

1 MARKET SITUATION AND OUTLOOK.

1.1 Economic situation

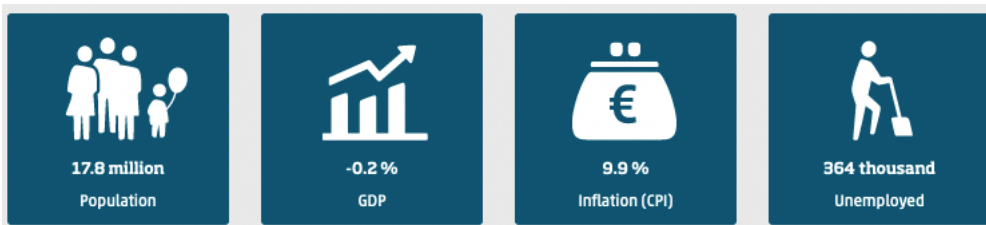
Economic Forecast Summary (November 2022)

Following a 4.3% expansion in 2022, economic growth is projected to slow to 0.8% in 2023 and 1.1% in 2024. Inflation is expected to moderate to 3.9% by the end of 2024, after peaking at 15.4% in the fourth quarter of 2022. Private consumption is projected to weaken in the short term, but will gradually strengthen, aided by government support measures and welfare adjustments. Despite a small increase over the projection period, unemployment will remain low at 4.3% in 2024 as the labour market remains tight. The fiscal stance set out in the 2023 budget is expansionary. The energy price cap to cushion the impact of high energy prices on households is needed but should be targeted more towards lower income households and better incentivise energy savings. The government should continue to tackle structural challenges, prioritising an acceleration of the green transition to ensure energy security and reduce fossil fuel dependence.

The Dutch direct dependence on Russian gas is limited, only 3-4% of energy consumption was imported from Russia in recent years. Gas storage levels over 90% and a 25% reduction of gas consumption in the first half of 2022 significantly mitigate the risk of gas shortages. Nevertheless, the Netherlands is a net-importer of gas and therefore vulnerable to spill-over effects from rising global energy prices. The government will introduce an energy price cap in 2023 to protect households and other small energy consumers as well as a separate measure that provides an allowance to energy-intensive SMEs. The cap covers the difference to market prices and could have a significant budgetary impact if energy prices are persistently high, as assumed in the projections, or if demand is high, due to weather conditions. Russia's war of aggression against Ukraine has led to an inflow of 82 000 refugees to the Netherlands by the beginning- of November. Around 40% of the earlier arrivals were employed by end-August.

(Source: OECD ECONOMIC OUTLOOK, VOLUME 2022 ISSUE 2: PRELIMINARY VERSION © OECD 2022)

Statistics Netherlands 2022



(Source CBS)



1.2 Situation of the Meeting Industry.

The studies mentioned underneath state the following:

Critical price trends

The entire industry is affected disproportionately by the price increases. The price for events with up to 250 people has increased by 58% compared to 2019, for events with 600 people by 55% and for events with a maximum of 1,500 people by 46%. To make matters worse, sales have decreased by -68.4% in 2022. Furthermore, there is only about half the number of skilled workers compared to 2019. Due to this, countless projects cannot be implemented, and valuable revenue is lost.

Effects of the increases on the industry

Hosts and commissioning companies will have to expect further cost increases. Thus, live events will be used more selectively in the future and will be equipped with more generous budgets. At the same time, the stricter requirements regarding sustainability and hygiene will become an inherent part of all fair and event concepts. There will also be changes in lead-in times and order deadlines both of which will increase due to suppliers' workload. Building materials, AV technology and rented furniture will also register longer delivery times than in 2019.

Author: Bundesvereinigung Veranstaltungswirtschaft & R.I.F.E.L.

Source: LivecomAlliance, July 2022

Sustainability

In the coming years, the focus will increasingly be on sustainability. Sustainability is not only important for the future of our planet and not only for social responsibility, but also for the live communication industry. Clients and government attach increasing importance to sustainability and in the longer term it will save effort and money.

Author: Julia Hagen

Source: BDO/CLC-VECTA, July 2022

1.3 Meeting Trends in the Netherlands

MVO and sustainability

Carbon neutral. Compensate for what you emit! There are more and more tools to calculate your emissions. From just your transport to everything you do and/or use.

Travelling by train

More and more companies are choosing to use the train (where possible) to travel to their destination. But in some cases, flying is more convenient, faster and sometimes the only option. Many European railway companies are working to improve and speed up their routes and connections, also between the different countries. So, the train is going to gain ground in the coming years. Also, between cities themselves or as a transfer from the airport to the city center, the train is increasingly the best and fastest choice! In addition, traveling by train offers many other advantages

Green hotels and event locations

More and more hotels are becoming more sustainable to obtain a green key (or similar) certification. From complete renovations, clean energy sources, dealing with F&B differently (e.g., more local) and the processing of waste or (linen) cleaning. These efforts must also be demonstrated to receive and maintain certifications.



Authentic

Embrace your culture and history! In recent decades, many “world cities” have become busier, more commercial and larger. Many large (international) retail and food chains predominate in the city centres. Mass tourism means that the residents sometimes no longer feel at home in their own city. Here you see a clear change. Cities and regions are again opting for quality over quantity and for slow and authentic.

Local is the new global

Eat local. The local purchase of food is a trend that has been going on for a while and is almost impossible to imagine without the many (star) restaurants. Think of purchasing locally, for example directly from the farmer, growing vegetables and herbs yourself (organically) and consuming the products locally. Less transport is needed and there is no purchasing within a large chain, so that products often retain a fairer price, do not need to be processed and arrive fresher on your plate.

Slow food

Slow food preserves the cultural or traditional cuisine and with it the original use of crops, seeds, animals and agricultural practices of a region.

Off the beaten track

Nature is calling. Of course, it is wonderful to walk around in a bustling city and immerse yourself in the culture, beautiful architecture and best restaurants. But you also see that within a program the combination with nature is increasingly being made.

Author: Diewertje Reekers
Source: GoMice

- Responsible travel (sustainability is top of many travel managers) priority lists.
- Travel within Europe (less long-haul destinations).
- Short-term proposals will remain.
- Short response time is a plus.
- Flexibility will be key in planning ahead.
- Dutch are price sensible. High end doesn't necessarily mean 5* superior.
- Social media: 8 million (of 17,5 million) has an account on LinkedIn.

1.4 RFP situation in the Netherlands

Many agencies have been shrunk after the pandemic. The ones who survived have a lot of inquiries, often last minute. Every day you see on social media vacancies, we are hiring. Since August/September 2022 the market is recovering slowly, and people get more confidence in the future.

2018 RFP's 67, Carried out (CH) 46, Overnights 7146, Turnover CHF 2'379'616.
 2019 RFP's 72, Carried out (CH) 36, Overnights 5861, Turnover CHF 1'951'713.
 2020 RFP's 31, Carried out (CH) 11, Overnights 1766, Turnover CHF 588'078.
 2021 RFP's 31, Carried out (CH) 5, Overnights 328, Turnover 109'224.
 2022 RFP's 57, Carried out (CH) 18, Overnights 3'416, Turnover 1'137'528

Several agencies are preparing teaser-packages. Switzerland is top of mind. Economically stable and solid country, which you can reach by public transportation (train). Switzerland is perceived as a sustainable high quality destination.

2 TARGETS.

Qualitative:

- Maintaining a strong market presence and remaining aligned with market needs and developments.
- Generating new awareness and keeping existing clients interested in Switzerland.
- Continue to support buyers with our much-valued quality service.
- Deepening our connections.
- Update and evaluate existing contacts in database.
- Fast, pro-active, and professional approach towards the market.

3 CURRENT DATABASE SITUATION.

Kind	Contacts December 2021	Contacts December 2022
Agencies	560	616
Corporates	473	492
Association	199	202
Media	30	30
Wedding planner	10	12
PCO	53	59
Others	60	60
Total	1385	1471

Decrease of contacts due to COVID-19. Database March 2020 we had 1650 (22% lost their job) contacts. After August/September 2022 increase of contacts, renewals and new once's.

4 DETAILED MARKETING ACTIVITIES.

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