Switzerland.

Market situation France.

Switzerland Convention & Incentive Bureau (SCIB).

MySwitzerland.com/meetings

1 MARKET SITUATION AND OUTLOOK

1.1 Economic situation

French GDP is projected to grow by 0.8% in 2023. In fact, Russia's invasion of Ukraine, supply chain disruptions and elevated energy prices have dented economic prospects but have not generated recession. Inflation is expected to stay high at 6.1% in 2023 and to decline to 3.1% in 2024 (source Oecd "Economic Outlook June 2023).

The outlook depends on the sectors. Supply chain difficulties tend to decrease in the industry and construction sector. Prices for raw materials decrease as well, but only 9% of CEOs in the industry sector declare having be able to raise their selling prices in July. Production in sectors like IT, electronics, clothing and automotive are in growth whereas activity in chemistry, pharmaceutics and plastic are declining (source La Banque de France survey August 2023).

In general, fiscal policy of French government will gradually become less supportive. The temporary caps on regulated energy prices and temporary subsidies and cash transfers have smoothed energy price shocks, but these measures are expected to be phased out by the end of 2024. Purchasing power has decreased by 0.1% in 2022 and will decrease further by 0.4% in 2023. Consumer Consumption is therefore supposed to decrease as well by 0.1% but should raise again in 2024.

The unemployment rate is quite low since the pandemic; in 2nd quarter of 2023 it stayed stable at 7.3%. Some sectors still have a lot of difficulties to find employees for their jobs though. This concerns particularly service jobs like hospitality, transport, cleaning, etc.
(Source: Insee)

1.2 Meetings industry situation & trends

In Spring 2023 the **Coach Omnium Study "Tendances MICE 2022 et les Perspectives 2023"** got published again after 4 years with no survey.
Its headline is *"MICE in France gets back stronger, greener and less virtual".*
• **stronger**: as from June 2022 events picked up again and this trend continues until now: 37% of the responding panel said they expected their number of meetings to grow compared to 2022, 53% said they would stay similar to 2022 and only 10% expected them to decrease. Compared to 2022, when a majority of events took place in France, the demand to go abroad took up again as well.
• **greener**: CSR criteria get integrated more often in RFPs than before. 29% do it regularly, 23% occasionally. Among the criteria 52% concerns short-distance supplies, 51% environmental

friendly activities, 37% means of transportation (train), 35% close destinations and 25% certification of suppliers.
• **less virtual**: as clients can meet again in person the 100% virtual events are less common than during Covid.

The venue search is done via internet (59% of responding panel). 88% of them use key words in navigators, 36% go directly to specialized platforms like Cvent, 1001salles.com etc. Social Medias for inspiration are important for 24% (only 2% 5 years ago…) and Convention Bureaus are considered by 20% (only 3% 5 years ago). Agencies and Venue Finders (if request comes from corporates) are also mentioned by 20%.
But there are also still almost half of the respondents who say that they have their habits or follow recommendations from colleagues, peers or friends.

The study also mentioned that events get shorter with a majority of 1–2-day events and in average smaller groups. Hotels and unusual event locations are booked the most.
(Source: « Les grandes tendances de la demande en MICE 2023 par Coach Omnium »)

A major challenge of the industry is still the lack of employees. During CoVid lockdown a lot of persons have changed activity. They left Paris to go live in a smaller town or at the countryside. We estimate the loss of qualified workers in the Tourism and Event Business to around 25-30%. As a result, Event agencies are extremely busy, and it is not easy to have them participate to study trips or industry events.

We continue to observe changes within the Event Agencies in France: more of the bigger agencies have merged to be able to offer a 360°experience and to survive on the global market. Some of the very small agencies didn’t survive after the recovery.

<u>Trends</u>

Even though “in person meetings” are the favourite form of meetings, **digitalisation in the event industry** is not gone. For some type of meetings and organizers, it still represents >50% of all meetings (source: client questionnaire 11/2022). The power of online meetings (**full digital or hybrid**) avoiding unnecessary travelling or giving the opportunity to enlarge one’s public cannot be neglected.
We recommend **venues to update and increase their use of technology,** with high-speed internet, secure Wi-Fi and in-house broadcasting studios.

CSR / sustainability is still the topic that is gaining on importance.
Green Evénement, who pushes the meetings industry into CSR, has initiated the creation of ISO Certification 20121.
It seems that awareness is coming in the first instance from younger employees (aged 20-35) who want to be more responsible and sustainable and do not want to create events with so much waste (food waste, carpets, print material, etc.) and are looking for ways to reduce and recycle wherever possible. We are all responsible for the health of planet Earth.
But pressure is also coming from CAC40 corporates who need to show their CSR engagement and actions to their stakeholders. They will increasingly choose venues who are committed to CSR.

LEVENEMENT, the French association of event agencies, has decided that all their members should be certified ISO 20121 asap. Thus, France has the biggest number of ISO 20121 certified suppliers and events and will increase its number in the upcoming months, also in perspective of the Olympics Paris2024. The French government has been involved in this process as well.
Tools to easily measure and evaluate the carbon impact of a meeting are developed and promoted in France and the LEAD-label has been launched.

We highly recommend all players in the Swiss meetings industry wishing to show their commitment towards CSR to have a look at these tools and labels, but also to communicate on their efforts (whatever they are) in sustainability more clearly and proactively. “Swisstainable” which ST/SCIB promotes should absolutely be considered and integrated in the panel of CSR actions.

1.3 RFP situation in France

Despite of a strong Swiss Franc - which makes us a lot more expensive than the EURO countries - we got quite à good number of RFPs since January (77).

Our advantage is the proximity to France with easy and above all **sustainable** access by TGV. A big part of new RFPs come indeed because of an increasing demand in France on destinations accessible by train.

We also get much more RFPs for bigger groups (>100 participants) from agencies, but the one’s that get confirmed or are carried-out in Switzerland are still mostly smaller than 100 participants…
30 Events (handled through SCIB) have taken place up to now, generating a turnover of 1'314'018 CHF. Destinations that have been selected were ski resorts (Villars, Verbier, Crans-Montana, Grindelwald) and bigger cities (Geneva, Lausanne, Zurich, Montreux).

2 TARGETS

- We keep our strong market presence and our quality approach towards buyers (agencies, corporates, and venue finders) of the meetings sector in France; we want to stay in their mind and make them consider Switzerland for their in-person events.
- The inbound marketing strategy we have developed over the past years, through content production (blog) which is very well indexed by google and our presence on social media (mainly LinkedIn) help us achieve our targets. We generate awareness for Switzerland with empathy.
- We put emphasis on venues for smaller groups (>50/100 pax), on sustainability and target also corporates (especially “assistantes de direction”) in border regions.
- We go meet clients (new and existing ones) at different platforms (our own or Third-Party platforms) in Paris and “Province” (special focus on Lyon).

- Ongoing updates of our client database (there is still a lot to do with post pandemic changes in the industry).
- Presence online and offline through KMM and participation in Meeting Industry Associations

3 CURRENT DATABASE SITUATION

Kind	Contacts
Agencies	1519
Corporates	818
Association	159
Media	20

4 DETAILED MARKETING ACTIVITIES

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