



# ibtm<sup>®</sup> WORLD

## TRENDS REPORT 2023

CREATED BY ALISTAIR TURNER



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# INTRODUCTION

## The Great Culture Change



“that ‘great events have great cultures.’ Like companies, events need to create successful cultures; for delegates, ones that show empathy and understanding; for organisers, ones that nurture, grow, & reward them.”

So why is this closer look at culture so specifically important to events and event professionals? Robert Dunsmore, a creative event organiser, says that ‘great events have great cultures’. Like companies, events need to create successful cultures; for delegates, ones that show empathy and understanding; for organisers, ones that nurture, grow, and reward them. To create events with great cultures, we need to understand the changes in our global, business and industry cultures. That is what this year’s report is really all about.

One of the things that we, as an industry, also need to be aware of is how future fit we are. One of the biggest issues facing events at the time of writing is resource: people and material. How can we encourage the next generation of talent to choose our industry for their careers? How hard are we working to reach every corner of society, regardless of race, colour, or creed, and to attract and make them feel welcome in our businesses and organisations?

Is our culture one that aligns with the values of the next generation? One that prizes ethics and strong values, that cares about each other as well as the planet, that invests in wellbeing and that leaves positive legacy? This is the experience generation; how welcoming are we, the experience creators, as an industry that they may wish to join?

Thank you, as ever, for reading.

  
ALISTAIR TURNER

Last year, the IBTM World Trends report found itself looking at new frontiers. How had the meetings and events landscape changed in the wake of the pandemic, what behaviours had been adopted, how were other industries looking at this same frontier. Also, how was the global economy dictating the future welfare of our own market sector, and what were the trends that sat behind all of these questions? This year we’re able to look back on 12 months of data and empirical evidence that not only gives us the answers to these questions but begins to unearth some robust predictions on the future direction of our industry.

All of the answers, which will be covered in depth within this report, point towards a fundamental shift in the tone of the industry, and business in general. This tonal shift is reflected in the theme of this year’s IBTM World; **culture**. Cultural shifts underwrite and help us to explain trends. In the past we have looked at the ‘Basic Human Needs’ that dictate behaviours; culture influences these needs and how they change in the face of global events.

The theme is certainly timely. The wake of the pandemic (and the future potential of another), a global cost of living crisis, the possible onset of recession, continual environmental damage to societies, a dangerous war in Ukraine and growing tensions amongst some of the biggest economies in the world, are all playing a role in how cultures are changing, both on a micro and macro level. All of them will influence both the events we create, and the people that attend them.

# GLOBAL SUMMARY

It is customary for this report to begin by looking at the global economy to set the scene for how businesses and industry react within it. This continues to be a helpful process as it points towards some of the macro-economic factors that both trigger and accelerate trends. This year is no different.

Those used to reading this report will not always look back fondly on this section, with the exception of last year which tracked the continuing recovery of the global economy, post-pandemic. Depressingly, this section returns to a more sombre outlook for 2022 and beyond, with global output already showing contraction in the second quarter of 2022, according to the World Economic Outlook by the International Monetary Fund (IMF). Indeed, the report itself is titled; **'Gloomy and More Uncertain'**.

The report attributes this performance to downturns in China and Russia, while US consumer spending **'undershot expectations'**.

Equally, it is hard to ignore the massive events that have hit a world economy already weakened by the pandemic; higher-than-expected inflation worldwide, especially in the United States and major European economies, triggering tighter financial conditions; a worse-than-anticipated slowdown in China, reflecting COVID-19 outbreaks and lockdowns; and further negative spill overs from the war in Ukraine.

The baseline forecast by the IMF is for growth to slow from

**6.1% in 2021 to 3.2% in 2022, 0.4% points lower than that predicted by the report's April 2022 edition.**

A research briefing by Oxford Economic supports the data from the IMF. Its report predicts that global GDP growth will ease from

**3% to just below 2.4% in 2023, a 0.6 point decrease from its forecast earlier on in the year.**

However, the report also makes the prediction that there won't be a global recession. The main reason for this (reflected in both reports) is that banks are prioritising inflation control, regardless of the economic cost. That's not to say, says the Oxford Economic briefing, that on a country level, there won't be recessions, with Europe looking **'particularly vulnerable'**.

## LATEST WORLD ECONOMIC OUTLOOK GROWTH PROJECTIONS

	PROJECTIONS		
(real GDP, annual percentage change)	2021	2022	2023
<b>World Output</b>	6.1	3.2	2.9
<b>Advanced Economies</b>	5.2	2.5	1.4
<b>United States</b>	5.7	2.3	1.0
<b>Euro Area</b>	5.4	2.6	1.2
<i>Germany</i>	2.9	1.2	0.8
<i>France</i>	6.8	2.3	1.0
<i>Italy</i>	6.6	3.0	0.7
<i>Spain</i>	5.1	4.0	2.0
<b>Japan</b>	1.7	1.7	1.7
<b>United Kingdom</b>	7.4	3.2	0.5
<b>Canada</b>	4.5	3.4	1.8
<b>Other Advanced Economies</b>	5.1	2.9	2.7
<b>Emerging Market and Developing Economics</b>	6.8	3.6	3.9
<b>Emerging and Developing Asia</b>	7.3	4.6	5.0
<i>China</i>	8.1	3.3	4.6
<i>India</i>	8.7	7.4	6.1
<i>Asean - 5</i>	3.4	5.3	5.1
<b>Emerging and Developing Europe</b>	6.7	-1.4	0.9
<i>Russia</i>	4.7	-6.0	-3.5
<b>Latin America and the Caribbean</b>	6.9	3.0	2.0
<i>Brazil</i>	4.6	1.7	1.1
<i>Mexico</i>	4.8	2.4	1.2
<b>Middle East and Central Asia</b>	5.8	4.8	3.5
<i>Saudi Arabia</i>	3.2	7.6	3.7
<b>Sub - Saharan Africa</b>	4.6	3.8	4.0
<i>Nigeria</i>	3.6	3.4	3.2
<i>South Africa</i>	4.9	2.3	1.4
<b>Memorandum</b>			
<b>Emerging Market and Middle - Income Economies</b>	7.0	3.5	3.8
<b>Low - Income Developing Countries</b>	4.5	5.0	5.2

In terms of global inflation specifically, the IMF's report revised its predictions upwards due to food and energy prices, as well as 'lingering supply-demand imbalances' (from 2021), anticipating the figure to be 6.6% in advanced economies and 9.5% in emerging market and developing economies this year, upward revisions of 0.9 and 0.8 percentage points, respectively. The report adds that in 2023, disinflationary monetary policy is also expected to bite, with global output growing by just 2.9%.



The Global Liveability Index 2022, by the Economist Intelligence Unit, picks up this thread to establish how this all affects citizens around the world. It cites that global prices for many goods, particularly food and fuel, rose sharply in 2021 and have since soared as a result of the war in Ukraine. Russia is a major oil and gas exporter and, together with Ukraine, accounts for

 **30% of global trade in wheat**

 **17% in maize**

 **more than 50% in sunflower seed oil.**

Because of this, the EIU also raised its 2022 forecast for global average consumer price inflation to 8.5%, the highest for 26 years. This sharp spike in inflation will put quality of life for many at risk, particularly if there are also interruptions to food and fuel supplies. Citizens will be forced to pay much higher prices, making it harder to enjoy culture and environment, or governments will take on more of the burden, which will risk their ability to provide high-quality public services. Rising interest rates in most countries will also make borrowing and debt repayments more expensive, reducing consumer spending further.

The effects of these disruptions in global food distribution, already exacerbated in 2021 by the pandemic, is being felt across the world, but not least in Africa. Research by Oxfam and Save the Children reported that more than

**23 million people are experiencing extreme hunger in Ethiopia, Somalia, and Kenya, up by over 10 million on last year.**

The region's worst drought in 40 years is being exacerbated by the conflict in Ukraine, sending food prices soaring in some of the poorest regions in the world. This threat of recession, combined with a cost-of-living crisis, should be taken seriously by any people-orientated industry. To understand the mental state of delegates, organisers need to empathise with them prior to their attendance at events. Add these immediate threats to already established concerns around climate change, global food shortages, and the onward political instability between our major global powers; there is a lot on the mental plate of the average citizen / delegate.

In the next chapter we look at the continuous trends that sit alongside these ecological, economic and geo-political events. How are they also changing the mindset of businesses, brands, and the people that they look to influence?



# CULTURAL TRENDS



To best understand the changing nature of culture, we turn to trends. This is after all a World Trends Report, and there has never been a time where conventional behaviours are more substantially changing.

In the following section we return to trends covered in previous reports, but also establish and see othersthat are changing the way events are being created, and the behaviours of the visitors and delegates that attend them.

# THE DYNAMIC OFFICE

Research by Ladders, a careers website based in North America, has projected that 25% of all professional jobs in the region will be remote before the end of the year, with this trend continuing into 2023. This research is indicative of the continuation of 'The Great Resignation', which started in 2020 and continues through 2021 and into 2022.




It's an event not universally agreed across global business and trends vary between regions. However, what is clear is that the way we work in 2023 and beyond is changing in terms of the way companies and teams interact, communicate, and meet. The outcomes will dictate the way the meetings and events industry interact with business.

These changing dynamics of the workforce bring into play a number of cultural trends covered in Ladder's report, from inclusion and representation to wellness and sustainability. A supporting report covered in Forbes magazine, by Bryan Robinson, Ph.D, addressed the 'downstream effects of job burnout', quoting a report in

## The American Psychological Association's Work and Well-being survey that found



## Three in five workers also said work-related stress caused lack of interemotivation, and energy at work.

-  **36%** had cognitive weariness
-  **32%** emotional exhaustion
-  **44%** physical fatigue

The report also hinted towards wider industry and governmental issues that were contributing to negative effects on culture. Issues like the politicisation of masks and vaccines, to feelings of lack of support from the government and workplaces, have caused workers, especially those in public-facing jobs, to become cynical about their jobs, and about the public in general.



With this research in mind, one of the key trend predictions is understanding what dynamic or remote working will look like in the future.

A report from Owl Labs on the State of Remote Work, found



A secondary report from Ergotron supports these findings, revealing that as workers have become more acclimated to hybrid and remote office environments, since the onset of the pandemic, they are experiencing benefits to their physical and mental wellbeing. This change in working practices will affect people around the world as well as the businesses and industries that support office-based activity and commuting behaviours. Bryan Robison suggests that it will 'free employees from being stuck to a large city' meaning smaller cities and towns could continue to grow. He says, 'Cities that have appealing lifestyle elements but historically lacked access to great professional jobs will see significant growth. Those cities will see an influx of high-earning, well-educated professionals, which will change their school boards, their planning commissions, and even the services offered to residents. Remote work at this scale will transform some communities completely.'

Those in the meetings and events industry, specifically conferences, conventions and meetings, should see themselves as a solution to this increasingly fragmented work force. Lime Venue Portfolio, a venue group in the UK, reported in 2022 the increase in meetings booked with additional 'workspaces' He says, 'Cities that have appealing lifestyle elements but historically lacked access to great professional jobs will see significant growth. Those cities will see an influx of high-earning, well-educated professionals, which will change their school boards, their planning commissions, and even the services offered to residents. Remote work at this scale will transform some communities completely.'

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Lime Venue Portfolio, a venue group in the UK, reported in 2022 the increase in meetings booked with additional 'workspaces'.

This flips the model for conventions as a place to retreat from day-to-day work activities, to one that merges them into the event. One of the trends that more and more conferences are adopting are 'universal work-spaces' where delegates can reconnect with their jobs (and often their personal lives) while at a meeting.

Many meetings and events are now looking at strategies that show themselves as the place where 'old' working habits can be rekindled, be it the after-work drinks during a residential conference, to water cooler moments in established workspaces in and around the formal agenda. Businesses are putting more and more value in these, historically unfashionable, moments. Now may be the time to show their value as part of a holistic, employee / delegate driven agenda.

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Added to this, we're seeing a larger number of Generation X professionals in leadership positions, so the values of companies will continue to change. In an article in tech magazine, Wired, 'What Will Your Workplace Look Like in 2023?' David Lange, Partner at the strategic leadership boutique, Pivot, commented, 'It's all part of the evolution of the workplace towards being incredibly diverse, totally global, and largely virtual.'

**Lange identifies five key predictions for the workplace of the future:**



**IT'S ABOUT ACCESSIBILITY, NOT PRESENCE**



There is plenty of technology to support remote work, but sometimes you just need to get people face-to-face to unlock the creativity and innovation needed to solve tough problem

**EVERY BUSINESS IS A START - UP**



Workplaces of the future will operate like start-ups with unclear governance structures, short time frames, and high expectations

**COMMUNICATION IS DISINTERMEDIATED**



10 years from now, nobody will communicate through a hierarchy unless absolutely necessary. Instead, they will take a message right to the recipient or broadcast it to everyone

**IT IS NOT ABOUT SOCIAL MEDIA**



In 2023, social media will be fundamentally embedded into the fabric of our private and professional lives. Workplaces of the future won't worry about replicating social networks specifically for a work environment because communication will naturally flow that way

**CULTURE, CULTURE, CULTURE**



The workplace of 2023 will be diverse and multicultural. Table stakes for success will be inclusive leaders who understand how to leverage all of this diverse talent

Lange's research picks up on the cultural aspects of the changing work force and the effects on the delegate as they arrive in our events and venues. The opportunity for event designers is to curate programmes and experiences that speak to this trend in a culturally aware way.

# GREEN DREAMS

Last year this report was launched just a week after the Conference of Parties (COP) 26 event took place in Glasgow. With it came the official launch of Net Zero Carbon Events, presented by The Joint Meetings Industry Council (JMIC) which looked to

## 'connect the events industry globally to the rapidly growing movement towards net zero by 2050'.

The initiative launched live from COP26 at the Scottish Event Campus in Glasgow, one of over 100 signatories to the pledge at the time, a number that has now more than tripled.

The quick adoption of the initiative underlines the continued concern, passion, and action from many within the meetings and events community around sustainability. The Net Zero Carbon initiative is equally ambitious in the industry's positive impacts around other market sectors, quoting that it 'aim(s) to link 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 we all face today.'

Supporters of the initiative have been invited to work together to define an industry Net Zero Roadmap for Events which will be launched at COP27 in Sharm El Sheikh, Egypt, November 2022, shortly before ibtm World 2022.

Despite this work, there is also an increasing call for more to be done and for action to be taken quicker by the meetings and events community. As an industry there is no shortage of pledges and good intentions, however action can be less visible. In the UK, an organisation has emerged that is looking to support UK event companies in taking on an action-oriented approach; isla.

In the last 12 months, isla has grown the number of agencies it works with, some of the biggest event brands in the world, and has introduced a measurement app, **TRACE**, which tracks carbon emissions across events.

The app allows organisers to both measure environmentally led interventions, and track tangible effects from those changes, on the event's impact.

The tool includes the often-contentious field of delegate travel, which some in the events industry have shied away from including on their event's carbon footprint.



The work of isla is supported by its own branded framework for sustainable events, '**proceed**', which is free to access and simplifies the often-complex process of improving event specific sustainability. The organisation has ambitions to adapt these resources to venues and event supply companies, again increasing the positive good that those in the industry can adopt.

Another company worthy of note, again in the UK industry is Event Cycle, a business that works with events to repurpose materials from event infrastructure for societal good. The company worked in Glasgow for the COP26 conference, leading, for example, to organisers upgrading the quality of carpet used throughout the event so that it could be reused in the homes of locally based underprivileged people.

There is no doubt that many businesses, like those mentioned above, are appearing around the world, presenting event sustainability apps, training courses, and measurement and framework resources. This is supported by the desires of both leadership and employees within events companies, as well as the values of the businesses and brands they work within or represent.

However, sustainability is in danger of taking a back seat, especially when considered against the rising cost of living, inflation, and the war in Ukraine. Governments are pushing back green commitments to protect customers from already inflating fuel prices.



**JULIUS SOLARIS**  
@tojulius

*with offices moving to working from home, events become 'the office' but in a cool way.*

13:58 - 06/08/2022 - [Twitter for Iphone](#)



## The Self-Destructing Cup

Twickenham Stadium, the home of Rugby in England, announced this year the adoption of a self-destructing plastic cup through a partnership with Lifecycle, a technology created by global innovators **Polymateria**

While made for recycling, if the cup escapes into nature, it will 'self-destruct' on land within two years, leaving no microplastics or toxins behind. What is left is only an earth-friendly wax that becomes a part of the natural cycle of life.

'Polymateria's mission is to stop plastic on land before it reaches the oceans. Through visionary partners like Twickenham, our Lifecycle time-controlled self-destructing cups show how recycling and biodegradation can work together, something previously not thought possible. To prove this, we'll recycle cups used at Twickenham throughout the year and turn them into legacy items like benches and unique jewellery. On the current path, 450 million more tonnes of plastic will reach our oceans by 2040 so we must act now!' says Niall Dunne, CEO of Polymateria.



“ 450 million more tonnes of plastic will reach our oceans by 2040 so we must act now ”

Within this increasingly dynamic marketplace it's difficult to pin down what the future looks like for events. Much will depend on how organisers use hybrid technology as a way of reducing unnecessary carbon impacts. Fittingly, this is something that the organisers of COP26 have been looking at.

Michael Gietzen, Managing Director of Identity, one of the key delivery partners to the event, summarises how his agency is seeing this next evolution, 'Future COPs can draw down on the legacy from COP26 and host cities should embrace the positive legacies that staging the summit can bring. I continue to be hugely excited about future developments within the events sector. Just as the pandemic was a catalyst for a tsunami of digital adoption and widespread uptake of hybrid delivery models, COP26 has sparked a sea of change in how the sector embraces increased sustainable practices.'

However, the final word should fall to Laura Lopez, Director of Conference Affairs Strategy, UNFCCC, one of the key leaders involved in the realisation of these meeting. Laura explains where the shift is, and how the organisers are looking to deal with it, 'As we approach COP27 in Egypt this year, the role of negotiations is fairly stable now that the Paris Agreement rulebook is complete.

Although the COP process is 'Party (country) driven, there is growing pressure from the climate 'action' community (civil society) to have a larger role in the negotiations that remain, and to expand their space and time within COPs to push countries to honour their commitments made in Paris, to accelerate implementation.

This is in response to frustration that negotiations and commitment from Parties is too slow to achieve the common goal of reducing global warming to below 1.5 degrees. These activists also would like to increase pressure on Parties to finance the transition to renewable energy, to compensate for loss and damages due to climate change, to increase ambition in their climate targets and to support mobilization of resources.'

With this shift in strategy comes a shift in how the conference needs to be created. Laura suggests that 'Very likely, COPs will eventually be complemented by regional events where civil society can engage local and national levels to enhance civil society engagement with 'people's plenaries', round tables, dialogues with actors on the ground. Some have called for youth delegates to have a formal role in negotiations, and for more virtual participation to increase inclusivity in the climate change process.'

This points towards the further opening of what happens within the walls of the conference, to reaching out far beyond. Through ancillary events, through greater use of hybrid technology and more engagement activities across societies. This in turn creates more sustainable options, and a model for future events that **reduce, reuse, and recycle.**



# DIVERSITY, EQUALITY & INCLUSION

Research by international advertising and public relations group, Havas, as publicised in their Meaningful Brands Report 2018, identified that while brand trust in general was decreasing, consumers still put more credibility behind statements made by their favourite brand than both politicians and mainstream consumer media. Commentators at the time, especially within event industry association ILEA (International Live Event Association) underlined the continuing role of brands as the 'super-citizens of the world', a subject also covered in previous editions of this report.

Five years on, this trend is showing no signs of slowing down as brands look to behave in a more ethical, equitable and 'values' driven way. This is demonstrated with both intent and action around sustainability, wellness and Diversity, Equity, and Inclusion (DE&I).

It's worth also citing however that the same report, by Havas, more recently showed that

**71% of consumers had 'little faith' that brands would deliver on their promises.**

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The report, which was titled, 'The Age of Cynicism' underlines just how important it is for business to act with integrity and to follow through on its promises, warning of 'CSR washing'

**The report added that 73% of consumers say that brands must act now for the good of society.**

Broadly, as reported in this paper last year, the industry's own response to DE&I has been positive and responsible. The EIC (Event Industry Council) conducted a far-reaching survey on the subject to attain data with which to lead a coordinated approach across the industry on DE&I. Since then, the organisation has launched its Equity Acceleration Plan which, it hopes, will create more opportunities across the industry for marginalised communities.



Equally, on an individual basis, there are myriad examples of brands taking action-based initiatives (see Freeman IDEA below) that present both the moral and business arguments for more diversity in the industry. Within many territories, there exists major resource issues. This is both in terms of materials and businesses, but also people. While many events-based infrastructure has been lost from the industry – or lacked recent investment for refurbishment – people have also been driven from meetings and events careers in the wake of the pandemic. Now, more than ever, events need to convince young talent that it is a viable and long-term professional choice

There exists a major opportunity for the industry to reach further into society, both from a race and cultural perspective, but also from a privilege one, and to find young talent looking for opportunity.

At the same time, events businesses will see a direct correlation between having more diverse creative and operational teams and having more diverse and inclusive delegations. International sports marketing and talent management agency Wasserman, who appeared in this section of this report last year, recently ran a series of courses for the events industry on DE&I. One of the subjects addressed within the course was unconscious bias. The metaphor the agency used was 'it's no longer just good enough to be invited to the party, we (marginalised communities) need to be asked to dance as well.' The point being that just opening the doors to the event was no longer good enough, diverse communities needed to feel welcome, non-marginalised and reflected in the event and its content from the beginning of the experience.



This report concluded last year with what it called 'the main responsibility of an event organiser' which is to reach its audience wherever it may be. By introducing more diversity into the industry's organisational structure, businesses will be in a better place to create events that speak directly to these communities and encourage them to engage with content at events.

Last year, event and experience production agency Freeman, one of the largest businesses of its type in the world, launched its own commitment to addressing Diversity, Equity & Inclusion within its business and its event output.

Over the past couple of years, several industry specific organisations, who are driving DE&I in events, have gained increased traction. One of those is Diversity Alliance, who offers training and industry specific consultancy aimed at helping to solve those challenges that the industry is still facing. 'The Alliance,' says its founder Gabrielle Austen Browne, is about empowering the events community to encourage diversity and to work towards a culture of inclusivity, equality and accessibility through peer-to-peer learning, knowledge sharing, resources, initiatives and events, with the community support piece a key element of its operations. Diversity Alliance is driven by the philosophy,

**If you want to go fast go alone, if you want to go far, go together (African proverb)!**

However, the key to getting this right,' Gabby continues, 'is ensuring we are continually and intentionally working towards having diverse representation in all levels of the business and when planning and delivering events. We need diverse talent and next generation talent to recognise that this industry is one where they will feel welcome, can contribute, and will thrive. Unfortunately, due to the current lack of diversity in the industry we are having challenges recruiting this talent, this needs addressing and although this might seem like a Catch-22 situation there are things we can do.'



**“It is about empowering the events community to encourage diversity and to work towards a culture of inclusivity, equality and accessibility through peer-to-peer learning, knowledge sharing, resources, initiatives and events, with the community support piece a key element of its operations.”**



The initiative, IDEA: Inclusion, Diversity, Equity, Action, was created to 'accelerate positive change' and is indicative of the move by the industry from one of watching and understanding to one of action. Freeman says that the initiative is '... our commitment to the Freeman team that they will be treated with respect and that their voice is valued. The intention is to connect our people in meaningful ways regardless of race, colour, religion, gender, gender identity or expression, sexual orientation, national origin, genetics, disability, age, veteran status, or anything else that makes us different.'

This initiative is just one of many taking place around the globe and is representative of both modern-day business, but also how major brands are increasingly acting on their own values in a bold and public way.

**“We need diverse talent and next generation talent to recognise that this industry is one where they will feel welcome, can contribute, and will thrive.”**

Starting internally, by creating workforces that support diversity and are inclusive, by ensuring our events are accessible to diverse audiences and include diversity in leadership, in prominent events roles, supplying products and services, and speaking on stages. Organisations like the Diverse Speaker Bureau are helping with the important representation piece. They are dedicated to nurturing and elevating the voices of people from underrepresented groups and supporting businesses and organisations to diversify their speaker panels at events, ultimately contributing to the wider mission for equality, inclusion and representation so that the diversity that already exists within our industry, in addition to attracting those who are on the fence about joining, feel seen and heard.'



# THE METAVERSE & THE VIRTUAL EXPERIENCE ECONOMY

Since Facebook rebranded to Meta in 2021, the concept of the Metaverse has accelerated in influence across culture. In this report last year, Travis Scott's metaverse inspired online concert, broadcasted through the video game Fortnite, was included as one of the many signs of things to come for the events industry as a new digital world of experiences were being created.

Both before and since then, there have been a series of bold statements that endorse the growing power and opportunity the metaverse could present. Matthew Ball, a venture capitalist, former Head of Strategy at Amazon Studios, Podcaster, and author of 'The Metaverse, And How It Will Revolutionise Everything', commented that 'Citibank, KPMG, McKinsey, Morgan Stanley, and Goldman Sachs, estimate that by the end of this decade 5-13 trillion in global GDP will be in the metaverse'. While Jensen Huang, CEO of Nvidia, commented that 'The value of the metaverse will eventually exceed that of the physical world'.

On a more cautionary note, Tim Sweeney, CEO and Founder of Epic Games, has said that 'This metaverse is going to be far more pervasive and powerful than anything else, if one central company gains control of this, they will become more powerful than any government, and be a God on Earth'.

In 2019, this report also announced the dawning of the Virtual Experience Economy, the mixture of live events, augmented and digital experiences, set against the increasing trend towards purpose driven experiences that combine the two. It's important to set any innovation within this context as we look to understand why technologies may or may not succeed with in the world of meetings and events.

As far as the metaverse is concerned, Nick Fagan, Creative Technologist at DRPG, an international event and experience organiser, comments, 'It's important that we, as experience creators, clearly distinguish between what is a gimmick, and what genuinely adds long term value to events. We need to avoid falling into the trap that the metaverse is a gimmick and look at how it can supplement what we do.' Essentially, it is the coming together of technologies. It's an evolution of hybrid events, which helps us manage how disparate groups come and interact together.

“ It's important that we, as experience creators, clearly distinguish between what is a gimmick, and what genuinely adds long term value to events. We need to avoid falling into the trap that the metaverse is a gimmick and look at how it can supplement what we do ”

Equally, while the headlines around the metaverse have been around the large numbers of people it can engage simultaneously, Nick and his team are as interested in the opportunity around smaller numbers, as little as 20, taking on often complex content themes. 'We should see the metaverse as a collaborative working environment, not just a place to receive a broadcasted digital event,' continues Nick. 'It may be that groups meet in a live event situation and explore themes that are then taken into the metaverse post event. This is probably most applicable to medical meetings, where the metaverse can bring to life everything, from DNA and RNA models to **'live' dissections.**'

This idea of the metaverse for education is one that Matthew Ball is also keen to underline, he brings it to life in the following quote: '... in the classroom we should think about how we augment or substitute for activities we do today, but in richer detail. Rather than build a volcano using papier-mâché, baking soda and vinegar, we might produce a realistic simulation of one, go down to the magma, agitate it, before the children are erupted into the atmosphere and then participate in the transformation of the local environment. We might dissect a virtual cat, and then go down into the cellular level and travel its circulatory systems.'



“ We should see the metaverse as a collaborative working environment, not just a place to receive a broadcasted digital event ”

It is this interaction between scientific or knowledge driven working groups where the metaverse first meets the wider trend of **'purpose'**, characterised in the Virtual Experience Economy. It allows disparate groups to come together and explore theories, science, and find solutions to modern day problems. It also widens the event from concept led content to practical sessions, education, and CPD, between people often on other sides of the world.

One of the growing terms, coined originally by the Scottish Event Campus around COP26 last year, was the **'Democratisation of Content'**. The idea that fairer markets and societies could be created by making content more accessible.

The metaverse still has a long way to go and it is impossible to precisely predict how far this technology can reach, and how quickly. One of the main barriers is something as simple as server capacity and connection size.

Between the console games of Roblox, Fortnite Creator, and Minecraft, there are over

### 250 million virtual worlds

and the Travis Scott concert, referenced earlier, was only achieved by breaking down the

### 28 million participants into 280 thousand multi-verse simulations, all capped at 100 participants

This kind of execution takes power, and the tech giants are already predicting that the new era of quantum computing will be needed to keep pace with the metaverse's capacity for growth.



## Latency

Nick Fagan, Creative Technologist, DRPG, talks a lot about 'latency', the minute delays between content being broadcasted and received online. It is the industry's ability to decrease this latency that offers the opportunity to activate technologies like the metaverse and many others like it. Similar to more powerful wi-fi and the advent of 3, 4, and 5G (all covered in previous reports) the lower the latency, the more power and opportunity for technology providers to expand their products.

Nick cites one example of where reducing latency enabled meaningful interactions. During the design process of the Mars rover missions, the low latency connectivity available, combined with HoloLens type display technology, enabled truly collaborative working from remote locations in near real-time. The current Mars rover was designed in a similar environment to what the metaverse may dictate our future meetings environments to be.

If the same levels of latency can be achieved, the opportunity to interact with complex subjects, and highly visual content, can continue to grow. This could be everything from live surgery on a patient, supplemented with augmented reality projections and simulations, to the bringing together of thousands of delegates at an exhibition.

Sticking with the wider ethical and purpose driven principals, the societal benefits of the metaverse go beyond just its reach, there are clear advantages around sustainability as well. With less people needing to be at the event itself, but also, says DRPG, teams of technicians and organisers able to run events from local locations, and not be part of the travel costs, the event can continue to manage its carbon and travel-based outputs. Remote broadcasts turn into remote running and organisation of the event

Finally, moving away from the metaverse and looking at the continual evolution of the Virtual Experience Economy. Nick Fagan was also keen to share more technology that is increasing inclusivity and engagement within events. In the last chapter of this report, the metaphor of 'being invited and being asked to dance' was used in terms of the need to make marginalised groups feel more genuinely welcome, not just invited. Holoplot is a new technology that can 'beamform', or bend, sound. Steering it to precise places, as localised as directing it to just one individual in certain environments. Nick and his team have adopted this technology to cater for delegates who do not speak the local language of the event, but also to support those with audio needs.

With Holoplot's technology, live translation and specific audio design can be sent directly to a delegate, without interference to others in the room. This means a subtle, non-intrusive, but highly welcoming experience for the delegate, showing them that the event values their presence and is willing to invest in technology that adds to their participation and engagement; it asks them to dance.

The adoption of this technology is not only the latest realisation of the values behind the Virtual Experience Economy, but also a way finder in terms of how metaverse technology, and the many more innovations that will come to the events community over the next ten years, should be considered, adapted, and integrated into more inclusive, welcoming and values-driven events.



# ETHICAL BUSINESS

At the recent Commonwealth Games, which took place in Birmingham, UK, Nike, the global sports brand, created a Basketball Court in one of the more underprivileged districts of the city. The court (pictured right) was beautifully designed, expertly produced, and brightened up a disused plot of land, allowing future generations to learn the game, practice, get fit, and come together as communities.

The activation also poses two questions to those working in conferences, meetings, and events, especially those representing consumer brands. The first is why, despite the colourful and heavily designed nature of the creation, is there relatively little branding for Nike? The second is why the brand chose to invest its marketing budget in this way at all?

The answers reflect **two trends that both underpin and fittingly close this section of the report on cultural trends**



The first one is described by Trendwatching.com, a content resource in the creation of this report, and is simply labelled **'Random Acts of Kindness'**.

This trend is best bought to life through examples of brands such as Walmart, Starbucks and Interflora, picking customers at random and delivering free groceries, coffee, or flowers respectfully to their homes. The 'randomness' should not be underestimated. In marketing circles, non-random acts of kindness have long been used, from freebies on Birthdays to rewards for loyalty. Randomness adds an extra layer of 'delight' – one of the key basic human needs identified in this report in the past. This delight creates loyalty, word of mouth conversations, and leaves legacies of good. Nike's activation was planned but planned to be random.

The answer to the second question was identified by the International Live Events Society in 2017 who looked to define the major shift in brand communication, citing that it **'was no longer about what brands say to consumers, it's about what they do for them.'** Brands continue to emerge as super citizens of the world and the trend cited in the last chapter on DE&I underlines that although we are entering the age of cynicism, brands still have more invested trust than both politicians and media

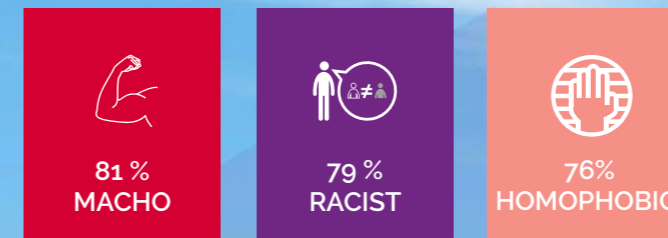
They are also taking this responsibility seriously, acting more proactively to bring 'good' to the world, be it in the form of action around sustainability, wellness, DE&I, or society – in this case, in the form of a gift of a basketball court to inner city areas.

In a growing number of cases these 'gifts' are taking artful or enrichment forms. In the visual here we see an activation by Louis Vuitton in New York City, US, which brings to life a building for purely aesthetic purposes.



“ Conferences and events, created on behalf of businesses need to recognise and reflect these adapting values, and the importance of them to the brand and their audiences. They need to leave legacies in their own rights, they need to deliver visible and tangible good to the areas and communities they interact with, and they need to make events part of the delivery and/or the communication around these promises. ”

Generation Z, or centennials, are already demonstrating values-based purchasing action aligned with values. A report by McKinsey showed that this generation is less likely to buy products whose campaigns they regard as



What is more, as well as abandoning the brand, they are also far more likely to spread negativity around that company with peers. Event organisers should be concerned about this highly proactive and reactionary driven demographic, both judging and deserting events that get this vital aspect wrong.



While, as ever, there is much to take out of this report that is depressing about the past, future generation's action around ethics and values provides a point of optimism. As an industry that is already taking forward steps on some of the most pressing concerns of this, and past, generations concerns, there continues to be opportunities for those in meetings and events to be part of the brand communication programmes for any company looking to make the world a better place.

# BUSINESS TRENDS



Whilst cultural trends look to understand consumers, the following section looks at business, and how specific industries are behaving. As is often noted in this report, the success of the meetings and events industry is based on the fortunes of these other marketplaces so it is important to be aware of their dynamics.

That is why, to understand the future of the meetings and events industry, we look to understand these vertical industries. What are the dynamics of their marketplaces, how are they changing, and how will these adjustments effect the event programmes their businesses and organisations run?

# BANKING & FINANCE

The Financial Services Global Market Report 2022, released in July 2022 by ResearchAndMarkets.com, reports that the global financial services market is expected to grow from

**\$23,319.52 billion in 2021 to \$25,839.35 billion in 2022 at a compound annual growth rate (CAGR) of 10.8%.**

The longer-term future of this sector is equally optimistic with the same report predicting that the market will continue to grow to

**\$37,343.95 billion by 2026 at a still impressive CAGR rate of 9.6%.**

These figures seem in contrast with the Global Outlook covered at the beginning of this report, which looked at the economic fortunes of individual countries and regions. However, the continued growth of this sector is possibly one of the most predictable points in this report. This is an industry that continues to grow regardless of the wider economic and geopolitical environment it operates in.

This positive growth prediction is further supported by Investopedia, who show the market now worth over €22.5 trillion. The exact figure is slightly different from ResearchAndMarkets.com as Investopedia include more sectors of the market; however both show an industry in constant growth. Investopedia predict this increase will continue at a compound rate of 9.9%, and cites that the sector now accounts for 24% of the world's economy.



Equally, the growth of EMV (Europay, MasterCard & Visa) technology is once again reported as one of the key drivers of growth. The global payments industry continues to witness a rapid increase in the adoption of this technology, driven by a higher level of data security offered by EMV chips and PIN cards.

Investopedia supports this trend, as more and more consumers move towards digital banking, freeing up the sector to invest in new products and services for a more appreciated customer. The organisation's report cites the growth of Millennial and Generation Z customers growing even more economically powerful and influencing this continuing digitisation.

Another reason for the growth, reported by ResearchAndMarkets.com, is that banks and financial institutions are increasingly digitizing their companies to modernize how they do business. The report speculates that this move is mainly a result of increased competition among banks, and growing demand for simplified and quick

commercial lending processes. The effect on the consumer is a cause of further optimism. Digitization leads to improved customer satisfaction and the ability to purchase more products and services, quickly, from commercial banking. Banks are also able to target new customer categories and offer customer-centric solutions, which again lead to improved efficiencies in commercial lending.

These changing dynamics continue to play to the strength of meetings and events. More and more companies within the Banking & Finance sector look to supplement their digitization with the creation of more and more face-to-face brand experiences for both their staff and their customers.

Equally, as regulation continues to dominate this industry, more and more opinion leaders and conventions are needed to structure discussions around its future. There should be every expectations that this is a sector that will continue to be a close ally of those in meetings and events

# ESPORT GAMING

The value within this report is in its intention to cross reference sources from both within the meetings and events industry and those outside of it. Esports continues to be a very real example of this, and the following section can be viewed alongside the previous one on the Metaverse and The Virtual Experience Economy as we look to gain insight into the future of digitised and hybrid meetings, one of the most important talking points facing our industry today.

In that section, all the data points to the Metaverse being able to both add value to the meetings and events industry and be a place where enough commerce makes it viable, albeit in the long term, for us, as an industry. Now, we can gain a further insight by looking at it through the prism of Esports and Gaming.

As ever in this section of the report, we turn to NewZoo as a credible and consistently reliable data point to understand this marketplace. Back in 2020, the organisation's Global Games Market Report predicted that 3 billion people would be playing online, and its latest report, referenced below, assess its predictions to be very close to coming to fruition. This is backed up in a report by techjury in August 2022, which predicted that this figure will be achieved, and that global gaming revenue will reach €337 billion by 2027. Meanwhile,

**2022 will again be another impressive year according to NewZoo's 2022 Global Esports & Live Streaming Market Report. The research shows that esports specific audiences will continue to grow by 8.7% to 532 million people and predict this to rise to 640 million by 2025.**

This audience is both globally huge, but also incredibly engaged. Its younger demographic also makes it a very keen marketplace for brands, and once again the attraction of sponsorship revenues continues to go up

**NewZoo's report cites that, despite economic uncertainty over the last year, revenues will reach nearly €1.38 billion globally before the end of 2022**

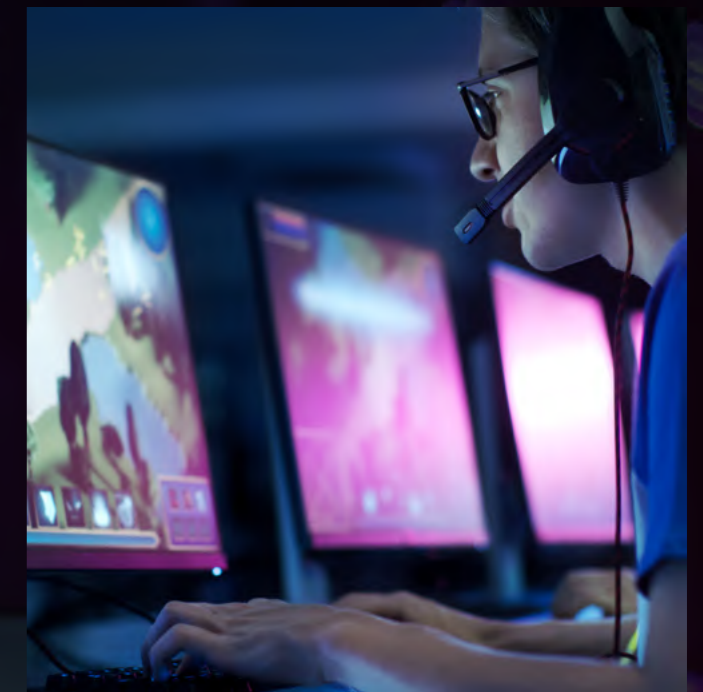
with China accounting for nearly a third of this income. NewZoo also predicted, back in 2020, that this value would hit €200 billion by 2023 and again, the organisation's latest report appears confident with this forecast.

Brands are also aware of some of the more surprising audience demographics within global gaming and esports, and the meetings and events industry should be equally interested. techjury reports that the average age of the global gamer is 34 years old, so very much millennial, rather than the much talked about Gen Z. Additionally, although specifically in the US, over 45% of gamers are women. Within our own industry, the continued success of hybrid and digital meetings, the adoption of the metaverse, and ultimately how the industry adapts to the new wave of 'meta' technology, will be largely incumbent on the adoption of them in wider society.

The earlier examples of metaverse technology being used in video gaming demonstrate that we have a generation of 'meta' consumers being groomed to feel native to these technologies and the investment in the metaverse specifically should be seen as a sign that this is a technology fast integrating itself into global society.

Equally, the increased adoption by both older generations and by women shows that this isn't marginalised technology, and that meetings and events planners should see it as more inclusive, specifically on the basis of gender. Finally, as the industry becomes more globally connected, the gaming and esports market also shows us a natural affinity of next generation delegates to cross borders in both physical and virtual worlds

There is still doubt however about the ultimate inclusivity of this market. In many parts of the world, getting strong enough connectivity is not an option, and the 'meta' world will challenge infrastructure in even advanced economies. There will also be social challenges; today, this is technology for the middle and upper classes of society. Until it reaches every level of society, including those who are underprivileged, we cannot view it as a truly inclusive solution for meeting and event planners to reach every potential audience member they wish to.



**“ Within our own industry, the continued success of hybrid and digital meetings, the adoption of the metaverse, and ultimately how the industry adapts to the technology, will be new wave of 'meta' technology, will be largely incumbent on the adoption of them in wider society. ”**



# INFORMATION AND COMMUNICATIONS TECHNOLOGY

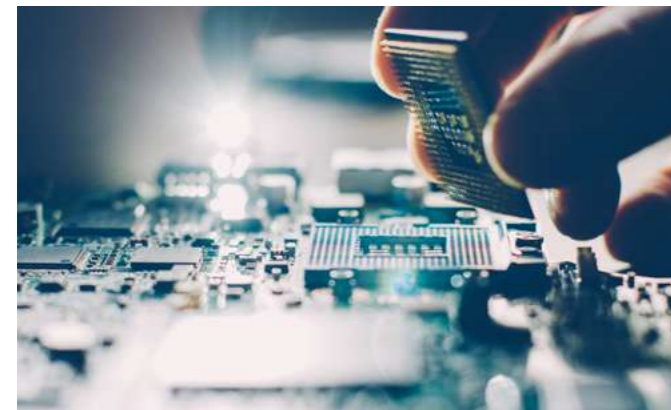
Similar to the previous section on the Esports and Gaming industry, there is much to be learnt about what the future of the meetings and events industry could look like, by studying the information and communications technology (ITC) sector.

This report has previously brought attention to the 'sweet spot' of success for the events industry. Identifying industries that are both expanding in terms of market share and growing in complexity. This mixture fuels the knowledge economy, encourages new conventions and exhibitions, more product launches, and essentially more communication and live experiences. Each of these trends have historically been found in ITC.

This year is broadly no different, although growth is not as strong as in previous years, the market is still expecting to finish



**3% larger than in 2021 and with a total value of \$4.5 trillion before the end of 2022, according to the latest forecast by Gartner, Inc.**



Market research organisation Statista agree with the growth figure projected by Gartner but rank the market capitalisation even higher. It notes that the industry remains one of the largest in the world and forecasts it to reach

**€5.5 trillion in 2022, but with accelerated growth in 2023, to see it reaching almost six trillion dollars.**

One of the main reasons for this relative slowdown, given by the report, is the slower pace of consumer spending on hardware, from PCs to tablets and printers. This spending on devices within the industry is expected to shrink by 5% and is directly attributed to growing inflation across most of the developed world, according to Gartner

In the meantime, one of the major growth areas for the sector will be cloud spending, which will see a 22.1% increase in 2022 and which commentators are saying will reshape the IT services industry.



However, spending on 'data centre systems' is forecast to experience the strongest growth of all the ITC sectors in 2022, with a prediction of +11.1%. Cloud consulting & implementation and cloud managed services are expected to grow 17.2%, from \$217 billion in 2021 to \$255 billion in 2022, helping to drive the overall IT services segment to 6.2% growth in 2022 (see Table 1) below.

	2021 Spending	2021 Growth (%)	2022 Spending	2022 Growth (%)	2023 Spending	2023 Growth (%)
Data Center Systems	191,001	6.4	212,218	11.1	221,590	4.4
Software	735,869	14.7	806,800	9.4	902,182	11.8
Devices	808,580	16.0	767,872	-5.0	790,888	3.0
IT Services	1,207,966	12.8	1,283,192	6.2	1,389,169	8.3
Communications Services	1,458,527	3.8	1,464,551	0.4	1,505,733	2.8
Overall IT	4,401,944	10.2	4,534,632	3.0	4,809,561	6.1

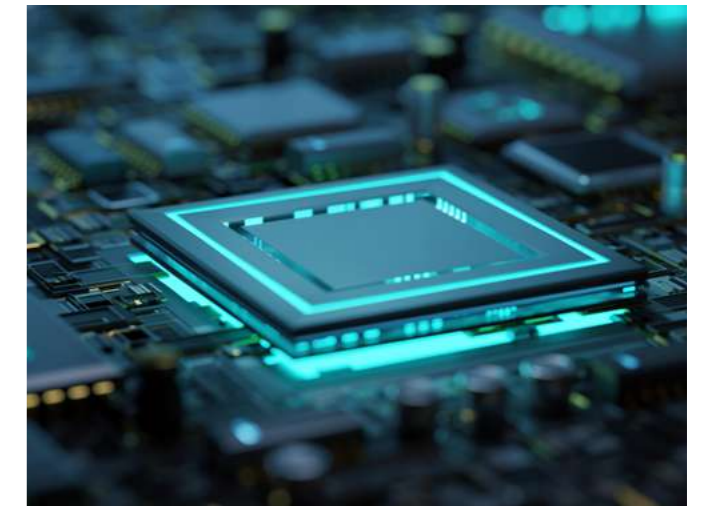
Source: Gartner (July 2022)

The sector is also facing familiar issues around skills. Gartner's report predicts that the IT labour market will continue to tighten, making it difficult for companies to attract and retain talent. Technology service providers are increasing prices on IT, to allow for competitive salaries, which is driving an increase in spending on software and services throughout 2022 and 2023. Worldwide software spending is expected to grow

**9.6% to \$806.8 billion in 2022 and global spending on IT services is forecast to reach \$1.3 trillion.**

In the meantime, as discussed extensively in this report in previous years, this remains a hugely controversial industry because of its power and influence in the daily lives of citizens across the globe. Now, with the arrival of the 'meta' future, the potential power of this new era will continue to make these companies the focus of many government's interventions.

For the meetings and events industry however, this should once again feed into the previously mentioned sweet spot. Added to this is the increase self-regulation of a still relatively young industry and the need for it to remain open in terms of its communication. Again, this will fuel the knowledge economy in which the meetings and events industry sits.



# PHARMACEUTICALS

According to a report by IQVIA

**the global pharmaceutical market is set to surpass \$1.5 trillion by 2023, with a 3 - 6% compound growth rate**

The report, entitled The Global Use of Medicine, also cites that much of this expansion will be driven by the US, which it expects to spend more than \$600 billion on drugs next year (2023). This should make for positive reading for many within our industry. Out of all the sectors covered in this report, the pharmaceutical market remains one of the most robust and committed to meetings and events.

The recent dynamism of this market, fuelled by Pharmaceutical's convergence with ITC through the Internet of Things and medical wearables, its investment of orphan drugs that are solving complex and world changing problems through RNA and DNA, and its increased investment following the global pandemic – and worldwide predictions of more such global events to come – have spurred the use of conventions, meetings, conferences and exhibitions that allow the market to come together and address the many checks and balances associated with this kind of growth.

This positivity is also reflected in The Pharmaceuticals Global Market Report 2022 by The Business Research Company. However, the report predicts that the market will achieve the

**\$1.5 trillion figure in 2022, one year ahead of the IQVIA report's forecast. It suggests that the market will reach \$1587.05 billion before the end of 2022 at a compound annual growth rate (CAGR) of 9.1% and, furthermore, will hit \$2135.18 billion in 2026 at a CAGR of 7.7%.**

**“ the pharmaceutical market remains one of the most robust and committed to meetings and events ”**

The research cites that this growth is mainly due to structural changes within the industry as companies rearrange their operations and recover from the COVID-19 impact. The pharmaceuticals market consists of sales of pharmaceuticals and related services by 'entities' (organizations, sole traders, and partnerships) that produce pharmaceuticals used in treating diseases.

As well as a robust market in the US, there is good news for emerging markets, with these territories accounting for between

**5 - 8% of annual growth into 2023. In Europe, growth will be slower at 1 - 4%, compared to the 4.7% compound annual growth seen over the past five years.**

**Pharmaceutical spending in China is expected to reach \$140 – 170 billion by 2023, but it's growth is likely to slow to 3 - 6% over the next five years.**

Similar to IQVIA, The Business Research Company's report attributes this success to the continued dominance of North America, which remains the largest region in the pharmaceuticals market. However, it also points to the Middle East, which is expected to be the fastest growing region in the report's forecast period.

Both reports also attribute much of this growth to the population profile of most countries becoming older. According to the World Health Organisation, by 2030, one in every six people on the planet will be 60 or older. Equally, the proportion of the population aged 60 and up will rise from 1 billion in 2020 to 2.2 billion by 2050. This rise in the aging population will increase the patient pool of many chronic diseases such as rheumatoid arthritis, hypertension, diabetes, and cancer.

Another dynamic will be the continued growth in personalised medicine, where pharmaceutical companies offer drugs for customized individual treatment for various diseases. Also referred to as

**'precision medicine', this approach aims to provide medical care according to the patient's individual characteristics and genetic makeup. These precision therapies are increasingly being adopted as firms look to let go of the one-size-fits-all model for common medical conditions.**

Major companies such as GSK, Teva Pharmaceuticals and AstraZeneca are all investing in development of personalized medicines.

At the same time, this is an industry that is on the cutting edge of global supply issues, and the need to allow cross boarder commerce is crucial for global wellbeing, especially in the face of pandemics, many countries of which are still suffering. Again, the mission of many major medical conferences is to address and solve these, and other, problems.



# EXPERIENCE TRENDS



# CORPORATE EVENTS

As already identified in previous sections, there is a new tone of business emerging. Businesses and brands, like the consumers they serve, are increasingly influenced by major global trends such as sustainability, inclusivity, security, and wellness. Equally, with new and younger audiences emerging both as customers and employees, this pressure is compounded, with a very real effect on how these brands act.

So, how do these brands view the meetings and events industry as a vehicle to take on this new world of ethically led business? Kim Myhre, from Xdesigned.com, one of the most respected global event strategists, comments, 'Corporate brands are more motivated than ever to demonstrate that they care for the social issues that their customer's care about. In the UK, for example, there are more than 17 million millennials that make up the largest generational workforce, they 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.'



He continues, 'As digital, virtual, and hybrid experiences become the 'new normal' for building brand communities, opportunities will emerge for corporate brands to build social purpose initiatives that extend well beyond the traditional live event.'

This opens a massive opportunity for events as part of the wider marketing mix, and the progress the industry is making amongst other forms of communication, specifically within the marketing world, is noticeable. According to the IPA Bellwether Report, marketing budgets are continuing to grow, but events are claiming a growing share of them. The report says that around a quarter

**(24.2%) of surveyed companies raised their total marketing expenditure at the beginning of 2022, with events a key driver.**



**“** As digital, virtual, and hybrid experiences become the 'new normal' for building brand communities, opportunities will emerge for corporate brands to build social purpose initiatives that extend well beyond the traditional live event. **”**

**The report also demonstrated that spending on events has grown by 22.2% and is the strongest marketing medium in the report by a 'considerable margin'.**

The report recognises that this growth is due to the end of the lockdown and companies regaining confidence to plan face-to-face events; many firms were reportedly set to use events to relaunch brands later in 2022 and 2023.



Live Union, an international event organiser, recently published its own thinking in terms of the way events could now look in this 'new world' of corporate experiences. In research published in late 2021, 'Anatomy of an Audience' the agency identified seven key take outs for modern meetings and events:

**CHOICE**



allowing audiences to maintain control. This speaks to previous trends including festivalisation and personalisation as more decision

**LOCAL**



again, distinctive of the Global – Local trend identified in this report last year. The need for locality to be reflected in event content and production

**HUMAN**



the report identifies this as the need for events to help people connect in deeper and more human ways

**DISTINCTIVE**



Live Union comment that 'people are exposed to even more content – the bar has been raised – they want strikingly designed and innovatively delivered content'



**REFLECTIVE**



More and more event professionals are allowing time before and after content sessions so delegates can think and imbibe key facts and information

**INCLUSIVE**



also discussed earlier in this report, the need for organisers to continue to reach as many of their target audience as possible is critical to modern events

**MEMORABLE**



more and more businesses and brands are evaluating events on what happened to the delegate after the event, not during. This need for resonance is highly valued by brands

Kim Myhre believes this future will also continue to focus on one word: experience. He quotes recent news from the LinkedIn Corporation that it is replacing its entire global events marketing team. A spokesperson at the social media giant announcing that, 'the events space has changed so much and broadly speaking, the new team will focus on creating experiences across virtual, hybrid and in-person, to bring people together.'

Kim adds that, 'While LinkedIn's approach may seem dramatic, it is another sign of the challenges facing the corporate event world. It's clear that the 'events space' is changing, and that traditional corporate live event approaches will need to be re-considered.'

'For now, live events seem to be returning post Covid, but live attendee numbers are down, costs are up, event staff is in short supply, and audience priorities and preferences are changing. It seems even clearer that recent advances in virtual and hybrid event technologies and emerging corporate trends like hybrid working, diversity and inclusion, sustainability, health and safety, purpose, culture, and competition will undoubtedly impact the future of corporate events.'

Kim expects we will see more corporate event organisations begin a transition to embrace new extended reality experience technologies, recruit new talent with skills including digital, strategy, psychology, analytics, and design, while embracing a core proposition that is focused on the value of attendee experience vs event logistics, both live and online.

Whatever the future, it's the creation of experience merging with event technology that is focusing the minds of many event organisers, not just within the corporate world. However, as these brands look to deliver more engaging experiences, and tell the stories of their brands and businesses, technology seems to be a continual talking point

**“ the events space has changed so much and broadly speaking, the new team will focus on creating experiences across virtual, hybrid and in-person, to bring people together ”**

Kim concludes, 'I like to think that emerging technologies will offer significant opportunities to enhance and transform the attendee experience in ways that traditional live events never could. Recent advances in AI, VR, AR, and extended realities, combined with the huge investments in 'metaverse' technologies, will ultimately offer new, exciting, and engaging experiential opportunities. 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. At the root of this innovation 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.'



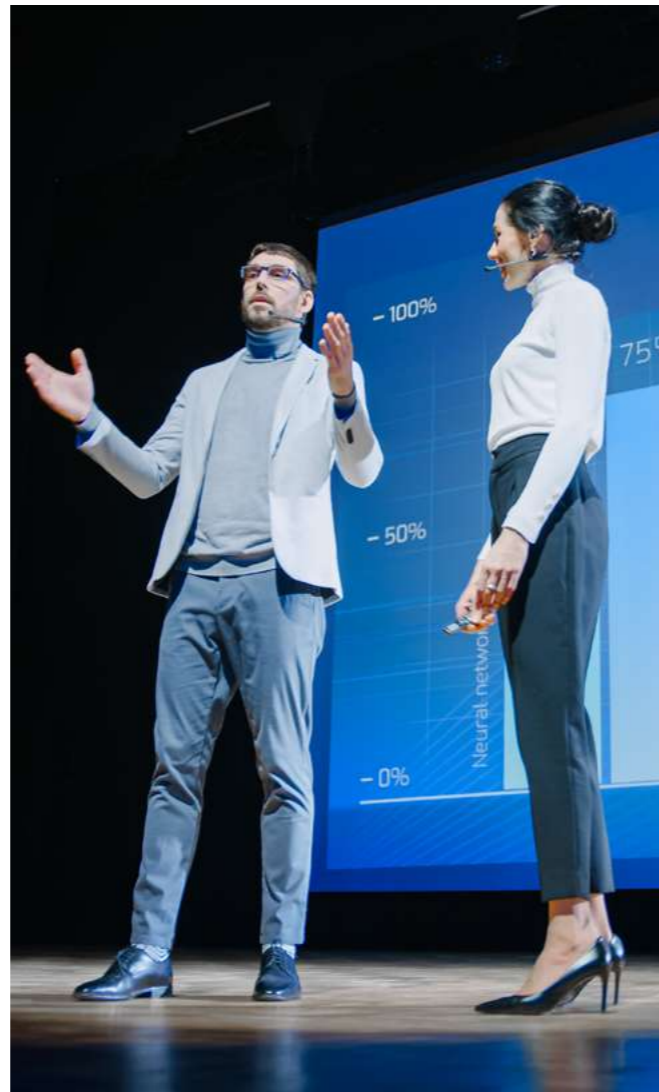
**“ Emerging technologies will offer significant opportunities to enhance and transform the attendee experience in ways that traditional live events never could. ”**

# ASSOCIATION CONFERENCES

When assessing the fortunes of the global association meetings industry, this report turns perennially to ICCA, who continue to hold some of the best insight into this marketplace. Last year, research by the association reported the market returning to growth as industry used association conferences as an instigator of post-pandemic business acceleration.

It is also a part of the market whose primary vertical-sector industries are also in good health. As covered earlier on in this report, banking & finance, ITC, and pharmaceutical industries are all growing, but also showing the dynamism that feeds so much into association meeting content. Equally, previous reports have covered the general upskilling and growing confidence within the sector, specifically around 'out of the room' elements of meetings, and the comfort of organisers to both trust them and, eventually, to commercialise them.

Senthil Gopinath, Chief Executive Office at ICCA, summarises the tone of this return; 'Firstly, there is a palpable feeling that the industry is back. People have genuinely missed the opportunities, collaboration, and friendship that come from being in a room together. It is very welcome news for us all. As individuals the pandemic allowed us time to pause and reflect on the way we live and the way we work. Our industry is no different, except for the fact that it was hit especially hard. But people are resourceful. People are clever. People will find a way. Our industry did through technology, ingenuity, and creativity and these innovations are here to stay.'



**“** People have genuinely missed the opportunities, collaboration, and friendship that come from being in a room together. It is very welcome news for us all. As individuals the pandemic allowed us time to pause and reflect on the way we live and the way we work. Our industry is no different, except for the fact that it was hit especially hard. But people are resourceful. People are clever. People will find a way. Our industry did through technology, ingenuity, and creativity and these innovations are here **”**

The era of large-scale conventions, with many thousands of people coming to one singular destination is changing and, like the incentive market (to follow), there is a fragmentation of the traditional mass-convention. More and more meetings are looking at multi-base events, comprising of one central hub surrounded by several 'satellite' events.

This underlines the confidence in the sector, with the destinations and suppliers able to connect rooms on a regional, national, and cross-continental basis. It also poses challenges and opportunities for the organiser to create highly dynamic global experiences as these meetings rotate across time zones, and with agendas that cover 24-48-hour periods. Destinations now have an opportunity to pitch themselves in different ways, especially to multi-national associations. Moving away from room capacities to connectivity capacities; from access to world leading academics, to access to local expertise; and to inject hyper localisation into simple elements such as food and theming.

Research from across the industry already points towards growing delegate numbers due to the convenience in 'attending' these events. This isn't just about logistical ease, but because they open the content up to those who previously would not have attended face-to-face meetings, often for personal reasons.

The digital revolution of the association meetings sector has shown that there are many people who do not like events, but who do value their content. It is critical, especially in medical, pharma or educational/CPD led cases, that these people continue to be given the opportunity to access this content, with positive outcomes for the individual and the companies and organisations the meetings serve.

Finally, there is an environmental factor in localising meetings. While this trend will far from eradicate travel, it will reduce it, and provide value to those who do not wish to travel to access content. This is increasingly important as more and more organisations are moving into association meetings with sustainability high on their agenda.



Association meetings, despite being of every size, are often typified as large convention events, running into the many thousands. For this reason, it's worth looking at how they impact destinations, but also the growing scrutiny of their ecological footprints as other trends covered in this report begin to influence the behaviours of those organising and attending them.

Last year this report covered the changing view of organisers who looked to **'localise'** their meetings and events, as well as personalise them.



Strategy shared at the Conference & Incentive Travel magazine Festival of Forums 2022 addressed how many association event organisers and PCOs are addressing the importance of sustainability at concept stage of event planning. One of the models showed a three-step process:



**REDUCE ATTENDEE TRAVEL CO2 EMISSIONS BY 10% COMPARED TO 2019**

Measure all travel; choose a destination with led flight time for attendees; choose a city with good public transport; organize group travel



**REDUCE ATTENDEE TRAVEL CO2 EMISSIONS BY 20% COMPARED TO 2019**

PLUS; incentivise attendees to use local public transport; integrate carbon calculator and offset provider at registration; offer offsetting onsite and in person



**REDUCE ATTENDEE TRAVEL CO2 EMISSIONS BY 25% COMPARED TO 2019**

PLUS; select a trusted balancing partner; include public transport ticket in event ticket

Senthil summarises this changing tone of association meetings; 'Moving forward into 2022 and beyond, ICCA's challenge is to harness the potential of these new ways of working and make the face-to-face encounters truly experiential. Our members expect this, and more. We gladly accept the challenge by creating better and new ways of working; using our knowledge, our experience, and our networks to bring genuine opportunity and success to our members. We are on an exciting journey. ICCA Congress 22 will showcase this. And at the heart of all we do is Legacy and Sustainability. It is what our members expect and deserve. Our role is to make this happen and provide collateral and resources they don't even know they want yet. One thing the last two years has taught us: you need a Plan B, C and even D, should Plan A go awry.'

# INCENTIVE TRAVEL

Patrick Delaney is Managing Director of SoolNua, and regularly serves the incentive travel industry, bringing decades of experience and understanding of the sector, from the perspective of the corporate organiser, the incentive destination, the agency, and the DMC putting programmes together. However, despite this depth of knowledge, when asked about future trends, he commented that it has never been harder to predict this market.

The reality is that everything has changed. The pandemic not only created a bottle neck of demand which may or may not last, but also changed the perceptions and behaviours of both businesses and delegates towards travel, and incentives in general.

However, where Patrick is on steadier footing is how businesses are behaving and will continue to behave. He comments: 'Businesses will always look at ways to grow and now, more than ever, there is an emphasis on gaining, engaging, and nurturing talent. These are key drivers of the incentive market.'

'Equally,' continues Patrick, 'with global workforces becoming more fragmented, there is a need to grow and underline culture when these teams are more dispersed

The big question is whether businesses believe that incentive events achieve these outcomes, and the general view of the market is that they do, judged by the speed of recovery of programmes throughout 2022.



**“ Businesses will always look at ways to grow and now more than ever, there is an emphasis on gaining, engaging, and nurturing talent. These are key drivers of the incentive market ”**



The Incentive Research Foundation (IRF) produces a number of reports that track the micro and macro trends and movements of the incentive travel market. One of its latest, *Decision Drivers 2022: Elevating the Experience*, addresses this return of the sector and how it is handling the pent-up demand still coming through post-pandemic.

This report has highlighted before the growing value that corporations attribute towards the incentive sector, and it appears that business has been keen to get these programmes back in place, with challenges around talent a key driver. The dynamics of this return also fit in with many of the findings from the last section of this report, with other industries outside meetings and events also needing to address concerns around talent and the need to both find and keep it. Incentives help, now so more than ever, as they 'deliver unique and memorable experiences', says the report.

This approach is summed up concisely by Stephanie Harris, IRF President: 'Experience, authenticity, and wellness are driving the decisions for today's incentive program owners. Hotels, DMOs, and CVBs who bring together critical program elements in a way that is seamless for the planner, and can demonstrate their ability to execute as promised, will come out ahead.'

Incentives are also a market that reflects some of the wider consumer trends covered earlier in this report. The IRFs research also found that incentive travel buyers 'expect hotels to honour the destination by both embracing the unique elements of their surroundings, within the experience they offer', and the 'thoughtful use of the environment, creative and authentic education about the area, and meaningful immersion into local culture'. This sentiment underlines the need for purpose, authenticity, and sustainability.



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In Patrick Delaney's view, it is worth taking a macro approach when looking forward to the future of incentive travel. 'We need to remember that now, more than ever, business is **profit driven**. CSR and sustainability are important messages, and every business needs to have **purpose**, but profit is the other 'P' word.'

The third P word is '**personalisation**' according to Patrick. Similar to association and corporate events, customisation is a growing factor in many incentive programmes as delegates look to curate their own experiences.

“ Experience, authenticity, and wellness are driving the the decisions for today's incentive program owners ”

“ The IRFs research also found that incentive travel buyers 'expect hotels to honour the destination by both embracing the unique elements of their surroundings, within the experience they offer', and the 'thoughtful use of the environment, creative and authentic education about the area, and meaningful immersion into local culture ”

'We have to remember that incentives are business events' continues Patrick. 'We sometimes look to segment our markets so much that we lose them value. Incentives often come alongside meetings, conferences, and training. Like these events, content is king, and experience is critical, we need to put the delegate at the centre of the experience and create something that adds value to just them.'

In a separate forum, a group of international incentive event organisers also discussed what the sector could look like in 2023 and beyond and the word of the day was on 'fragmentation'.

Firstly, Andrew Rae, founder of Anotherway, commented that incentives are following the trajectory of other brand related events, looking for multiple touch points and focusing as much on the pre and post experience as the main programme itself, 'We're seeing companies elongate the process, looking to engage the audience at different times, in different locations over a longer period. It's a more sustainable model and it has more value, because there is more engagement with the delegates.'

It also means that the focus isn't on just one event in one destination. Whereas previously the focus would be to bring guests to a premium destination, city, or resort, now there are teaser experiences with more local destinations, potentially leading up to a central gathering. This is a model gaining popularity in the congress sector and is often referred to as **'hub and spoke'** meetings, where events are split between a main central focus, surrounded by satellite meetings. This fragmentation means more tailored messages and itineraries for the guest, but also longer resonance.

David Taylor, Non-Executive Director, BCD Meetings & Events added, 'The wording is changing, we're seeing businesses re-label incentives to show positive impacts on people, planet, and profit.'

**'Engagement events'** is often used as well; it underlines that the new currency isn't just about 'reward' it's about long-term engagement and the establishment of shared values.'

“ content is king, and experience is critical, we need to put the delegate at the centre of the experience and create something that adds value to just them.”

The meeting also discussed the transition over the last 20 years from the corporate junket into something more sustainable, embracing transformative travel, wellness, and cultural enrichment. Nyomi Rose, events influencer, commented, 'These experiences need to sell to a new kind of delegate not impressed by beautiful hotels and luxury travel. Modern delegates need to understand not just what travel does for 'my life' but how it contributes to the lives of the people and culture they are travelling to. This is about wellness and mindfulness, but also awareness.'

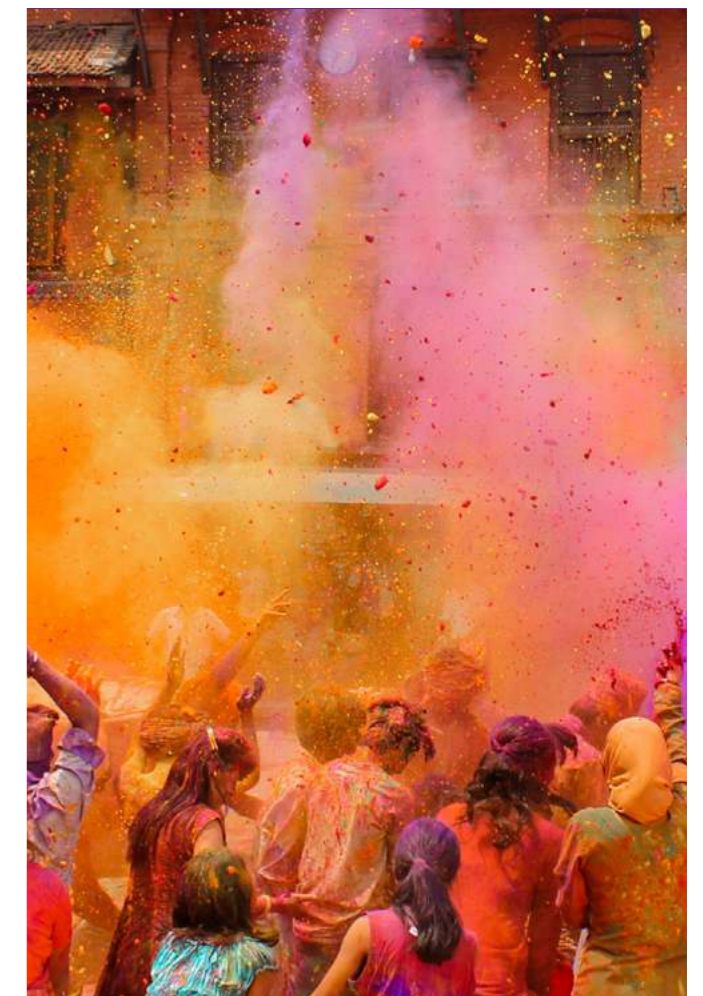
It's this, purpose first, creativity first, approach that typifies where incentives are now heading. The progression leads to the fragmentation of the traditional group trip, to make more personalised agendas for delegates and more sustainable event experiences. It leads to elongated programmes that continue to communicate with the subject and reward them through message as well as physical experiences. They also speak to a new consumer that needs to be rewarded emotionally though values and impact both personally and professionally.

It's a model not unfamiliar to other parts of the meetings and events industry and one worth keeping studying as other sectors of the meetings and events industry look to predict what the new world of events could look like.

From the point of view of Patrick Delaney, this all rings true, however when looking forward, he is cautious to be too sure of the future. The main pressing reason for this is consumer and business confidence, one of the key drivers in both the attendance of delegates, and the investment of businesses into incentives.

Says Patrick, 'A lot of this comes down to business confidence and individual consumer confidence. We have the cost-of-living crisis, war, still a pandemic, and increased security risks. These are live threats for the industry as they damage confidence.'

'I think where the industry is, in general, is Pragmatic Confidence; I think that's a pretty good starting point.'



## REGIONAL TRENDS



Finally, in this section we look to make our vertical exploration of the factors and trends that affect the global meetings and events industry.

There are few more global industries than our own, however there are also changes in behaviours and trends, often based on economic, ecological, and political factors. Here we look to understand how these are affecting the global outlook of the industry, on a regional basis.

# AFRICA

Africa's business events industry can become self-sufficient, but it would need to 'tie up a few loose ends before it can realise that vision', according to a panel discussion that took place with CNBC at Meetings Africa 2022 in March. The exhibition, which was its 16th edition, brought together business events experts from across the continent to discuss the current state of the industry as an agent for economic recovery.

The discussion addressed how infrastructure, associations and policy making on the continent can make the industry self-sufficient. It also looked at how the market could be reignited following **'two years of latency'** due to the pandemic.

Last year, this report was upbeat about what it called 'The Africa Opportunity' with the prospect of growth and the eagerness of the market to embrace meetings and events making it 'one to watch'. While the longer-term prospects remain the same, it is a continent with a slower and more painful recovery from the pandemic, suffering from the continued threat of political violence in many countries and now bearing the brunt of some of the global food shortages created by the war in Ukraine.



The International Monetary Fund's Regional Economic Outlook on Sub-Saharan Africa 2022 brings this region-wide turmoil to life with a series of adjustments in its forecasts.

**The report now expects the area's growth to be 3.7%, down from the previous 4.5% projection.**

The report quotes the increase in commodity prices, global inflation and the war in Ukraine all being major reasons for this, quoting that they 'hit the region at a time when countries' policy space to respond (was) minimal to non-existent'.

Moreover, the shock compounds some of the region's most pressing policy challenges, including the COVID-19 pandemic's social and economic legacy, climate change, heightened security risks in the Sahel, and the ongoing tightening of monetary policy in the United States.

Because of this, the growth momentum for the region has weakened, the economic recovery is projected to accelerate in 2023 to about 4% over the medium term, however the IMF suggests that this pace is not enough to make up for lost ground during the pandemic.

These issues have slowed some of the fundamental changes that the continent has been looking to implement to make it more welcoming to business events. Infrastructure being one of them.

As Nicanor Sabula, Managing Director of African Association Management Company, commented on the panel, 'Across the continent, infrastructure, venues, capacity, connectivity, and roads need a lot of work. Good infrastructure enables meetings to happen.' He added that air connectivity between major African cities needs a revamp for any country in Africa to attract international events.

However, the continent continues to see value in the association sector. Kwakye Donkor, CEO, Africa Tourism Partners, commented that a large number of opportunities will come from associations that have the ability to attract meetings to the continent. 'There are thousands of associations on the continent and there are opportunities they present.'

Regardless of the optimism and spirit within the still growing business events community in Africa, it's difficult to ignore the economic issues faced by the continent. The theme of the 2022 African Economic Outlook, by the IMF, was 'Supporting Climate Resilience and a Just Energy Transition in Africa'.

The approach highlights climate change as a growing threat to the lives and livelihoods of many within Africa.

**Despite having 17% of the current global population, Africa has accounted for just 3% of cumulative worldwide CO2 emissions historically.**

However, climate change and extreme weather events disproportionately affect the continent, with severe economic, social, and environmental consequences for its people.

The African Economic Outlook also makes it clear that the pandemic and the Russia-Ukraine war could leave a lasting impression over several years, if not as much as a decade.

**Around 30 million people in Africa were pushed into extreme poverty in 2021 and about 22 million jobs were lost in the same year because of the pandemic, with the trend expected to continue through the second half of 2022 and into 2023.**

The economic disruptions stemming from the Russia-Ukraine war could push a further 1.8 million people across the African continent into extreme poverty in 2022. That number could also swell with another 2.1 million in 2023.

Despite this gloomy outlook, Africa still presents an incredible opportunity for meetings and events professionals looking to embrace this new tone of business culture articulated earlier in this report. Association meetings can open new industries, incentive travel can create purpose and meaningful change in parts of the continent, and there remains investment in expertise and incredible facilities across the continent

**“** Regardless of the optimism and spirit within the still growing growing business events, community in Africa, it's difficult to ignore the economic issues faced by the continent. **”**



Speaking from the show floor of Meetings Africa 2022, Tourism Minister, Lindiwe Sisulu, said 'Opening trade corridors across the continent must also open pathways for intra-African tourism to thrive, and vice versa. It is us – the African business events sector that have to be intentional and strategic in ensuring that we leverage this mutual benefit between trade and tourism.' Sisulu added that the business events industry accelerates this progress as a platform for sharing information and collective engagement. 'This in turn results in innovation and re-invention which are key for economic and professional development and advancement.'

Finally, she did not doubt that the industry will be able to recuperate swiftly after a dormant two years. 'During our Global Brand campaign launch ... we shared with you how we have risen time and time again, from many episodes of destruction and devastation of the continent's history.'

**“** We shared our ability in always being able to rise with pride and resilience – that is the essence of Africanism. It is our ability to live again and build back better that sets us apart. **”**



# ASIA PACIFIC

According to the International Monetary Fund, the global economic outlook darkened towards the middle of 2022, and growth across Asia and the Pacific, into 2023, is 'poised to slow further' amid the continuing impact of 'a number of economic shocks'. Within the region,

**Economic growth is projected to decelerate to 4.2% this year, 0.7% less than the spring forecast by the IMF and slower than the 6.5% growth seen in 2021. Equally, the organisation has lowered its 2023 forecast to 4.6%, down by 0.5% on previous projections.**

The main reasons for these adjustments are the continuing tightening of financial conditions associated with rising central bank interest rates in the US, and commodity prices surging because of the war in Ukraine. These conditions are further compounded by the slowdown of the Chinese economy, a key factor in any economic review of the Asia Pacific region.





China is Asia's largest economy and both the region's economic outlook, and that of its meetings and events community, are reliant on its fortunes. It should be a source of concern then that the country saw a significant deceleration in the second quarter of 2022, as its zero-COVID policy prompted lockdowns in major cities and supply chain hubs. In light of this, the IMF adjusted its growth projections for China,

**lowing them to 3.3% from 4.4% earlier in the spring. It also lowered its 2023 forecast for the region by 0.5% points, to 4.6%.**

This decline in activity, says the IMF report, is likely to have 'sizeable spill overs' on regional trading patterns, specifically affecting Japan and Korea. However, despite China's slowdowns, signs of a rebound of economic activity are emerging as the pandemic-led restrictions on mobility are eased. Equally, the returning global tourism market, including meetings, incentives, and conferences, are boosting some of the emerging economies, including the ASEAN-5 (Malaysia, Singapore, Indonesia, Philippines, and Thailand).

In the meantime, a report by CWT and the Global Business Travel Association (GBTA), suggests that the price of travel will continue to increase in the region throughout 2023. The report, 2023 Global Business Travel Forecast, suggests that rising fuel prices, labour shortages, and inflationary pressures, will drive this growth. 'What we are seeing now are multiple factors coming into play when corporate travel buyers model their travel programs,' says Suzanne Neufang, Chief Executive Officer of GBTA.



**“ What we are seeing now are multiple factors coming into play when corporate travel buyers model their travel programs**

The report adds that these price rises will be particularly significant in air travel, although they will remain below 2019 figures.



**Average prices, which were \$545 in 2019, are expected to reach an average of \$369 before the end of 2022.**

The report suggests that this is due in part to a significant shift away from premium tickets and from more expensive longer-haul international routings as a result of strict COVID policies in the region.

Equally, these COVID policies continue to curtail travel demand in the region. Low occupancy rates in hotels and a shift towards lower-priced hotels in places like China are keeping average hotel rates down. The China market is expected to rebound at pace once restrictions are lifted, as similarly seen in Australia. There, open borders will continue to drive strong inbound traffic, putting upward pressure on hotel rates

This report has addressed in the past the growing opportunity of the Asia Pacific region as a powerhouse for meetings and events. The instability in 2022 should not adjust these predictions and, as pointed out by the IMF's report, should be seen as a small dip in an otherwise continuingly upward trajectory for the region. As a place to do meetings, conferences, and incentive programmes, it remains a hugely popular region that, as it opens up, will continue to see increasingly engaged planners and delegates.



# EUROPE

The International Monetary Fund begins its summary of the European economic situation as **'Gloomy and More Uncertain'**, typifying the general state of Europe from both a political, geo-political and economic perspective.

While the war in the Ukraine has dominated almost every aspect of European life, the continent has also been ravaged by an unusually hot summer and subsequent forest fires that remind it that it also faces its share of environmental issues as well. In August 2022, the New York Times reported that the continent was confronting its worst drought in decades with nearly 65% of the territory under a drought warning, 'rivers are running low, paralyzing commerce, and causing disruptions for companies that transport goods and commodities like oil and coal. The drought even exposed the carcasses of World War II ships', it reported.

At the time of writing, the UK public, as well as welcoming in another new Prime Minister is also mourning the death of Queen Elizabeth II, and the long-term stability that the country's most successful monarch represented.



The demise of HM The Queen is equally felt around the world, as well as within the UK and the Commonwealth, and there will be economic implications.

However, on a more immediate level the continent is more concerned with a food and energy crisis that is driving global inflation, rising commodity prices and a cost-of-living crisis. Outside of the continent, higher-than-expected inflation in the United States and China's slowdown are further compounding the situation.

In fact, the IMF's recent report begins by saying 'The world's three largest economies are stalling (United States, China, and the Euro area), with important consequences for the global outlook.' Concerns outlined in earlier reports by the organisation are materialising and this is having an onward impact on confidence within the marketplace. Once again,

**the IMF is readjusting its growth forecasts. Within Europe, these have moved down to 2.6% in 2022 and 1.2% in 2023.**

The report also believes that this outlook could continue to get worse, with the war in Ukraine potentially leading to a complete stop of European gas flows from Russia, inflation remaining **'stubbornly'** high if labour markets remain overly tight, and rising food and energy prices leading to widespread food insecurity and social unrest.

The IMF finishes by reporting that the world may be teetering on the edge of a global recession, only two years after the last one.

Within the global meetings and events industry, this unrest works solidly against the continent. Security remains a key concern within corporate, association meetings and incentive travel, and any sign of political unrest will not be risked by planners, especially while other territories offer safer environments.

Equally, with prices soaring within the continent, it increasingly becomes a more fiscally unreliable option for events, especially those looking to book in the future. Europe, as a place to hold events has always offered rich cultural and environmental options for planners, as well as a well-regarded and highly experienced industry. However, these benefits are increasingly being outweighed by the many disruptions the territory is dealing with now and looks to be stuck with on the long term.



# LATIN AMERICA

The IMFBlog market update for Latin America is titled 'Shifting Global Winds Pose Challenges to Latin America', underlining the turbulent nature of the region despite signs of recovery in 2022. As with many other economies around the globe, the deceleration of fiscal activity and persistent inflation will, says the IMF report, 'test (the region's) resilience'.

The report however, does underline the strong post-pandemic recoveries that have been seen across Latin America and the Caribbean. The reopening of 'contact-intensive sectors', especially hospitality, travel, and the meetings and events industry, as well as the realisation of strong pent-up demand from the pandemic, are still 'favourable to external financial conditions'.

**The region's service and manufacturing sectors have recovered to 2019 levels, as has employment, backed up by the 2.8% growth in the first quarter of 2022,**



above its monthly average for the last three years, preceding the pandemic, of 1.7%. All positive news for the region.

**This solid performance led to an upgrade in the IMF's growth forecast for the region, one of the few across the global economy, to 3.0%, opposed to the 2.5% originally forecasted in the first quarter of 2022.**

This is driven by some of the region's largest economies, Chile and Colombia have seen a particularly dynamic rebound, propelled by strong growth in services, in part due to the fiscal stimulus in late 2021. Mexico's economic output, however, is yet to regain its pre-pandemic level as services and construction industries continue to witness slower recovery.

The report also comments that Caribbean economies are also behind in their recovery, with the wider tourism industry yet to return to pre-pandemic levels. Meanwhile, Central America, Panama, and the Dominican Republic have all already surpassed their pre-pandemic output levels, driven by the rapid recovery in the US.

This should all be seen as incredibly positive for a region that naturally lends itself to meetings and events and that continues to grow its expertise and experience in hosting major conventions.



In the past, this report has commended the region on its innovations within events, especially around the medical sector, and it continues to invest in infrastructure that make it a natural place for modern incentive and corporate programmes.

However, Latin America does still suffer from a perception issue, especially around some of its larger economies, as politically unstable and with pockets of security risks. It will be interesting to see how these perceptions change, especially in light of increasing instability and security threats across other, more historically perceived 'safe' territories. This may open up new conversations and reassessments of the region.

As usually though, the fate of the Latin America is intertwined with that of the wider global economy, not least its North American neighbours.

**Tightening global financial conditions, lower global growth, persistent inflation, and increasing social tensions amid growing food and energy insecurity, are all concerning for the region and have influenced the downgrading of its growth forecast to 2.0% in 2023, down from the originally forecasted 2.5%.**



Within the travel industry, which includes meetings and events, the CWT and Global Business Travel Association (GBTA) research reports an 'uptick' in demand in air travel,

**even though capacity remains constrained below 2019 levels, by 13% for some segments.**

According to the report, the region is also seeing a recovery in premium class ticket bookings

**which have increased from 2.9% of all tickets in 2021, to 4.1% in the first part of 2022.**

**This is putting upward pressure on overall prices which are expected to rise 38.1% before the end of 2022 and 7.9% in 2023**

The report also assesses accommodation and reports that booking windows have shortened for the region, while length of stay is increasing as travellers blend work and vacation, especially at beach destinations. The report predicts that some destinations in the Caribbean will see record bookings in 2022 and 2023 as demand improves, adding to further upward pressure in pricing.



It's important not to let the longer-term threats overshadow the short-term achievements of Latin America as both a growing economic hub, but also recognised and increasingly established meetings and events destination. This is a territory that clearly wants and values this industry as both a boost to tourism and one that can grow and revitalise many of its distinctive industries.

Like the rest of the world, inflation remains a key part of its economic fortunes, not just in terms of the value of its economy, but also how easy it is to access as a destination. But the product remains innovative and strong.



# MIDDLE EAST

According to the 'IMF Regional Economic Outlook Middle East and Central Asia 2022', and similar to Latin America, the Middle East is another region where its post-pandemic recovery is under threat by global market conditions, including the rise in inflation and exacerbated by the war in Ukraine.

The research suggests that, despite better-than-expected momentum in 2021, the economic environment in 2022 is defined by 'extraordinary headwinds and uncertainties', particularly for commodity importers, with 'higher and more volatile prices, rising inflationary pressures, faster-than-expected monetary policy normalisation in advanced economies, and a lingering pandemic'.

The rebound of economic activity had continued in the second half of 2021, mainly driven by strong domestic demand, especially consumption. Growth, however, had not translated into better labour market outcomes—with unemployment rates still well above pre-pandemic levels in many countries.



In the meantime, prospects for oil exporters in the region have improved, but countries in the Caucasus and Central Asia now face a particularly challenging outlook given their links to Russia and Ukraine. The forecasts from the IMFs report show a slowing down of the region's economy, but also an outlook that is often pessimistic; the prolonged war and further sanctions on Russia, tighter-than-expected global financial conditions, the slowdown in China, and new pandemic outbreaks, all having negative effects on the economy. Looking forward,

**the IMF expects the region's economy to slow from 4.5% in 2021 to 4.2% in 2022.**

These downgrades also reflect continued weakness in the tourism sector (Jordan, Morocco). This picture paints a somewhat unfair view of the region from a meetings and events point of view. It remains one of the fastest growing regions within our industry and certainly one of its most valuable.

Again, this is a region that appreciates business events and is looking to use them as a generator of industry, including leisure tourism. Investment continues with some of the most visually exciting venues and convention centres opening across the Middle East. It is also taking advantage of its geography between Europe and Asia Pacific



This progress is underlined by the CWT and GBTA research. In its latest report it suggests that parts of the Middle East are seeing strong increases in hotel rates as occupancy climbs, 'whilst meetings and events see a resurgence in the region'. The UAE's Expo 2020 Dubai generated 24 million visitors over six months and will be a part of this stimulus alongside the forthcoming World Cup in Qatar 2022.

Again, similarly to Latin America, this is also a region that has been painted, often unfairly, as carrying with it some level of security threat. There remains political instability in Iraq, controversy in Saudi Arabia and ecological tragedy with the flooding in Pakistan. However, these remain isolated incidents and territories in an otherwise welcoming and fascinating MICE industry.

With a new tone of business emerging, a reassessment, especially against more established global regions may also be due.



# NORTH AMERICA

According to the International Monetary Fund, the US economy is likely to slow in 2022 and 2023 but will 'narrowly avoid a recession' as the Federal Reserve implements its rate-tightening plan to curb inflation.

**The IMF has however downgraded expected growth in the US from 5.7% in 2021, to 2.3% in 2022 and 1.0% in 2023,**

however economists suggest that this projection could be revised in the face of drastic policy and fiscal action taken early in 2022.

The reasons for the turbulence out of 2021 and into 2023 are predictable; Russia's invasion of Ukraine in February has seen global oil and energy prices rise dramatically, exacerbating inflation that had already been stoked by pandemic-related supply-chain disruptions and, especially in the US, the fiscal response to Covid-19.



Policy makers in the US raised interest rates by 75 basis points earlier this year - the single-biggest move since 1994. At the same time, the IMF has supported the Biden administration's Build-Back-Better agenda, saying it would 'help release supply-side constraints, improve the safety net, support labour force participation, and incentivise investment and innovation'. The results of the now implemented strategy – although somewhat different from its original proposal – will be seen in the remainder of 2022 and into 2023. The outlook in Canada is similar, although slightly more optimistic.

**The IMF has also downgraded projected growth in the country from 4.5% in 2021 to 3.4% in 2022 and 1.8% in 2023.**

The numbers closely reflect the proximity and economic reliance on the US economy but also the same downward pressures on its economy. Within the meetings and events market, and unlike the US, Canada does have more reliance on inbound events. The US showed, in its post-pandemic recovery, a healthy internal marketplace, although one that greatly appreciates inbound businesses. Canada relies much on its neighbour but also recently on more international business.



It is also an incredibly proactive destination, supporting the industry, and engaging with global meetings and event organisers wherever it can. Specifically, within the meetings and events marketplace, 'UFI's Barometer Deep Dive' shows that the 'US is Bouncing Back faster Than Global Industry Overall'. This is supported by CWT and GBTA research, which shows that business travel airfare rates will surpass pre-pandemic levels in North America by the end of 2022, **'driven in part by a strong recovery in consumer demand'**.

Equally, within the hotel and accommodation market, the report suggests that 'broad inflationary pressures in food and labour are contributing to higher prices, especially in areas supported by strong underlying demand'. This, says the report, includes the US and Canada, which have seen strong hotel occupancy in 2022, surpassing 2019 levels in many markets. Solid demand will drive the strongest expected growth in pricing compared to all other regions.

**Prices are expected to rise 22%, and a further 11% in 2023, as hotels work to offset higher operating costs.**

This makes the region pricier but should also be seen as a sign of confidence within the wider business travel industry.



Research quoted earlier in this study indicates that, increasingly, businesses rely on sturdy markets and large companies in the face of instability. This region provides these in abundance.

It also remains a region with a vast, experienced, and welcoming business tourism industry that provides multi-cultural and diverse experiences from North to South, Coast to Coast. There is a new wave of event organisers, and a new culture being unearthed through events, and the region, as one of the leading global influencers, has a massive part to play in the realisation and outlook of this new and exciting trend.



# CONCLUSION

As already quoted in this report, great businesses and great events have great cultures. But so too do great industries. One of the benefits of this report is to look not just at the economics of other industries but their personalities, and across business, we're seeing a new tone.

Nowhere more so is this reflected than in the meetings and events industry, which has taken on its responsibilities to the environment, to inclusivity, and to a changing world that wants to communicate, and is looking at the best way to do so in a responsible way.

It's perhaps too cynical to believe that this increased responsibility has been forced onto the businesses and leaders that make up global events. Nor that we are a subservient industry bowing to the wishes of the brands and businesses we serve.

In many cases it is our organisations and companies who have driven this change. For many of our customers, the events industry has historically not been a battle ground worth fighting on when it comes to ethical business. Now it is.

It has become so because events, more than most forms of communication and business expression, have picked up on this new tone, this new, positive, ethical, and purposeful global culture. This should be reassuring for many parts of society. Events carry messages to people across the world, every day. They can be a force for social and economic good, and they can create shining examples of best practice and visible good.

Despite the myriad of challenges that this industry faces, around the world. Despite the uncertainty and insecurity of geopolitics, environmental change, and economic hardship. We should feel positive that the way this industry approaches its business has shifted and will continue to do so.

It means that, whatever issues are thrown at it, it can handle it. This robustness is in the DNA of every #eventprof, it's what they do after all. Every day. It's also part of the reason why they do what they do.

**They make the culture.**

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