Convention 2020

The Future of Meetings, Venues and Destinations

Convention 2020 –
The Future of Exhibitions, Meetings and Events

Phase 1 – Pathfinder Report
Key Drivers and Strategic Challenges

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Convention 2020 – Key Drivers and Strategic Challenges – July 2010

Report Outline

Introduction
Convention 2020 is a global strategic foresight study that is looking at the sector from the 'outside in' and is designed to help leaders across the meetings industry prepare for the decade ahead to ensure they stay viable and competitive. The Founding Sponsors are ICCA, IMEX and Fast Future Research. The platinum sponsors are The Queen Elizabeth II (QEIICC) Conference Centre London, Visit London, Melbourne Convention and Exhibition Centre, Qatar National Convention Centre, Seoul Tourism Organisation, Athens Convention Bureau, Congrex and BestCities Global Alliance (Cape Town, Copenhagen, Dubai, Edinburgh, Melbourne, San Juan, Singapore and Vancouver). Kenes are the first gold sponsor. The Technology partners are Meetings:Review and TrendWiki.

The first project report, published in March 2010, focused on the 'future meetings experience'. The next report is to be published in July 2010 and will highlight key drivers of change and strategic challenges facing leaders in the conventions, meetings and events industry. This summary provides a taster of some of the key topics to be covered.

Drawing on a combination of desk research, expert interviews, workshops, online surveys and crowdsourcing of ideas via a TrendWiki, the key sections of this report will include:

- ***Looking Back*** - A review of key trends, issues and developments that have shaped the industry landscape over the last decade
- ***Taking Stock*** - A summary of current leadership priorities
- ***The Big Picture*** - An overview of critical global drivers of change that are shaping the world we operate in
- ***The Near Horizon*** - External trends and 'weak signals' likely to grow in importance in the next three years
- ***The Next Big Thing*** – Emerging industry levels trends and developments whose prominence could increase rapidly
- ***Lurking in the Labs*** - A timeline of key science and technology developments that might impact the sector by 2020
- ***Place your Bets*** - Key strategic challenges and choices facing business leaders and decision makers in the sector.

The following pages provide a short overview of some of the key themes that will be addressed in each of the sections.

Full details on the study, project outputs and the sponsorship opportunity can be found at www.convention-2020.com

If you would like to share your thoughts on the ideas below and suggest issues you think should be included please contact rohit@fastfuture.com

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Summary of Contents

1. Looking Back

The report explores the following key trends, issues and developments that have shaped the industry landscape over the last decade:

Strategic Developments	Management and Operational Themes
• Recovery from 9/11, the boom years and the global downturn • Competition, the need for creativity, and evolving formats • Globalisation and growth • Emerging meeting destinations • Capacity explosion • Growing focus on return on investment and learning effectiveness	• Expanding customer expectations • Shortening planning horizons • The quest for talent • Rising time and cost pressures • Transparency • The emerging green agenda • Technology and digitisation

2. Taking Stock

The report then goes on to summarise key current strategic leadership priorities across the sector including:

External Drivers

- The effects of the global financial crisis and the long term economic outlook
- 'National debt', the impact on public sector spending and the 'knock-on' implications for the private sector
- Keeping pace with commercial trends and emerging business thinking on engagement, channel strategy / routes to market, marketing, learning and knowledge creation
- Demographic & generational issues
- Airlines under pressure

Changing Industry Landscape

- The competitive challenge of new destinations
- Responding to overcapacity
- From schools to stadiums – the expanding competitive landscape
- The research gap
- Finding the right role and positioning for industry associations

Strategy Challenges

- The need for rigorous long term thinking
- New product development
- Finding viable business models
- Developing effective routes to market – attracting customers and attendees
- Organisation development – achieving the balance between operations and strategy
- Understanding the alternatives through the eyes of the customer

Event Level Considerations

- Determining event scope, strategy and design
- The quality & value of the attendee experience
- The level of professionalism within the industry
- Meetings technologies – pace of development, cost of implementation and rates of adoption
- The sustainability agenda

3. The Big Picture

In this section we will assess potential industry implications of critical global drivers of change that are shaping the world we operate in, including:

Political	**Economic**	**Social**
• Political power shifts • Country risk & international security • Uneven distribution of hope	• Economic power shifts • Economic uncertainty • Global asset flows	• Demographic shifts • City growth & urbanism • Rise of the Asian middle class • New 'learning on learning' • Advances in human health & performance enhancement
Technology and Science	**Environmental**	**Commercial**
• Global connectivity, the mobile economy and data growth • The internet of things • Advances in science & technology	• Total sustainability • Climate change • Energy consumption and the competition for natural resources	• The innovation imperative • Changing business models • Globalisation 2.0 • Talent Wars

4. The Near Horizon

This section examines the possible impacts of external trends and 'weak signals' likely to grow in importance in the next three years.

Trend	Context
Generational Issues	There are now five generations in the workforce. Generations 'X' and 'Y' make up nearly 70% of the global population - of which Generation 'Y' alone comprise 2.1 billion. Changing life-stages, succession issues and increased generational diversity will drive future challenges – how can we design events that truly cater to the different needs of multiple generations?
Emergent Social Behaviours and Beliefs	How can we satisfy a customer base with declining attention spans, that expects to be always-on, consulted, offered value-for-money, that's not afraid to ask 'why' and has a zero tolerance of failure?

Trend	Context
Personalisation	A social desire to be different is being met by a new wave of technology and business models, designed to give the customer what they want, when they want and in the form they want. What does event level personalisation look like – is it all about technology?
Social Interactivity	From tweets, to ‘flash-mobs’ to completing a successful mission in ‘World of Warcraft’; the desire for individual and group level participatory interaction appears to be increasing. Which event models best facilitate such high levels of interaction?
Travel & Tourism	The travel industry is responding to changing customer needs through increasingly tailored offerings (e.g. single sex, single religion), staycations, shorter trips, digital I-phone concierge service applications, environmental footprint monitoring and alternate business models such as reverse auctions and lowest price guarantees. What expectations does this raise in the minds of event owners and attendees?
The ICT Assault	The information and Communications Technology (ICT) sectors are bringing many products and services to market that could benefit the meetings industry. At the same they are also mounting an aggressive campaign to promote the environmental, time and cost savings of meeting electronically rather than travelling to events. They are actively marketing videoconferencing, virtual events, mobile video and a variety of other solutions as alternatives to meetings. How can the industry find smart ways to demonstrate the strategically important role physical meetings still play and where they fit in the spectrum of alternatives?
From CRM to ERM	Business has embraced Customer Relationship Management (CRM) thinking to manage, measure and evaluate all forms of customer interaction. Can the industry adopt similar concepts for Event Relationship Management (ERM) to deliver a far deeper picture of an individuals’ event experience?
Cognitive Enhancement	How will the industry react to the ever-increasing range of legal stimulants that can enhance human faculties such as mental performance and alertness?
Data, Information and Knowledge Management	Vast amounts of data are captured (or available) throughout the lifecycle of an event. How can this be harnessed to provide analytical data, predictive behavioural insights and generate valuable new knowledge?
Social Media / Web 2.0 3.0 / 4.0	The landscape of social engagement tools is expanding. What economically viable and operationally sustainable strategies can industry players adopt for using the media across the event lifecycle from planning through to post-event measurement?
Virtual & Immersive Technologies	Virtual & immersive technologies are converging to a point where they are more affordable, practical and understood by business. How well is the opportunity understood by the industry?

5. The Next Big Thing

This section explores emerging industry level trends and developments whose prominence could increase rapidly. These include:

Trend	Context
Structural Shifts	Competition, questions over service offering and value, industry consolidation, a raft of new players and the emergence of new global destinations are all driving thoughts on structural change. Boundaries will shift with venues increasingly competing with PCOs to offer event management, new alliances emerging and greater use of networked ecosystems coming together on a temporary basis for specific events.
Talent & People Development	There is a growing recognition of the need to recruit and develop professionalized skill sets, advanced strategic thinking capabilities, creativity and a deeper appreciation of technology.
Event Economics & ROI	The decision to hold an event is a commitment to an investment. The goals may be increased sales, business retention, operational improvement, enhanced education, employee satisfaction, brand awareness or a range of other possibilities. The industry will come under increasing pressure to develop sophisticated measurement approaches, educate customers on how to approach measurement and demonstrate a clear linkage between the goals, design and economics of a meeting.
Marketing & Public Relations	Marketing, PR and lobbying are all evolving rapidly. Techniques such as behavioural economics, contextual marketing and word of mouth have become critical tools which the meetings industry and individual players must become adept at.
Meeting Architecture	A relatively new approach within the industry, Meeting Architecture is the discipline of designing meetings from a content perspective based on the achievement of pre-set objectives. It places far greater emphasis on looking at and designing the event experience through the eyes of a delegate.
Hybrid Events	Blended events combining physical and virtual sessions, exhibits, and other experiences are becoming commonplace. Will this become the norm for association conferences?
Event Management Technologies	The range and choice of technologies is expanding rapidly. Many require a fundamental rethink of business processes for them to be effective. Used correctly they can transform the planning, delivery and value extracted from an event.
Audio Visual Technologies	An ever expanding range of new technologies offers the potential to transform the delegate experience. The rate of development and costs involved are forcing venues, PCOs and event owners to think about their long-term technology management strategies.
Corporate Social Responsibility (CSR)	The dialogue is evolving rapidly on what being a good corporate citizen entails. At the same time, trust in business is declining in many countries. The industry has come late to the game and players must demonstrate they can contribute to client CSR goals and have a clear CSR agenda for their own business.

6. Place your Bets

This section draws together the previous analysis to identify key strategic challenges and choices facing business leaders and decision makers in the sector. These include:

Challenge	Key Choices
Context	*Horizon Scanning* - How can we build an effective radar system to provide a stream of insights on the changing external context and trends, developments and new ideas within the sector? *Extracting Value* - How do we manage our research activity to ensure it informs and inspires strategic and operational decision making? *Scenarios* – What are the different plausible scenarios we can see for the external environment? How would our current strategy hold up under each scenario? Where are the risks and opportunities under each scenario?
Strategic Management	*Customer Alignment* – How can we get closer to clients and prospects, see how they perceive the short, medium and longer term future and understand their strategy and business priorities? *Strategic Management* – What processes and resources do we need to develop and implement strategies for the short (1-2 years), medium (3-5 years) and longer term (6-10 years)? *Direction Setting* – How do we align the composition and focus of our board to ensure they are addressing the longer term and strategic matters as well as operational issues?
Business Strategy	*Mental Model* – How do we see ourselves on the spectrum from real estate rental through hospitality management to strategic business solution? All are valid choices – the key is to position, manage and align ourselves accordingly. *Business Positioning* – Where do we see ourselves on the spectrum from efficient low cost operator to strategic innovator and thought leader? *Strategic Direction* – Where do we want to take the business over the next 2-10 years? *Competition* – Given our desired positioning, who will be competing with in the eyes of our customers? *Growth Strategy* – What are the key drivers of growth – organic, Joint Venture, acquisition – is growth a given? *Value Proposition* – Can we develop unique intellectual property, technology solutions, service models or other 'assets' that can become streams of value in their own right – outside of our events?
Service Offering	*Core Proposition* – What do we see as our core offerings? What are the added value service we could develop to enhance our proposition? *Boundaries* – Where does our service start and end – e.g. should venues move into meeting planning and event creation? *Service Design* – Which are the key activities we will deliver in-house and which through partners? *Revenue Generators* – What additional streams of revenue can we develop either for our own income or as options for our customers?
Business Models	*Viability* – What assumptions underpin our current business model? How realistic is the model in the face of the emerging economic scenarios?

Challenge	Key Choices
	Experimentation – As clients become more demanding, how willing are we to experiment with ideas such as revenue sharing? *Pre-emption* – Should we wait for customers to demand change or could we gain competitive edge by being first to market with alternative business models?
Marketing	*Brand Positioning* – How do we want the brand to be positioned in the eyes of our customers and relative to our competitiors? *Channels* – What channels to market will best position us given our strategy, service offering and desired brand positioning? *Thought Leadership* – If we see ourselves as a genuine innovator and thought leader, what actions will we take to establish or enhance that positioning? *Word of Mouth* – What active approaches can we adopt to driving positive word of mouth about our organisation? *Digital Engagement* – how are we working with our online audiences and markets to help identify and address their needs?
Business Development	*Performance Measurement* – How do we measure the effectiveness of our current business development approaches – what do the trend lines tell us? *Customer Insight* – What do the customers tell us about how our sales approaches compare with our competitors? How do our customers do business development? *Business Intelligence* – What approach are we adopting to identify future opportunities – e.g. emerging business issues, new commercial sectors, growing professions and associations that may need meeting support?
Business Ecosystems	*Associations* – Which associations should we be part of, how can we help ensure those associations are challenging, developing and supporting us? *Alliances* – Could joining an industry alliance help with marketing, service development and stretch our strategic thinking? *Advisory Board / Thought Partners* – do we need to formalise a relationship with key people who we will meet with regularly to provide us with fresh perspectives, challenge our assumptions and extend our thinking?
Event Design	*Meeting Architecture and Experience Design* – Should this be part of our offering, what skill sets do we need to do it effectively? *Cocreation* – How can we bring participants into the event design process? *Event Models* – What are we doing to ensure a constant flow of ideas on different event models?
Return on Investment	*Model Development* - What are we doing individually or through our associations to develop more sophisticated models of measurement that truly capture the post-event impact? *Relative Positioning* – How can we demonstrate how live meetings compare with the alternative mechanisms through which clients might seek to achieve their goals e.g. discounting, advertising, sponsorship, PR, video briefings or online events?
Innovation	*Customer Focus* – In which areas are customers and prospects demanding

Challenge	Key Choices
	the greatest change and innovation? What models are they adopting to drive innovation in their own businesses? *Process* – Do we want to formalize an innovation process in our organisation? What are the current internal roadblocks to delivery of new ideas? *Low Cost Innovation* – How can we tap into the ideas of customers who walk through the doors of our events? Which event owners are most willing to try new ideas?
Talent Management	*Recruitment and Development* – What are the core skill sets we need to develop and recruit to deliver on our desired strategy? *Rewards* – How will we need to evolve our reward systems to attract and retain the best talent? *Culture* – What kind of culture would be consistent with the business we have described through our earlier answers? How closely does our current culture reflect that?
Organisation Design	*Balance* – What is the right balance between strategic thinking, innovation, business generation and operational delivery for our organisation? *Effectiveness* – How well does the current organisation design support the way our clients want us to work and the way we deliver our events – where are the points of tension, communications breakdowns and 'ownerless issues'? *Lean Management* - Given the anticipated turbulence of the next decade, what are the crucial roles to retain in-house and which should we consider outsourcing or just contract in on an 'as required' basis?
Sustainability	*Environmental Goals* – What are our targets for driving down our environmental footprint over the next 2, 5 and 10 years? *Responsibility and Rewards* – Who has the responsibility for coordinating the identification and implementation of improvements? How will those improvements be rewarded? *CSR* – What are the expectations of customers, what are our own desires – what targets should we be setting ourselves over the next 2, 5 and 10 years?
Technology, Data and Knowledge	*Technology Strategy* – Do we have an affordable technology strategy that is consistent with our desired positioning and service offering? What should we look to provide in-house, what do we want our partners to deliver? *Data Strategy* – What is our strategy for capturing, managing, analysing and exploiting the data generated from our events? *Knowledge Strategy* – How can we help customers capture and integrate the knowledge generated at our events?