



Benchmarking

Your Meetings Management Journey

Around the world, organizations are looking to increase the effectiveness and compliance of their meetings and events spend. Strategic Meetings Management (SMM) programs have been held up as the gold standard for two decades. But comprehensive SMM, with all of its components, can be more than some organizations need. There are stages to SMM, and each organization must decide for themselves what the appropriate structures and investments are for managing their meetings. In this report, we consider four stages:

Individualized—Programs in the individualized stage manage meetings on an individual basis, looking to gain efficiencies where possible. In many cases, individualized programs apply some basic policies or procedures that individual meeting owners are expected to follow. We found a

higher number of Automobile, Manufacturing and Industrial, Retail, and Wholesale Sales companies are in the individualized stage. Additionally, more companies located in the Asia Pacific region fall into this stage.

Consolidated—The consolidated stage is the first step organizations take toward a more strategic program. This phase often involves implementing meetings policies and a meeting registration/approval system. Consolidated management of, at a minimum, the sourcing portion of meetings is a key milestone in this stage. A higher number of companies in Business Services and, surprisingly, Financial Services are in this stage.

Strategic—An established meetings policy, including approvals and sourcing processes, along with a single meetings registration and tracking technology are the hallmarks of companies utilizing a strategic approach. A higher number of Hospitality companies have programs within this stage.

Optimized—Programs in the optimized stage have established all the basics of SMM within their organization and are in the process of continuous refinement and improvement. These programs seek ongoing efficiencies and opportunities to expand and continue to drive savings, compliance wins and more from their programs. As might be expected, companies with more than \$1 Billion in annual revenue fall more into this stage than other stages, including Healthcare, Pharmaceutical, and Medical Device companies.

Each company must determine the goals for their meetings management program and their desired end stage on the SMM continuum. In this report, we will help you understand where the companies surveyed sit on the continuum and what benefits they are deriving from SMM. Across hundreds of SMM programs you will find that goals, unique needs, and even company culture play a major role in structure and relative success. Understanding what is most important to your company—savings, compliance, visibility, or other elements—will drive the focus of your meetings management investments.

Approach

In the 2018 Global Meetings Forecast Survey, we collected data around core meetings management practices to provide some categorization around how companies are approaching their meetings management journey. More than 500 companies participated in the benchmarking exercise and each company was scored on its implementation, definition, and adoption of meetings management practices. Based on their scores, companies were categorized into one of the four SMM stages: Individualized, Consolidated, Strategic, or Optimized.

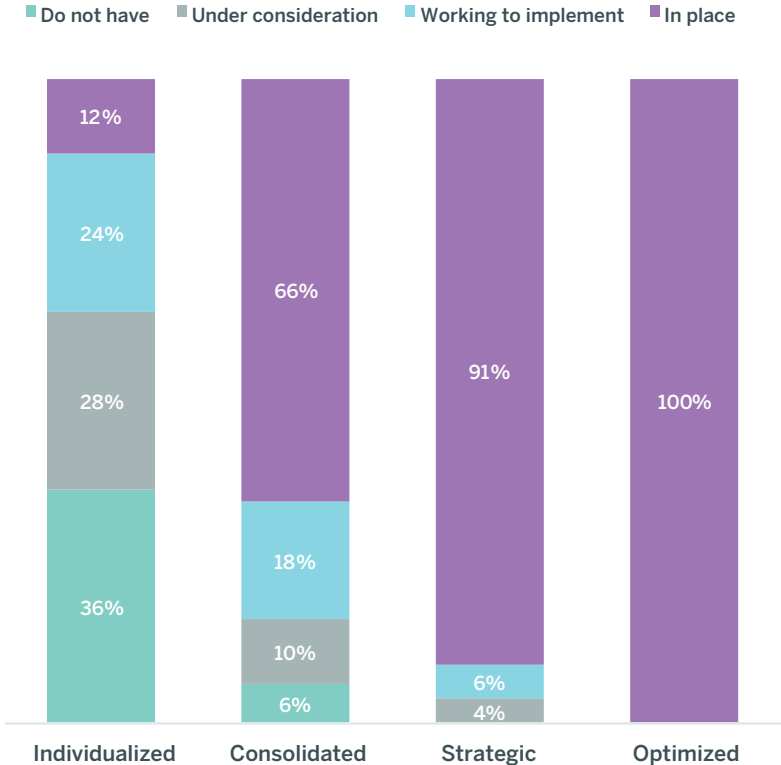
Key Indicators of Stage in the Meetings Management Journey

To understand how programs are moving along the meetings management journey, we examined key indicators of program maturity—strategy, policy, contracting, centralized staffing, and meeting technology. Overall, we found that while having components such as policy or technology in place are certainly enablers of SMM, the key (and often most challenging element) is driving adoption. Without adoption, a meetings program is only good on paper. Meeting planners and owners must drive adoption of the policies, processes, and technologies before a program can claim success. Planning and

managing program adoption is, therefore, as important as the investment in policy or technology.

Strategy

Establishing a meetings strategy is a critical first step toward gaining visibility and consolidating your meeting spend. Only about a third of companies in the individualized stage indicate they have, or are implementing, a strategy. That number increases significantly to 84% when companies move into the consolidated stage, demonstrating that strategy is a critical starting point for a meetings management program. The level of strategy definition is also an indicator of meetings maturity. The percentage of programs with explicitly defined strategies more than doubles as companies move from the consolidated to strategic stage. Having a defined strategy that includes explicit guidelines around areas such as preferred supplier usage and meeting approval processes indicates a company has a significant focus on driving savings and mitigating risk with their meetings program.



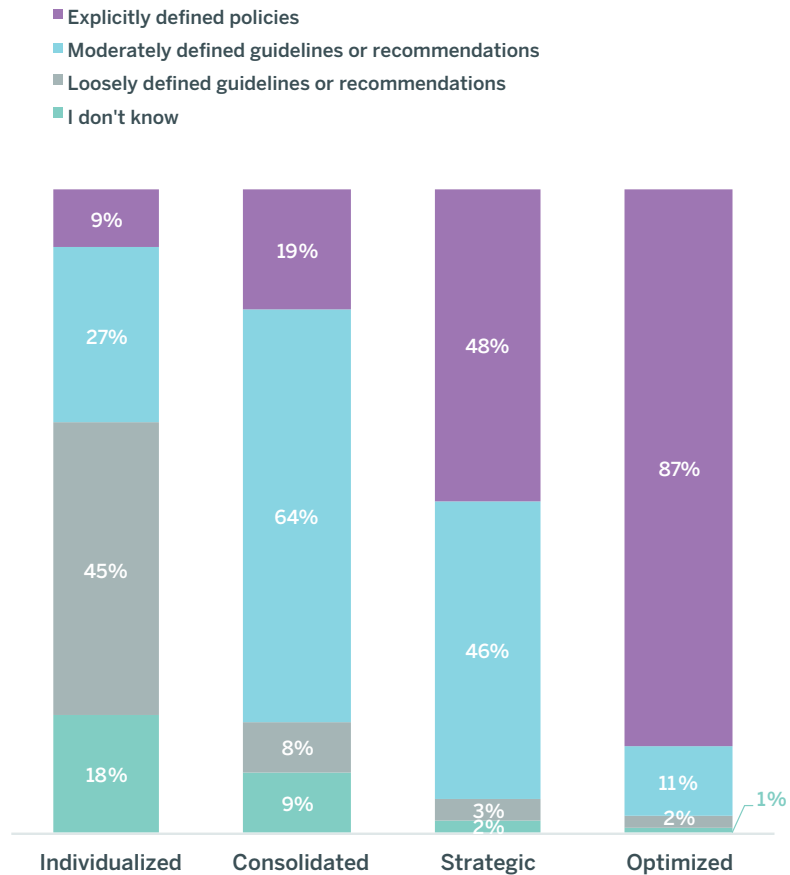
STRATEGY Development Stage

(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American Surveys, August 2017)

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STRATEGY Level of Definition

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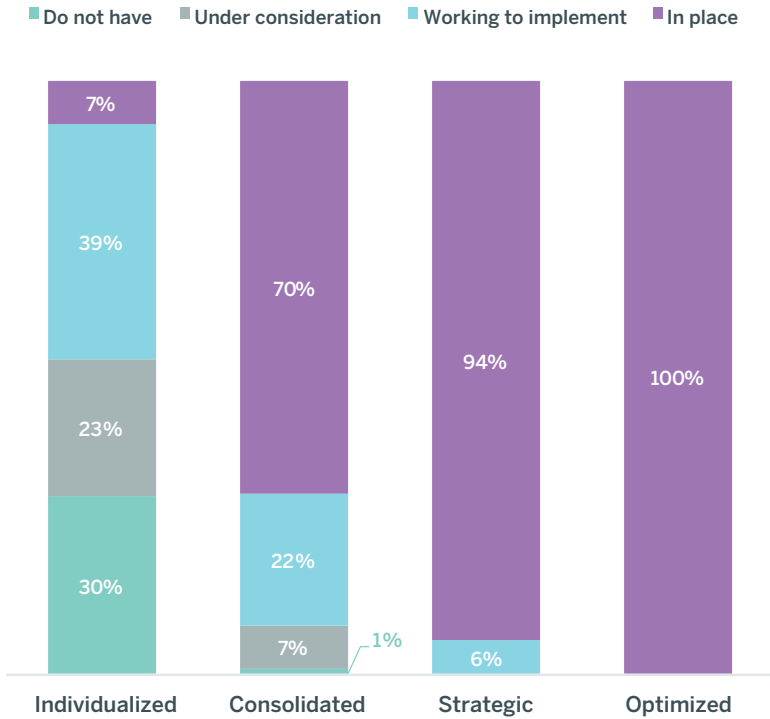


Policy

Putting a policy in place is the equivalent of pouring a solid foundation when it comes to your meetings management strategy. While having a strategy is critical, real progress toward having a functional program is made when policy is implemented. Only 7% of the companies within the individualized stage reported having a policy in place. Among those who have progressed to the consolidated stage, a significant 70% have a policy in place. Not having a policy is clearly a major barrier to moving to a more strategically managed program.

Policy definition is another clear indication of movement into a more strategically managed program. Of the 7% of individualized programs with a policy, only about half of those have at least moderately defined guidelines. In the consolidated stage, we again see a considerable shift. Over 90% of consolidated programs with a policy have moderately or explicitly defined guidelines. For those in the optimized stage, 93% explicit definition demonstrates a high level of performance, but also shows that even companies with the highest-functioning programs are continually working to clearly define policy.

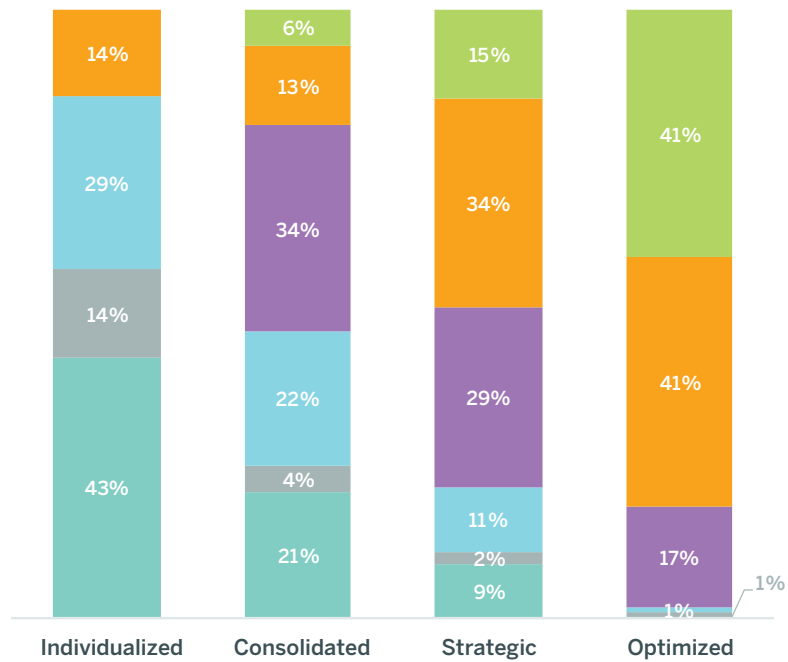
Across stages there are also patterns of what is included and explicitly defined in policies. In the chart below, guidelines around approval processes, procurement of meetings, preferred supplier usage, and payment methods are more universally defined across stages. We see more variability within other items such as technology,



POLICY Development Stage

(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American Surveys, August 2017)

- Complete adoption - utilized for 100% of meetings
- Robust adoption - utilized for 80% to 99% of meetings
- Strong adoption - utilized for 50% to 79% of meetings
- Moderate adoption - utilized for 21% and 49% of meetings
- Low adoption - utilized for less than 20% of meetings
- I don't know

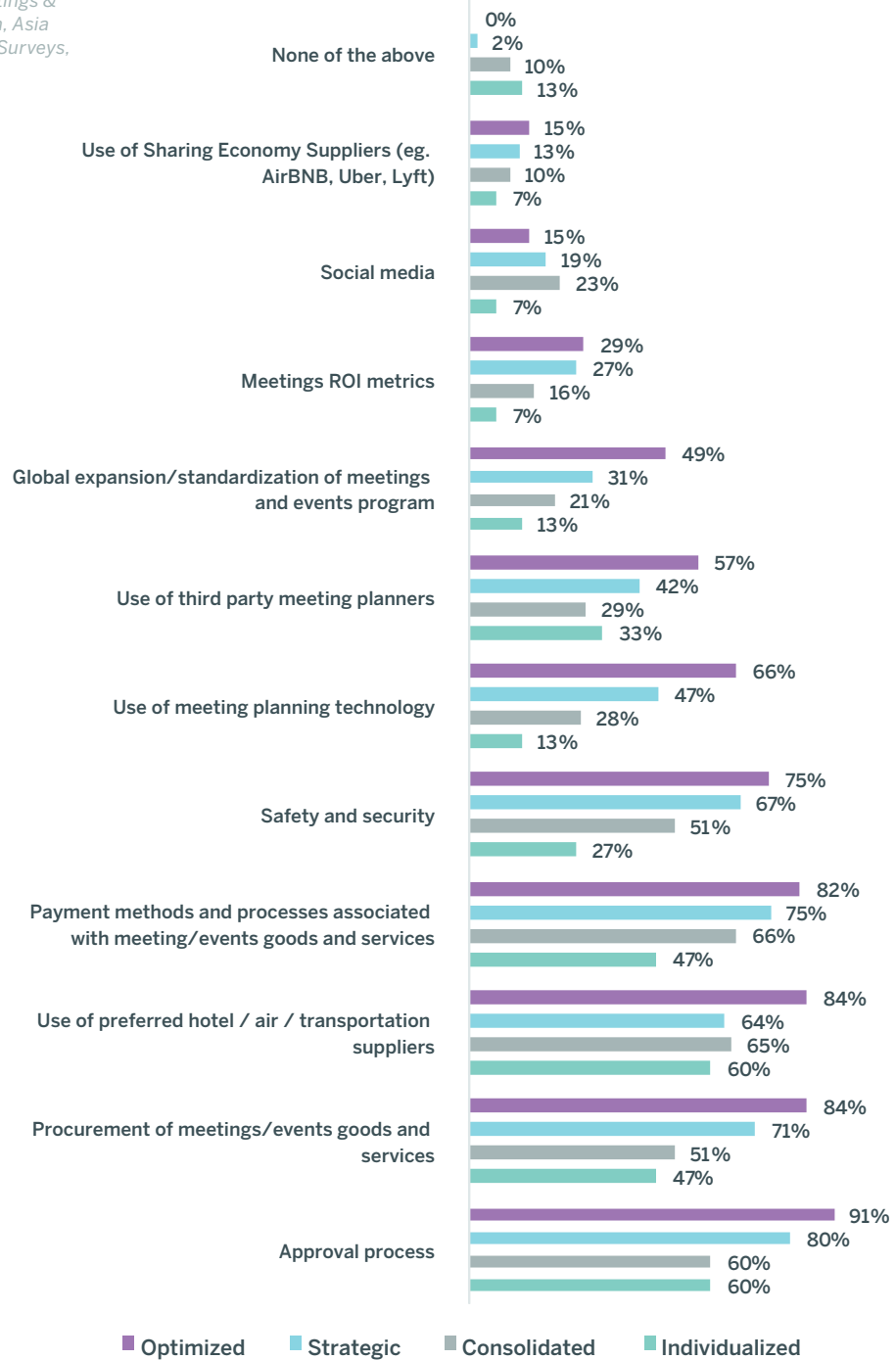


POLICY Adoption

(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American Surveys, August 2017)

POLICY Explicit Language

(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American Surveys, August 2017)

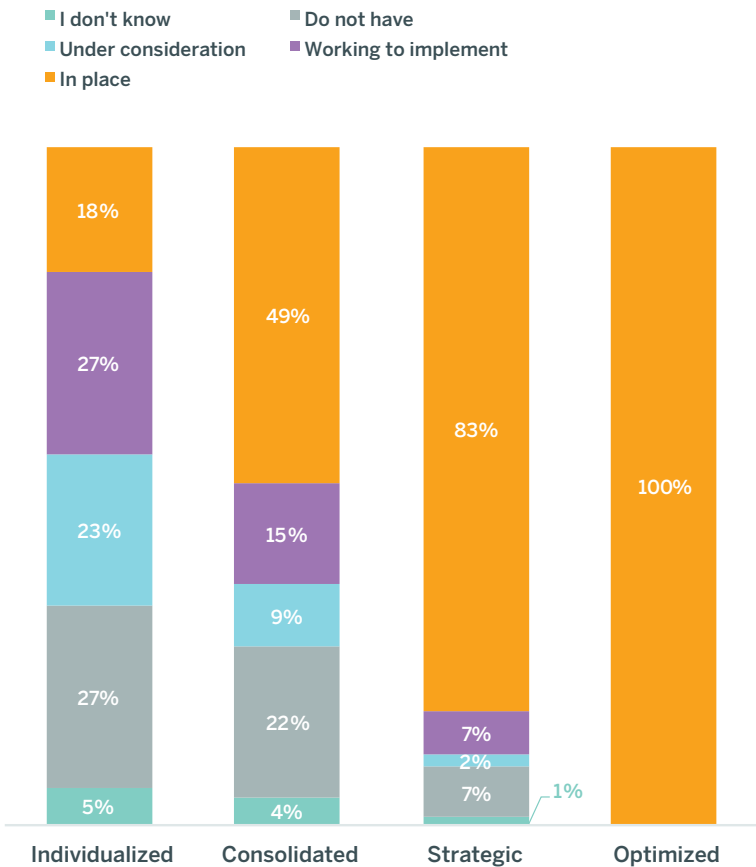


where even in optimized programs only 66% of respondents indicate they have explicitly defined policies for meeting planning technology. Guidelines around use of social media, sharing economy suppliers, and even meetings ROI are at the bottom of the list of meetings-related policies that companies across stages are working to define.

The goal of policy is to incite behavior change. Having a strategy and a policy is a necessary first step, but ultimately, they are words on a page until there is a concerted effort to market and drive adoption or mandate the desired behavior. The low levels of policy adoption across stages indicate this is something companies struggle to achieve. Even at the optimized stage, just over half of respondents indicate they have strong or complete adoption. Also of note are the number of respondents at the strategic level who selected “don’t know” when asked about their level of policy adoption. Of the strategic programs that have a policy, 9% reported they don’t have any visibility into adoption levels, indicating their organizations may be less committed to ensuring meeting planners understand and follow the meeting policy.

Contracting

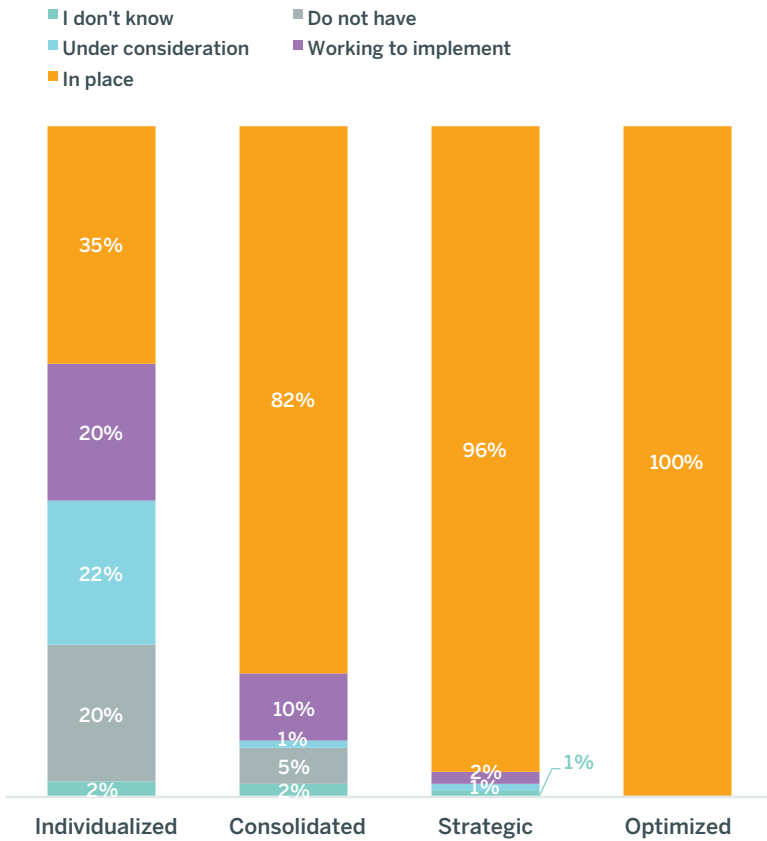
Contractual risk exists in all aspects of meeting planning, from hotel sourcing to food and beverage, ground transportation and entertainment. Managing how contracts are negotiated and approved is critical for avoiding financial repercussions. The importance of centralized contracting and approval processes is evident in the



CONTRACTING Development Stage: Centralized Contracting
(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American Surveys, August 2017)

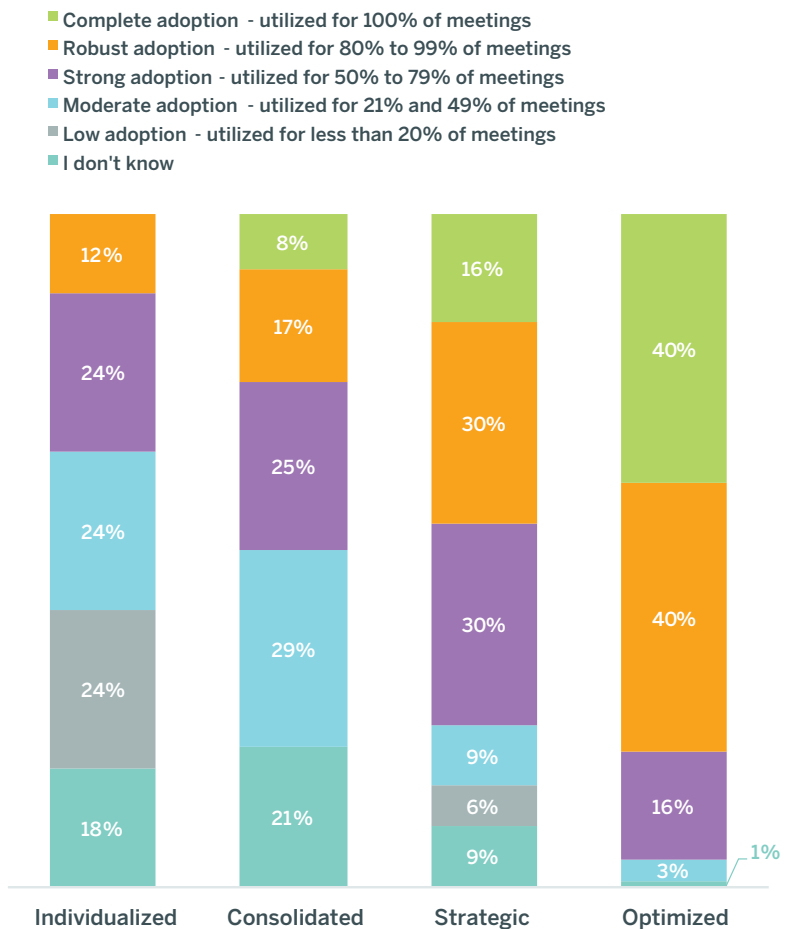
CONTRACTING Development Stage: Approval Process

(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American Surveys, August 2017)



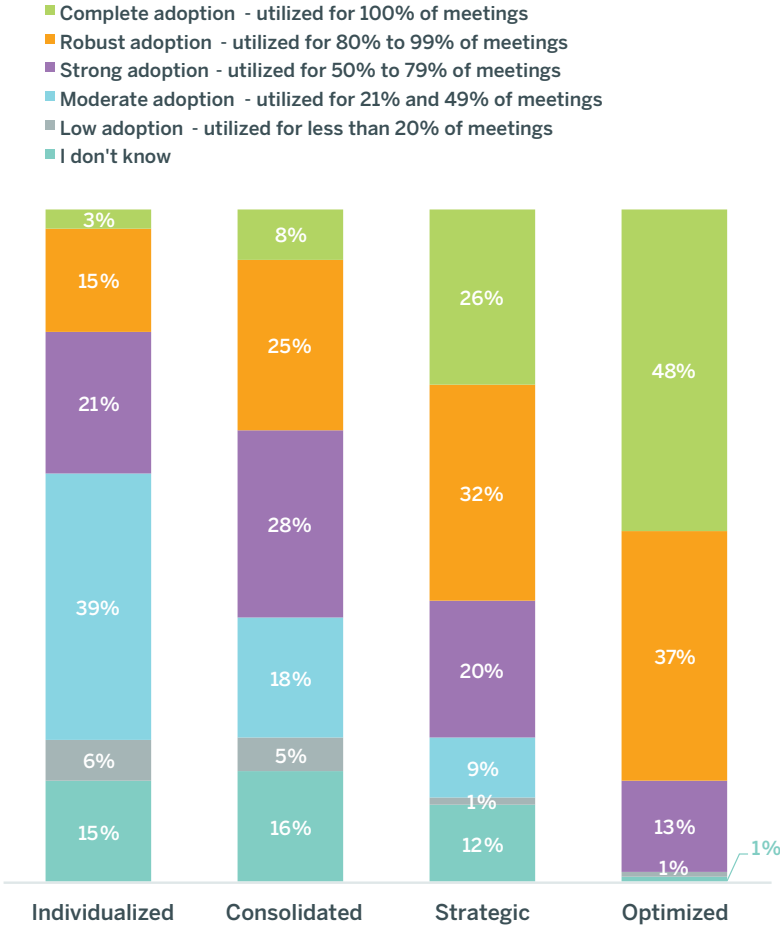
CONTRACTING Adoption: Centralized Contracting

(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American Surveys, August 2017)



CONTRACTING
Adoption:
Approval Process

(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American Surveys, August 2017)



charts below. In the consolidated stage, almost half of the programs have centralized contracting in place and 82% have approval requirements.

Low adoption levels for both centralized contracting and approval processes could indicate that meeting planners are still finding work-arounds to use their own preferred vendors over their organizations' approved suppliers. It is important to find ways to close those gaps and mitigate risks. Attrition and cancellation penalties alone can account for thousands of lost dollars in a program in a single year. Communicating the benefits and risks of negotiating and signing individual meeting contracts may help compel meeting planners to comply.

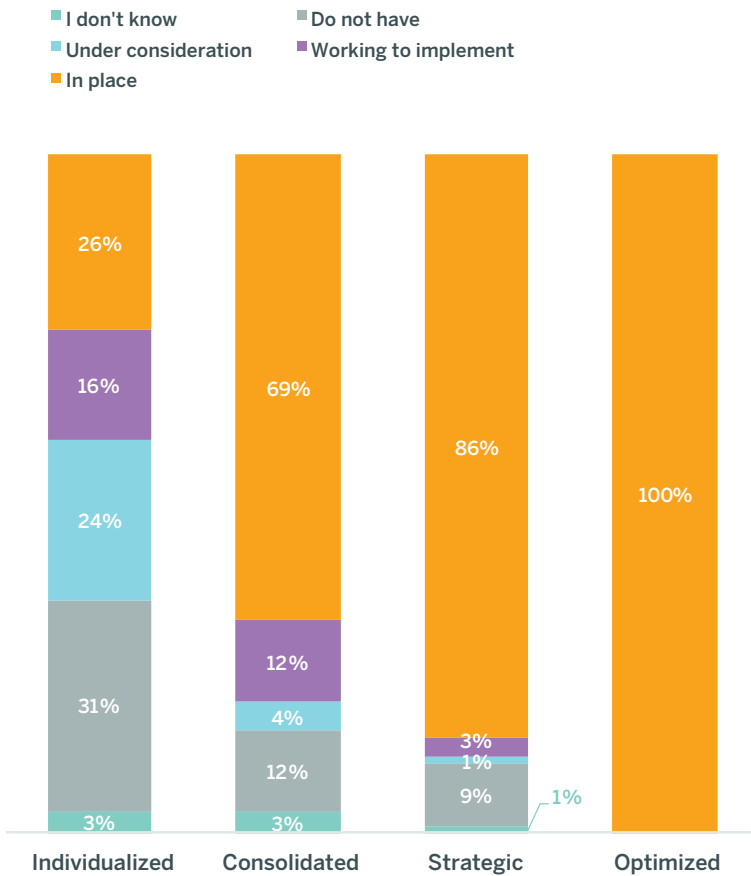
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Centralized Staffing

The industry appears to be moving toward a centralized staffing model, with 69% of consolidated programs and 86% of strategic programs having centralized staffing in place. The level of investment in meetings management resources indicates organizations are finding the savings realized from a strategically managed program are worth the investment in resources to manage the category. Meetings spend is often spread across many different areas of the organization. Centralized staffing and management can give increased transparency into the total meetings spend within an organization, providing insight into potential savings and improved negotiation with suppliers.

CENTRALIZED STAFFING Development Stage

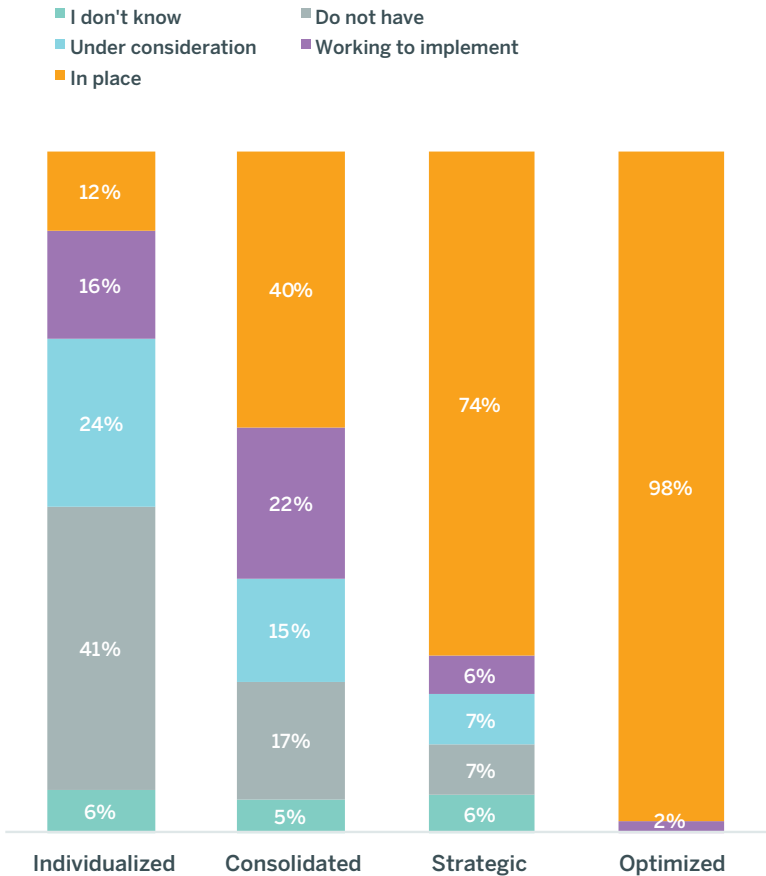
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Meetings Management Technology

Technology appears to be an area that is more difficult for companies to implement, define, and manage. Fewer than half of consolidated programs have meetings technology in place. At the strategic stage, while 74% indicate they have technology, only 43% indicate it has been widely adopted. Far too many companies buy technology and assume victory in meetings management, even though only a fraction of their meetings flow through the technology. The key to a successful program is behavior change and adoption of technology across the organization. Even within optimized programs, 16% indicate they are not fully utilizing the meetings technology they have in place.



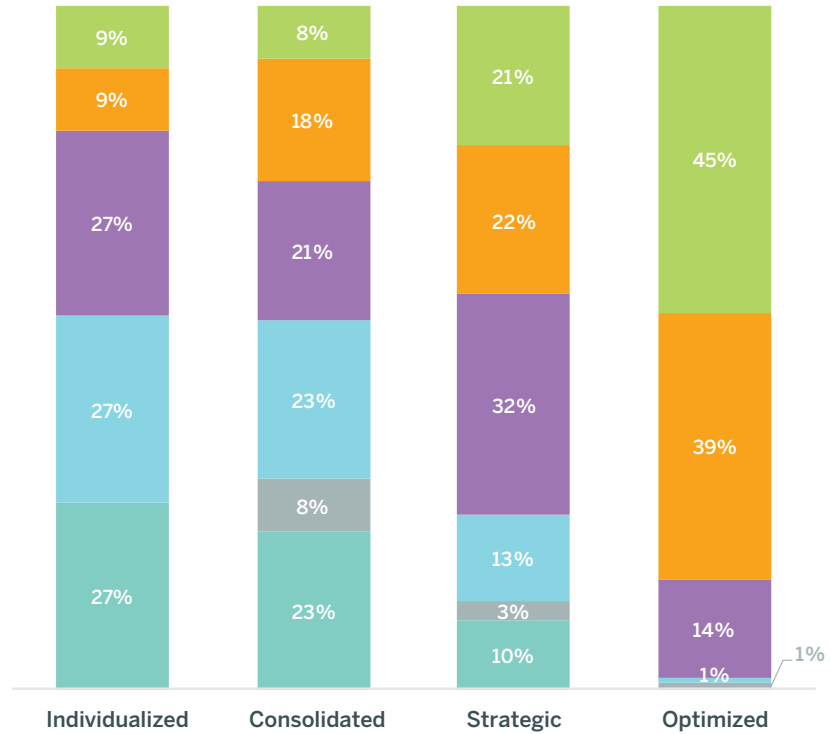
MEETINGS MANAGEMENT TECHNOLOGY Development Stage

(Sources: American Express Meetings & Events North American, European, Asia Pacific, Central/South American Surveys, August 2017)

MEETINGS MANAGEMENT TECHNOLOGY Adoption

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Take the Online Meetings Management Program Assessment

Where does your program sit on the continuum? Are you interested in taking steps to improve your program? To help you better understand the potential next steps on your meetings management journey we have created an online assessment tool. Within the tool you will be asked to select the desired goal state for your program and then answer a few questions about the performance of your existing meetings program against key indicators. The resulting report will provide some basic next steps you can take within your meetings programs to help achieve your meetings management goals.

Remember, strategically managing your meetings is a journey. Understanding the meetings management goals for your organization and identifying opportunities to close gaps will help drive continuous improvement.

MyMeetingsProgram.com

We know meetings.

American Express Meetings & Events helps transform your meetings investment working with you to create and implement a program that's right for you, bringing comprehensive, flexible solutions, actionable insight, and the expertise to design and deliver effective, exciting experiences for your attendees. We work with you side-by-side, finding opportunities to meet your specific business objectives – using meetings to keep your company a step ahead.

Responsible for more than 70,000 meetings annually, we know meetings. Our scalable solutions range from sourcing and planning to reconciliation and reporting. We can assist you end-to-end, or at any point in the meetings and event process. Our expertise is comprehensive – including in-person, digital and hybrid solutions. As your needs grow, we grow with you.

American Express Meetings & Events provides continuous insights that give you new visibility into your meetings program – helping to make your meetings program a driver of your organization's success.

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