



Switzerland.

Market situation North America.

Switzerland Convention & Incentive Bureau (SCIB).

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1 MARKET SITUATION AND OUTLOOK.

1.1 Economic situation

The North American market conditions are interesting to say the least. They are both steady and unstable. Most of the regions are slowly recovering, but that recovery is subdued. The economic environment is volatile, as reflected in the wild swings in the financial markets this year, and there are a lot of interrelated and unresolved issues contributing to this uncertainty. The most significant are the pandemic-related supply chain issues that continue to stifle economic growth. Most experts expect the supply chain issues to resolve relatively quickly as vaccination cases rise, infection cases fall, and countries work to ease pandemic restrictions.

Another issue is inflation and the US Federal Reserve's decisions on interest rates, which will have a global impact. And finally, the geopolitical tensions relating to NATO/Ukraine/Russia as well as the US/China. As you can see, the US plays a central role in all these concerns, and any action in one area may well cause an unpredictable change in another.

With respect to inflation and interest rates, there is reason to watch closely since the Federal Reserve's decisions on interest rates are tied to the trend of inflation. If inflation persists then the number and size of interest rate rises will increase. Obviously, this would not be a good thing for any business, but for our industry especially, given the already fragile state of recovery. The greater the level of inflation and the higher the interest rates, the greater the probability of a global slowdown or economic recession. As a result, I feel it's fair to say that despite the clear pent-up demand to get back to business as usual, we can expect clients to proceed with caution until there is more clarity on the economic front.

The other – and perhaps more frightening – concerns that cannot be ignored relate to the geopolitical tensions amongst several of the worlds "Superpowers". This may be of greater concern to Western Europe than North America, given its geographical proximity to the potential areas of conflict. Add to this the upcoming Midterm Elections later this year in the US and the way that this may influence America's actions and you can see how precarious a situation we may be in. No matter what happens, these things can and will impact the kinds of choices businesses make. Indeed, by the time you read this, the situation in Ukraine may have evolved in a significant way.

1.1.1. United States

The political gridlock, as it is known, has continued in Washington. While President Biden had some early legislative wins, these wins have become fewer and farther between. Several of the Administration's policy initiatives relating to infrastructure investments, climate change, voting rights and immigration remain unfulfilled.

The US economy has held up well, despite the extremes of the stock market so far this year. US consumers continue to spend, even if with more caution. Unemployment remains low, and as the wave of Omicron passes many larger US cities are rapidly easing pandemic-related restrictions and trying to encourage business. Overall, economists see GDP growing by 3.8% in 2022, and by 2.5% in 2023, and our panel sees the economy expanding by 2.5%. Despite a domestically and internationally challenging environment, the US economy is still the largest and most important in the world, representing around 20% of total global output.



1.1.2. Canada

The OECD forecast that, in 2022, Canada's economy will expand by 3.8%. Compared to last year, that expansion is expected to be lower than the global average of 4.5%, but on a par with many of its similarly sized global counterparts. Despite signs of recovery, Canada, like other countries, continues to face lingering pandemic-related issues because of some of the strictest restrictions in this region. According to the organisers, these restrictions are the reason for a now two-week-long protest and road shutdown by freight truckers in Ottawa and the busiest land crossing point between the Canada and the US over vaccination mandates. It is becoming a serious concern for the Canadian government, just as it's trying to reopen, further compounding the budgetary issues relating to its pandemic response. Generally, Canada has enjoyed a relatively stable domestic economic environment relative to its peers in the region. As the country returns to normal, I believe it is more than reasonable to expect that the situation will stabilise.

1.2 Business events industry in general

The global pandemic forced most face-to-face events to be abruptly put on hold for nearly two years, followed by a swift switch over to virtual events and then to more long-term planning on hybrid-event designs. The rapid changes swept the industry, forcing legacy meeting planning agencies to close and many corporate and event professionals to lose their jobs. It also resulted in mergers and acquisitions of planning agencies. Creative Group, a full-service meeting, incentive, and recognition company, acquired Strategic Meetings and Incentives, an agency with a client portfolio that includes telecommunications and technology firms. Creative Group's action follows Motivation Excellence's announcement that it had merged with Viktor Incentives.

Our industry, while put on pause for longer than expected, is forging ahead. The implementation of pragmatic COVID-19 protocols allowed us to host several events safely. This is a testament to the professionalism, dedication, and respect shown by all our partners and colleagues.

The IRF (Incentive Research Foundation 2022 Trends Report) provided some insightful research, reinforcing the importance of engagement and incentive programmes for a healthy company culture, recruitment, and retention programmes, especially when it comes to helping combat trends such as "the great resignation". In addition, with the ever-increasing remote workforce, fostering a feeling of connectedness is an important part of any incentive programme.

1.3 Situation of the meeting industry & trends

Here are some recent webinars and studies that describe some of the ways in which the events industry has changed:

1. Parallel planning – always having all options in mind (in-person, hybrid, virtual)
2. Attention! Content, the key to an engaged audience
3. Contracting & protocols in the age of COVID-19
4. Resilience – Preparation, including travel policies, health & safety emergency, risk & crisis, which will protect the organisations from:
 - financial loss
 - legal liability
 - reputation damage
5. Workplace/environment & employee engagement



It's clear the way we work has changed permanently. Global business giants such as Alphabet/Google, Goldman Sachs, Microsoft and several others have implemented a semi-permanent hybrid work schedule for their employees. We are working and living in a new world, and our successes in that world are going to hinge on how well we respond and adapt to the changes that are arriving faster than we perhaps would have imagined.

You can rest assured that SCIB NA continues to maintain a positive mindset and focus on delivering the best we can for you, despite the challenges and changes that may arise. We continue to be passionate about our product and work to help our clients produce successful events. Thank you to our partners for their support.

2 RFP SITUATION IN NORTH AMERICA.

The RFP situation in NA remains challenging. Our primary challenges come from the unpredictability of travel disruptions and changing restrictions, rules and so on. The recently implemented 270-day vaccination rule, and the requirement to have a Swiss COVID-19 certificate to attend indoor activities, further complicate the planning of events. Given these changes, it is understandable that there is some hesitancy on behalf of NA clients to commit to, or even consider, overseas destinations at the moment. We recently had nine upcoming events cancelled due to the pandemic.

On a more positive note, we have received 10 RFPs since the start of 2022. We were also able to support our first site inspection for a client, which was planned on very short notice for a programme this September, in spite of all the uncertainties. Another client is hosting a ski trip in mid-February with 44 pax in Switzerland.

A recent survey confirmed that around 46% of event planners are planning their first in-person event already in Q1 of 2022, and while this is on a domestic scale, it's still very encouraging. We are hoping for planners to gain confidence and to start requesting/booking for Q2/Q3 and beyond. Flexibility from our side remains key.

1.1.2022 – 31.12.2022

10 RFPs received with a total of 6,129 overnights (Jan–Feb 2022)

- 0 RFPs carried out in Switzerland (Jan–Feb 2022)
- 32 RFPs confirmed for 2022 with a total of 32,816 overnights (also from previous years)
- 48 RFPs pending with a total of 107,029 overnights (also from previous years)

3 TARGETS.

3.1 Qualitative goals for 2022

- Before doing ANYTHING, get clarity on what attendees need
- Be flexible – be prepared for changes either in the deliverables or the audience expectations
- Make the changes necessary to keep events relevant

- Communicate clearly
- Revisit inherited contracts & discuss cancellation policies
- Functional budgeting
- Partner with professionals who can make the event seamless in all formats & nurture relationships
- Sustainability/green travel more of a cliché
- Uncertainty is the new certainty
- #strongertogether

3.2 Quantitative goals for 2022

- Number of qualified contacts in the database: 6,600
- Qualified client contacts: 1,500
- Number of days with customers: 40
- Number of requests: 85
- Number of conferences, meetings, and incentives in Switzerland: 20
- Number of directly influenced overnights: 10,000
- Web visits on meetings/incentives: 5,500
- Web visits on destination weddings: 4,000

4 CURRENT DATABASE FIGURES.

Type	Contacts
Agencies	3,384
Corporates	1,781
Media	114
Associations	1,052
Wedding planners	75
Others	9
TOTAL qualified contacts	6,415
<i>Inactive</i>	<i>1,258</i>



5 DETAILED MARKETING ACTIVITIES.

Further details of past, present and future marketing activities can be found at www.stnet.ch, which can be accessed using your personal username and password.