How Do Companies Approach Simple Meetings?

July 2018

Global Business Travel Association How Do Companies Approach Simple Meetings?

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Study Objectives

This research examines how companies approach simple meetings. Simple meetings are typically small corporate meetings with basic, replicable requirements.

This study marks the first-ever joint survey of the two largest organizations that include professionals responsible for meeting planning. This research is based on a survey of Global Business Travel Association members globally and Meeting Professionals International members in the U.S. Key questions include:

1) What percentage of meetings are simple meetings? Where do these take place?

2) How do companies compare and book simple meetings venues? Which channels do they use?

3) Do companies have a required bidding process for simple meetings?

4) Do companies use key performance indicators (KPIs) to measure the success of simple meetings?

5) In the U.S., do Travel Managers and meetings planners approach simple meetings differently?

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Key Findings

How common are simple meetings?

- **Half of corporate meetings are simple meetings.** On average, respondents say these represent 50% of their meetings.[1]

- **Simple meetings take place in different venues.** On average, respondents estimate that 45% of their simple meetings take place on their own corporate premises, and a similar share (40%) take place in hotel conference space. While 17% take place in other venues, this may continue to rise, with American Express predicting a 4% increase in demand for non-traditional venues in its *2018 Global Meetings and Events Forecast.*[2]

How do companies approach simple meetings?

- **Even though simple meetings are common, many companies do not manage them in a rigorous way. This can undermine policy compliance, cost savings, and duty of care.**

  - **Shopping and booking:** Almost half of respondents *do not* use a "managed" meetings channel for simple meetings. Most of these respondents rely *exclusively* on consumer channels, such as calling a hotel, or visiting a venue's website. *These channels have weaknesses when used for simple meetings. They make it difficult to ensure compliance with company policies, find the best rate, make like-for-like comparisons, and vet venues for safety.*

  - **Bidding policies:** Fewer than one-third (30%) of respondents follow a required bidding process for simple meetings. *These lax policies may prevent companies from making the rigorous comparisons needed to realize the full benefits of a managed meetings program, such as better discounts and improved duty of care and compliance with internal policies.*

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[1] This is an estimated average based on ranges with increments of 10 percentage points.
[2] American Express Meetings and Events, *2018 Global Meetings and Events Forecast* (American Express Global Business Travel, 2017), 18.

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- **e-RFP tools:** When sourcing simple meetings, only one out of five (22%) respondents uses an e-RFP platform, which allows them to solicit and compare bids for their meetings. However, adoption may rise, with 15% of respondents planning to introduce an e-RFP platform for simple meetings in the next year. *When respondents use an e-RFP tool, an overwhelming majority (72%) say it is their preferred method of submitting RFPs for simple meetings.*

- **Performance measurement:** Almost three-quarters (72%) of respondents *do not* have key performance indicators in place to measure the success of simple meetings. This may represent a significant shortcoming. Managing spend is only one component of a successful meetings program. *It is important to focus on additional metrics such as attendee satisfaction and efficiency of internal processes, which can have a significant long-term impact on a company's bottom line.*

- In the U.S., Travel Managers and Meeting Planners follow similar rules for simple meetings. A similar share follow a required bidding process.

- **Even though Travel Managers follow similar rules as Meeting Planners, they sometimes have different tools and processes in place.**

  - **e-RFP adoption:** In the U.S., Meeting Planners are more likely than Travel Managers to use an e-RFP tool for simple meetings. This is the case even though the two groups are equally likely to follow a required bidding process. *For Travel Managers, this process may involve more manual work.*

  - **Performance measurement and reporting:** Travel Managers lag dramatically behind Meeting Planners when it comes to performance measurement and reporting. Meeting Planners are much more likely to track simple meetings spend, use KPIs for simple meetings, and submit a consolidated report after simple meetings occur. *Travel Managers should manage simple meetings in a more comprehensive way, focusing not only on cost, but also on other performance outcomes.*

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Detailed Findings

For its latest *Meetings Outlook*, Meeting Professionals International surveyed a panel of its members, who predicted 3.9% business growth in the next year, the highest rate since 2015. [3]

With demand increasing and costs rising, it is important to manage meetings spend in an effective way. This study examines how companies approach simple meetings.

What makes simple meetings different?

Simple meetings are typically small corporate meetings with basic, replicable requirements. Compared to larger meetings, they involve a number of special considerations.

- **The part-time planner:** Simple meetings are commonly organized by part-time planners: Travel Managers or others who may not have the same tools, processes, and vendor relationships as a full-time meetings and events planner.

- **Non-standard venues:** Simple meetings sometimes take place on corporate premises or other sites that do not specialize in events.

- **On-site support:** Companies may have limited on-site staffing for simple meetings. It may not make sense to hire contractors such as security personnel.

What are simple meetings?

This study is based on the first-ever joint survey of GBTA Travel Managers and MPI Meeting Planners conducted April-June 2018. In this survey, simple meetings were defined as:

Meetings that have a basic, recurring combination of requirements, which *might* include one or more of the following:

- Meeting rooms

- Room nights (optional)

- Basic audio/visual

- Typically replicable requirements your organization typically has in place

- Typically 10-50 attendees

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[3] Meeting Professionals International**,** *Meetings Outlook: 2018 Spring Edition* (Dallas, TX: Meeting Professionals International, 2018).

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- **Performance measurement:** Companies may not have established processes to measure success of simple meetings, or they may try to use the same measures they use for large meetings.

- **Less customization:** While less customization makes planning easier, it can also make vendor selection tricky. When holding a meeting at a hotel, planners may need to weigh several variables including meeting space, room rates, food, and A/V. For larger meetings, they might have separate contracts for each of these.

How common are simple meetings?

- **Half of corporate meetings are simple meetings.** These are typically small meetings with basic, replicable requirements. On average, respondents say these represent 50% of their meetings.[4] The average is similar across Europe (58%), North America (49%), and Latin America (49%).

How many of your meetings are simple meetings?
-estimated average

Global (n=378)	50%
North America (n=198)	49%
Europe (n=64)	58%
Latin America (n=72)	49%
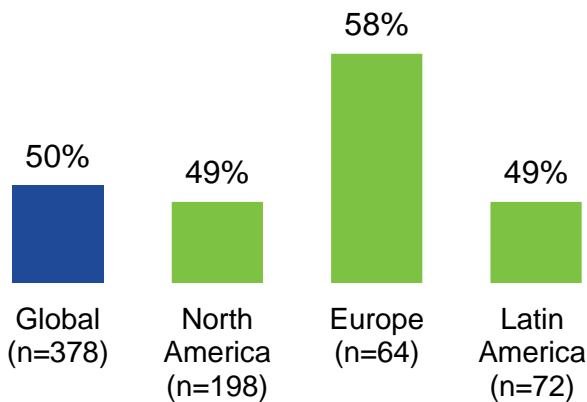
What percentage of your simple meetings take place in…?
-estimated global averages (n=285-326)
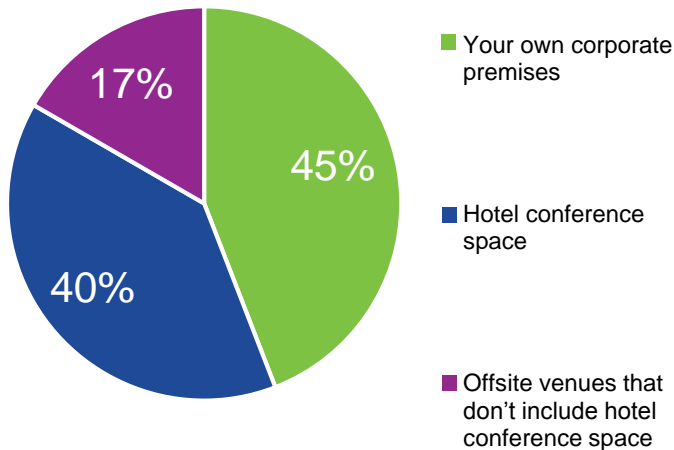
- 45% Your own corporate premises
- 40% Hotel conference space
- 17% Offsite venues that don't include hotel conference space

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[4] This is an estimated average based on ranges with increments of 10 percentage points.

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- **Simple meetings take place in different venues.** On average, respondents estimate that 45% of their simple meetings take place on their own corporate premises, and a similar share (40%) take place in hotel conference space.[5] While 17% of simple meetings take place in other venues, this may continue to rise, with American Express predicting a 4% increase in demand for non-traditional venues in its *2018 Global Meetings and Events Forecast.*[6]

Simple meetings: shopping and booking

- **When selecting a simple meetings venue, most (67%) respondents are required to compare multiple options before awarding a contract.** When they are required to compare, most are required to compare three options.

From a compliance point of view, if you do follow a corporate policy regarding shopping/booking simple meeting hotels/venues, are you required to compare multiple options before rewarding a contract? (n=290)
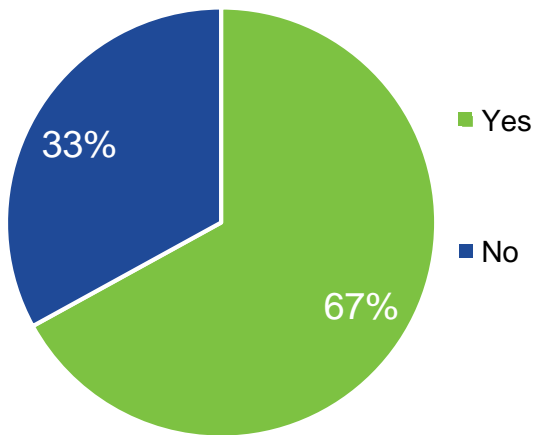
If you answered yes, how many options are you required to compare? (n=191)

if "yes"

- Yes
- No

- 2
- 3
- 4
- 5 or more
- No specific number

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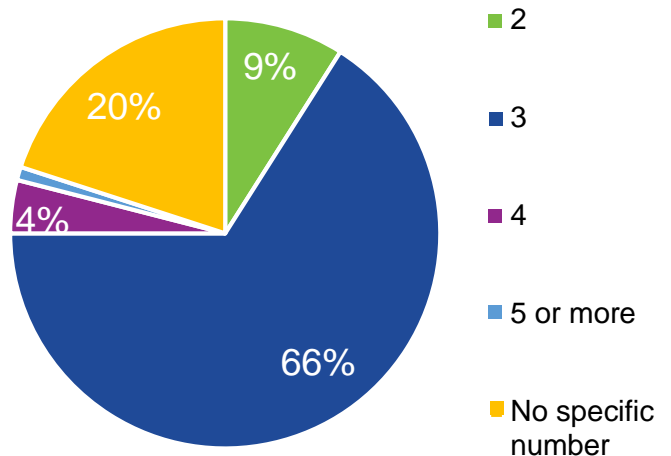
[5] These are estimated averages based on ranges with increments of 10 percentage points.
[6] American Express Meetings and Events, *2018 Global Meetings and Events Forecast* (American Express Global Business Travel, 2017), 18.

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- **Respondents use different channels to compare and book simple meetings.**

  - A slight majority use at least one "managed" meetings channel to find out about hotels and venues (56%), while just under one-half use such a channel to book simple meetings (48%).[7] A "managed" meetings channel includes a venue sourcer, a meetings and events online platform, or a meetings management company (MMC).

Which of the following sources do you use to *find out about* potential hotels and venues for simple meetings? (n=346)

44%

56%

- Use a managed meetings channel

- Do not use managed meetings channel
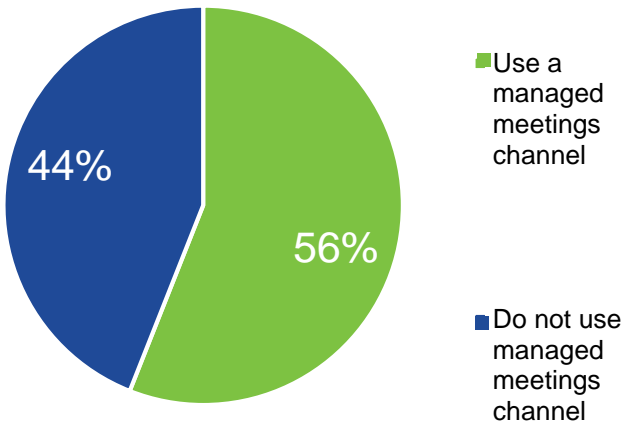
Which of the following sources do you use to *book* hotels and meeting venues for simple meetings? (n=345)

52%

48%

- Use a managed meetings channel

- Do not use managed meetings channel
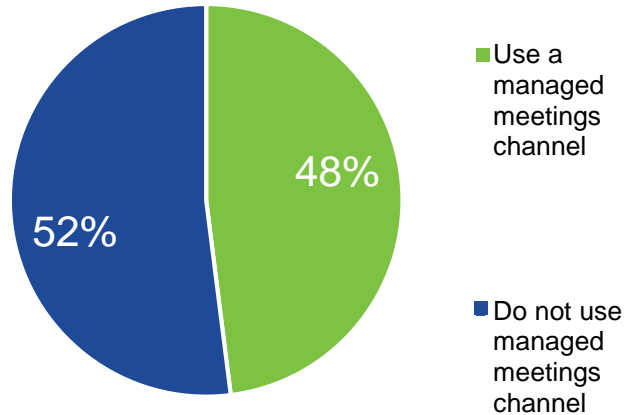
- **Almost half of respondents *do not* use a "managed" meetings channel for simple meetings.** More than two out of five (44%) *do not* use one to find out about hotels or venues, while more than half (52%) *do not* use one to book simple meetings. Most of these respondents rely *exclusively* on consumer channels, such as calling a hotel, or visiting a venue's website or a consumer travel website, such as Expedia or Priceline, to shop for simple meetings (see below).

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[7] Note: These estimates are based on a recode. Respondents were presented a list of seven tools and these were grouped into two categories (**managed meetings channel:** venue sourcer, meetings and events online platform, or meetings management company; **non-managed meetings channel:** company or TMC's online booking tool, calling the hotel, hotel or venue's website, online travel agency).

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When Respondents Don't Use a "Managed" Meetings Channel, How Do They Shop for Simple Meetings?

Which of the following sources do you use to *find out about* potential hotels and venues for simple meetings?
-filtered for those who don't use a "managed" meetings channel (n=151)

23% — ■ Company or TMC's online booking tool

77% — ■ Only consumer channels
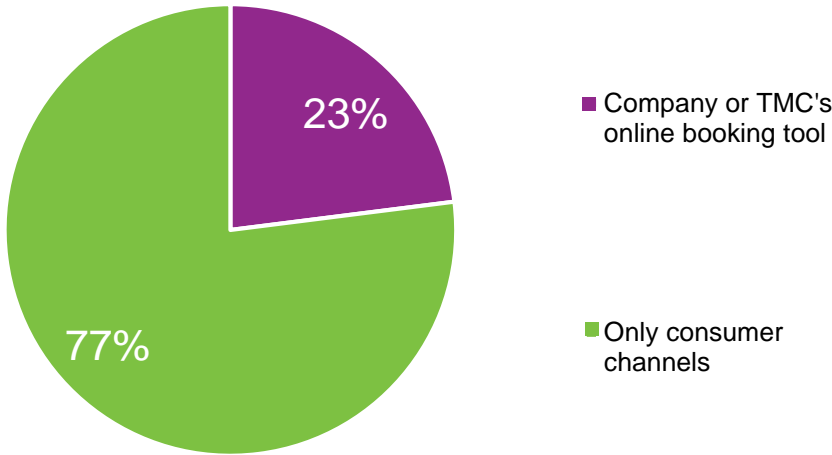
▪ **Consumer channels have weaknesses, when used for simple meetings.** One obvious weakness is the difficulty of the sourcing process. A large majority (67%) of respondents are required to compare multiple options for simple meetings, as shown earlier. If they use consumer channels for these comparisons, they may need to make multiple phone calls, or submit multiple RFPs, which can be a significant time drain. In addition, planners may receive inconsistent information in phone calls or on websites. For instance, some venues may mention contract terms, such as cancellation penalites, while others include these in the fine print.

Additionally, **when using consumer channels, planners may not find the best offers, or the most suitable venues.** Compared to aggregators, some consumer channels involve limited comparison shopping, which can prevent planners from finding the most attractive offers. More concerning, planners may occasionally find venues that do not meet their company's safety or compliance standards, and would be blocked from managed corporate channels. It can also be difficult to compare offers like-for-like. For instance, some may include amenities that others do not

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include, or include onerous contract terms, such as cancellation penalties. These hidden fees can add unexpected costs.
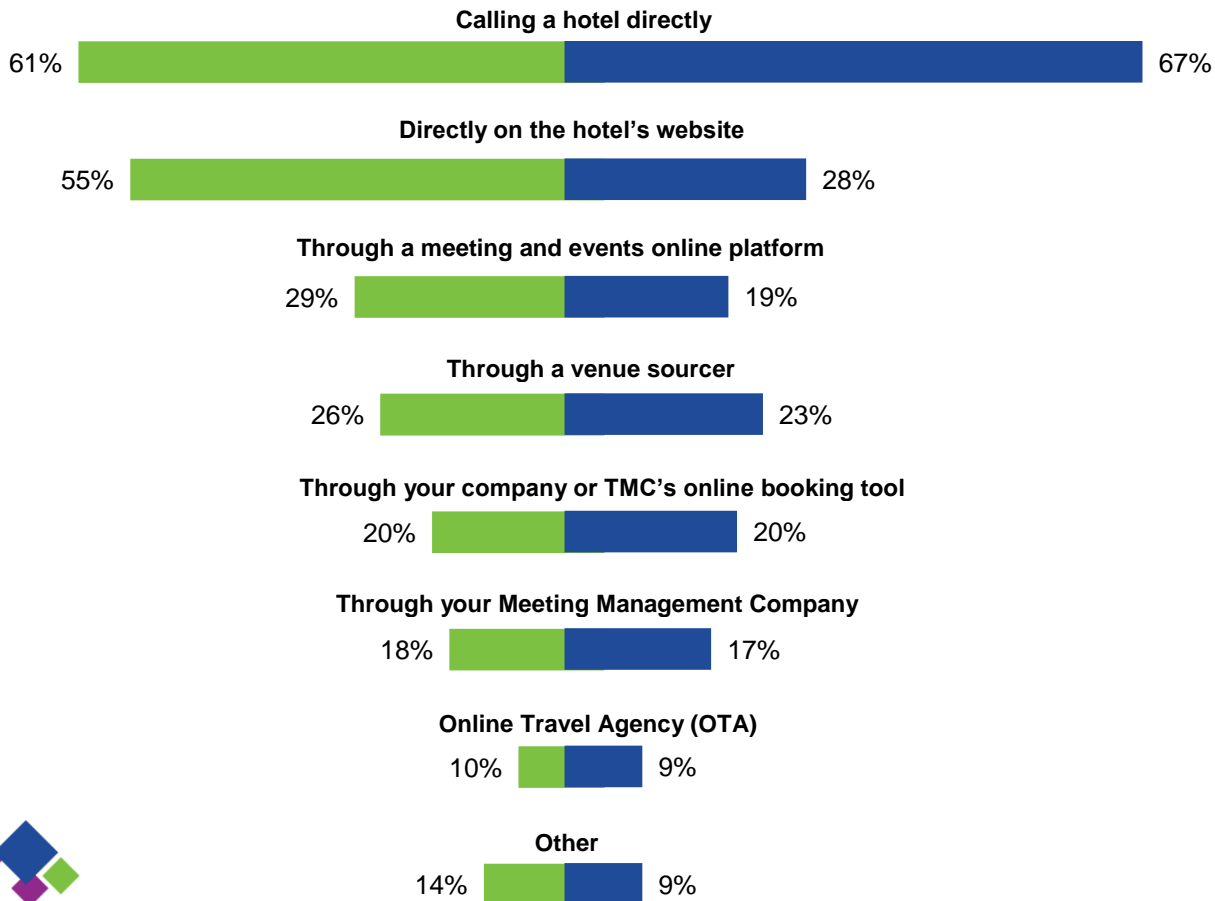
Consumer channels not only have weakesenss when choosing venues, but also when booking room nights for meetings. Companies may not receive negotiated discounts, and may have difficulty locating travelers in an emergency. In addition, they may be unable to leverage their *transient* stay volume when negotiating *meetings* discounts with hotels, or may be unable to leverage their *meetings* volume when negotiating *transient* discounts.

- While there may be reasons to use consumer channels, the perceived benefits should be weighed against potential weaknesses to ensure that comparisons are effective, and compliance with processes and duty of care standards are met.

- **Companies use different channels for simple meetings, as shown below**.

Which of the following sources do you use to…? (n=356)

Find out about potential hotels and venues for simple meetings

Book hotels and venues for simple meetings

Calling a hotel directly
61% | 67%

Directly on the hotel's website
55% | 28%

Through a meeting and events online platform
29% | 19%

Through a venue sourcer
26% | 23%

Through your company or TMC's online booking tool
20% | 20%

Through your Meeting Management Company
18% | 17%

Online Travel Agency (OTA)
10% | 9%

Other
14% | 9%

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- **Almost one-quarter (22%) of respondents use an e-RFP platform for simple meetings.** These allow companies to solicit and compare bids for their meetings. Only one out of five (22%) travel programs uses an e-RFP tool for *simple meetings*, while an additional 12% have a tool that they primarily use for larger meetings. However, adoption may rise, with 15% of respondents planning to introduce an e-RFP platform in the next year.
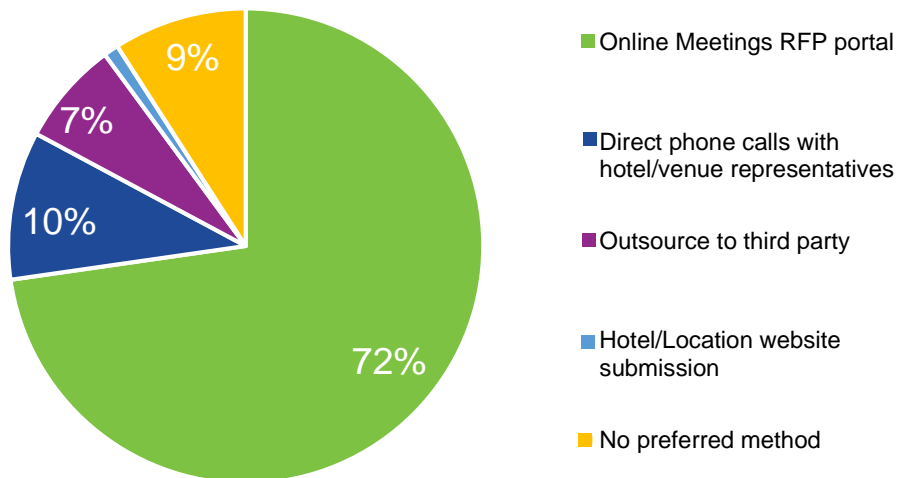
Does your company have a preferred e-RFP platform for shopping and booking meeting space and rooms at a venue/hotel for simple meetings? (n=357)

- Yes
- We have a tool, but is used primarily for larger meetings
- No, but we are planning to introduce one in the next 12 months
- No, and we are not planning to introduce a tool in the next 12 months
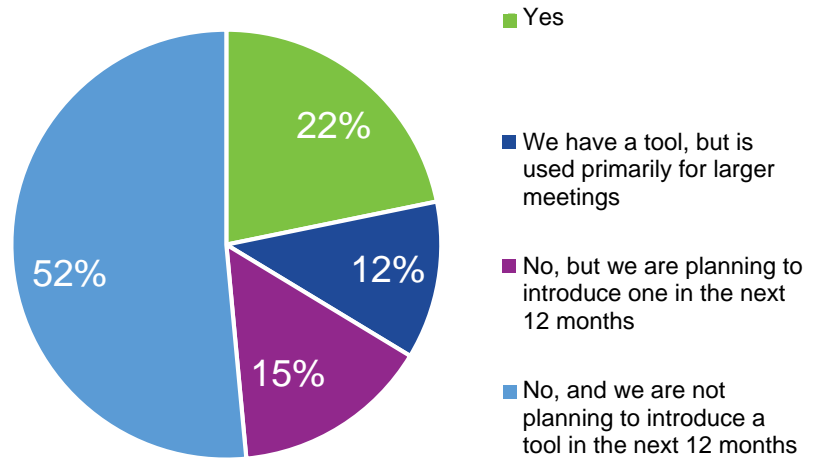
- **When respondents use an e-RFP platform, an overwhelming majority (72%) say it is their preferred method of submitting RFPs for simple meetings.**

What is your preferred method for submitting a simple meetings RFP?
-filtered for those who have adopted an e-RFP for simple meetings (n=68)

- Online Meetings RFP portal
- Direct phone calls with hotel/venue representatives
- Outsource to third party
- Hotel/Location website submission
- No preferred method

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A simple meetings solution can make it easier to compare options, and to implement formal policies and processes to govern small meetings procurement. Companies with these policies or processes in place are far more likely to have optimized, tracked, and captured simple meetings spend as well as met their duty of care obligations to their employees.

Simple meetings bidding policies

- **Most respondents do not need to conduct a formal bidding process for simple meetings.** Fewer than one-third (30%) say their company has a required bidding process for simple meetings. One-quarter (24%) have loose guidelines, while almost half (46%) have no required process at all. *While laissez faire policies may save time, they may also prevent companies from making the rigorous comparisons that may be needed to realize the full benefits of a managed meetings program, such as better discounts, improved duty of care and compliance with internal policies.*

Does your company have a required bidding process for simple meetings? (n=383)

- Yes — 30%
- No — 46%
- We have loose guidelines, but no formal policy — 24%
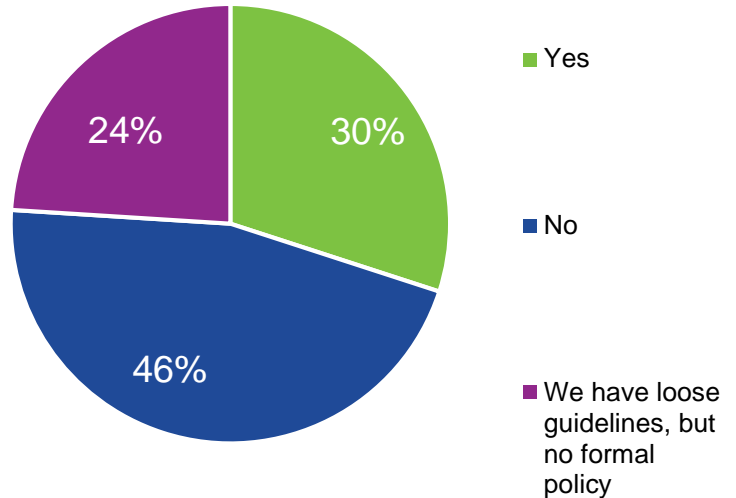
Performance measurement and reporting

- **In recent years, meetings professionals have paid greater attention to performance measurement.** Some have adopted metrics such as attendee satisfaction and engagement, return on investment (ROI), and peformance against various business goals.

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Have these efforts extended to simple meetings? While most companies track simple meetings spend, few have key performance indicators in place for these meetings.
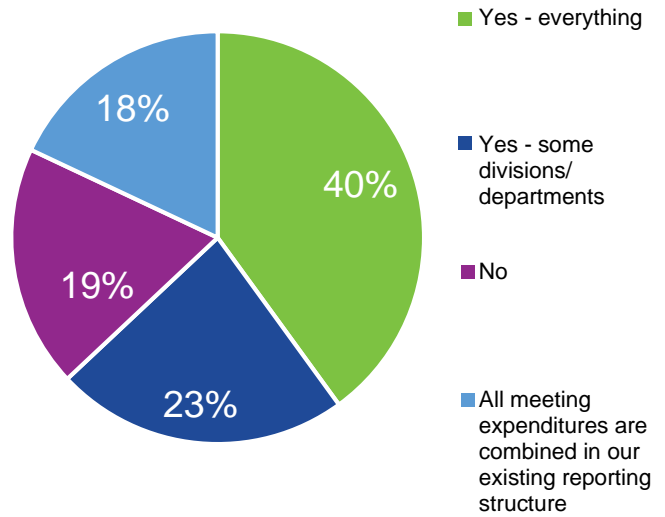
- **Spend tracking:** A large majority (81%) of respondents track spending on simple meetings in some way. However, this includes 23% who only track spending within some divisions/departments. Companies of all sizes commonly track simple meetings spend.

- **Reporting:** Fewer than half (45%) of respondents submit a report on a simple meeting "once the meeting is completed, and all relevant invoices paid".

- **Key performance indicators:**
  Just 28% of respondents have KPIs in place to measure the success of simple meetings. The share is even lower in North America (20%) and Europe (21%). While high spend programs are most likely to have KPIs in place, a solid majority (62%) do not have them.[8]

This may represent a significant shortcoming. Managing spend is only one component of a successful meetings program. It is important to have visibility of other metrics such as attendee satisfaction and efficiency of internal processes such as payment and vendor selection.

Does your company track expenditure on simple meetings? (n=265)

- Yes - everything
- Yes - some divisions/ departments
- No
- All meeting expenditures are combined in our existing reporting structure

40% 23% 19% 18%

Do you have corporate KPIs when it comes to simple meetings and the value they create? (n=268)

- Yes
- No

28% 72%

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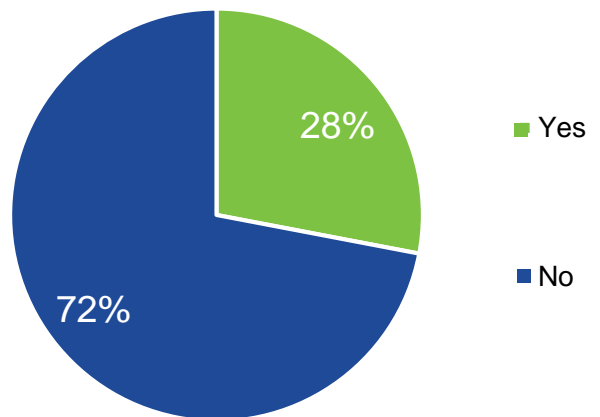
[8] Note: See p. 20 for spend ranges used.

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How Do Travel Managers Compare to Meeting Planners?

A key goal of this study was to compare Travel Managers and Meeting Planners. Do the two groups handle simple meetings differently? Or do they use the same tools, and have similar processes?

In this section, results shown are only for the U.S., where MPI members were surveyed. Of the U.S.-based survey respondents who completed the survey, 63% are Meeting Planners, while 37% are Travel Managers.[9]

Simple meetings policies

- **In the U.S., Travel Managers and Meeting Planners follow similar rules for simple meetings.** A similar share are required to compare hotels/venues or follow a required bidding process.

From a compliance point of view, if you do follow a corporate policy regarding shopping/booking simple meeting hotels/venues, are you required to compare multiple options before rewarding a contract?
-% "yes" by job type (filtered for the U.S.)

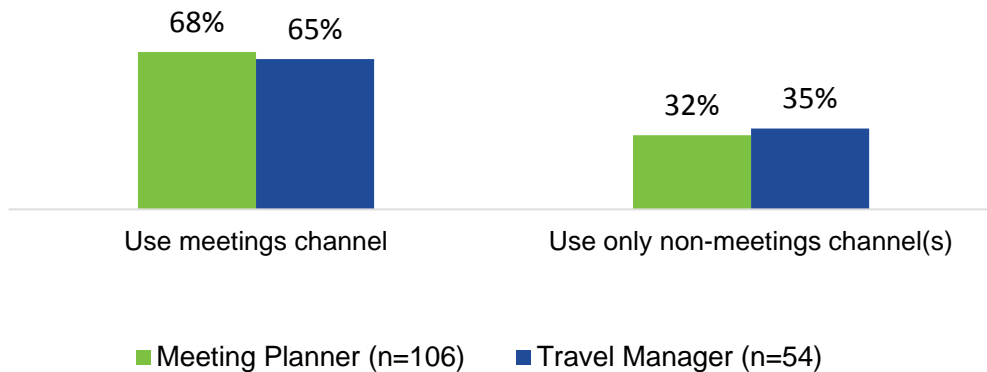| 54%	54%
Meeting Planner (n=84)	Travel Manager (n=46)

[9] Note: Travel Managers qualified if they said they were they are at least somewhat involved "with planning, organizing, or overseeing meetings and events at their company."

Simple meetings processes

- Even though Travel Managers follow similar rules as Meeting Planners, they sometimes have different tools and processes in place.

  - **Shopping and booking tools:** Surprisingly, Travel Managers use managed meetings channels at similar rates as Meetings Planners. However, Travel Managers are more likely to use their company or TMC's online booking tool to compare options (26% vs. 8%) or book simple meetings (18% vs. 6%). These tools generally cannot book meeting space, and can only book fewer than 10 rooms at a time.

Which of the following sources do you use to *find out about* potential hotels and meeting venues for simple meetings?
-by job type (filtered for the U.S.)

	Use meetings channel	Use only non-meetings channel(s)
Meeting Planner (n=106)	68%	32%
Travel Manager (n=54)	65%	35%

■ Meeting Planner (n=106) ■ Travel Manager (n=54)
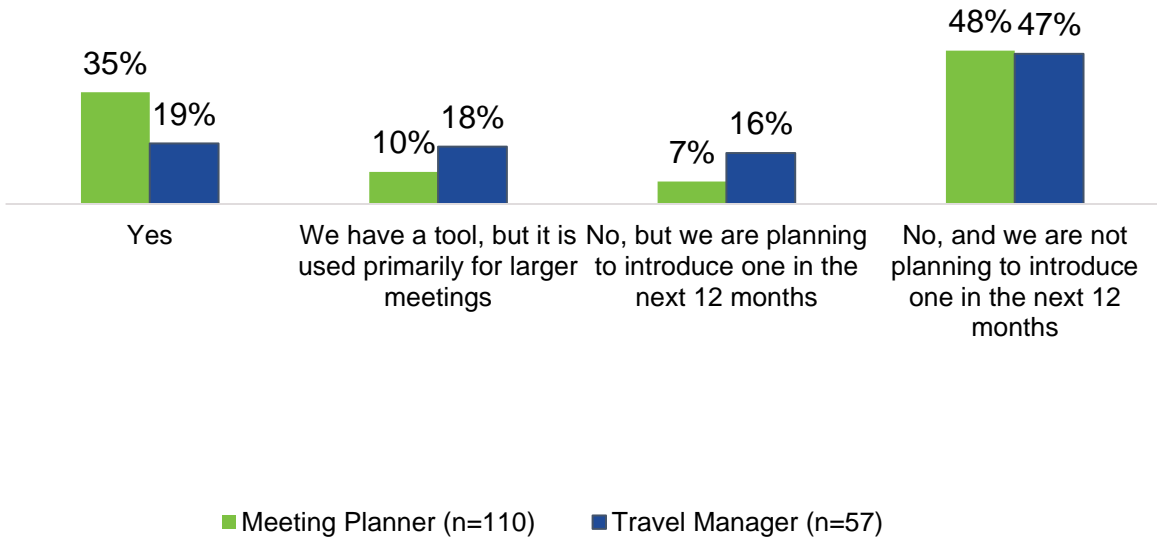
  - **e-RFP technology:** Meeting Planners (35%) are more likely than Travel Managers (19%) to use an e-RFP tool for simple meetings. This is the case even though the two groups are equally likely to follow a required bidding process (see previous page). For Travel Managers, this process may involve more manual work and lead to inefficiences and lost savings due to inconsistent comparisons.

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Does your company have a preferred e-RFP platform for shopping and booking meeting space and rooms at a venue/hotel for simple meetings?
-by job type (filtered for the U.S.)

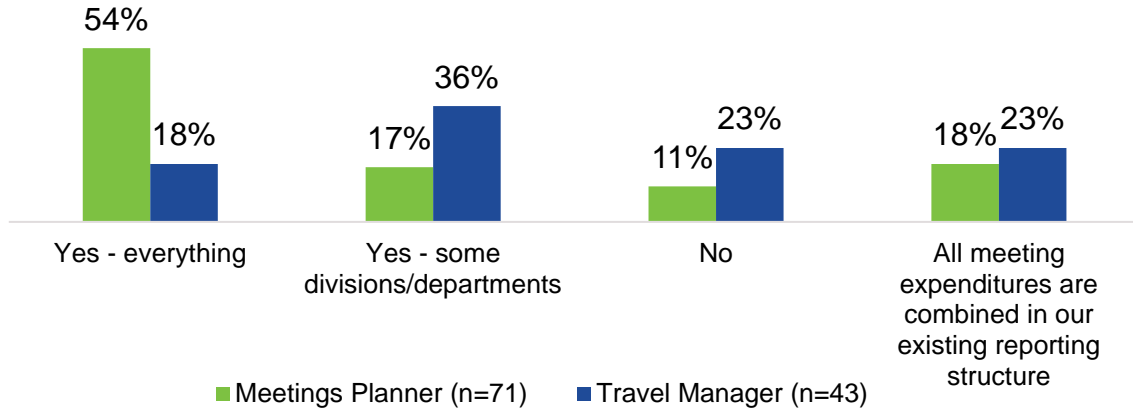|	Yes	We have a tool, but it is used primarily for larger meetings	No, but we are planning to introduce one in the next 12 months	No, and we are not planning to introduce one in the next 12 months
Meeting Planner (n=110)	35%	10%	7%	48%
Travel Manager (n=57)	19%	18%	16%	47%

■ Meeting Planner (n=110)   ■ Travel Manager (n=57)

▪ **Performance measurement and reporting:** Travel Managers lag far behind Meeting Planners when it comes to performance measurement and reporting. Meeting Planners are much more likely to track simple meetings spend, use KPIs for simple meetings, and submit a consolidated report after simple meetings occur (see next page).

Travel Managers should consider approaching simple meetings in a more holistic way, focusing not only on cost, but also on other performance metrics, such as the attendee experience. Like travel, meetings represent an investment toward achieving business objectives. In the long run, these may have more impact on the bottom line than the amount of meeting spend.
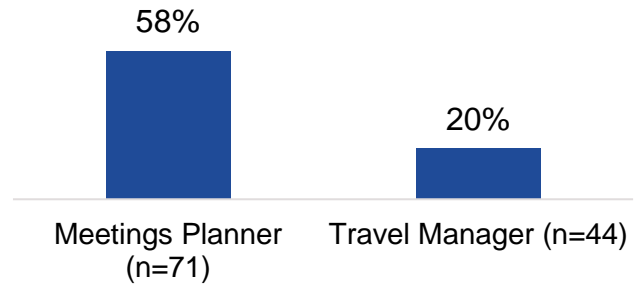
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Does your company track expenditure on simple meetings?
-by job type (filtered for the U.S.)

- 54% / 18% — Yes - everything
- 17% / 36% — Yes - some divisions/departments
- 11% / 23% — No
- 18% / 23% — All meeting expenditures are combined in our existing reporting structure

■ Meetings Planner (n=71)　■ Travel Manager (n=43)

Do you have corporate KPIs when it comes to simple meetings and the value they create?
-% "yes" by job type (filtered for the U.S.)

- 31% — Meetings Planner (n=72)
- 4% — Travel Manager (n=46)
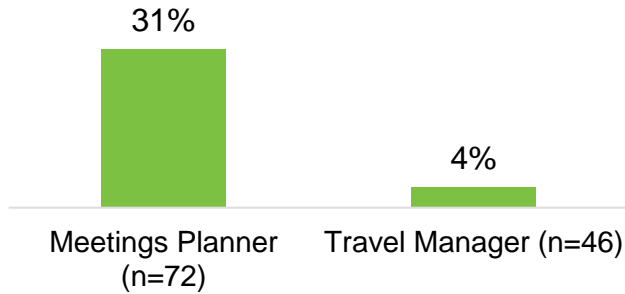
Once a simple meeting is completed, and all relevant invoices paid, do you submit a consolidated report on the meeting?
-% "yes" by job type (filtered for the U.S.)

- 58% — Meetings Planner (n=71)
- 20% — Travel Manager (n=44)

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Conclusion

Even though simple meetings represent half of company-held meetings, most companies do not manage them in a rigorous way. This study has identified three weaknesses in particular:

- **Shopping***:* Almost half of respondents do not use a "managed" meetings channel for simple meetings. Most of these companies rely exclusively on consumer channels, which make it difficult to ensure compliance with company policies, find the best rate, make like-for-like comparisons, and vet venues for safety. In addition, consumer channels make it difficult to leverage transient stay volume when negotiating meetings discounts with hotels, or leverage meetings volume when negotiating transient discounts.

- **Policies:** Most (70%) respondents indicated their companies do not have a formal bidding process for simple meetings.

- **Performance measurement:** Almost three-quarters (72%) of respondents do not use KPIs to measure the success of simple meetings.
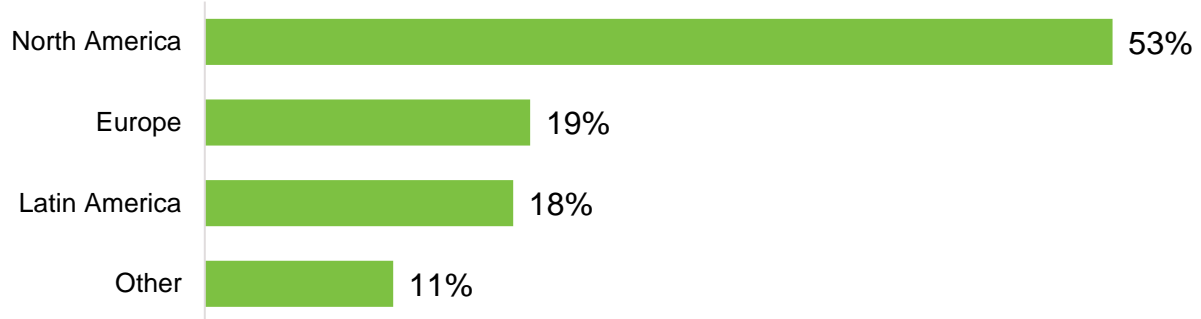
Industry chatter about simple meetings often focuses on the challenges of creating a process, educating the various functions (e.g., Travel Managers, Planners, Assistants) on the best ways to plan simple meetings, and driving consistency across functions and meetings.

This research shows the degree to which unmanaged and/or consumer channels are used to shop and book simple meetings. Using these channels expose companies to fiscal losses as well as duty of care challenges.
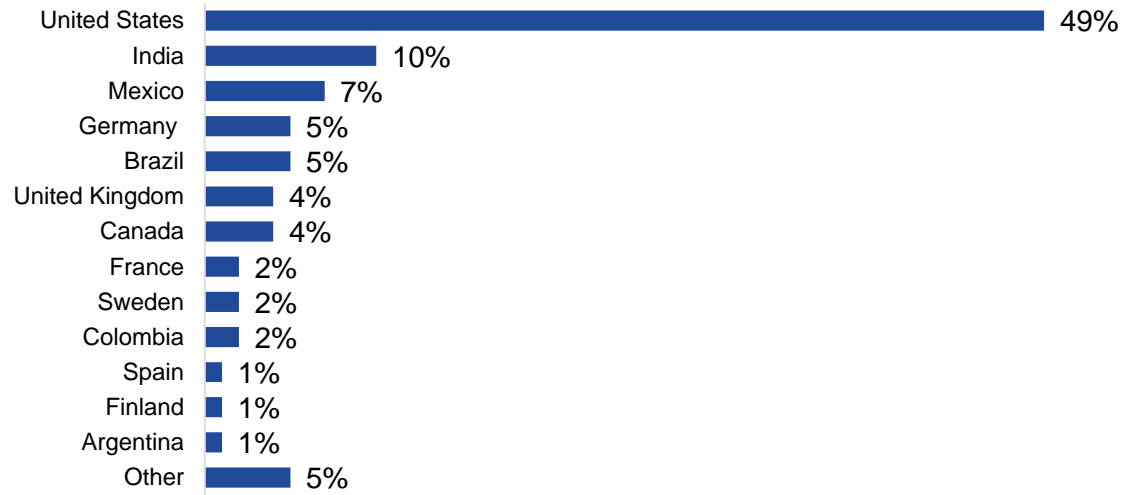
Designing the best simple meeting programs for any company will take both time and consideration. The best simple meeting programs have policies and processes that Travel Managers and Meetings Planners will rely on to govern small meetings procurement and ultimately save time, create efficiencies and ensure consistency. An overwhelming majority (72%) of respondents who use an e-RFP tool, say it is their preferred method of submitting RFPs. This may point towards a savings of time and money, efficiency, and consistency. Companies with formal policies and processes to govern small meetings procurement are far more likely to have optimized, tracked and captured simple meetings spend as well as met their duty of care obligations.

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Respondent Profile

Region (n=409)

North America	53%
Europe	19%
Latin America	18%
Other	11%

Country (n=410)

United States	49%
India	10%
Mexico	7%
Germany	5%
Brazil	5%
United Kingdom	4%
Canada	4%
France	2%
Sweden	2%
Colombia	2%
Spain	1%
Finland	1%
Argentina	1%
Other	5%

Meetings spend (n=258)

Low spend - $1 million or less/€1 million or less	26%
Medium spend - $2-10 million/€2-10 million	32%
High spend - More than $10 million/more than €10 million	26%
Do not know	17%

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Position (n=463)

Travel Manager	44%
Internal meeting planner	21%
Meeting procurement manager	8%
Independent / 3rd party meeting planner	6%
Executive assistant / personal assistant	5%
Marketing administrator/coordinator	3%
HR/Training coordinator	1%

How many years have you been planning meetings in a corporate environment? (n=262)

Less than 1 year	5%
1-5 years	27%
6-10 years	24%
More than 10 years	44%
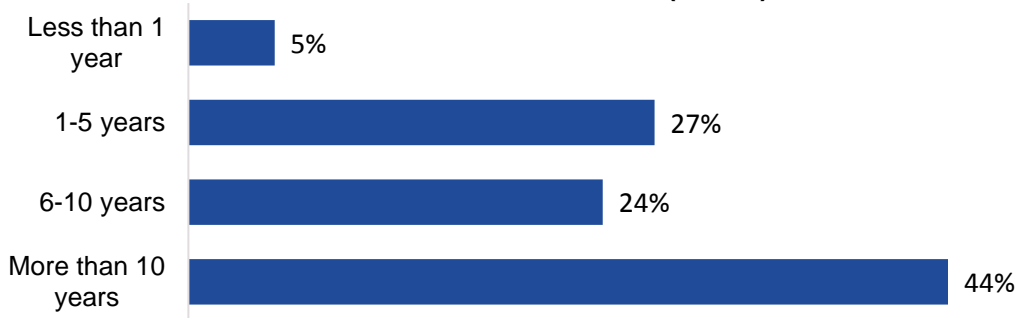
How many meetings a year do you typically plan? (n=256)

1 to 5	21%
6 to 15	24%
16 to 25	18%
More than 25	37%

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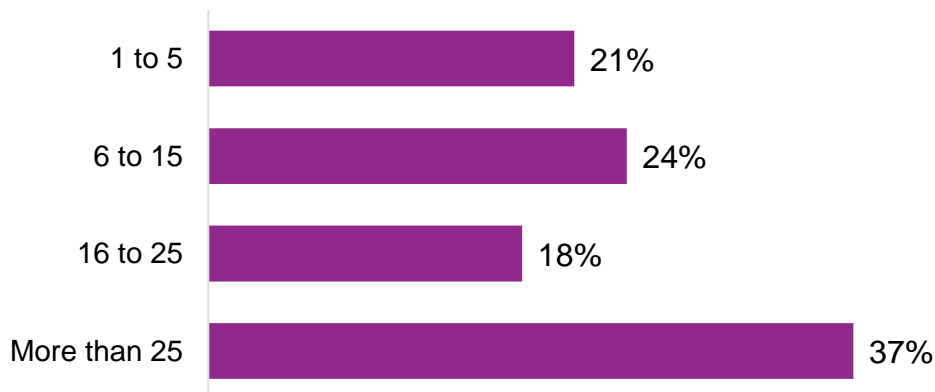
Methodology

An online survey was conducted of corporate Travel Managers and Meeting Planners. The survey fielded between April 24, 2018, and June 7, 2018. An email invitation was sent to GBTA members and contacts globally, and MPI members in the U.S.

Five hundred and sixty-two recipients completed at least one question. Of these, 408 qualified given (1) they are at least somewhat involved "with planning, organizing, or overseeing meetings and events at their company" and (2) they are a travel or meetings professional.

Of those who qualified, 260 completed the entire survey.

Of those who completed the survey:

- 123 were GBTA members
- 66 were MPI members
- 15 were members of both organizations
- 56 were members of neither organization

Global Business Travel Association How Do Companies Approach Simple Meetings?

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Works Cited

American Express Meetings and Events, *2018 Global Meetings and Events Forecast.* American Express Global Business Travel, 2017.

Meeting Professionals International, *Meetings Outlook: 2018 Spring Edition.* Dallas, TX: Meeting Professionals International, 2018.

Global Business Travel Association How Do Companies Approach Simple Meetings?

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About the Global Business Travel Association

The Global Business Travel Association (GBTA) is the world's premier business travel and meetings trade organization headquartered in the Washington, D.C. area with operations on six continents. GBTA's 9,000-plus members manage more than $345 billion of global business travel and meetings expenditures annually. GBTA delivers world-class education, events, research, advocacy and media to a growing global network of more than 28,000 travel professionals and 125,000 active contacts. To learn how business travel drives lasting business growth, visit **www.gbta.org**.

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