

## IMEX Quarterly Barometer: country-by-country studies

A selection of country-by-country case-studies is presented alongside the IMEX Quarterly Barometer of Business Tourism Confidence, April 2006. In this first instance the markets in focus will be Germany and Russia. The aim is to demonstrate the potential for individual countries to display contrasting experiences and values. The analysis that follows sets out to compare insights from both statistical and attitudinal points of view.

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**Table 1: Anticipated change in the number of meetings/incentives in the next 12 months, compared with the last 12 months.**

	All European Barometer replies (17 EU and Non-EU countries)	Germany	Russia
Significantly up	27%	28%	15%
Slightly up	35%	49%	63%
No change	31%	19%	22%
Slightly down	7%	4%	-
Significantly down	-	-	-

**Table 2: Anticipated change in the overall budget for meetings/incentives in the next 12 months compared with the last 12 months**

	All European Barometer replies (17 EU and Non-EU countries)	Germany	Russia
Significantly up	30%	17%	36%
Slightly up	33%	51%	42%
No change	36%	27%	20%
Slightly down	1%	5%	2%
Significantly down	-	-	-

**Table 3 Ranked influences on decision-making for meetings/incentives: 1 = most influential; 9 = least influential**

	All European Barometer replies (17 EU and Non-EU countries)	Germany	Russia
World economic/financial circumstances/ uncertainties	5 <sup>th</sup>	1 <sup>st</sup>	7 <sup>th</sup>
State of particular market	4 <sup>th</sup>	4 <sup>th</sup>	5 <sup>th</sup>
Security issues arising from terrorism	3 <sup>rd</sup>	6 <sup>th</sup>	1 <sup>st</sup>
Growing scope to replace events with virtual communication	9 <sup>th</sup>	9 <sup>th</sup>	3 <sup>rd</sup>
Growing costs of meetings/incentives	1 <sup>st</sup>	5 <sup>th</sup>	2 <sup>nd</sup>
Uncertainty as to the real ROI that meetings/incentives represent	2 <sup>nd</sup>	3 <sup>rd</sup>	4 <sup>th</sup>
One-off factors internal to the organisation	7 <sup>th</sup>	8 <sup>th</sup>	6 <sup>th</sup>
Complications arising from issues like multi-culturalism, personal preferences of delegates etc.	8 <sup>th</sup>	7 <sup>th</sup>	8 <sup>th</sup>
Time constraints: delegates away too long from offices	6 <sup>th</sup>	2 <sup>nd</sup>	9 <sup>th</sup>

## Comments

### Germany

There is a strong sense that strengthening economic recovery in Germany is beginning to translate into genuine growth in MICE tourism. It may be noted, for instance, that the combined growth figures for the number of events ('significant' plus 'slight' growth) for Germany, at 77%, exceed the average for all European replies (at 62%). That only 19% (compared to 31%) anticipate 'no change' is surely a sign of improving business sentiment. Similarly, in assessing likely budget changes for the next 12 months the proportion of German respondents predicting 'significant' or 'slight' growth totalled 68% (compared to 63% for all European replies). Arguably these figures add substance to the forecast that GDP in Germany is up and will reach 2%.

Given that Germany remains the world's top exporter, the distinct emphasis placed in that country on world economic circumstances/uncertainties is not a surprise. This finding contrasts significantly with the pan-European mood, as does the much stronger emphasis on the time pressures that affect meetings delegates away from the office. This latter influence apparently matters to German buyers more – proportionately – than the actual cost of events.

## Russia

Subtle differences from the generalised set of findings for European decision-makers characterise the pattern in Russia, too, where the MICE market is experiencing notable expansion. A total of 78% of buyers expect 'significant' or 'slight' growth in the number of events, and a similar proportion (though with a different combination of 'significant' and 'slight') for budgets. These figures are both higher than the pan-European average. Whilst the cost of events rates highly as an influence on buyers, perhaps it is significant that the key consideration (in marked contrast to Europe generally), is related to security issues. Concerns about the time that delegates might spend away from the office are considered largely irrelevant, a marked difference from the situation in Germany.

### **Environment**

Commenting on environmental issues, MICE buyers in Germany were far more likely than those generally in Europe as a whole to call for action from within the sector, but with an even greater disparity on this issue with decision-makers in Russia, where green concerns appear less strong. A typical German comment is that 'yes, we are all involved and our first role is to educate delegates to their responsibilities'; in contrast, the Russian view was more typically, 'no, the situation is not the concern of the industry alone, nor of individuals within it'.

### **Irritations**

Day-to-day frustrations among buyers also reflect differing degrees of emphasis. The dominant two mentioned by Russian buyers are 'problems getting visas', and 'having no influence over top management to get clear planning decisions for meetings and incentives'. The focus in Germany is far more likely to be placed on late decision-making: 'events are booked increasingly at short notice ... generating more work finding venues with availability ... often resulting in a lower quality event ... and with an overall increase in stress all-round'. Whereas in Europe as a whole 49% acknowledge the trend towards shorter-notice bookings, the figure for Russia is only 27%, but that for Germany is 59%.

**Note:**

*The basic IMEX Quarterly Barometer for April 2006 involved some 250 representatives from 17 EU and on-EU countries in Europe. The sample for Germany comprises 24 buyers; with 18 for Russia. The German cross-section involved managing directors, MICE managers, and incentive planners in sectors as diverse as cosmetics and consultancy, financial services and marketing communications. Russian buyers were more heavily biased towards intermediaries – travel agents and conference planners – plus marketing specialists, with the key sectors represented including confectionery, oil, and pharmaceuticals.*