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## The Changing Market Environment

### This chapter covers:

- Advances in venue design
- Advances in technology
- Sustainability
- Generational factors
- Growing interest in unique venues

The market environment within which the meetings industry operates is in a constant state of flux, being endlessly re-shaped by economic, social, technological and demographic factors far beyond the control of the professionals working in meetings venues.

In order to survive and thrive, venues must rise to the ongoing challenges associated with satisfying ever more sophisticated and diverse needs within this market environment. This chapter examines some of the key factors currently affecting supply and demand in the meetings market, and explores how meetings facilities may adapt in order to continue winning business and adding value to their clients' events.

## Advances in venue design

One of the most significant changes facing venues in the 21st century is the transformation in the ways in which meetings are being planned and designed. Traditional meetings models are being challenged by the rise of innovative alternatives, and as the design and demands of meetings evolve, so must the venues that host them.

In *The Future of the Meetings Industry* report published by the National Conference Centre, the author notes that with the vast amount of content available online and the ability to watch a speaker present virtually, the need for participants to travel and attend a conference in order to get access to information has changed radically. Moreover, in times of economic uncertainty, attendees become more selective about the conferences they choose to attend. As a result, a growing number of innovative conference designers have reformatted the traditional conference design by creating participant-driven events with greater and more effective opportunities for networking, and a variety of settings to facilitate collaboration among attendees.

According to the report, participant-driven events are fundamentally different to the traditional conference model, largely composed of sessions with seats facing the front of the room and speakers providing a 'lesson' for attendees. Until recently, for the most part, the meetings industry considered successful conferences to consist of a keynote speaker and pre-planned material presented to the attendees from start to finish – essentially a passive learning experience for attendees. But now, when anyone can watch the keynote speaker on YouTube, conference content is increasingly not what the organisers think the attendees want to learn, but rather a general consensus from the attendees on what they want to gain from the experience. Today's attendees are more willing to attend a conference with active learning, based on principles of adult learning, that fits their needs, fosters collaboration and addresses concepts they are most interested in discovering.

Adrian Segar, a conference designer by trade and the author of *Conferences That Work: Creating Events That People Love*, explains how adults learn most effectively: 'Most adults are capable of finding out what they need [in a conference] rather than someone else determining what

they need. Attendees have the capability of directing their learning'. He places significant emphasis on the 70-20-10 rule, which maintains that adults learn 70% of their job from peers (known as social learning), with another 20% learned by reading or, increasingly, internet research (self-directed learning) and only 10% from formal learning such as training. He strongly believes that the future of meetings will continue to occur in venues such as conference centres. However, rather than a traditional classroom setting, the focus will be on space that promotes social learning and allows for informal learning groups so that attendees can learn from one another, as well as from speakers.

In the research conducted by the National Conference Centre into how conference innovators are changing the future of the meetings industry, one common theme resonates throughout – the emphasis on helping people connect and interact with each other at conferences. Tom Condon, who specialises in designing meeting experiences for Steelcase, the world's largest office environments manufacturer is quoted in *The Future of the Meetings Industry* report as saying: 'People want to connect to speakers or other colleagues at a conference. Conference organisers are listening and reacting by creating more opportunities for engagement'. As examples of how this can be achieved, he notes that conference innovators are creating longer lunch breaks, building space where individuals can meet on a casual basis, and designated lounge areas with time-slots for attendees to have conversations with presenters – all of which promote quality face time and one-on-one interaction.

Condon's recent work with Steelcase has focused on building a variety of different settings for attendees. At conferences such as Technology Entertainment and Design (TED) in 2011, Steelcase developed a variety of settings that they refer to as 'a palette of places'. This environment was created by dividing the venue's ballroom into different zones such as an area with bean bag chairs, a large section of café tables at the back of the room with media space for attendees who chose to blog, quiet zones with lounge chairs and table tops to take notes or accomplish work. Condon describes this form of layout as exciting and energetic, "(For attendees) it helps foster the idea that this conference is unique, enjoyable and this space is going to help me connect to other people."

The *Maritz Future of Meetings Survey* also highlighted meeting planners' interest in venues responding to changing conference formats by

providing informal gathering spaces for attendees. Respondents' 'wish-list' included such items such as:

- 'Provide more casual quiet spaces for less formal interaction than meeting rooms. Places where people can "do stuff" as they talk and meet, as they do in their own homes.'
- 'Flexible networking space, lots of space that meets the needs of different groups, events, people, etc. Lots of lounge sofa-type seating with wireless to allow people to network and stay connected.'

It is clear that as future meetings become less structured and provide more free-time for participants to network, this will require that there be well-designed, comfortable, separate spaces and hospitality services available throughout a meeting. The old breakout rooms and fixed times for coffee breaks will be replaced by a looser structure that allows for constant interaction throughout the course of an event. Ideally, these new spaces will also be available to participants outside of the formal meeting schedule. Of course they will also have to boast all the technical and communication requirements the participants will want (e.g., power outlets, connectivity, etc.).

The wish for flexibility in venue design resonates throughout the *Maritz Future of Meetings Survey*. Jim Ruzsala, senior director of marketing at Maritz Travel, defines a flexible venue as "having plenty of room for general and breakout sessions. Also, going beyond traditional room settings; for instance, creating more of an informal room set-up that is more attendee-friendly and engaging. It's more about creating good, lasting experiences". Other respondents commented on the need for flexibility:

- 'Facilities will need to be looking at how they design space and how flexible that space can become'
- 'Make especially the large meeting rooms multifunctional and flexible'
- 'The venue of the future will be smaller, highly technical – to be able to offer the combo Face-to-Face and Face-to-Screen meetings.'

At the most ambitious end of the spectrum, survey respondents and sector experts predict these informal gathering spaces will be available