

# An Economic Forecast For The Event Industry in 2009

Erick Weiss, President, *Honeysweet Productions*



*"Whether the weather be cold  
Whether the weather be hot  
We'll be together  
Whatever the weather  
Whether we like it or not"*

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**W**hether you are a Republican, Democrat, Green or Independent party member, whether you are a first time voter or a seasoned election veteran, whether you are a planner, supplier or sup-planner we can all agree that November 4, 2008 will be forever remembered as an historic day in American history. With the stock market doing more loops, dips, slow climbs and hair-raisingly precipitous drops than a roller coaster, with banks shutting down, jobless rates climbing, mortgages foreclosing, and the auto manufacturers on bended knee seeking a federal bailout one has to ask: what's the future for the event industry and what will the effect on it be by the election of our first African-American President, Barack Obama?

A casual survey I produced on Zoomerang, emailed out to 150 contacts and posted on LinkedIn, revealed some very interesting results and, while caution is in the air, optimism does appear to be the mantra. Most people are seeing no increase in potential business but at least 25% of respondents are seeing light at the dawn of the new year. 42% believe that there will be economic growth in the event industry due to the election with 13% saying there will be no growth and 49% feeling "unsure." When asked specifically if they anticipate increased sales or expenditures for 2009, the result is a resounding 50/50. And yet, a walloping 80% believe that the election results will benefit the economy in 2009 with only 2% saying "not at all."

As Michael Krouse, CMP, CHME, CASE, Senior VP Sales and Client Services for LA Inc. puts it, "We expect 2009 to be flat to 2008 which was not a bad year." Michael pointed out that ancillary business travel is down. "That," he says, "is where the spigot was turned off." Michael told me that when you just look at the last five weeks in terms of occupancies the results are pretty startling. "We've never seen such a dramatic reaction," he said of some hotel's knee jerk reactions to economic forecasts. However he is also confident that LA has a lot to offer. "The great thing about LA is that you have this huge diversity in product and price... you've got variety here. This could be a very positive thing for us from a convention perspective because... if we did nothing to change a single thing we did, even with the rate growth we've had in downtown LA in the last couple of years, we're still the best deal in the country."

Most of the respondents to my survey anticipate keeping their marketing expenditures at about the same level with 28% planning an increase. People are still looking to produce events. As David Adler, President and Founder of BizBash, told me, "Events are the town squares of today and are more important than ever. Companies that use events to get customers, keep customers and motivate employees to get and keep customers are the winners who will get through this tough economy and be inspired by the election of such a dynamic leader who uses oratory as his secret weapon."

Lisa Hurley, Editor with Special Events Magazine told me, "We see rough seas ahead for the corporate event side. Nearly 50 percent of respondents to an online poll from Special Events in early November said their holiday party business will be off by more than 40 percent this year compared with 2007. (Our planner readers aren't giving up that business without a fight--in an online poll last week, 45 percent said they are sending promotions to clients and potential clients promoting lower-cost holiday parties.) The social side of the event business--weddings, bar/bat mitzvahs--has traditionally stayed resilient."

To get through these stormy economic times, Tracy Kwiker, MPI member and President of Pivotal Events, feels that it is critical to be clear on your "elevator pitch" and your specific goals or abilities. In short you have to be even more strategic than ever. As she put it, "While some potential clients are deciding to forego their events or move more slowly in their decision making process, my firm's lead generation rate has actually increased. Pivotal Events produces every client event using a strategic, business-oriented framework that delivers a return on our client's event investment. In this challenging economic climate, I think that our business platform is just resonating that much more clearly with prospective clients."

In some ways we may call this economy "The Edge" as Dennis Perkins (author of "Leading at The Edge") describes the challenges faced by extraordinary leaders performing extraordinary expeditions such as Ernest Shackleton's exploration of the South Pole. Looked at in this way, we can all benefit by practicing strong leadership within our own organizations as we weather these times. As he put it to me recently, "Our research has demonstrated that there are a set of core leadership principles that don't depend on a bailout, a financial guru, or an economic policy. They work whether the economy is good or bad. They work for organizations struggling to survive, and for organizations that need to outperform their

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# Proof of Hard Work

by Judi Froehlich-Pascoe, *BCD Meetings & Incentives*

**M**PISSC is fortunate to have amazing volunteers and members that continually contribute amazing articles, stories, and information to our print and electronic communications, as well as our website. However, it is our tireless and reliable proofing committee that polishes, adds creative ideas, and brings it all to life...for our membership's enjoyment.

Each month, a number of items are first sent to our committee members prior to anything going to print. We try to allow time to peruse, yet, periodically the group is faced with tight deadlines to proofread and respond with recommendations...they always come through! It is a very time-consuming

and thankless job; however, a most important job within our volunteer community.

A big thank you to our 2008-2009 proofreading team: Jerry Cowart, Michael Dominquez, Donna Garrett, Debbie Hawkins, Shawne Hightower, Linda Jenkins, Nick Joseph, Larissa Schultz, Amparo Villapando, Jan Weiner, Patty Stuhff, Amy Zelinsky and Judi Froehlich-Pascoe. And a special thank you to Jerry Cowart, our editor, who brings it all together and does so with such passion.

Each one of you bring a different eye, style and flavor to the table to ensure our communications go out "proof" perfect!

## The Significance of January 9...

By Audra Narikawa, *CMP, The Capital Group Companies, Inc.*

**Y**ou may be thinking, it's the day that Connecticut became the 5th state to join the USA in 1788. Or you might be thinking, that's Richard Nixon's birthday - the 37th President of the USA. Or for those world history buffs, you might be thinking, that's the day that Umberto I became King of Italy in 1878. If you're me... you're actually thinking, that is the deadline to submit my application to be considered for the MPISSC Board of Directors. Please, please, please, do not let other historical events or historical birthdays distract you from the importance of January 9.

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competitors." Mr. Perkins has identified "Ten Strategies for Success" that distinguish leaders and teams that succeed from those that fail at The Edge:

1. Never lose site of the ultimate goal, and focus energy on short-term objectives.
2. Set a personal example with visible, memorable symbols and behaviors.
3. Instill optimism and self-confidence, but stay grounded in reality.
4. Take care of yourself: Maintain your stamina and let go of guilt.
5. Reinforce the team message constantly: "We are one — we live or die together".
6. Minimize status differences and insist on courtesy and mutual respect.

Take a minute to envision yourself as a leader of our chapter. **Go online to [www.mpiscc.org](http://www.mpiscc.org)**, visit the Leadership Development page and you'll find the application at the bottom. If you are a leader and feel that you can better serve our chapter as being a member of MPISSC's Board of Directors, I invite you to nominate yourself today (or at least before January 9)!

7. Master conflict—deal with anger in small doses, engage dissidents, and avoid needless power struggles.
  8. Find something to celebrate and something to laugh about.
  9. Be willing to take the Big Risk.
  10. Never give up — there's always another move."
- (from The Syncretics Group website: [www.syncreticsgroup.com](http://www.syncreticsgroup.com))

There were several comments posted to my survey and most were pretty optimistic; "I look forward to a new and exciting 2009. We needed change and that's exactly why we have Barack as our new president." As another person put it, "If the Obama Presidency helps the economy, it will help the events industry." In the end we are all in the same boat and we are all, I believe, praying that our new President will exhibit the leadership qualities noted above. Such leadership will certainly help us all weather the weather. Remember, "dress for success and keep your feet dry!"