



# The View from the Market

# Industry trends at-a-glance

## What's new

- What clients are doing
- Incentive and award trip trends
- State of sustainability



# What clients are doing

## Corporations



Delaying decisions as plans are in flux – shorter planning cycles



Budgets are flat, forcing hard tradeoffs



Corporate mandates to measure and reduce carbon footprint



More procurement and legal scrutiny.

Overall: **Pushing ahead**

## Associations & Trade Shows



Strong attendance across most sectors



Finding available space remains a challenge



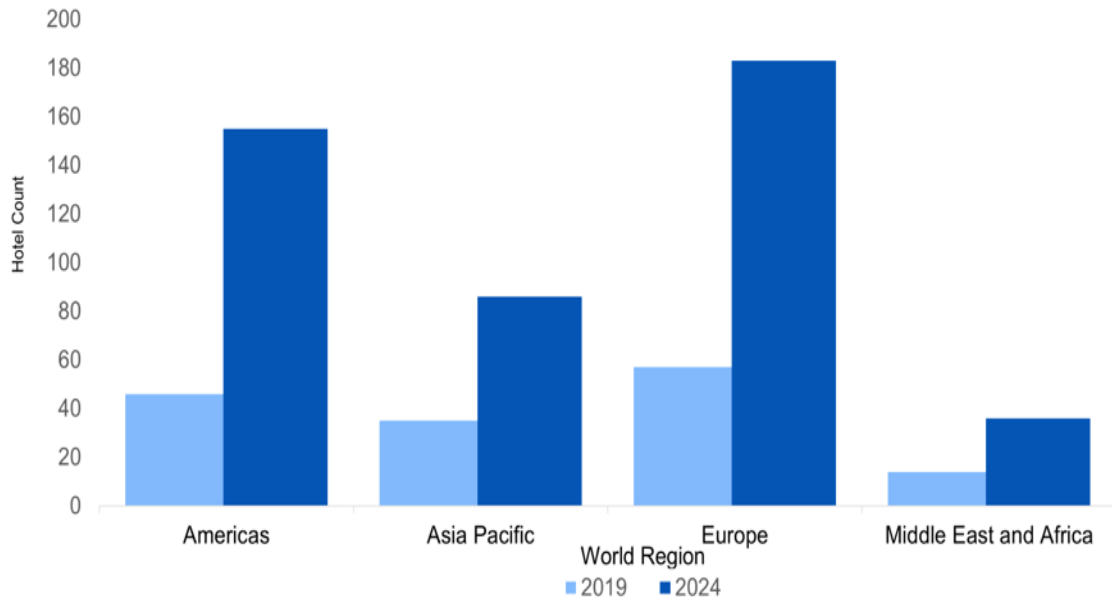
Evaluating strategies to grow revenue from attendees, exhibitors and sponsors, including registration fee structures and sponsorship packages



Acceleration of event technology, innovation and data insights are a critical focus

# More hotels worldwide with rates of \$1,000+

## Hotels with \$1,000 Average Rates Used To Be Rare. Not Anymore.



Source: CoStar, August 2024  
Data shows June year-to-date counts



# 3x

More hotels with average rates over \$1,000 in 2024 vs. 2019, jumping from **150** hotels to **460**.

# Client budgets haven't kept pace with inflation

## **The math isn't math-ing**

The cost to hold the same incentive in 2024 is **40% higher – and in some cases double – what it was in 2019. Something's gotta give**

With airfares eating up more of the program budget and room rates north of \$1,000+ per night, event planners are hard-pressed to deliver the 'wow' their stakeholders desire

## **Or worse ... suppliers aren't interested**

The cold, hard reality of this market is hoteliers have their pick among 3, 4, (or 8) groups competing for the same dates.

A tropical beach scene at sunset. The foreground shows a swimming pool with a blue and white checkered tile pattern. The middle ground features a sandy beach with several lounge chairs and closed beach umbrellas. In the background, there are numerous palm trees and the ocean under a bright, orange-hued sky. The sun is low on the horizon, creating a warm, golden glow. The entire image is framed by a white border with thin white lines forming a grid-like pattern.

# **Incentive & Award Trips**

The latest trends for trips that motivate and inspire

# Destination trends

## Most popular: Mainstays close-to-home

The majority of U.S. clients are opting for the tried-and-true incentive faves (Mexico, Caribbean, U.S. and Canada) over more exotic locales.

## Major European cities also see strong activity

Europe has gone gangbusters post-Covid, with the usual suspects like London, Paris, and Rome showing no signs of slowing.

## Asia sees some softening

While a segment of clients have the appetite – and budgets – to venture to Thailand, Australia, New Zealand, Japan or Vietnam, we’ve seen fewer sourcing APAC of late. Reduced air lift and higher fares for some locations – as well as travel distance and carbon footprint considerations – are factors.

### Most Popular Incentive Locations

**U.S. & Canada** – Arizona, California, Colorado, Florida, Hawaii, Nevada, Texas, Vancouver, Whistler, Banff

**Mexico & Caribbean** – Cabo, Cancun, Riviera Maya, Bahamas and Caribbean islands

**Europe** – London, Paris, Ireland, Italy, Spain, Portugal, Greece, Switzerland, Amsterdam





Consumers want to spend more time with the people they love, discover something new about the world or themselves, and savor some much-needed ‘me’ time. Experiences and individuality are in – the era of shore excursions for 40 on a luxury cruise is over – and customers will pay significant sums for travel that is genuine, well executed, and customized to their preferences.”

”

Peter Bates  
President and Founder of Strategic Vision  
Pulse of the Industry Survey, 2024

# DMCs take on experience

“Clients are looking for sprinkle-dust moments that aren’t high budget.”

*-Jeremy Brown, Director, 2B UK*

“There’s a desire for tailored experiences that highlight **Portugal’s heritage and natural beauty** – local cultural experiences, gastronomy and unique venues (historical sites, wineries, coastal locations). Destinations such as the **Algarve**, **Madeira**, and the **Azores** are of interest for their unique offerings.”

*– Miguel Assis, Partner, VOQIN*

“We receive more RFPs looking at doing ‘wow’ special events within **archeological sites in Italy** or unique experiences off the beaten track - and within those sites, creating the desired ambiance and special effect we want to produce”

*- Paola Marsiglio, CEO, i2travel*

# Experiences: Unpacking the buzzword



## Personal connection

**What it means:** A desire for meaningful time and interaction with friends and loved ones

### Putting it into practice:

- Shift in preference toward the small and intimate
- Forming meaningful connection with the local community.



## Discovery

**What it means:** A desire to satisfy curiosity, learn something new, 'go beyond'

### Putting it into practice:

- What makes the location unique, different, special.
- Do something they couldn't do on their own.



## Relaxing and recharging

**What it means:** Permission to restore, refresh, recoup

### Putting it into practice:

- The most desired activity is free time
- FOMO
- Consider offering blocks of time that are truly at-leisure with no scheduled events.



## **A few more trends**

**Major world events as the centerpiece**

**Clients are more open to all-inclusives**

**More requests for CSR and sustainability offerings**



# **Sustainability**

It's more than just water bottles!



## The 50,000-foot view

- Climate change and its real-time impacts make **the daily news cycle**
- **New Global regulations are in place** on reporting requirements for publicly and privately held companies
- **Companies face growing social pressure** from consumers/customers – especially younger
- Many have committed to **aggressive targets to net zero**
- Companies are **relying on their supply chain** to help get to net zero

**80%** F500 companies have climate targets in place

McKinsey & Company, 'Companies are Broadening their Commitments to Nature Beyond Carbon,' December 2023

# Impact on clients and their requirements of suppliers

- Require suppliers to respond to CDP & EcoVadis annually
- To keep scores up, suppliers must:
  - Measure Scope 1, 2 & 3 CO2 emissions annually
  - Vet their supply chain annually
  - Commit to Science Based Targets Initiative (SBTi)
- Several have more stringent requirements on their suppliers, for example:
  - Scores must be greater than 50 (EcoVadis)
  - Reduce emissions by 5% by 2024 and 10% in 2025
  - Carbon neutrality for Scope 1 & 2 emissions by 2025

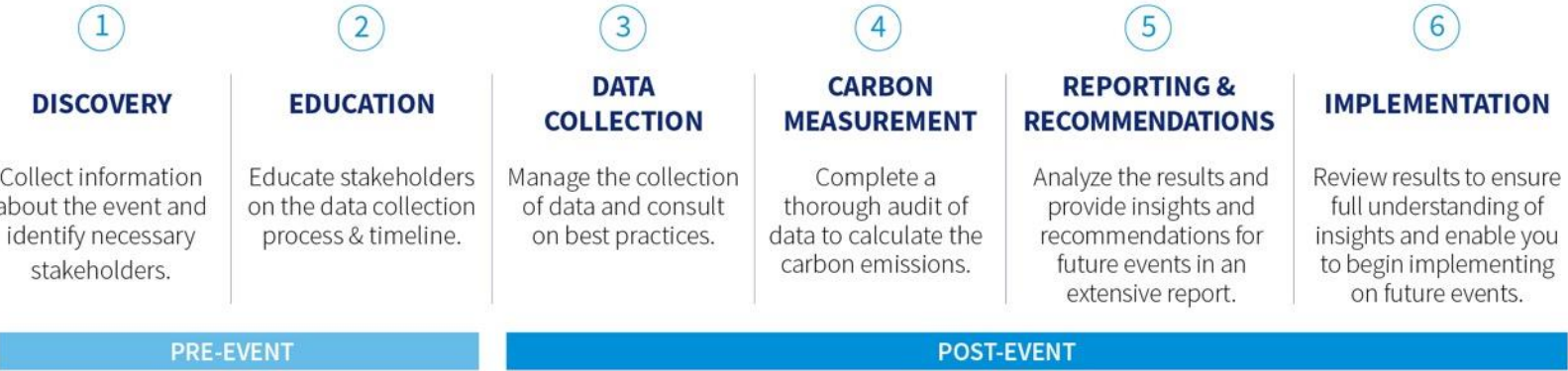
# We're here to help

Our **Carbon Footprint Measurement Tool** helps clients measure and then reduce the carbon footprint of their events.



## Maritz Carbon Footprint Measurement Tool – how it works

### The Maritz Carbon Measurement Process



### Who's using it?

- Global Fortune 500 clients in sectors ranging from automotive to technology to financial services
- Destinations International, the destination industry association, and various DMO members
- ... Us! We piloted it on two of our own events before bringing it to market

# International Meetings and Incentives

- Make it Easy!
  - Work together!
  - Highlight what makes New Zealand Special
- Appeal to Multi-national companies Regional Programs
  - Meetings/Incentives in APAC, NA, EMEA
  - Lower Carbon Footprint
  - Less time out of office
- New Zealand is Open for Business: Get the word out!
  - Doing things like this forum
  - Fam trips, Site inspections
  - Any kind of budget assistance
  - Bring industry events here
  - Promote at industry events
    - IMEX, PCMA, SITE, MPI

**How do we  
bring more  
programs to  
New Zealand?**

# Thank you