

Vision 2007-12

Five-year forecasts from IMEX 'hosted buyers' predict MICE expansion; greater accountability; new hotspots; and growing concerns for safety and the environment

MICE experts asked to visualise the market in 2012 point to rapid growth driven by globalisation, greater accountability to stakeholders, the emergence of new hotspots, and the likely dominance of concerns about safety and the planet.

This five-year vision was drawn from the views of a sample of the 3600 hosted buyers from nearly 60 countries who attended the IMEX meetings and incentive travel exhibition in Frankfurt in April. The specialists were asked to crystal-ball-gaze in an initiative to mark the fifth anniversary of the show.

Key forecasts arising from the study were:

- the high-quality, high-yield business tourism sector will **grow rapidly** because of globalisation and economic development. The main threats of terrorism, health scares, extreme weather, and volatile exchange rates will tend to have localised impact.
- so-called '**emerging countries**' in Central and East Europe, the Baltic States, and parts of Asia, Africa and Latin America will become important sources of demand as well as target destinations, and will also be much more integrated as professional participants within the worldwide MICE sector.
- the search for **novel locations** will benefit smaller and more exotic-sounding countries, secondary cities and regions in well-known countries, and also those familiar destinations that re-invent themselves with imaginative 'out-of-the-box' programmes.
- **accountability** by corporate stakeholders will become a more dominant influence in event planning as boards of directors place more emphasis on evaluating ROI, minimising extravagance, and avoiding the contravention of codes of ethical practice.

- so-called '**meetcentives**', the hybrid conference and motivational style of event, could grow faster than pure reward trips because of tax regulations plus increased political and public scrutiny.
- likely '**hotspots**' in 2012 are expected to be Middle Eastern countries, selected African countries, India and China outside the main cities, all of Latin America, and the least well-known countries within Asia. Within Europe growth will focus on new EU states served by low-cost direct flights.
- continued **tighter budgeting** will favour short-haul destinations, (and those served by low-cost airlines), more virtual participation by long-distance speakers and executives, and may lead to the consolidation of corporate events. Such potential restrictions will nevertheless be outstripped by the need for more categories of events intended to foster education, motivation, communication, participation, and multi-cultural integration.
- increasing **sensitivity to the factors of climate change and global poverty** could by 2012 dictate where events are booked (avoiding environmentally-unfriendly destinations), how they are staged (incentive programmes with a philanthropic purpose), and result in an emphasis throughout on sustainability. The short-term goal will be for carbon-neutral events.
- younger '**Generation Y**' executives are proving particularly susceptible to the chance to gain extra perks and benefits through motivational programmes, notably incentive travel. Some destinations will seek to be repositioned as 'cool' and youthful.
- **Association meetings may well be concentrated and merged** in order to save resources ... resulting in events with a niche purpose (instead of general conferences), with a more businesslike focus (possibly avoiding resort-type destinations and pre-/post-tours,) and using direct access flights to minimise time away from the office.
- **rail travel for delegates** will become more important as a response to airport delays, its 'greener' connotation, and the increasing speed and comfort of trains.
- **online meetings solutions** will become more widely used – whether for managing the event, engaging external expertise and involvement, or in order to find short-notice availability.
- hotel branding and standardisation may have to be made less obvious and predictable as clients respond to globalisation 'sameness' by preferring **more personalised** and culturally authentic experiences.

- more attention will be paid to **delegate nutrition** using planned menu regimes intended to maximise concentration levels and alertness through meals featuring more protein/slow-release carbohydrates and less sugar and fats.
- awareness of **issues of multi-culturalism** will force a restructuring of meetings both to incorporate dietary and religious needs, but also contrasting group dynamics (e.g. in respect of decision-making, status and protocol, seniority, gender, inter-relationships, collectivistic v individualistic patterns of thought etc.).
- complexities in the MICE sector brought about by **political decisions** will not lessen, and may increase. Examples include flight taxes, destination surcharges for tourists, VAT variability and recovery, legislation affecting business tourism suppliers (e.g. criteria for professionalism, competition laws, licences), obtaining visas, the tax implications of reward-related travel, etc.
- major **global agencies** will capture more of the corporate MICE market because they can handle all arrangements seamlessly – from travel to venue selection, destination management and to event handling etc. They also have the strongest purchasing power, capacity for cost control, and capability in response to potential crises.
- **stress-reduction** and **well-being** will be viewed as essential elements of programme planning in order to improve delegate productivity during the event and after, and will take the form of relaxation interludes, advisory seminars, sleep improvement clinics, dietary therapies etc – and therefore the selection of venues with excellent spa credentials.
- the MICE sector will decide to **co-operate globally to encourage people to meet** face-to-face as a substitute for the anonymity and narrow-mindedness that can arise from predominantly electronic relationships.

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IMEX wishes to thank those buyers who responded to this research project.