. This 'fundraising model' isn't just true of industry associations, it is shared by NGOs and those with a charity-based agenda as well.

However, to really assess the fortunes of the association events industry, we turn to ICCA's outstanding ICCA Statistics Study 2020. The report looks at the previous year's statistics and gives us a powerful idea of the trajectory of the sector.

The study reported that in total 8,409 unique meetings were identified which were either held or planned in 2020. In the previous year's report, the number was 13,252, a significant drop-off that the association believes can be 'partially explained by the fact that numerous event websites were taken offline prematurely or were never established in the first place as a consequence of the pandemic'.

Postponed	3.714	44%
Hybrid	143	2%
Cancelled	1.211	14%
Relocated	73	1%
Virtual	2.505	30%
Unaffected	763	9%



On a regional basis, the report looks at the unaffected and affected meetings per region and observes that the Middle East had the lowest percentage of meetings Postponed and Cancelled (49 per cent combined). This means that 51 per cent of all meetings in 2020 took place, either Unaffected (19 per cent), Virtual (29 per cent), Relocated (2 per cent) or Hybrid (1 per cent). North America followed closely with a combined continuation-rate of 50 per cent and the highest percentage of Virtual meetings at 39 per cent.

When it comes to subject matter, ICCA has long been monitoring the industries and interests that have driven the sector, in the past this has led it to look closely at the STEM model (Science, Technology, Education and Mathematics). This year’s statistics show that, of all meetings planned for 2020, those concerning Technology had the highest percentage of Virtual (48 per cent) and Hybrid (3 per cent) meetings. The association believes that this trend can be attributed to the natural affinity of this sector with digital consumption. As a result of this high percentage of virtual / hybrid meetings, these technological associations had the highest continuation-rate, with Unaffected (9 per cent), Virtual (48 per cent), Relocated (1 per cent) and Hybrid (3 per cent) events adding up to a total of 61 per cent continuation.

Behind Technology, associations focusing on Education had the second highest percentage of Virtual meetings with 32 per cent. Like Technology, the Education sector also might have become accustomed to virtual meetings prior to the pandemic. On the

other hand, says ICCA, associations organising meetings with Science subject matter had the highest Cancellation / Postponement-rate, with 11 per cent and 55 per cent respectively, totalling up to 66 per cent.

Going forward, ICCA's outlook for the near future is a steady return to face-to-face association meetings and the overall recovery of the business events industry. The association's research has consistently found that people have a strong desire to meet again in person. Furthermore, ICCA is confident that delegates will enthusiastically return to meeting destinations as pandemic protocols allow.

Between May and September 2021, an ICCA survey of associations found that 38 per cent of respondents were planning an in-person meeting for 2022. Nearly 50 per cent are adding hybrid elements to some or all of their upcoming meetings. 84 per cent of the associations we heard from said that virtual meetings are more limited when it comes to networking, compared to in-person events.

"Consequently, we are witnessing a renewed sense of creativity and innovation within the industry," says Senthil Gopinath, Chief Executive Officer, ICCA World. "Associations are pivoting to new tools and strategies for engaging their delegates virtually and providing them with a seamless digital experience. We've talked to associations that are considering adding lounges where on-site delegates can interact with the digital audience. Meeting organisers are keen to invest in technology that can help them create moments of serendipity that will delight attendees, both online and on-site."



Senthil Gopinath, Chief Executive Officer,  
ICCA World

Meanwhile, as face-to-face events return to associations' agendas, 51 per cent report that they're organising regional meetings. Nearly half (48 per cent) of respondents said their meeting rotation schedule was not impacted (at the time of the survey) by the pandemic lockdown. ICCA have also observed that as associations reschedule their in-person events they are generally staying loyal to their original destination when feasible.

Senthil added, "We've found that the top priorities for associations when it comes to destinations and venues are flexible contract conditions and COVID-19 related safety

protocols/certification." Associations also want more assistance with communications regarding COVID-19 regulations and greater support with travel arrangements.

Association leaders are looking to destinations and venues that are willing to share in the risk of event organising with them by offering flexible planning timelines and cancellation policies. Destinations with financial support packages are also a big draw for associations.

In short, says ICCA World, in-person events are coming back, and as they return, they are delivering larger audiences of delegates eager to meet face-to-face within the necessary safety protocols. Meanwhile, virtual and hybrid events have helped associations expand their audience and keep members engaged with their activities. These are all positive developments that can continue to guide top-level decision-makers within associations, sectors, and local governments.

## Incentive Travel

According to the Society of Incentive Travel Executives' (SITE) Corporate InSITEs research, 82 per cent of incentive travel buyers have committed to travel and planning in 2022, and only 2 per cent have permanently moved spend away from incentive travel ahead of other rewards.

The report also paints a positive picture of a sector looking to bounce back into productivity, with approximately 85 per cent of all domestic incentive travel programmes back in the diary before quarter one 2022, and just under 60 per cent of all international programmes back within the same period. Only a very small minority of programmes are expected to return post the end of 2022.

This is a sector of the industry which is often signalled by this report as one that can be used as a barometer of the general health of the wider meetings and events industry. If businesses are confident in investing in incentivising and rewarding their people, then the opportunity to communicate, share knowledge and convene them will be similarly healthy.

The incentive travel sector also reflects many of the other trends that affect the buyers of meetings and events. SITE's research showed that, when it came to the crucial decision-making processes for booking incentive programmes, 'Contracts & Risk Management' was top of everyone's list with a mean score of 8.26. Close behind was 'Destination Selection' with 7.66. Similar to the corporate market, measurement became the next focus, with 'Better Analytics' (5.26) and 'Measurement' (4.67) both in the top five.

Sustainability was just behind with a mean score of 4.07 and CSR carried a 3.67 weighting, so much a part of the conversation, but falling in comparison to having a safe, secure, reliable and measured programme. This is somewhat reflected by the corporate trends identified earlier on in the report; with the exception of sustainability coming higher in the priorities. It's clear that business is looking to find tangible and measurable impacts based on any investment in meetings and events.

These statistics are further supported when incentive procurement professionals were asked about the key factors when choosing incentive destinations. Again, 'Safety' was top of the list with a mean score of 5.4, ahead of 'Destination Appeal' with 5.1.



'Infrastructure' and 'Access' came next in priority with scores of 4.8 and 4.3, underlining the importance of destinations that are capable of handling incentive business.

This focus on measurement is consistent with how the incentive travel sector has been operating over the last few years as it continues to show itself to be of value to the wider business community. Incentive travel has often had a poor reputation for waste, but those within the sector have done an admirable job in reversing this perception. This is borne out in the final statistic from SITE's research which asked how supportive senior leadership is of incentive travel; a resounding 93.75 per cent said they were 100 per cent supportive, and none were reported as being unsupportive.

This is great news for the incentive travel industry as well as the wider meetings and events sector, businesses need to believe that they are getting a return on the investments they make, but the ability of event professionals to provide proof is critical as businesses and industries look to get back on their feet.

One of the big opportunities for the sector is its ability to capitalise on some of the trends identified earlier in this report; Sustainability, Wellness and Global-Local. Before the pandemic there was a large movement towards transformative travel, and a new breed of Destination Management Company (DMC) is being created that look to join businesses' renewed commitment to the environment, to delegates' increasing need to 'connect' with destinations and create 'purpose' from their travel. One such company is Origin'all, which looks to work with local, artisan incentive providers that allow the delegate to have a more authentic, less commercial, experience in the destination.

Other DMCs will, and are already, following suit, and this can only be seen as a positive all round. It allows businesses to achieve their own sustainability goals, it creates better outcomes for the delegate, whilst offering more value for the host destination.

As the incentive travel sector continues its mission to show itself as a net-positive for both business and the wider environment, these new innovations will be vital.

## REGIONAL VARIATIONS

### Africa

According to the Business Tourism Consultancy, a meetings and events specialist business working across the continent of Africa, the region accounts for 17 per cent (1,368 billion) of the global population, with West Africa accounting for 29 per cent of Africa's population in 2021, but just 3 per cent of global GDP. These statistics underline both the incredible opportunity for growth the region presents, but also captivates the frontier theme of this report.

The IBTM World Trends Report 2021 picked up on the incredible opportunity that Africa has to offer the world of meetings and events, as well as the wider global economy. Unfortunately, as with many other regions, this opportunity had been halted by the pandemic.

However, and again in keeping with other economies, the continent is once again looking to get back onto its growth trajectory, and the opportunity is vast. The International Monetary Fund project Africa to be the world's second-fastest growing economy and McKinsey predicts that it could be one of the major sources of growth for the world. The company predicts \$5.6 trillion in African business opportunities by 2025, household consumption is expected to grow across the continent by 3.8 per cent annually until 2025, reaching \$2.1 trillion, and business spending will also rise from \$ 2.6 trillion in 2015 to \$3.5 trillion in 2025.

This growth is fuelled by factors including the most rapid urbanization rate in the world and, by 2034, a larger working-age population than either China or India.

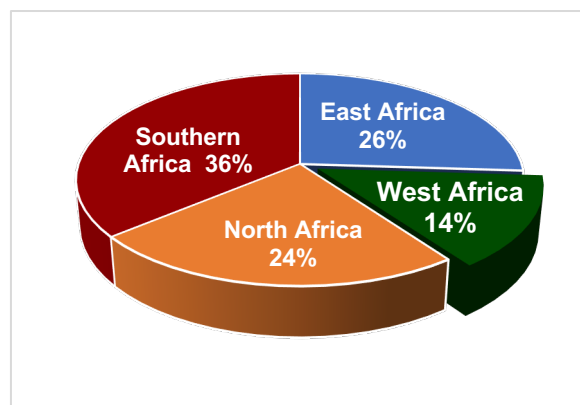
As a region, Africa can often be characterised as one both running fastest to catch up, and at the same time leaping ahead through vibrant innovation. Accelerating technological change is helping unlock new opportunities for consumers and businesses across the continent, and Africa still has abundant resources. Some of these opportunities lie in agriculture: if Africa, which accounts for 60 per cent of the world's uncultivated arable land, intensified its agricultural productivity, it could produce 2-3 times more cereals and grains, with similar increases in horticulture crops and livestock. The continent could also nearly double its manufacturing output to \$930 billion in 2025

from \$500 billion in 2015. Other opportunities lie in infrastructure with much additional spending needed each year to upgrade its energy, water, and transportation networks

One of the many reasons to be excited about the rise of Africa is that much of this untapped potential is reflected in its meetings and events industry. The Business Tourism Consultancy is one of the world's leading experts in the continent and is a passionate advocate for Africa to be seen as a credible new destination, and for the abundance of destination and venue products it can offer.

This untapped potential is reflected in the region's relatively small percentage of international association meetings; however, while owning just 3 per cent of the share in 2019, the region has been growing the number of meetings and events it hosts, with 20 per cent growth over the last decade.

In terms of country performance, South Africa remains number one, accounting for 25 per cent of the market, whilst Morocco is second with 11 per cent. Rwanda is the fastest growing destination over the past five years, ranking third and accounting for 8 per cent of the market, whilst Egypt was fourth (7 per cent) and Kenya (6 per cent) fifth. According to the Business Tourism Consultancy, West Africa remains under-represented with 14 per cent market share of the region; however, the business is looking to change this inequality.



ICCA – 2019 Africa market share by

The agency continues to work closely with the governments across the region, helping them to recognise the importance of meetings and events, and helping those that already see its potential, to tap into it. Many of these governments have encouraged public and private investment, supported by policy development into the sector.

Convention Bureaus continue to be established; the South African National Convention Bureau was established in 2004,



Rick Taylor, The Business Tourism Company

Egypt Expo & Convention Authority (EECA), affiliated to the Ministry of Trade & Industry, in 2008, Morocco Convention Bureau in 2009, Rwanda Convention Bureau in 2014, Uganda Convention Bureau (under Uganda Tourism Board) in 2018, Ethiopia Convention Bureau (under Tourism Ethiopia) in 2019 and the most recent, Kenya Convention Bureau, launched in 2019.

Many other countries, notably Sénégal, Tanzania, Togo, Ghana, Nigeria, Mozambique, Zambia, and Zimbabwe, are actively engaging the sector with the view to establishing a Convention Bureau.

These developments represent a continual establishment of stronger networks and infrastructure that support both leisure and business tourism. As reported in previous issues of this report, getting around Africa by air has remained a challenge even as strong economic growth in major Sub-Saharan economies in the most recent decade helped drive steeper demand for air travel. Members of the Single African Air Transport Market (SAATM), a project created to advance the African Union's Agenda 2063, need to fast track the aspirations of the agreement into reality, thereby opening development of intra-African air services, a key enabler of growth in the meetings and event sector. Thirty-three countries representing over 80 per cent of Africa's air travel market currently participate in SAATM, of which all 15 ECOWAS countries subscribe.

The impact of the pandemic has slowed all of these initiatives, the region relies heavily on continental travel but also intercontinental visitors to drive its meeting and events industry. The ability to travel across borders, and invite international delegates to the region, is critical to its long-term success and governments are working hard to make this more possible. This includes the creation of the IATA Travel Pass, intended to provide a standardized, secure solution that will enable travellers to retrieve and store their COVID-19 test and vaccination status certificates and share them with immigration and health authorities.

The low rate of travel in Africa is a result of inconvenient factors such as the continued requirements for quarantines, high cost of COVID-19 tests, and the slow and uneven roll-out of vaccination programmes across the continent. This has impeded the lifting of international travel restrictions and delayed the recovery of Africa's economies.

Equally, it is a continent that continues to fight perceptions of corrupt politicians and instable governments. In many cases these are not just perceptions; as this report is finalised there continues to be an escalation in the fighting in Ethiopia with CNBC

reporting that the country 'braces for all-out war as rebels advance on capital'. This is incredibly difficult for the people of Ethiopia, but also its meetings and events industry which has worked hard to put infrastructure in place. It also underlines an unfair stereotype that this is not a region that can be booked too far in advance because of this potential for instability.

However, in general, the continent is working hard to open itself out to the world and its future continues to look bright. It is a region that continues to show innovation and opportunity across industry. It stands at a frontier, and has a very clear way forward.

In August 2021, sub-Saharan Africa surpassed North America by acquiring more cryptocurrencies than any other region.

Users based in sub-Saharan Africa acquired the equivalent of \$80m worth of cryptocurrencies, earlier this year, according to UsefulTulips, a company specialising in analysing this market. This represents a 19 per cent increase on the monthly average of \$67m over the past 12 months and more than the \$79m that North America acquired.

## Asia Pacific

China was one of the few advanced economies to show growth during the pandemic. According to the World Economic Update by the IMF, the country expanded its economy by 2.3 per cent in 2020, setting it up for further impressive growth in 2021 (8.1 per cent) and 2022 (5.7 per cent) and making it one of the largest growing economies in the world.

It is difficult to cover the trends in Asia Pacific without looking at China first, despite the many areas of genuine interest in the region. China, like the US, has a large effect on the destinies of so many economies around it. However, one of the many positive stories to come from the Asia Pacific region this year has been the growth of its emerging countries. The IMF reported that 'Emerging and Developing Asia' will grow by an impressive 7.5 per cent in 2021 and a further 6.4 per cent in 2022. Equally, the ASEAN-5 (Indonesia, The Philippines, Malaysia, Singapore, and Thailand) report a slightly slower growth in 2021 (4.3 per cent) but an impressive 6.3 per cent in 2022.

These statistics show a region in motion, and once again both economists and meetings and events professionals look to Pacific economies as well as Atlantic for future dynamism; a trend that this report has been tracking for some time.

However, although Asia Pacific remains the fastest growing region in the world, the divergence between advanced economies and emerging and developing economies is deepening, reflecting vaccination coverage and policy support in the areas and their influence on economic progress.

There are also signs that the trade war between then US and China, which took a perhaps less public backseat during the pandemic, is emerging once again in more public circles. The US sees China as an economic threat, but increasingly many other economies see it as a political one. Towards the end of 2022 we have seen 'aggression' from China in the South China Sea, and tensions rising in Taiwan. China also continues to enforce its laws and political leadership on Hong Kong, which has led to multiple demonstrations across the island throughout 2021, and an escalation in opinion from many in Taiwan, who do not wish to have a regime, often marked as repressive, running their country. The US has since strengthened its relationship with Taiwan in a bid to stave off this aggression, however these tensions remain a concern to everyone in the region.

While much of the political issues do have negative impacts on the events industry in China, the country is one which is hugely self-sufficient on internal meetings and continues to grow both its infrastructure and share of large conventions and exhibitions.

However, according to Karen Bollinger, Managing Director, PCMA APAC, the wider region still remains highly dependable on those Atlantic (or Western) economies. North American and Western / Northern European buyers remain critical to the buying cycle in countries such as Australia, New Zealand, Singapore, and - more on the incentive side - Thailand and Indonesia. Speaking with IBTM earlier in 2021, she said, "There is an irony in terms of the relative 'success' many of these countries had in fighting the pandemic, versus their own reliance on other countries to support them in their return to growth." Until both vaccination and incidence levels of the pandemic drop, there is still an issue in letting both business travellers in and getting them back again into their home destinations.



**Karen Bollinger, Managing Director, PCMA APAC**

It's important to underline though that this remains a temporary situation and, as we look forward to 2022, there can be high degrees of positivity around the future of meetings and events in the region, not least in terms of the industry's ability to pivot to a new way of running meetings and events. Speaking to Oscar Cerezales, Chief Strategy Officer, MCI Group, not only have many countries adapted well in the face of the pandemic, they have also been able to develop their own meetings and events product in line with a more hybrid landscape.

Oscar Cerezales believes, as do many other senior commentators, that the industry will increasingly evolve large meetings into a more 'Global-Local' / 'Hub and Spoke' model, discussed earlier in this report, where a central location is complemented by regional satellites. This trend underlines the complimentary nature of having both a large global community convening, but with a more local feel, adding value on a regional basis. This strategy works on both a macro, global nature, but also regionally within continents or countries. However, it also takes knowledge, experience and networks in those central locations, something Oscar sees as evolving in the Asia Pacific region.

Talking at IBTM Wired he singled out countries like Australia and Singapore as making genuine progress in turning themselves into 'hub' destinations, with the expertise, the media networks, and the connectivity support being offered at destination level. Perhaps

this thinking represents a new look destination model that will be replicated around the world. If it is, it could be yet another positive coming out of the pandemic, with the need for more collaboration and integration across continents.

This can only be seen as a good thing, falling into the natural skill set of the industry which is, by its very nature both highly connected on a global level and collaborative.



## Europe

The pandemic took a higher-than-average toll on the Euro region. The World Economic Update by the IMF shows that the area shrunk by 6.5 per cent in 2020, over 2 per cent higher than the average of other 'Advanced Economies'. Additionally, its recovery looks much slower, with growth anticipated to be at 4.6 per cent by the end of 2021 and 4.3 per cent by the end of 2022; this compares unfavourably to the 7 per cent and 4.9 per cent in the US, 8.1 per cent and 5.7 per cent in China, and 7.5 per cent and 6.4 per cent across other emerging and developing economies in Asia.

Regardless though, Europe still has a massive part to play in both global economics and politics; with the former taking more headlines than the latter. The region has had a typically complex 12 months since this report last explored it. On top of the pandemic, there has been unrest in the UK with Brexit, political corruption charges in France, and continuing issues with the bloc's relationship with Russia. Even the consistency of Chancellor Merkel in Germany can no longer be relied on as a new administration looks to take over following her almost 16 years in power.

In the UK, it is believed by many that the true cost of Brexit has been covered up by the pandemic, and that it is now starting to surface as we move out of the crisis. This autumn saw what The New York Times called 'A crisis with Brexit overtones' as gas stations across the country shut down, inducing panic and long lines of motorists waiting at petrol pumps. The crisis was blamed on a dearth of truck drivers within the country, exacerbated by Brexit, leading to a shortfall of 100,000 drivers, about 20,000 of which were non-British and who left Britain during the pandemic and now face more stringent, post-Brexit visa requirements.

Equally, the UK has had a couple of high profile disagreements with France. Firstly, around Aukus, a US, British and Australian agreement, and more recently, a heated exchange connected to fishing rights around the region. In a particularly unsavoury

moment French authorities said they had detained a British fishing trawler, prompting the British government to summon France's ambassador for talks. The British also took the rare step of ordering an allied nations envoy to be summoned as tensions continued.

However, despite its inability to get on better with its neighbours in Europe, the IMF's predications show the UK performing ahead of its Euro zone partners in terms of economic recovery, with a 7 per cent growth forecast for 2021 and 4.8 per cent in 2022. This puts the country ahead of both Germany (3.6 and 4.1) and France (5.8 and 4.2), although it's important to add that the UK also had the second largest decline in 2020 with 9.8 per cent, only beaten by Spain, who suffered a 10.8 per cent fall.

The economic figures however, may add to a growing voice in Poland asking for its own exit from the European Union; 'Polexit'. The discussions are led by the country's current administration, said to be anti-EU, and follow a court ruling that parts of EU law are incompatible with the country's constitution. More than 100,000 Poles demonstrated in support of the European Union in the Autumn, and Donald Tusk, one of the former heads of the European Council, commented that the country's leadership, run by the Law and Justice (PiS) party, were jeopardising Poland's future in Europe.

In the meantime, the region's diplomatic instabilities continue to add to its every growing to-do list. Reports in the summer speculated that Russia is looking to break off diplomatic ties with NATO, in the latest sign of unravelling relations between Moscow and the West. The breakoff of diplomatic ties comes as US President Biden seeks to strengthen the European alliance, putting further distances between Russia and the wider European region, and western economies in general.

Internally, Russia continues to wrestle with the pandemic; according to The New York Times, 'apathy and mistrust have left just 42 million of the country's 146 million inhabitants fully vaccinated', adding to the growing numbers of cases the country experienced in late 2021. At the same time, Russia has added its weighty support of the global sustainability movement, announcing in the autumn the construction of a 600-mile-long wind park. At the same time, Vladimir Putin, the Russian President, committed to the country curbing its emissions by 2060. The report did caveat that these decisions may be in response to the EU's plans for tariffs on heavily polluting countries, which threaten exports from Russia, which remains the fourth biggest nations in terms of greenhouse gas emissions.

France and Germany have traditionally been the steady force for Europe and there is onus on the newly elected administration of Olaf Scholz to deliver this in the wake of Angela Merkel's departure. Equally, in France, many are looking to President Macron to provide additional support needed until his own country's elections in April 2022.

The European meetings and events industry is highly successful and sophisticated and is a key buyer of destinations around the world. The more outward looking the region is, the better it is for everyone.

## Latin America

In contrast to other regions, the story in Latin America has been less positive. Not only, on a region-by-region basis, was the area hit worse by the pandemic, it has also showed slower signs of recovery. Data from The World Economic Update by the IMF showed the region declining by 7 per cent in 2020, but showing a recovery by 5.8 per cent in 2021 and 3.2 per cent in 2022; a below average performance for a developed region.

The IMF report looks at two country specifically in terms of this performance, Brazil and Mexico. The latter reported an 8.3 per cent decline in 2020; only Spain and the UK reported steeper contractions. However, the recovery looks more stable with 2021 expected to finish at 6.3 per cent and 2022 projected at 4.2 per cent growth for the economy. Additionally, this report has covered Brazil in detail before, characterising it as one of massive potential, but which often fails to reach projections due to its issues around infrastructure and governance. This is evidenced by its comparatively strong performance in 2020, reporting an above average 4.8 per cent decrease in the economy, versus a below average bounce rate of 5.3 per cent and 1.9 per cent growth in 2021 and 2022 respectively.

One of the reasons why the region seems to be bouncing back slower than others is its vaccine shortfall. The New York Times reported that the global Covax program, which supplies vaccines to most of the world, is falling behind its target to deliver enough doses to Latin America (and Caribbean) countries. The target is to inoculate 20 per cent of the regions' population before the end of 2021.

According to the World Health Organisation (WHO), the failure is partly due to wealthy countries, who can pay more for shots, buying up supply. Dr Jarbas Barbosa, a WHO official commented, "Producers are not prioritizing delivery to the Covax mechanism. They continue to prioritize the bilateral agreements they have because in these agreements the vaccines are more expensive." Around 37 per cent of the population in Latin America has been fully vaccinated, but access in the region has been uneven, with very high rates of vaccination in Cuba, Chile and Uruguay.

In the meantime, Brazil itself continues to suffer from typical issues around political leadership. According to a report from a panel of 11 Brazilian senators, the country's President, Jair Bolsonaro, should face charges of 'crimes against humanity' over his

mishandling of the pandemic. The report represents the depths of anger against a leader who has 'refused to take the pandemic seriously' and asserts Bolsonaro let the coronavirus 'rip through the country and kill hundreds of thousands in a failed bid to achieve herd immunity in Brazil and revive the economy'.

The panel had initially recommended that Bolsonaro be charged with mass homicide and genocide against Indigenous groups in the Amazon, where the virus decimated populations for months after hospitals there ran out of oxygen. But less than a day after news outlets reported on those plans, several senators said that the accusations had gone too far.

Regardless, these stories of systemic political failures represent further blows to a region that continues to have to justify itself as having 'advanced' infrastructure in keeping with other prominent meetings and events regions. 'Brand Latin-America' has worked incredibly hard to articulate the qualities of the region and its increasing understanding and support for meetings and events.

Like other regions Latin America relies heavily on the opening up of international and inter-continental borders, not least with its neighbours in North America. To do this it needs to present stability and security. In the meantime, though, it also represents a region where this industry can have immediate positive effects, be it through the arrival of incentive travel programmes, association meetings and, a formerly strong sector in the region, medical conferences and events. Equally, economists continue to show excitement around the region's development of digital infrastructure, opening it up to more digital and hybrid events, and specialist industry association events and business festivals.

Previous reports have underlined the level of innovation and understanding that professionals have at a local and national level across Latin America, and while instability on a political level could be unnerving, the qualities of people and infrastructure at a local level should not be underestimated.

## Middle East

In this report last year, the Middle East came out as another region to watch. There was much excitement around the 'value' of meetings and events in the area, not just from a monetary basis, where the average cost per person continued to rise, but also the importance of the industry to the regeneration of many cities and countries in the area.

This is a region that is increasingly seeing the economic potential of events, both to develop infrastructure, but also attract industries and businesses into the areas. Predictably this includes oil, but also expands much wider to the digital economies where investment is supported by a raft of new, global, industry meetings and events.

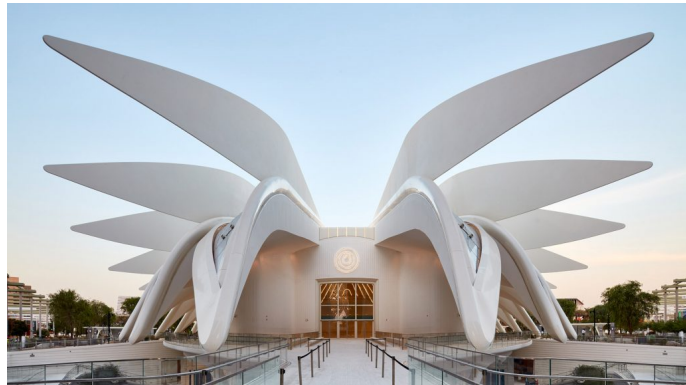
The World Economic Update by the IMF separates India from its statistics on the Middle East whereas this report prefers to include the country as part of this region. As a whole, the economic prospects of the region are in keeping with most that have both its fair share of emerging and advanced economies. In 2020 the region suffered a 2.1 per cent decline in its economy but will bounce back consistently in 2021 with 4 per cent growth, and a predicted 3.7 per cent rise in 2022.

India, like the US in North America and China in the Asia Pacific region, is fast becoming an economy which dictates those around it, and where the fortunes of many depend on its own. The story in the country is much more dramatic than other economies. Sadly, the extent of the epidemic caused huge harm to the people of India and its economy reduced by 7.3 per cent in 2020. However, the rebound is impressive with 9.5 per cent growth predicted by the end of 2021, the most impressive growth figure covered in the IMF's report.

No less impressive are India's growth predictions for 2022, which stands at 8.5 per cent, some 2.7 percentage points ahead of the second highest country specific growth figure covered in the report, Spain, with 5.8 per cent. Like Spain, the caveat is the dramatic reduction of both economies in 2020, however India does remain one country to watch as it becomes one of the fastest growing economies over the next two years.

Within the meetings and events industry there is also much to look forward to within the region as it looks to take on some ambitious projects over the next 18 months.

Firstly, the long-awaited Expo 2021 (formerly Expo 2020) began in the Autumn this year and will continue into March 2022, presenting one of the most impactful and impressive events over the last decade. The event was covered in this report last year but is worthy of mention again, due to the impressive scale and ambition of the project.



This will be followed at the end of the year when the FIFA World Cup 2022 arrives in the region for the first time in its history, debuting in the host country of Qatar. The project will again be a vast one as the leading football nations convene this time at the end of the year, rather than its historical June / July dates, to avoid the heat and offer more suitable playing conditions for the competitors. FIFA, the governing body for world football hope its arrival in Qatar will ignite the sport for millions in the region.

However, despite this optimism, it is still an area which many western businesses and event buyers find troubling. There remains the spectre of security threat, disagreeable human rights records, and perceptions of insufficient infrastructure across the region, despite the astonishing levels of progress shown in many of its economies.

There remains excellent work being done in the region to reach out to the rest of the world and the Expo 2021 and FIFA World Cup examples underline how meetings and events are helping to facilitate this. Regardless, the Middle East remains an exciting region, not lacking in creativity, heritage, cultural richness, and certainly not in ambition.

## North America

As this report was finalised at the end of 2020 the US was in the middle of a tumultuous presidential changeover, with a new administration announcing bold promises to its citizens, as well as to the wider global public. President Joe Biden underlined the country's aspiration of reconnecting to the world, prioritising sustainability, fighting social inequality, and advocating for a new style of politics in the country.

Regardless of his success in doing so, the rhetoric coming from the White House has chimed with that of a new way of approaching business; three of the commitments listed above resonate directly with the trends covered already in this report; Diversity, Equality & Inclusion, Sustainability, and Global-Local.

This mood change underlines just how important the US is, not just to North America, but much of the Western and Advanced economic world. This import is reflected in the meetings and events industry and it's only during times such as the recent pandemic, when it has been without US market influence, that it has really begun to appreciate the role the US plays in the industry at large. This is not just about the procurement power of US meeting planners, nor is it about the area as a destination in its own right, it is also about the market intelligence, knowledge and innovation that comes from the region. Global meetings and events, regardless of the new and upcoming destinations around the world, still needs a strong US marketplace.

It is positive to see then that the dynamics of the US market sit favourably for those in meetings and events. After a record-breaking period of growth was ended by the pandemic, the US is showing signs of healthy and consistent growth. The World Economic Update by the IMF shows the country's economy contracted by 3.5 per cent in 2020, but that the rebound will be a very strong 7 per cent in 2021 and a respectable 4.9 per cent in 2022. Equally, those within the meetings and events industry will be reassured by the new administration's more welcoming attitude to inbound visitors, and the positive branding effects this will have as they look to welcome more international events.

At the same time, Canada will follow a similar, but less dramatic, trajectory. The IMF report showed the country's economy shrink by 5.3 per cent in 2020 but also that it will return to growth in 2021, with a projected 6.3 per cent increase, followed by 4.5 per cent in 2022. Like the US, this growth will gain momentum following the conclusion of a somewhat turbulent period of political instability that saw President Justin Trudeau



unsuccessfully consolidate his position in power. The result still left Mr Trudeau leader of the country, but with a greatly reduced majority. This will have ongoing effects on how the country is run, but with elections behind them, the people of Canada can now look to the future with more stability.

In politics however, it is never just plain sailing. As the US looks to engage more with global partners it is once again being asked to play the role of the planet's security force. After fulfilling the previous administration's commitment to move its forces out of Afghanistan, in a less than seamless and often tragic way, the US now finds itself embroiled in the South China Sea and offering protection to Taiwan. These new and evolving security threats do affect many more countries both connected and unconnected to these regions, so the stability of the US continues to be important to all.

Related to its role in the South China Sea, the US also recently angered France earlier this year by 'going behind its back' to sign the 'Aukus' treaty, a US – British submarine deal with Australia. The incident underlined just how sensitive these alliances are, with news channel France24 commenting that the US had 'left France in the lurch and rattled Europe's faith in American loyalty'. In a meeting with French President Emmanuel Macron, President Joe Biden has admitted that America was 'clumsy' in its orchestration of the agreement.

Meanwhile, closer to home, President Biden has been battling within his own party as he looked to persuade House Democrats to embrace his 'framework' for a \$1.85 trillion economic and environmental bill, saying that its fate would help determine that of his presidency and his party's hold on Congress, and that its success would restore the nation's standing on the world stage. The package, which includes nearly \$2 trillion in tax increases on corporations and the rich, also has its largest key provision as a commitment of \$555 billion to climate programs. Some \$400 billion is also devoted to universal pre-kindergarten and reducing childcare costs.

Like other regions North America has been locked away from its natural desire to spread quality meetings and events around the world and build businesses and industries by doing so. Its once again healthy to have the country back making an influence as the industry looks to navigate a new world of sustainable, ethical, virtual and hybrid meetings.



### Joint Meetings Industry Council, James Rees

“Our view is that there will be a strong post-pandemic recovery for our industry, but in a continuously evolving situation, the exact shape and timing of that recovery is not yet entirely clear. In the meantime, we don’t see it as a matter of simply reverting to the pre-pandemic past but facing a new set of conditions that will demand agility to respond to a range of potential challenges and opportunities.”



## CONCLUSION

Compared to previous year's reports, 2022 was always going to be more optimistic. However, as we enter this new frontier, there does appear to be real, genuine, and valuable change in the industry as it emerges from such a destructive 24 months.

This is an industry that does embrace innovation and that can be truly dynamic. It has evolved its product, created new solutions, learnt, and improved itself on the way. It is also one that has worked hard to prove its worth over the last two decades and has risen up the agenda of many corporate businesses. One of the key areas of optimism is that, only by taking something away, do we really appreciate its worth. Now our industry has the chance to retain that value.

2022 will also see us re-enter the 'sweet-spot' that this report so often returns to, the mixture between business success and business innovation. Like our own, so many other industries are converging and the knowledge and sharing economies are being super-charged all over the globe. Meetings and events will be the constant partner to this new and accelerated learning.

This is summed up well by Senthil Gopinath, Chief Executive Officer, ICCA World, who comments: "Our outlook through the current challenges has been one of optimism, collaboration, flexibility, and openness to change. The pandemic created an opportunity for the business events industry to reassess our core values and mission. In doing so, we've been able to align more closely with our customers' needs. We have no doubt that the industry will carry these perspectives forward into our revised future."

In the meantime, as a community we continue to do what we do best; working behind the scenes to support businesses, organisations, industries, and governments as they themselves look to take on their own new frontiers. Ahead of IBTM World was COP26; one of the most significant climate change conference to ever take place. This conference, like many others involving policy makers, shareholders, business leaders and global experts, represent how meetings and events play their part in supporting these moments of discovery, and the decisions that are being made now, that will affect all our tomorrows.

One of the accusations this industry will need to learn how to deal with is the conflict between the inevitable environmental 'cost' of what we do, against the perceived value it has. COP26 could be the perfect answer to this dilemma; it is widely appreciated by

everyone attending the event that to solve this global problem takes face-to-face engagement.

We also need to differentiate the different between what is wasted and what is spent. This industry needs to go to war against any kind of waste, but defend the right of people to enrich themselves, and the planet through productive travel. There is a new kind of consumer entering our meeting and events who will hold us to account on any kind of waste; waste of time, waste of money or waste of resources.

On a very personal side note, for the first time in a long time, this author was able to travel to the wedding of a friend in Denmark. It was a joyous occasion and underlined just how powerful our industry can be. Whilst not a business event; it delivered heart felt 'content', it brought people and communities together behind a common purpose, it showcased the value of truly great hospitality, but most importantly for me, it allowed a visitor to enjoy the many traditions and peculiarities of a country, and for him to come away enriched because of it.

One of the trends in this report, which could well leave the biggest legacy of all, is the need for us to connect on a global perspective, while enjoying the best of our own localities. How can we support regions on the other side of the world if we can't really see, touch, and understand them? How can we solve global problems unless we all become global citizens?

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