



Switzerland.

# Market situation Germany.

Switzerland Convention & Incentive Bureau (SCIB).

[MySwitzerland.com/meetings](http://MySwitzerland.com/meetings)



# 1 MARKET SITUATION AND OUTLOOK.

## 1.1 General economic situation in Germany

According to experts at the Ministry of Economics, the economic situation in Germany is divided into two parts: On the one hand, the mood of service providers is said to have improved greatly in recent months as a result of the progress made with vaccinations. "Individual consumption is the driving force behind the economic recovery at the moment." On the other hand, the manufacturing sector is suffering from a historically unprecedented shortage of intermediate goods. This has been slowing down the industrial economy, particularly in the third and fourth quarters of 2021.

According to reports by the Federal Statistical Office, the fourth quarter of 2021 saw a 2.1% increase in GDP. Consumer prices in Germany increased by 3.1% on average in 2021 compared with 2020. This was mainly due to the high monthly inflation rates in the second half of 2021. As further reported by the Federal Statistical Office (Destatis), the inflation rate in the previous year had still been at +0.5%. The last time an annual inflation rate higher than in 2021 was recorded was almost 30 years ago (1993: +4.5%).

The unemployment rate increased by 0.3% and was at 5.4% in January 2022.

**Conclusion:** Much will depend on the new coalition government and the corresponding decisions and investments in the areas of climate, education, infrastructure and transport policy, among others. We expect positive economic growth, especially for the travel industry.

## 1.2 The German meetings industry

How quickly business events in Switzerland can be realised again continues to depend heavily on the external conditions with regard to COVID-19. The desire for face-to-face events is noticeable everywhere, but it is not possible to derive reliable forecasts from this due to the many unknowns at play. Based on the usual lead time, the first business events from Germany can be expected with the appropriate delay of three to four months after the lifting of the coronavirus restrictions.

### 1.2.1 Meeting formats

Based on the information provided by meeting planners, the number of participants in hybrid and virtual events was determined:

The information provided by the organisers from Germany varies, which is why the calculation was made using a weighted average.

For the scientists and companies, the ratio of presence to **hybrid** is approx. 6:1 in each case; for the associations and others, it is only 2:1 – with the overall weighted ratio coming out at 4:1 as a result.

For the ratio of presence to **virtual**, the figures vary between 1:2 for the associations and 1:19 for the scientists.

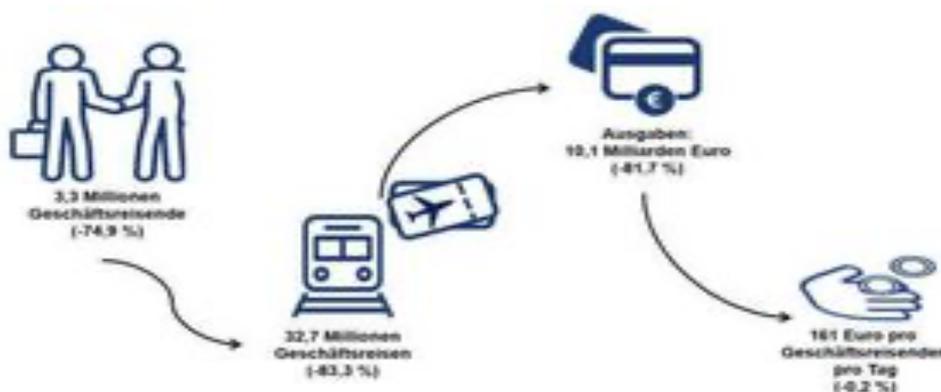
Source: EITW, Anbieter- und Veranstalterbefragung 2021

### 1.2.2 Business travel

More than 80% of companies in Germany only allow business travel in exceptional cases. The majority continue to decide on relaxations at short notice.

Source: Survey of 10.12.2021 by VDR among selected companies

The German Convention Bureau, together with the German National Tourist Board, launched the recovery campaign and corresponding website [www.safebusinessstrips.de](http://www.safebusinessstrips.de) on 24 August. In these times of the pandemic, safety and transparency are key topics in connection with business-motivated trips. All partners accompanying a delegate's journey are invited to introduce their hygienic and safety concepts plus measures. The aim is to build trust in the "new normal" of a business trip by showcasing best practices to interested travellers. The platform on safe business travel signals a positive outlook for the future and a pragmatic start for future business travel.



The association of German Travel Management (VDR) has released its annual business travel analysis on 6 September, stating a stark decline of 83% in business travel for 2020. Business travel spendings were reduced by 81.7% and, at 10.1 billion, has reached the lowest level since data collection began 19 years ago. A total of 32.7 million business trips, with a total of 3.3 million business travellers, took place in 2020. Looking at small and medium-sized companies, the few trips that were realised were of a longer duration than in previous years. Larger corporates reported the opposite behaviour, as normal overseas trips could not be realised at all. Video conferences are part of day-to-day business in most companies, and 87% of all questioned corporates state business travel will remain on a much lower level than before the crisis.

Source [Safe Business Trips](#)

Source [VDR Business Analysis reports severe decline in business travel](#)

### 1.3 Outbound business & RFPs

We had a few requests for business events happening in Switzerland from the Germany market. As an example, a ski-incentive trip from Cologne with 260 pax or a summit from RMI Analytics with 150 delegates for September 2022.



## 1.4 Coronavirus – restrictions for the meeting industry

Information updated on a daily basis regarding the coronavirus situation in Germany can be found at <https://www.bundesgesundheitsministerium.de/coronavirus.html>

## 1.5 General trends of the meetings industry

The Strategic Alliance of the National Convention Bureaus of Europe has published an update of its 2020 study on “The Impact of Coronavirus on Europe’s Convention Sector”. The report, prepared by Tourism Economics, provides three recovery scenarios to reflect the possible range of developments given the level of uncertainty regarding how the pandemic situation will develop over the coming months.

The baseline scenario assumes lingering restrictions and negative sentiment effects in 2021 will mean a recovery will not begin until 2022. To consider key risks that affect the baseline assumptions, such as vaccine supply and rollout, the timeframe for current restrictions and future behaviour of convention participants, the study also looked at an upside and downside scenario.

The upside scenario anticipates an early easing of restrictions, a rapid upturn in economic growth and limited negative sentiment effects.

The downside scenario anticipates some additional restrictions being maintained into 2022. This scenario assumes that the format of conferences and meetings will be different for some years to come, with many entirely virtual or entirely hybrid events.

In particular, the changes to attendee behaviour with respect to virtual attendance and hybrid set-ups signal the road to recovery, and this brings with it the need to develop appropriate and innovative products to inspire and engage participants in the future.

With respect to business travel, a general decrease of 30% compared to pre-crisis figures is expected to be the new normal in the coming years. The need for a business trip will be evaluated even more carefully than it is at present, taking the interests of the company, expectations of clients and staff into focus and consideration.

### 1.5.1. Megatrends for 2022 include:

- **A boost to digitalisation and new working worlds:** 84% of managers responsible for travel management will look into integrating the ability to work from anywhere into their plans. As a consequence, there will be a rise in demand for event consultancy on how to best reach internal communication and meeting goals, giving due consideration to this new working world.
- **Sustainability** as a smart link between physical and virtual venues: Cost savings, consideration with regard to safety and increased technology meet the power of a sustainable unique experience. Within Germany, there will be an increase in train travel linked to a decline in air travel.
- **Safety first:** Focus on the needs of customers and participants regarding safety requirements but at the same time acknowledge that the way in which people learn or share knowledge is shifting, which affects events as important platforms for knowledge transfer.

Source [The impact of coronavirus on Europe's convention sector](#)

Source [VDR -Trends for business travel](#)



## 2 TARGETS.

Listed below are the current qualitative goals of the SCIB in 2022.

### 2.1 Qualitative goals

- Establish the subjects of “Sustainability” and “Corporate Social Responsibility” in the market with related activities
- Evaluate and push cross-market projects
- Establish & explore new paths along the 4-wheel drive, to market Switzerland as a meeting, incentive and conference destination
- Continue with the sales calls approach as a field time activity
- Raise awareness and maintain existing clients’ interest in Switzerland
- A fast, proactive and professional approach to RFPs towards the market
- Continue to support buyers with our valued quality service
- Ensure that buyers know about innovative programme ideas
- Further penetration of the association market
- Target corporate clients with a special interest for Switzerland
- Bring more clients to our website [MyS.com/meetings](https://mys.com/meetings)
- Establish a proactive – rather than reactive – Austria market approach



### 3 DATABASE GERMANY AND AUSTRIA.

The SCIB's database consists of relevant contacts from Germany & Austria (as of 10 February 2022).

<b>Kind</b>	<b>Contacts</b>
Agency	4,233
Corporate	1,813
Association	401
Media	95
<b>Total</b>	<b>6,542</b>

### 4 DETAILED MARKETING ACTIVITIES.

Further details of past, present, and future marketing activities can be found at [www.stnet.ch](http://www.stnet.ch), which can be accessed using your personal username and password.