


## The Medical Meetings Landscape:

# ADAPTING, SURVIVING, THRIVING



With healthcare representing roughly one-sixth of the American economy, face-to-face meetings are an important element in educating and updating the industry's practitioners. Here are the results of our exclusive medical meeting planner survey on the state of the industry.



**When one industry** is so big that it represents roughly one-sixth of the entire American economy, two things are certain: 1) that industry has influence across many areas, and 2) that industry has lots of eyes trained upon it, monitoring the effects of that influence.

As planners of medical meetings know well, that's simply the lay of the land for those working in the healthcare industry. They routinely deal with significant regulation and oversight—

from federal rules for compliance to voluntary guidelines from industry associations—and that informs the site-selection decisions they make every day. All of this scrutiny makes these planners unique in the meetings marketplace.

In 2015, the good news for planners and suppliers alike is that in-person scientific meetings are still how healthcare professionals receive the bulk of their continuing education. While the lean times of 2009–2012, along with concerns over public perception and more regulatory changes, resulted in planners shifting their spending patterns, more recent years have seen steady growth for life-sciences events, with no signs of slowing.

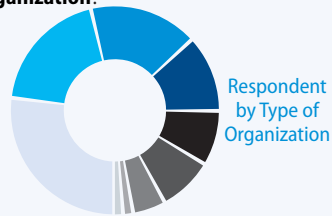
This survey seeks to shed light on the present state of medical meetings: their numbers, budgets, and scope, as well as the factors that drive planners'

site-selection decisions. It is particularly interesting to note the differences between association events, stand-alone continuing medical education activities, and corporate medical meetings, all of which have distinct characteristics. So we've analyzed the data by type of organization (adding independent planners into the mix, too), as well as by meeting type: annual meetings/conventions, CME activities, corporate meetings (including internal corporate and incentive meetings plus non-accredited physician meetings), smaller association meetings, and, in some cases, virtual meetings.

## ABOUT THE RESPONDENTS: DEMOGRAPHICS

**N**ot surprisingly, the majority of survey respondents are with medical associations. But what is a bit unexpected is that about 20 percent of respondents work for independent meeting-planning companies. This attests to the medical field's notable use of third-party professionals to coordinate and execute events. Another 17 percent of respondents come from a medical school, hospital/medical center, or public or private scientific foundation—the main sources of CME meetings. We have grouped respondents into the following categories for cross-tabulation analysis: associations (41 percent), corporate planners (21 percent), independents (20 percent), and CME planners (17 percent).

Which one of the following best describes your organization?



Organization Type	Percentage
National or international association	28%
Independent meeting planning company	20%
Medical school, hospital/medical center, public or private scientific foundation	17%
Regional or state association	12%
Medical education company	8%
Pharma or medical device manufacturer	8%
Marketing/communication company	5%
Association management company	1%
Other	1%

We asked respondents what kinds of meetings they plan (they could choose multiple types), and almost three out of four said they handle accredited CME, continuing education, and training meetings that allow attendees to maintain and strengthen their competence in their fields.

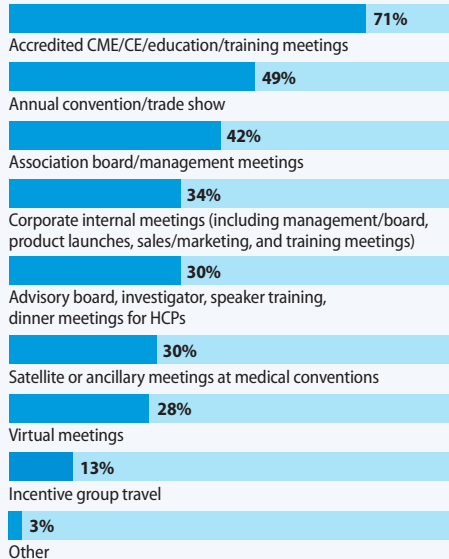
**T**hirty percent of respondents run external meetings for corporations for health-care professionals that take place during the life cycle of bringing a drug to market: advisory board and investigator meetings, speaker training sessions, and HCP dinners, while almost the same percentage coordinate “tag-along” meetings around medical conventions. Some 13 percent coordinate incentive group travel. One interesting revelation: Nearly 28 percent of respondents are

responsible for coordinating virtual meetings, revealing how important online training has become in the medical meetings landscape. Planners have the proper perspective to advise executive stakeholders on developing the combination of in-person meetings and tech-based events that will have the most impact. Planners also know best which in-person meetings can be augmented with technology in order to reach audiences who would otherwise not attend.

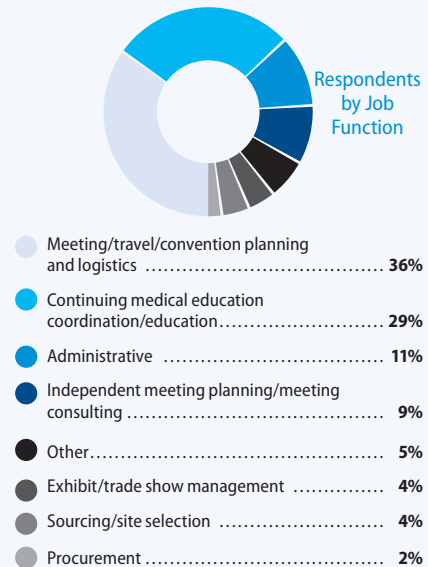
Lastly, respondents most often described their core job function as meeting/travel/convention planning and logistics, closely followed by CME coordination/education. These two accounted for roughly two-thirds of respondents’ self-descriptions, with administrative a distant third.

### What types of meetings are you responsible for?

Respondents could select more than one answer



### Which one of the following best describes your job function?



## SITE SELECTION: CRITICAL FACTORS AND TRADE-OFFS

**P**erhaps even more than planners in other industries, medical meeting planners rate the amount of meeting space as the top factor in their site-selection choices. In fact, more than half of respondents gave meeting space a 6—the highest rating possible. The availability of meeting dates was a close second in

importance for site selection, with an average rating of 5.19 and almost half the respondents giving it a 6.

Hotel room rates/availability of concessions was the third most critical site-selection factor. The other two site-selection factors that rated well above average in importance to planners: food and beverage costs and the number of flights into a destination.

A close look at these results reveals a conflict

### How important is each factor in your meeting site selection?

1=Not at all important 6=Extremely important

	ALL MEETING TYPES	Annual convention/ trade show	Accredited CME/CE/education/ training meetings	Association board/ management meetings	Corporate Meetings
Amount of meeting space	5.22	5.35	5.19	5.43	5.28
Meeting date(s)	5.19	5.26	5.21	5.28	5.14
Hotel room rates and availability of concessions	4.99	5.19	4.99	5.19	5.04
Cost of food & beverage	4.83	4.98	4.86	4.99	4.89
Air accessibility/ availability of flights	4.73	5.00	4.56	4.81	5.01
Proximity of hotels to convention center	3.91	4.23	3.70	4.09	4.10
Cost of airfare	3.87	4.02	3.73	3.95	4.11
Availability and variety of restaurants	3.67	3.78	3.59	3.85	3.62
Hotel's understanding of pharma industry regulations	3.64	3.46	3.43	3.54	4.37
Climate	3.48	3.68	3.43	3.57	3.40
Reputation as a medical center/ local medical resources	3.44	3.31	3.45	3.47	3.53
Availability of cultural attractions (museums, theater)	2.81	3.02	2.83	3.04	2.66
Availability of luxury hotels	2.80	3.00	2.85	2.99	2.73
Availability of activities (golf, theme parks, spas)	2.46	2.51	2.52	2.60	2.32
Ability for attendee to tie meeting attendance to family vacation	2.41	2.49	2.49	2.38	2.12
Availability of entertainment/ nightlife (shows, clubs, lounges)	2.41	2.55	2.40	2.46	2.34
Availability of gaming	1.63	1.74	1.69	1.65	1.60

that's likely to cause stress for medical meeting planners. There's a long-held principle among industry suppliers that says: "With rates, dates, and space, planners can choose two, but we choose the third." Given that meeting space and meeting dates are so important for medical meetings—particularly larger ones that lock in dates many years out—and that planners also rank rates and concessions very high, negotiating a deal that will satisfy everyone will be a tall order.

What's more, hotel data gathered by Smith Travel Research and PricewaterhouseCoopers shows that the slow-but-steady economic rebound has produced high occupancy rates and record growth in average daily rate in 2015. Of course, none of this is favorable to planners as they negotiate. And even when occupancy rates level off, properties will seek

year-over-year rate hikes to maintain RevPAR (revenue per available room) growth. With fewer new hotel rooms set to open compared to past seller's markets, planners won't be able to push too hard in negotiations if their meeting dates are fixed and their meeting space needs are inflexible.

Lastly, two small surprises appeared in planners' ratings of site-selection factors. First, a city's reputation regarding its medical centers/medical resources rated 11th in importance, below even a destination's climate. On the flip side, a hotel's understanding of pharma-industry regulations rated nearly a full point higher for corporate meetings versus all others, including certified CME programs. This makes sense since the pharma industry is heavily regulated in its interactions with healthcare professionals.

## TYPES OF HOTELS, FACILITIES, AND SERVICES USED: DOWNTOWN IS HOT

**B**y a considerable margin, downtown hotels capture the greatest percentage of medical meetings business. No surprise there, but other results are less predictable. For instance, 71 percent of those who plan annual conventions/trade shows use a convention headquar-

ters hotel, but only 60 percent use a convention center. Some 44 percent of these planners use the services of the local convention bureau.

On a different note, for all the industry concern over regulation and "bad optics," the use of resorts is still fairly strong. More than half of all respondents

### What types of hotels, facilities, and services do you use for your meetings or incentive travel programs?

	ALL MEETING TYPES	Annual convention/trade show	Accredited CME/CE/education/training meetings	Association board/management meetings	Corporate Meetings
Downtown hotel	85%	86%	86%	86%	87%
Convention headquarters hotel	59%	71%	55%	65%	71%
Resort	52%	58%	57%	58%	54%
Convention center	50%	60%	47%	58%	59%
Airport hotel	39%	44%	39%	43%	52%
Suburban hotel	36%	41%	37%	32%	39%
Convention and visitors bureau	34%	44%	32%	47%	35%
All-suite property	18%	18%	15%	18%	21%
Theme park property	13%	12%	13%	15%	14%
Gaming property	9%	11%	11%	8%	9%

Respondents could choose more than one facility or service

said they use resorts. Planners of association annuals, board/management meetings, and CME activities use resorts a bit more than planners of corporate meetings, which makes sense given that federal regulations are most stringent for meetings organized by life sciences manufacturers. (See sidebar on last page.) For many other types of meetings, offering an upscale, memorable experience—both inside and outside the meeting sessions—to entice people to attend is important.

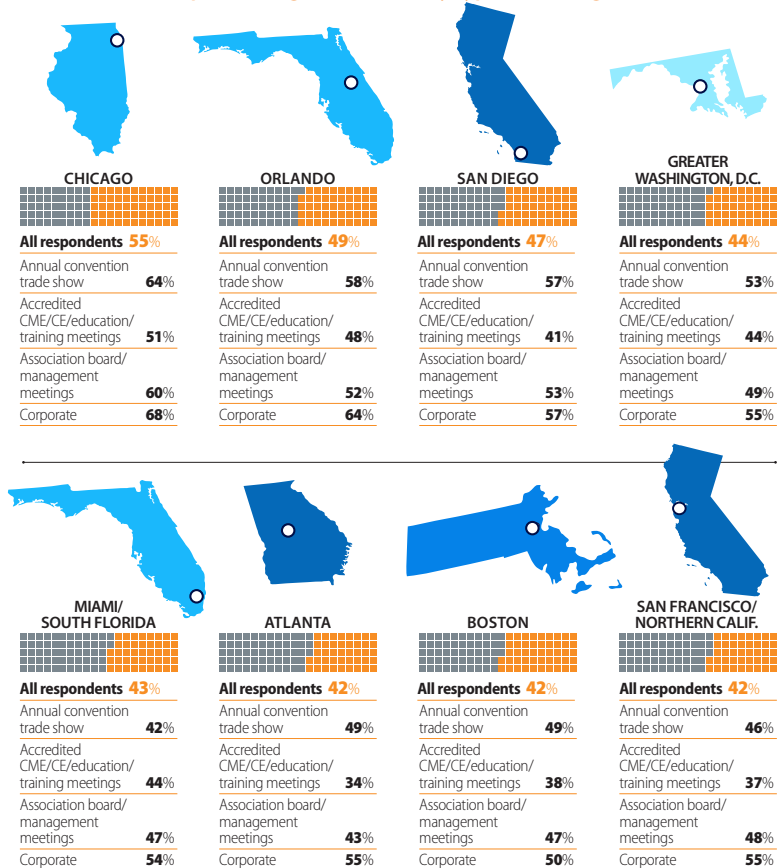
Nonetheless, the present seller's market is making it tough for all medical meeting planners to get what they need from properties at the rates they're looking for. Yield-management analysis at hotels and resorts creates pressure to favor customer segments that generally provide a higher average daily rate (like individual business travelers at downtown hotels) and greater RevPAR. As a result, planners must strategize how they can keep as much of their groups' money on property as possible, in exchange for favorable rates on guest rooms and other meeting concessions.

## TOP U.S. DESTINATIONS FOR MEDICAL MEETINGS

**W**ith its central location and many international flights, Chicago came out on top when respondents were asked which cities or regions they have used or plan to use for their meetings. Orlando, with its favorable year-round climate, huge hotel inventory, concentration of guest rooms and special event venues, noted entertainment options, and many restaurants in the convention-center district, was the second-most-preferred destination among our survey respondents. And San Diego, with its good weather and bay-front convention center and hotels, rounds out the top three destinations among our respondents.

**In which of the following U.S. destinations have you held or do you plan to hold off-site meetings or incentive travel programs?**

Top Cities/Regions Selected by Type of Meeting

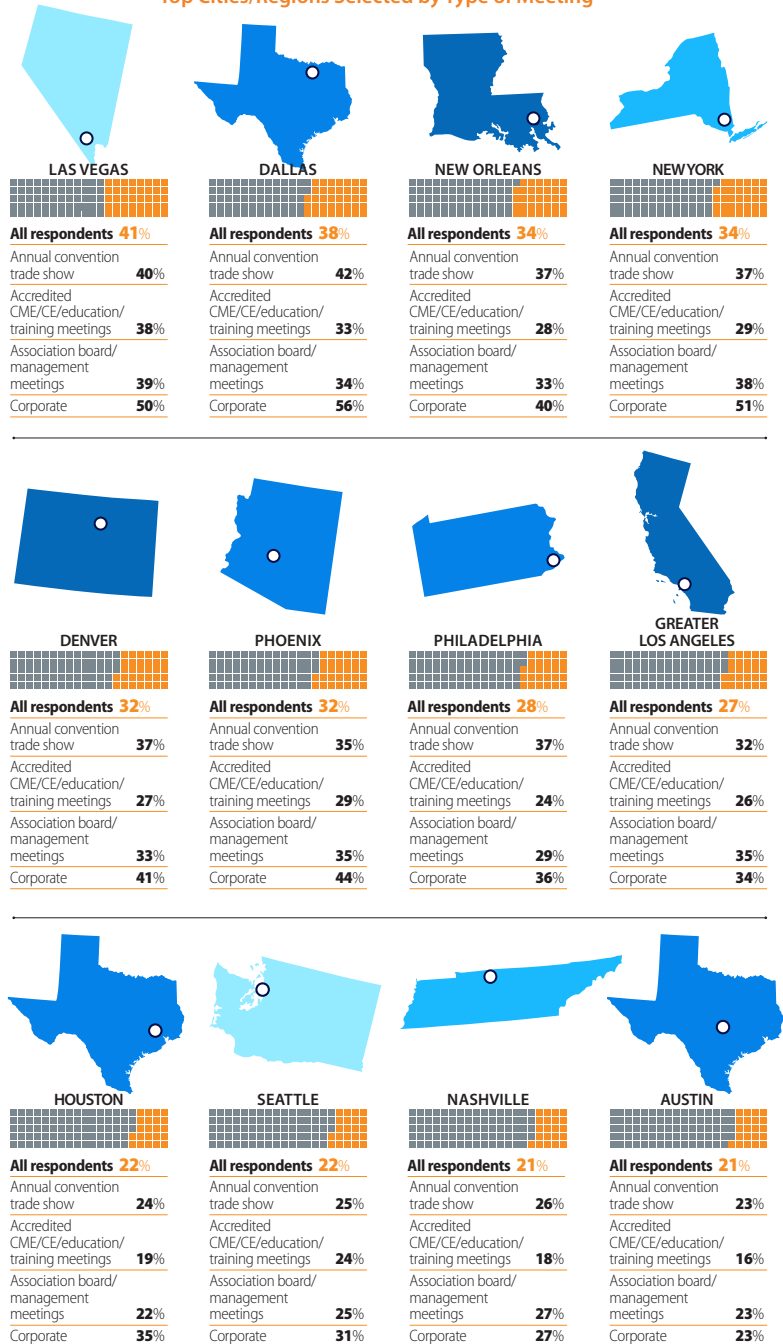


Cities that scored strongly in particular meeting segments versus their overall position include Dallas (10th most-cited destination among all respondents but 4th for corporate events); San Francisco/Northern California (8th among all respondents but 5th for association board/management meetings); and Las Vegas (9th among all respondents but 6th for CME/CE/training meetings). Interestingly, Miami/South Florida was 5th among all respondents but 8th for annual conventions/trade shows.

In some cases a high concentration of physicians enhances a destination's popularity for medical meetings.

Many convention and visitors bureaus will assist with attracting both local and international attendees through marketing programs and materials. With any destination, medical meeting planners should contact the convention bureau to see how its personnel can help drive attendance, remove logistical hurdles, or otherwise assist a meeting.

### Top Cities/Regions Selected by Type of Meeting



## METHODOLOGY:

**For this investigation,** conducted exclusively for MeetingsNet, the research department at Penton, MeetingsNet's parent company, used a methodology for data collection and analysis that conforms to accepted marketing research methods, practices, and procedures. On May 19, 2015, Penton e-mailed 9,329 MeetingsNet subscribers who are involved in medical meetings, inviting them to participate in an online survey. These e-mails contained a live link that routed respondents directly to the survey. Non-respondents were contacted again on May 27, June 1, and June 6, 2015. The data was collected until June 8, 2015. As of that date, Penton received 193 completed surveys.

## Top Cities/Regions Selected by Type of Meeting



**SAN ANTONIO**



**All respondents 21%**

Annual convention trade show	<b>25%</b>
Accredited CME/CE/education/training meetings	<b>19%</b>
Association board/management meetings	<b>25%</b>
Corporate	<b>22%</b>



**TAMPA**



**All respondents 20%**

Annual convention trade show	<b>27%</b>
Accredited CME/CE/education/training meetings	<b>21%</b>
Association board/management meetings	<b>20%</b>
Corporate	<b>28%</b>



**NEW JERSEY**



**All respondents 16%**

Annual convention trade show	<b>16%</b>
Accredited CME/CE/education/training meetings	<b>14%</b>
Association board/management meetings	<b>17%</b>
Corporate	<b>26%</b>



**MINNEAPOLIS-ST. PAUL**



**All respondents 15%**

Annual convention trade show	<b>13%</b>
Accredited CME/CE/education/training meetings	<b>12%</b>
Association board/management meetings	<b>17%</b>
Corporate	<b>20%</b>



**HAWAII**



**All respondents 12%**

Annual convention trade show	<b>14%</b>
Accredited CME/CE/education/training meetings	<b>11%</b>
Association board/management meetings	<b>15%</b>
Corporate	<b>16%</b>

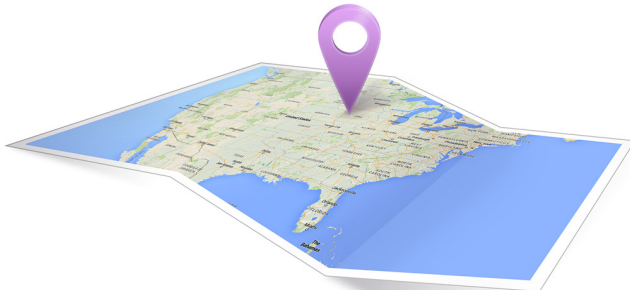


**CLEVELAND**



**All respondents 11%**

Annual convention trade show	<b>11%</b>
Accredited CME/CE/education/training meetings	<b>11%</b>
Association board/management meetings	<b>13%</b>
Corporate	<b>16%</b>



**ST. LOUIS**



**All respondents 11%**

Annual convention trade show	<b>13%</b>
Accredited CME/CE/education/training meetings	<b>11%</b>
Association board/management meetings	<b>17%</b>
Corporate	<b>15%</b>



**KANSAS CITY, MO.**



**All respondents 10%**

Annual convention trade show	<b>13%</b>
Accredited CME/CE/education/training meetings	<b>9%</b>
Association board/management meetings	<b>13%</b>
Corporate	<b>14%</b>



## MEDICAL MEETINGS OUTSIDE THE U.S.: FAVORED DESTINATIONS

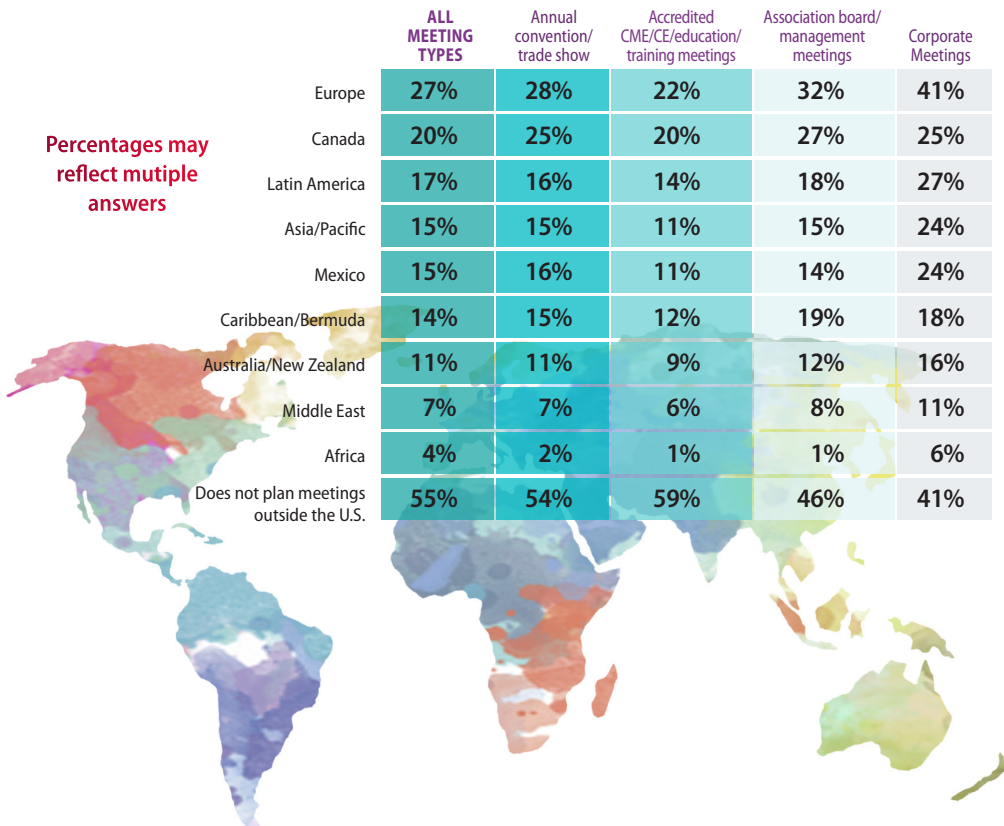
**O**f all 193 survey respondents, 45 percent said they plan meetings outside the United States. For these planners, Europe led the way in all meeting categories and was especially strong for corporate meetings. Canada was a close second in all categories except corporate, and did particularly well among our respondents in association board/management meetings. Latin America

gets more than its fair share of corporate meetings specifically, while the Caribbean fared well with CME/CE/training meetings, and especially well with association board/management events as compared to other international destinations.

Not surprisingly, corporate meetings were the type of event most likely to go to one of the listed international destinations—except for Canada. There, annual conventions/trade shows from the U.S. were slightly more likely to have been held, or to be planned for the future, than corporate meetings.

**If you plan meetings outside the U.S., where have you held or do you plan to hold off-site meetings or incentive travel programs?**

Percentages may reflect multiple answers



# SITE-SELECTION POLICIES: RESTRICTIONS ARE STILL IN PLACE, AND EVOLVING

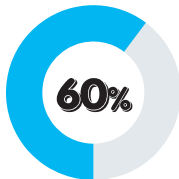
**A**lthough we are now several years removed from the days when prominent elected officials looked into television cameras and called many off-site meetings “junkets” and “boondoggles,” 39.5 percent of our respondents still have restrictions on where

they can host events. Naturally, the corporate sector is most affected: Only 43 percent of corporate respondents and 40 percent of independents (who most often work on corporate events) said they have no restrictions on where they can take events, provided the destination meets the objectives of the meeting. Association planners and CME coordinators aren’t as constrained; 76 percent and 71 percent, respectively, said that they have no restrictions on where they can place an event.

The limitations some planners face can be quite

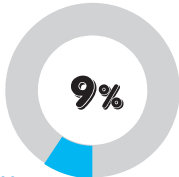
## What is your organization's policy on site selection?

*Can use any type of property or meet in any destination as long as it meets the educational needs or objectives of the meeting*



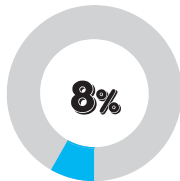
<b>ALL RESPONDENTS</b>	<b>60%</b>
ASSOCIATION	76%
CME	71%
CORPORATE	43%
INDEPENDENT	40%

*Cannot use a property with the word “resort” in the name*



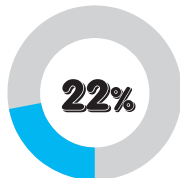
<b>ALL RESPONDENTS</b>	<b>9%</b>
ASSOCIATION	5%
CME	7%
CORPORATE	13%
INDEPENDENT	17%

*Can use only four-star or lower properties*



<b>ALL RESPONDENTS</b>	<b>8%</b>
ASSOCIATION	3%
CME	3%
CORPORATE	13%
INDEPENDENT	17%

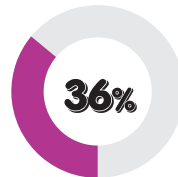
*Cannot use a property in a destination that is perceived as a luxury, frivolous, or too leisure-oriented*



<b>ALL RESPONDENTS</b>	<b>22%</b>
ASSOCIATION	16%
CME	19%
CORPORATE	33%
INDEPENDENT	26%

## How has your organization's policy on site selection changed over the past three years?

*Not required to get multiple bids/easier on sourcing requirements*



**ALL RESPONDENTS**

**3%**

ASSOCIATION

**3%**

CME

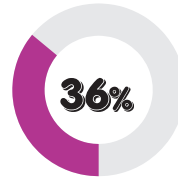
**3%**

CORPORATE

**3%**

INDEPENDENT

*Required to get more bids/stricter on sourcing requirements*



**ALL RESPONDENTS**

**24%**

ASSOCIATION

**33%**

CME

**33%**

CORPORATE

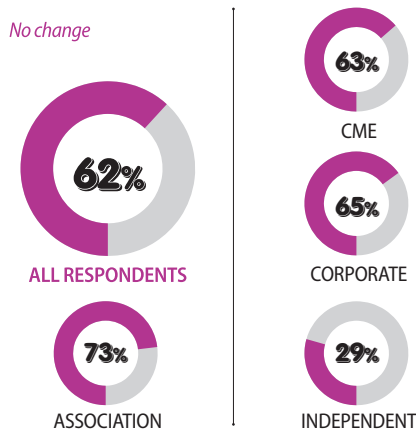
**68%**

INDEPENDENT

strict. The criteria set forth by the **Pharmaceutical Research and Manufacturers of America Code on Interactions with Healthcare Professionals** in the early 2000s insists on modest accommodations for many medical meetings. To wit: 22 percent of all respondents said that they cannot use any property in a destination that is “perceived as luxury, frivolous, or too leisure-oriented.” That figure jumps to 33 percent for corporate planners.

Restrictions at some organizations are more concrete: Nearly 10 percent of respondents cannot use a property with the word “resort” in its name, while another eight percent cannot use five-star properties. Among corporate and independent planners specifically, the figures are 13 percent and 17 percent, respectively, for both the ban on using a “resort” and “five-star” properties.

**How has your organization’s policy on site selection changed over the past three years?**



## MEETING AND TRADE SHOW BUDGETS: BIG DIFFERENCES

**N**ot unexpectedly, CME/education/training meetings have the lowest mean and median budgets of the three segments covered in this survey. In the

association market, meeting budgets are more substantial—but widely ranging: Nearly one in five planners has less than \$150,000 to work with, while one in eight planners has a meeting budget

What is your organization’s **total 2015 budget for all meeting and/or trade show activities** (including all aspects: meeting space, hotels, premiums, services, etc.)?

	ALL RESPONDENTS	Association	CME	Corporate	Independent
Less than \$150,000	16%	19%	25%	13%	3%
\$150,000 to \$999,999	29%	33%	39%	21%	16%
\$1.0 to \$4.9 million	23%	25%	4%	26%	31%
\$5.0 million or more	15%	13%	4%	15%	31%
Do not know/not sure	18%	10%	29%	26%	19%

**Median estimated 2015 budget:**

ALL RESPONDENTS	Association	CME	Corporate	Independent
\$750,000	\$750,000	\$375,000	\$1,750,000	\$1,750,000

greater than \$5 million. Most budgets are between \$150,000 and \$1 million—the median figure among our respondents was \$750,000. One-quarter of respondents report a meeting budget between \$1 million and \$5 million.

When it comes to corporate meetings and events, the mean and median skew considerably higher, which makes sense, since corporate meetings can range from small investigator meetings to large product launches. And the median? A sizable \$1.75 million.

## ANNUAL NUMBER OF MEETINGS: CLEAR DICHOTOMIES

**T**he bulk of responding association and CME/education/training planners have fewer total meetings to focus on each year than do our corporate and independent respondents. In fact, nearly 70 percent of association planners and nearly half of CME/education/training

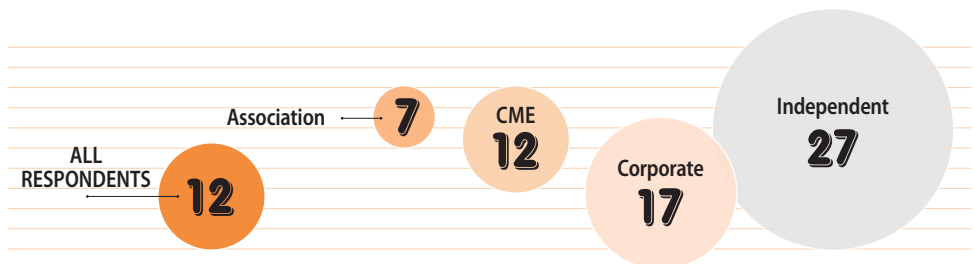
planners handle fewer than 15 meetings each year. Interestingly, two out of five corporate planners and nearly one out of four independent planners also said they do fewer than 15 events each year. However, another two out of five corporate and independent planners occupy the other end of the spectrum, running more than 50 meetings per year. Of course, independents typically are planning on behalf of multiple clients.

### Approximately how many total meetings, incentives, and/or conventions will your organization plan in 2015?

	ALL RESPONDENTS	Association	CME	Corporate	Independent
1 to 14	50%	69%	47%	39%	24%
15 to 29	18%	15%	20%	17%	27%
30 to 49	6%	5%	10%	2%	6%
50 or more	22%	9%	13%	39%	38%
Do not know/not sure	4%	1%	10%	2%	6%

Total Meetings Planned by Type of Organization

### Median estimated number of 2015 meetings, incentives, and/or conventions planned:



## AVERAGE ATTENDANCE AT PLANNERS' LARGEST MEETINGS: MIDSIZE IS THE SWEET SPOT

**A** respondent's largest annual meeting was most likely to be 250 to 499 attendees (the median is 375), but there were notable differences among the four planner segments.

For medical association meetings, where the median size of the largest meeting is 1,750 people, about one-quarter of association planners have meetings in the 1,000-to-2,499-attendee range each year, while almost 23 percent have a meeting with more than 5,000 attendees.

Among CME/education/training event planners, those mega meetings are rare—only 3.4 percent of

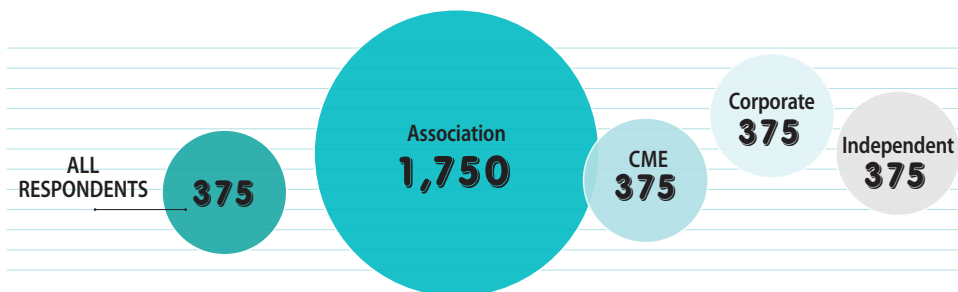
respondents report a 5,000+ person meeting and all the rest have fewer than 1,000.

Corporate planners ran the gamut in terms of the size of their biggest event. About 17 percent say there are fewer than 100 attendees at their largest meeting, while nearly 1 in 4 corporate planners coordinate a meeting that hosts between 1,000 and 2,500 attendees, and 1 in 10 have a meeting that attracts more than 2,500 attendees. This corresponds to large pharma, biotech, and medical-device companies planning annual sales or product launch meetings.

### What is/will be the total attendance at your largest annual meeting in 2015?

	ALL RESPONDENTS	Association	CME	Corporate	Independent
1 to 99	11%	4%	21%	17%	11%
100 to 249	17%	19%	17%	10%	23%
250 to 499	25%	17%	45%	29%	20%
500 to 999	12%	7%	14%	10%	23%
1,000 to 2,499	17%	24%	-	24%	6%
2,500 to 4,999	6%	7%	-	10%	6%
5,000 or more	12%	23%	3%	-	11%

### Median estimated attendance at largest 2015 meeting:



## HOW MUCH IS PHARMA SPENDING ON DOCS AT MEETINGS?

The initial data on the transfers of value from pharma companies required under the Open Payments program offers hints at the total economic impact of medical meetings in the U.S.

BY SUE PELLETIER

**L**ast fall, the first round of data on transfers of value (ToV) from pharmaceutical companies to physicians from the last five months of 2013 was released by the Centers for Medicare and Medicaid Services, as required by the Open Payments program under the Affordable Care Act.

While the data does hold some implications for the size and scope of commercially supported medical meetings, it is difficult to analyze due to reporting variations and system glitches, so it reveals at best a partial picture. Approximately 40 percent of the payment data was not reported publicly due to the ToVs not being attributed to a specific doctor or teaching hospital, and the initial data set does not include transfers of value to non-physician healthcare providers, a demographic that has been growing steadily and now hovers around 11 million at Accreditation Council for Continuing Medical Education– and state-accredited CME activities, according to **ACCME's most recent data report**. The redacted Open Pay-

ments data will be included in a re-release of the first five months of reported data at the end of June 2015, along with another seven months worth of data.

The Open Payments data also does not reflect certified CME activities that are not commercially supported; according to the ACCME, almost three-quarters of the income its accredited providers received in 2013 was from non-commercial-support sources, such as registration fees, government grants, private donations, and allocations from a provider's parent organization.

Still, the Open Payments data that has been released shows some fairly large numbers for consulting fees, research grants, travel reimbursements, and other transfers of value that medical device manufacturers and pharmaceutical companies provided to physicians and teaching hospitals from August through December 2013. The data show that 4.4 million payments valued at nearly \$3.5 billion were provided to 546,000 individual physicians and almost 1,360 teaching hospitals. Only some of it, however, pertains to meetings. Here is a breakdown:

- **\$202.6 million:** promotional speaking, the second largest category of spending (royalty and licenses were the top category, at \$302.5 million)
- **\$92.8 million:** food and beverage
- **\$74.1 million:** travel and lodging
- **\$38.1 million:** grants
- **\$26.7 million:** honoraria
- **\$14.8 million:** non-accredited training
- **\$4.2 million:** accredited training
- **\$0.2 million:** entertainment

Future reports, the first of which is due June 30, will be published annually.