



State of the 2009 Sustainable Meeting Industry

Executive Summary

2008 was a wild and crazy ride and the path ahead in 2009 looks just as exciting! Meeting Strategies Worldwide is proud to present our inaugural State of the 2009 Sustainable Meetings Industry Report. Trends and forecasts speak to continued economic challenges and increased demand for sustainable meetings. Both present a perfect storm of conditions to continue to motivate all of us to improve the value of what we do by exploring new ideas to be most sustainable and maximize return on investment. In this year's report we set the stage for 2009 by discussing the trends and economic factors that are affecting us all, and then provide you with some ideas to address emerging areas of policy, human interest and technology for events. We hope you'll feel encouraged to go forth, mindful that 2009 lies ahead of all of us a clean field of untrodden snow, careful how you tread on it, for every step will show. Make your footsteps sustainable.



Trends

Welcome to 2009! The Sustainable Meeting Industry is alive and growing with no signs of stopping. In fact, the move from fringe to mainstream is well underway. According to the December 2008, Ernst & Young Report, *Global Hospitality Insights: Hospitality Going Green*, "Green programs can provide a competitive advantage as long as green activities are still optional in the market. However, over time, green practices will become a baseline requirement to doing business in the hospitality industry, particularly as the cost of nonrenewable energy continues to increase. Thus, those companies with business models that revolve around green practices will have the strongest opportunity of achieving a 'sustainable' competitive advantage."

The meeting planning community is weighing in on the hospitality trend: "It's a buyer's market, and the buyers appear to want green," reports Tyler Davidson, Editorial Director, Meetings Media. He continues: "There was a sizeable jump in the number of meeting planners who are planning or expect to plan a green meeting, led by 51% of independents (a 16% jump over the last survey) and followed by 46.8% of corporates (a 10.5% jump over the last survey), and 44.4% both of association planners and government planners." This 2009 Meetings Market Trends Survey will be published in February by Meetings Media.

The MPI Business Barometer, November 2008 reports similar findings: “Many meeting professionals continue to expect a trend toward “green” meetings. This will continue to positively impact the providers of products and services designed for that market. Technology providers and regional destinations may specifically prosper from current trends.” The same report identifies “green meetings” as a Top Ten trend planners see most affecting meetings and events business over the next six months.



A recent survey of corporate travel managers by the National Business Travel Association indicates nearly 30 percent incorporate green issues into their travel policies and that nearly 25 percent prefer green meeting suppliers. Another 30 percent will use hotels in the future that feature environmentally friendly amenities and practices.

Consumers are driving the demand. A 2008 consumer choice survey by the National Geographic Society and GlobScan found that individuals in countries such as Canada, China, France, Germany, India, Mexico, Russia, the UK and the US “feel empowered when it comes to the environment and are taking some action in their daily lives to reduce consumption and waste.” More than a third of U.S. respondents in a TripAdvisor survey said they will visit an environmentally friendly hotel or resort in 2009. Likewise, 32 percent of respondents said they will be more environmentally conscious in their travel decisions than they were the year before.

Economic Factors

Those expecting the trend to sustainable meetings to wane in tougher economic times might be surprised. Businesses that are committed to sustainability are finding quite the opposite to be true: what makes the most business sense is many times the environmentally and socially responsible answer as well.

It is true the economic downturn is impacting us all, causing some of our business to contract. This is affecting budgets, but more importantly, it is changing how we meet. According to the annual “Global Business Travel Forecast and Trends” report released October 22 by American Express Business Travel, meeting managers are cutting back on the frequency and distance of travel. Meetings are getting smaller and more regional. Planners are being required to maximize returns on meeting investment, proving how they relate to education, training, reporting, sales and other strategic purposes. We are all being forced to get a bit more creative to sustain and show value.

In this environment those organizations that are committed to sustainability are finding they are not just surviving; they are thriving. The bottom line is better, employee retention is increased,

and consumers want to do business with them. “Companies that report sustainability data generally experience higher gross margins and return on sales, higher return on assets, and stronger cash flow and rising shareholder return,” according to a recent report, *The Food, Beverage, and Consumer products Industry - Achieving Superior Financial Performance in a Challenging Economy - 2008*,” from PricewaterhouseCoopers.

Joel Makower in his recent article, “Thinking Green in a Blue Economy” (October, 2008) put it powerfully: “At the end of the day, most green business activity is—or should be—about making companies, and economies, more resilient and competitive. That seems to me to be a recipe for success during good times and bad. Green can make sense when times are tough—and even *because* times are tough.”



Policies

With the growing interest in sustainability many meeting professionals are seeking direction to create policies and implement practices that are credible. To respond to this demand many organizations are launching green standards or certifications. For example, the US Green Building Council has created a Leadership in Energy and Environmental Design Existing Building (LEED EB) certification for hotels. Green Seal is launching a certification for caterers to add to their existing programs for cleaners, papers and lodging. Sustainable Tourism International has recently proposed sustainable tourism standards. The British Standard 8901 for sustainable events was introduced a year ago. The printing industry has launched a Green Print certification. And these are just the tip of iceberg!

So what is a meeting professional to do? Who are these entities? Are the programs credible? Are the standards or certifications established or endorsed by the meeting/event industry?

The first step is to carefully consider if implementing the standard or achieving the certification will help you or your business. Evaluate the costs and benefits. Talk to people who have been certified. Take the time to research the standard or certification. Look to see who is behind the certification. Many of the entities launching standards or certifications are well established. Some, however, are not. Be cautious of organizations with a short history. Be sure to check out their websites and credentials. The organizations mentioned above have long and successful history of creating and managing standards.



Another thing to carefully consider is if the standard has engaged stakeholders like industry, government and environmental groups. Who has endorsed it? For example the Convention Industry Council is collaborating with the US Environmental Protection Agency through the process established by the Accepted Practices Exchange (APEX) to create a standard for green meetings. The process began in 2008 and is being driven by nine committees under the Green Meetings and Events Practice Panel of APEX. The committees include: AV and production, food and beverage, accommodations,

meeting venue, transportation, exhibits, onsite office, communications and destination selection. The committees have been hard at work and plan to launch the draft standard to the industry for input in the first quarter of this year.

The intention of the APEX standard is to compliment other standards in the marketplace and make it easier for professionals to set policies and practices that clearly define what a green meeting is. The standard is voluntary and will continue to be updated as practice evolves. Look to the APEX website <http://www.apexsolution.org/green.htm> for updates and opportunities for you to participate in helping our industry create these desperately needed standards.



Technology & Innovation

2008 has seen substantial growth in the use of technology and innovations that make meetings more sustainable. Some of the highlights are the increased use of webinars and podcasts as a replacement for seminar formats, electronic badges that are both reusable and add attendee interaction, and the proliferation of websites with information and services focused on sustainability for the meetings industry. New green awards such as the PCMA Green Award are being developed which encourage sustainable achievement and innovation in the meetings industry.

With online distribution becoming a preferred way of communicating and receiving information, marketing efforts can steer away from printed paper materials and take advantage of any number of technologies. At its simplest, maintaining a website with relevant information and online registration are a good start. One of the most innovative websites is by Scandic Hotels, which not only tallies their environmental achievements but also allows planners to estimate the impact of their meeting. (<http://www.scandic-campaign.com/livereport/?lang=en>) Blogs are rapidly becoming a great way to advertise and keep your participants informed of new developments for your event. Attendees are able to subscribe and get the information delivered straight to their inboxes, with little additional effort on your organization's part. Social networking sites such as MySpace and Facebook allow participants to interact and meet before and after the event, increasing the effectiveness of their networking abilities and forging relationships that can be solidified when they meet in person.

Upsets in fuel prices and the economy often leave travel budgets the victim. Some conferences are starting to turn to virtual technologies to allow for interactive meetings without the requiring participants to hop in a plane, train or car. The best examples of this are meetings that include presentations, exhibits with chat sessions enabled with company representatives and lounge areas which allow attendees to talk directly with others logged in. At the extreme end is projection technology, which takes video-conferencing to the next level. Such



technology creates a 3-dimensional image (“hologram”) that can interact with live human beings on a stage in a way that is real time and very lifelike. Virtual technologies such as these have both the advantage of increasing participation when attendees cannot travel as well as reducing carbon footprints.

Some other exciting green innovations include the development of green booths options for exhibit halls and recycling programs such as Office Depot’s technology trade-in program. Bio-based and recycled product offerings have expanded significantly in the last year with new types of compostable serveware and bags made from recycled coffee bags to fibers such as jute. Online programs, notes and presentations are decreasing the need for printed materials onsite.

For the future, keep an eye on new measurement tools. As the need for measurable outcomes becomes de rigueur and companies look for ROI on green strategies, the ability to measure sustainability factors will become increasingly important. Look for new and more sophisticated tools that track carbon, energy, and water footprints, BS 8901, and overall conference achievements. Newer tools like Ecological Footprint Calculator by the Australian EPA and Best Places to MeetGreen® have been launched in the last year. These new tools will work hand-in-hand with established tools such as paper savings calculators and the MeetGreen® Calculator.

Neenah Paper - <http://www.neenahpaper.com/ECOPaperCalculator/index.asp?ft=Home>

Xerox - <http://www.consulting.xerox.com/flash/thoughtleaders/suscalc/xeroxCalc.html>

Ecological Footprint Calculator -

<http://www.epa.vic.gov.au/ecologicalfootprint/calculators/event/introduction.asp>

Best Places to MeetGreen® - www.bestplacestomeetgreen.com

MeetGreen® Calculator - www.meetgreen.com



Human Factors

One thing we can lose sight of in this age of cutbacks and technology is that meetings are about people. The human element is central to what meeting professionals do. We are catalysts for everything from education to sales and strategizing. We are also triggers of social change and have the power to improve quality of life for the people who are touched by our actions. In the coming months of economic hardship, change and continued environmental crisis Meeting Strategies Worldwide predicts that many opportunities will emerge for meeting professionals to prove our worth by affecting social change. Following are a few of the places where we think you can make a difference by designing meetings that are even better for the people we serve:

Legacy projects

Many meetings offer pre-show volunteer projects as a way to contribute to local host communities. Ideas might include providing training for students or displaced workers, providing lunches at a food bank, delivering blankets to a homeless shelter, volunteering at a care facility or doing a book drive at a local school. Some of the internal benefits? Great press opportunities and improved delegate satisfaction where attendees can get the jump on networking with colleagues.

Responsible purchasing

Meeting professionals have huge purchasing power: use it wisely and conscientiously. Maximize the value of every purchase decision. Ask your purchasing departments if fair trade, local and organic options exist for the meeting supplies you purchase. Buying closer to the location of your meeting helps protect the environment, reduce shipment costs and can support local small business most affected by the economic downturn. For those professionals that practice global purchasing it is also important to consider fair labor practices associated with the production of conference bags, t-shirts and giveaways. The Green Meeting Industry Council has members who can help planners and suppliers source responsible promotional products and meeting supplies (www.greenmeetings.info). In addition the following can help source fairly traded food products and gifts:

- Fairtrade Labeling Organizations International: <http://www.fairtrade.net/>
- World Fair Trade Organization: <http://www.ifat.org/>
- Transfair: <http://www.transfairusa.org/> and <http://transfair.ca/en/node>
- Ten Thousand Villages: <http://www.tenthousandvillages.com/>

Human Rights

As an international industry we affect people far and wide by the daily decisions we make. Here in our own back yard and abroad it is critically important for us to ensure the people we affect are treated fairly and justly. Are you aware of any potential human rights issues in the destination you are hosting a meeting in? Are there any labor issues associated with the venue you are using? It can be a difficult question to ask, but inquiring about it can save headaches, embarrassment and public relations nightmares later.

Also consider the power you have to improve conditions for others. Some organizations are starting to include clauses in their contracts requesting not only environmental practices, but policies and procedures that ensure workers are treated fairly and safely while servicing events. Requesting non-toxic and environmentally responsible cleaners can promote worker health. Requiring training in waste management and ensuring proper sanitary equipment like gloves are provided is important.



For further information on human rights issues please visit:

Oxfam International: <http://www.oxfam.org/>

Amnesty International: <http://www.amnesty.org/>

* <http://www.amnesty.org/en/human-rights> provides a searchable database to learn more about human rights issues in different locations throughout the world.

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