Economic Significance of Meetings to the US Economy

Events Industry Council

February 2018

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This Economic Significance Study (ESS), conducted by Oxford Economics, quantifies a vital industry that contributes billions of dollars to the U.S. economy, while creating millions of jobs in almost every community in the country.

The data in this study provides a clear and credible statistical base on which to gain recognition for this vast and diverse industry as a vital economic driver and clearly articulates the downstream effect on other industries and the people who work in them. Anyone who reads this report will better understand the economic significance as well as the depth and breadth of the meetings and events industry.

While this study focuses on the value of the industry to the overall economy, the many other benefits resulting from the meetings and events that are held should not be overlooked. To the millions of attendees annually, these events provide an invaluable source of adult learning, continuing education for professional certifications and licensure, a forum for developing and maintaining professional contacts, an effective and efficient means of enhancing sales efforts, a medium for information exchange leading to innovation, new medical treatments and research breakthroughs, among other benefits.

Assisting in this study effort was a team of industry professionals and researchers from the Events Industry Council Research Committee. We extend our thanks to them for their oversight of the project.

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Executive summary

Overview

To quantify the economic significance of the U.S. meetings sector for the Events Industry Council, Oxford Economics analyzed industry information and prepared a comprehensive measure of sector activity and corresponding economic impacts. This research represents the most comprehensive analysis of meetings sector impacts to date. It updates the findings for the year 2016 and also re-estimates key metrics for previous years.

As part of this analysis, Oxford Economics conducted:

- **Primary research** including a nationwide survey of meeting planners, exhibitors, and venues. Responses to the meeting planners survey covered meetings with an aggregate budget of $18 billion and 5.5 million total attendees.
- **Secondary research** including an analysis of data gathered by: Longwoods International on travel by almost 9,000 domestic business travelers; the National Travel and Tourism Office on travel by almost 50,000 international air travelers; STR on group demand at over 11,000 hotels; and research by the Center for Exhibition Industry Research (CEIR) on trade show activity.

This document presents key elements of the research and findings. It is organized in four sections:

1. Meetings volume and direct spending
2. Economic impact analysis
3. Methods
4. Industry comparisons

What qualifies as a meeting in this study?

- A gathering of 10 or more participants for a minimum of four hours in a contracted venue.
- This includes business meetings, but excludes social, educational, and recreational activities, as well as consumer exhibitions.

Executive summary

Meetings sector activity in the U.S. (2016)

- 1.9 million meetings occurred in 2016, with 251 million meeting participants.
- Meetings generated $325 billion of direct spending, including:
  - $167 billion to plan and produce meetings;
  - $120 billion for meetings travel; and,
  - $38 billion of other direct spending, such as spending by exhibitors.
- Meetings direct spending is growing, expanding 23% since 2009, primarily due to an expanding number of meeting participants.
- On average, $1,294 was spent per meeting participant.
- Two-thirds of meeting spending was associated with domestic overnight meeting participants.
- Six million international meeting participants generated $38 billion of meetings direct spending (11.5% of the sector total).
- Meetings generated 300 million room nights.
- The meetings sector supported 2.5 million jobs, with $95.6 billion of direct wages and salaries. The sector directly generated $184.2 billion of GDP.

Economic impact of U.S. meetings (2016)

Meetings supported a total economic impact in 2016 of:

- $845 billion of output (business sales)
- 5.9 million jobs with $249 billion of labor income
- $446 billion of GDP (representing contribution to US gross domestic product)
- $104 billion of federal, state and local taxes

The meetings sector supported more direct jobs than many large manufacturing sectors, including machinery, food, auto, and chemicals. It sustained more jobs than the telecommunications and oil and gas extraction industries as well.

Additional highlights:

- The direct meetings spending associated with 43 meeting participants supported one US job, on average in 2016, including both direct and indirect impacts.
- On average, each meeting participant supported $416 of tax revenue in 2016, including $215 of federal tax revenue and $165 of state and local tax revenue.
- The total tax impact per household was $879 per US household in 2016. This tax offset represents the federal, state and local taxes that would otherwise need to be paid per US household to compensate for the absence of meeting sector activity.

1. Meetings volume and direct spending

Overview of meetings volume and direct spending

This section summarizes the size and scope of meetings sector activity in the U.S. The primary measures presented are:

- Number of meetings
- Number of meeting participants
- Amount of meetings direct spending

Meetings direct spending represents spending directly incurred in the planning and production of meetings, travel to meetings, and accompanying meetings-related activities. As a basic description this includes spending by participants to attend the meeting (e.g. travel and registration), organizer-paid travel, spending by exhibitors (e.g. sponsorships, exhibit production, off-site events), spending by meeting organizers and hosts, and certain other meetings-related spending.

Meetings direct spending provides the clearest measure of the economic significance of meetings because it captures the full scope of services and goods directly provided by a range of industries. For this reason, much of our summary analysis focuses on meetings direct spending and the number of meetings participants.

We estimated meetings direct spending and the number of meetings participants across two key dimensions:

- **Type of meeting:** Corporate/business, conference (without exhibit floor), trade show (including conferences with exhibit floor)*, incentive meeting, and other.
- **Participant origin:** Local, domestic day, domestic overnight, and international.

Additionally, we analyzed meetings direct spending in terms of the services and goods (commodities) purchased, for example, the amounts spent on travel, food and beverage, and venue rental; and certain expenditure categories (e.g. revenue sources).

Definition of a meeting

For the purpose of this study, the term "meeting" refers to a gathering of 10 or more participants for a minimum of four hours in a contracted venue.

- Meetings **include** conventions, conferences, congresses, trade shows and exhibitions, incentive events, corporate/business meetings, and other meetings which fit the aforementioned criteria.
- Meetings **exclude** social activities (wedding receptions, holiday parties, etc.), permanently established formal educational activities (primary, secondary or university level education), purely recreational activities (such as concerts and shows of any kind), political campaign rallies, or gatherings of consumers by a company for the purpose of presenting specific goods or services for sale (consumer shows, product launches to consumers).

* For this purpose, exhibit floor was defined as 3,000 net square feet of paid space and at least 10 exhibiting companies.

Meetings volume

1.9 million meetings were held in 2016, attracting 251 million participants.

In total, 1.9 million meetings were held in 2016, with 251 million participants. The majority of these meetings were corporate or business meetings, and participants at such meetings represented 53.4% of total participants.

Most meetings were hosted by a corporation or business, followed by meetings hosted by association or membership organizations, and those hosted by not-for-profit or other non-government organizations.

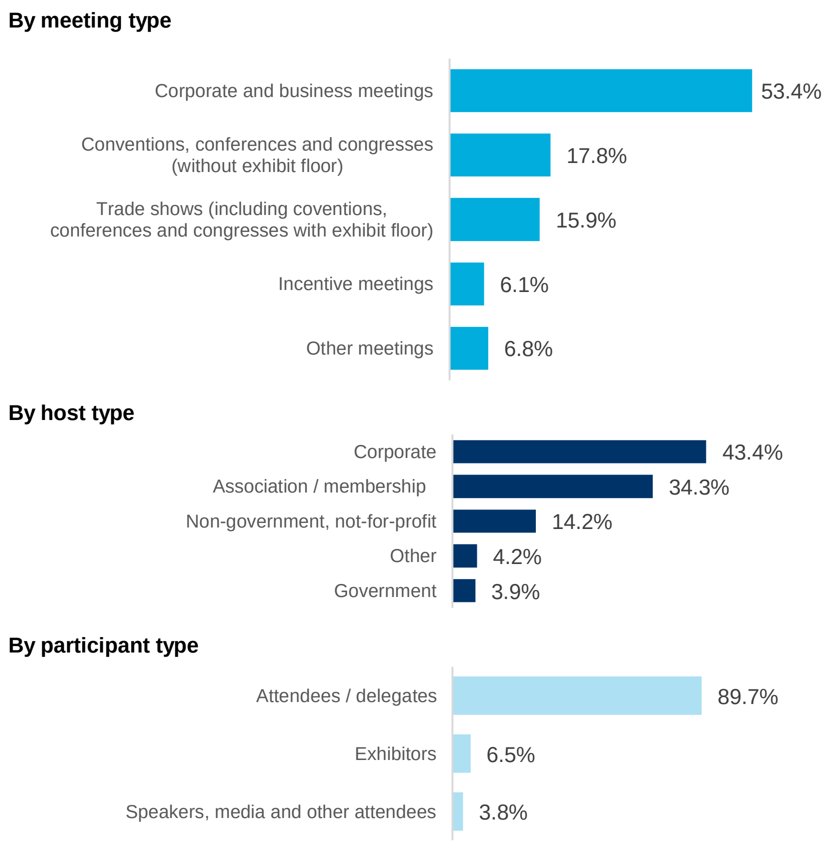
Exhibitors accounted for 6.5% of meeting participants, and another 3.8% were speakers, media and other attendees.

Meetings volume by meeting type and host type (2016)

	Meetings	Participants	Share of participants
Total	**1,887,782**	**251,236,000**	**100.0%**
By meeting type			
Corporate and business meetings	1,354,651	134,110,000	53.4%
Conventions, conferences and congresses (without exhibit floor)	248,485	44,727,000	17.8%
Trade shows (including conventions, conferences and congresses with exhibit floor)	9,422	39,978,000	15.9%
Other meetings	190,228	17,120,000	6.8%
Incentive meetings	84,997	15,299,000	6.1%
By host type			
Corporate	1,038,280	109,019,000	43.4%
Association / membership	453,068	86,083,000	34.3%
Non-government, not-for-profit	245,412	35,745,000	14.2%
Other	75,511	10,572,000	4.2%
Government	75,511	9,816,000	3.9%

Meetings participants by meeting, host and participant type (2016)

Share of participants



Meetings activity over time

Direct meetings spending reached $325 billion in 2016, an increase of 23% since 2009.

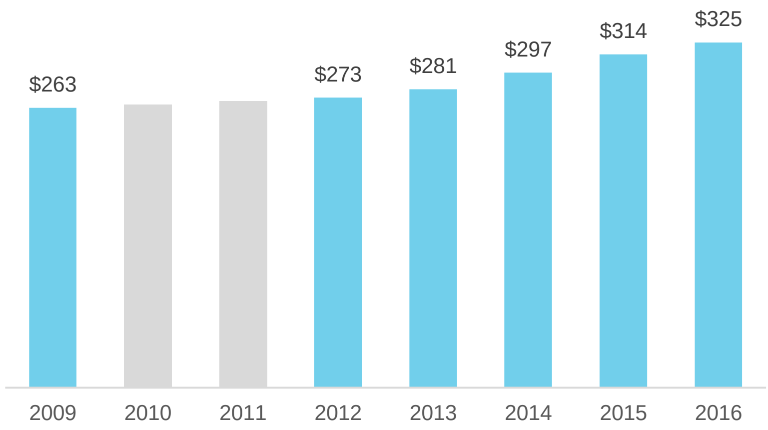
The size of the meetings sector increased 22.7% between 2009 and 2016 based on the number of meeting participants, lifting total meetings direct spending to $325 billion, a 23.4% increase. On average, meetings generated $1,294 of spending per participant.

While the number of meetings increased 5.4% since 2009, a pickup in attendance per meeting lifted the total number of participants by 22.7%.

Meetings direct spending increased 3.6% in 2016 relative to 2015, as shown in the accompanying graph. This trend analysis is based on growth in meetings-related accommodations spending from STR, Longwoods Travel USA survey results, and CEIR Index trade show revenue.

Meetings direct spending over time

Amounts in billions



Note: Direct spending has not been estimated for 2010 and 2011. Spending in 2009 is based on previously reported EIC estimate by PwC. Spending during 2012 to 2016 estimated by Oxford Economics.

Meetings industry activity over time

	2009	**2012**	**2016**	**Growth** (2009 to 2016)
Meetings	1,790,800	1,851,947	1,887,782	5.4%
Participants	204,724,000	229,137,217	251,235,698	22.7%
Meetings direct spending (in millions)	$263,444	$273,076	**$325,045**	23.4%
Meetings direct spending per participant	$1,287	$1,192	$1,294	0.5%

Spending by commodity

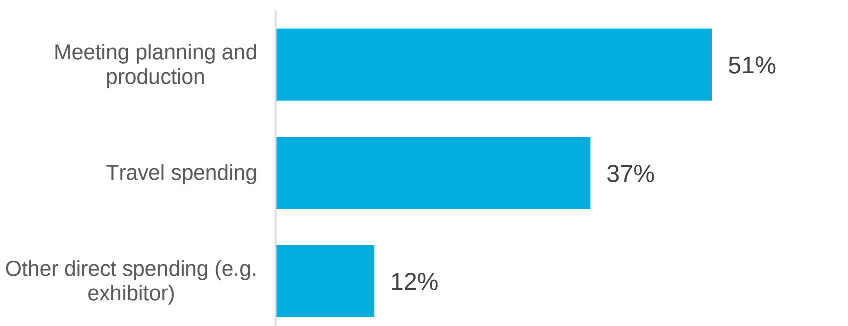
Spending on meeting planning and production accounted for half (51%) of meetings direct spending, followed by travel spending.

Meetings direct spending represents a mix of services and goods. These component services and goods are referred to by economists as the commodities being produced and used. From that perspective, there are three main categories of commodities being produced and used as part of the meetings sector:

- **Meeting planning and production:** Services purchased and other direct costs incurred as part of planning and producing meetings, such as banquets, space rental, and audio-visual services.
- **Travel spending:** Costs incurred by participants and organizers for participant travel, excluding group transportation and tours at the destination (includes travel spending by accompanying party).
- **Other direct spending:** Other meetings-related spending by exhibitors, destinations, and facilities.

Meetings direct spending by commodity (2016)

Share of total direct spending



In addition to average spending of $664 per participant on meeting planning and production, meetings generated an average of $479 of travel spending per participant, and $150 of other direct spending, such as spending by exhibitors that is separate from the organizer's meeting budget.

Meetings direct spending by commodity: Summary

Amounts in millions

	2016	Share	Average per participant
Meetings direct spending	**$325,045**	**100.0%**	**$1,294**
Travel spending	**$120,425**	**37.0%**	**$479**
Accommodations	48,910	15.0%	195
Transportation	42,471	13.1%	169
Transportation to destination	28,015	8.6%	112
Transportation at destination	14,456	4.4%	58
Food and beverage	16,410	5.0%	65
Shopping	7,436	2.3%	30
Recreation and entertainment	5,197	1.6%	21
All other meeting direct spending	**$204,620**	**63.0%**	**$814**
Meeting planning and production	**166,874**	**51.3%**	**664**
Food and beverage	47,931	14.7%	191
Audio-visual/staging services	23,161	7.1%	92
Venue rental	16,990	5.2%	68
Transportation and tour	12,132	3.7%	48
Entertainment/production services	10,534	3.2%	42
Other	56,126	17.3%	223
Other direct spending (exhibitor spending, capital expenditures, DMO, other)	**37,746**	**11.6%**	**150**

Spending by expenditure category

Spending by participants, plus organizer-paid travel for participants, represented 51% of meeting spending.

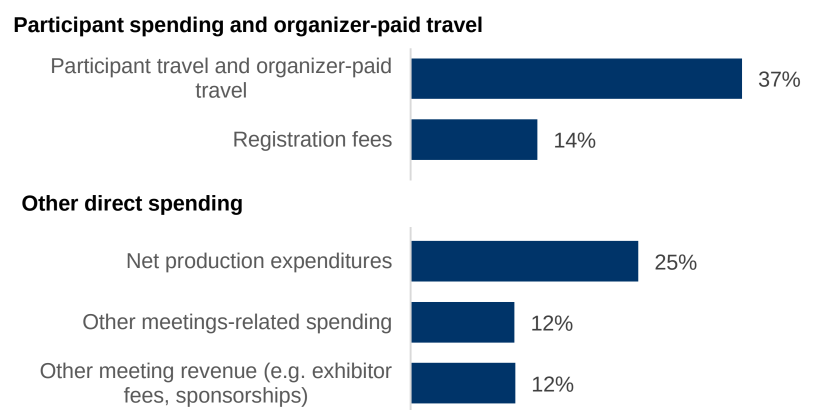
Meetings direct spending can also be analyzed in terms of broad categories of expenditures by the groups involved in meetings. These categories are summarized as follow:

- **Participant spending and organizer-paid travel:** Consists of participant spending on travel and registration fees, as well as organizer or host spending on travel for participants (other than group transportation or tours at the meeting destination).
- **Other meeting revenue:** Consists of exhibitor fees, sponsorships and other sources of revenue for meeting organizers.
- **Net production expenditures:** Consists of spending by meeting organizers and hosts that is above and beyond the amounts covered by registration fees and other meeting revenue (e.g. corporate meetings without revenue sources).
- **Other meetings-related spending:** Consists of spending that occurs outside of meeting budgets, such as exhibitor spending on off-site events and exhibit staging and production, and spending by destination marketing organizations (DMOs) to attract and facilitate meetings.

In total, 51.2% of meetings direct spending is participant spending and organizer-paid travel. The rest of meetings direct spending represents expenditures made by meeting organizers and hosts, exhibitors, DMOs. For example, DMOs spent an estimated $0.3 billion on convention sales and related activities (e.g. housing services)

Meetings direct spending by expenditure category (2016)

Share of total direct spending



Meetings direct spending by expenditure category

Amounts in millions

	2012	2016	Growth	Share of total (2016)
Meetings direct spending	**$273,076**	**$325,045**	**19.0%**	**100.0%**
Participant spending and organizer-paid travel	**138,041**	**166,487**	**20.6%**	**51.2%**
Travel spending	98,489	120,425	22.3%	37.0%
Registration fees	39,552	46,062	16.5%	14.2%
Other direct spending	**135,035**	**158,559**	**17.4%**	**48.8%**
Other meeting revenue (e.g. exhibitor fees, sponsorships)	32,454	38,038	17.2%	11.7%
Net production expenditures	69,466	82,775	19.2%	25.5%
Other meetings-related spending (e.g. exhibitor spending independent of meeting, DMO spending)	33,115	37,746	14.0%	11.6%

Spending by meeting type

Corporate and business meetings represented over half of all meetings spending (55%), followed by conventions and trade shows.

Corporate and business meetings accounted for $180 billion of meetings direct spending, representing over half of all meetings spending (55.3%). These meetings are followed by conventions, conferences and congresses without exhibit floors, which represented $58 billion of spending (17.8% of the total). Trade shows, including conventions, conferences and congresses with exhibit floors, represented a similar amount of spending ($53 billion, 16.2% of the total).*

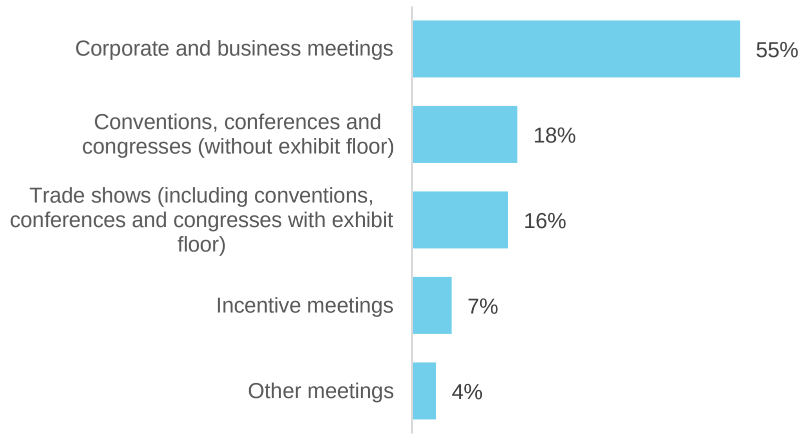
* For this purpose, exhibit floor was defined as 3,000 net square feet of paid space and at least 10 exhibiting companies.

Incentive meetings contributed $22 billion of meetings direct spending, representing 6.7% of the total.

Direct spending for all types of meetings showed growth relative to 2012, led by other meetings (27.2% growth) and incentive meetings (22.3% growth).

Meetings direct spending by meeting type (2016)

Share of meetings direct spending



Meetings direct spending by meeting type

Amounts in millions

	2012	2016	Growth	Share of total (2016)
Direct meetings spending	**$273,076**	**$325,045**	**19.0%**	100.0%
Corporate and business meetings	148,358	179,694	21.1%	55.3%
Conventions, conferences and congresses (without exhibit floor)	49,196	57,843	17.6%	17.8%
Trade shows (including conventions, conferences and congresses with exhibit floor)	47,367	52,565	11.0%	16.2%
Incentive meetings	17,781	21,748	22.3%	6.7%
Other meetings	10,374	13,194	27.2%	4.1%

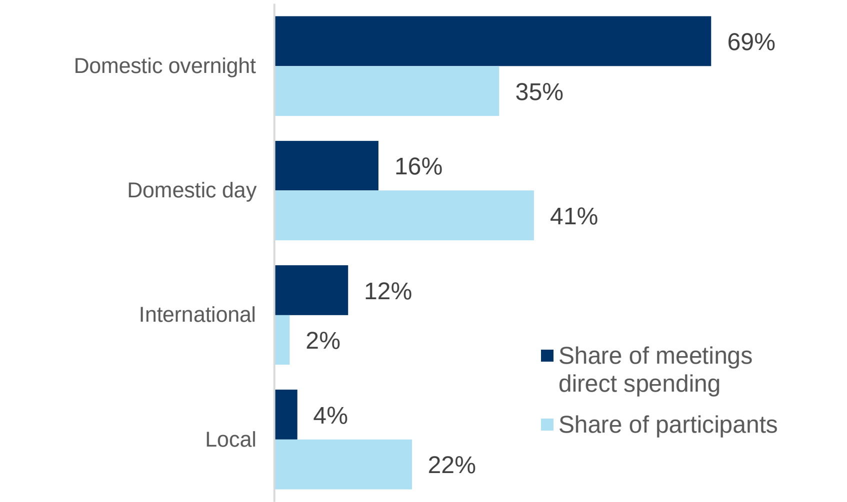
Spending by participant origin

Domestic overnight participants accounted for two-thirds of meetings spending (69%). On average, $1,294 was spent per meeting participant.

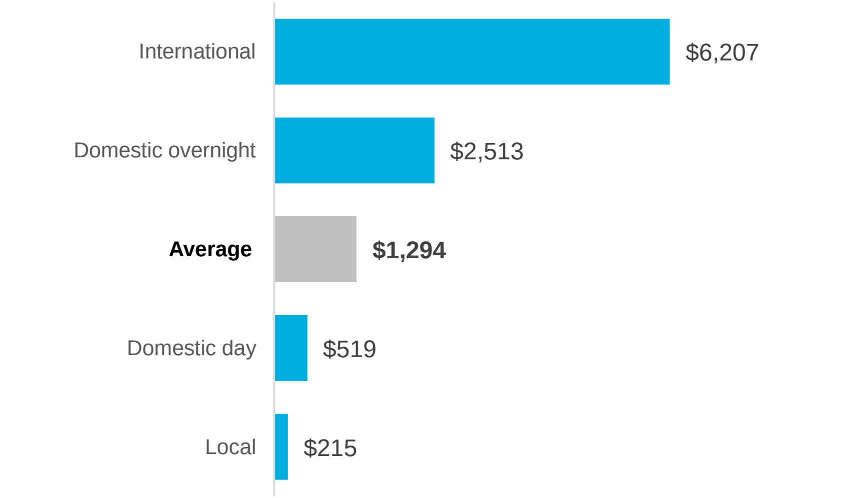
Domestic overnight participants represented the largest share in terms of spending (69%). Domestic day participants, which refers to participants who are visitors traveling outside of their usual environment (e.g. beyond 50 miles), represented 41% of meeting participants, but only 16% of meetings direct spending. Local visitors, referring to those attending a meeting within their usual environment, represented 22% of participants, and just 4% of spending.

On average, $1,294 was spent per meeting participant, including travel. There were large differences in average spending by participant origin, which ranged from $215 per local visitor to $6,207 per international visitor. Such differences are in part driven by the length of meetings typically attended by visitors in each origin category. For example, most local visitors are attending meetings that last a day or less, while many overnight visitors are attending longer meetings.

Meetings direct spending and participants by origin (2016)



Meetings direct spending per participant by origin (2016)



International meeting participants

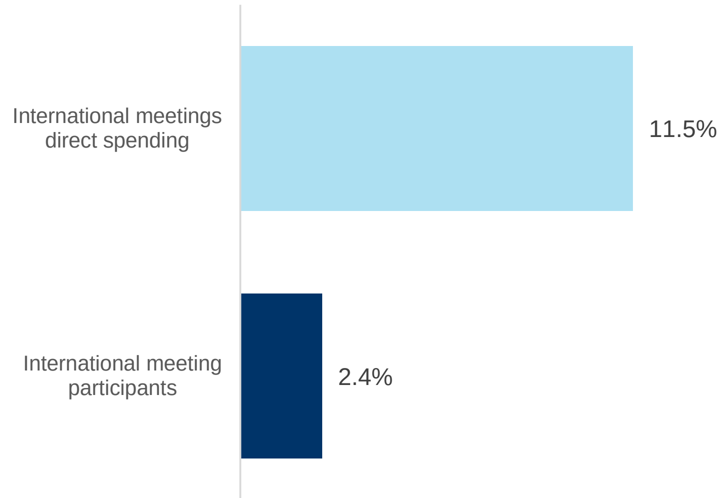
Six million international participants generated $38 billion of meetings direct spending, representing 11.5% of the sector total.

Despite accounting for only 2.4% of meeting participants, international meeting participants generated 11.5% of meetings direct spending, representing a total of $38 billion. Total spending per participant of $6,207 includes travel spending of $4,350 per participant. This includes spending before, during and after the meeting (e.g. pre- or post-meeting stays).

In particular, international visitors generated a disproportionate share of travel spending (21.8%), including shopping (24.6%), recreation and entertainment (26.5%).

International visitor share (2016)

Share of total meetings sector activity



International visitors (2016)

	Amount (in millions)	Spending per participant	International share of meetings total
Meetings direct spending	**$37,536**	**$6,207**	**11.5%**
Travel spending	**$26,305**	**$4,350**	**21.8%**
Accommodations	11,023	1,823	22.5%
Transportation	8,331	1,378	19.6%
Transportation to destination	5,749	951	20.5%
Transportation at destination	2,582	427	17.9%
Food and beverage	3,745	619	22.8%
Shopping	1,830	303	24.6%
Recreation and entertainment	1,377	228	26.5%
All other meetings direct spending	**$11,231**	**$1,857**	**5.5%**
Number of participants (millions)	**6.0**	NA	**2.4%**

Note: NA indicates not applicable

Meeting production expenditures

Meeting organizers and hosts spent $48 billion to provide food and beverage services at meetings.

Meeting production expenditures refer to the costs incurred by organizers and hosts to plan and put on the meeting. Viewing such meeting production expenditures in aggregate, organizers and hosts spent $167 billion in 2016 to produce meetings. Food and beverage is the largest expenditure line ($48 billion), followed by audio-visual and staging services ($23 billion).

Organizers recovered a portion of these gross expenditures through registrations and other revenue. As a result, the net spending by organizers and hosts totaled $83 billion. An example of net production expenditures would be a corporate meeting held for internal purposes, without registration fees or other revenue sources.

Gross meeting production expenditures by category (2016)

Share of gross meeting production expenditures

Note: Excludes organizer-paid travel.

Meeting production expenditures (2016)

Amounts in millions

Category	Amount (in millions)
Food and beverage	$47,931
Audio-visual/staging services	23,161
Meeting venue rental	16,990
Transportation and tour operator services (e.g., local group transportation)	12,132
Entertainment/production services (e.g., performers, speakers, trainers)	10,534
Administration (e.g., organizer staff time, insurance, credit card commissions)	8,512
Meeting organization fees (e.g., third-party meeting planning/management services)	7,316
Technology services (e.g., internet, mobile/wireless communications)	7,065
Meeting labor (e.g., temporary staff, union services)	5,769
Equipment rental (e.g., generators, computers, audio-visual, chairs)	5,388
Signage/printing	4,823
Advertising and promotions	4,579
Décor (e.g., floral, backdrops, centerpieces)	4,434
Shipping	3,041
Registration services	2,390
Other (e.g., sponsored attendees)	1,026
Security services	865
Corporate social responsibility (e.g., green/sustainability programs, community/charitable donations, volunteer events, etc.)	576
Reservation services (e.g. housing services excluding accommodations)	341
Sub-total: Gross meeting production expenditures	**$166,874**
Less: Production costs funded by registrations	$46,062
Less: Production costs funded by other revenue (e.g. exhibitor fees and sponsorships)	38,038
Total: Net meeting production expenditures	**$82,775**

Note: Excludes organizer-paid travel.

Room nights generated

Meetings generated 300 million room nights annually, representing nearly $50 billion of spending on accommodations.

Meetings are vital to the hotel and broader accommodations sector, generating 300 million room nights in 2016 and nearly $50 billion in spending on guest rooms. The room nights generated include rooms booked as part of room blocks (i.e. group room nights), as well as rooms booked separately, outside of a meeting room block.

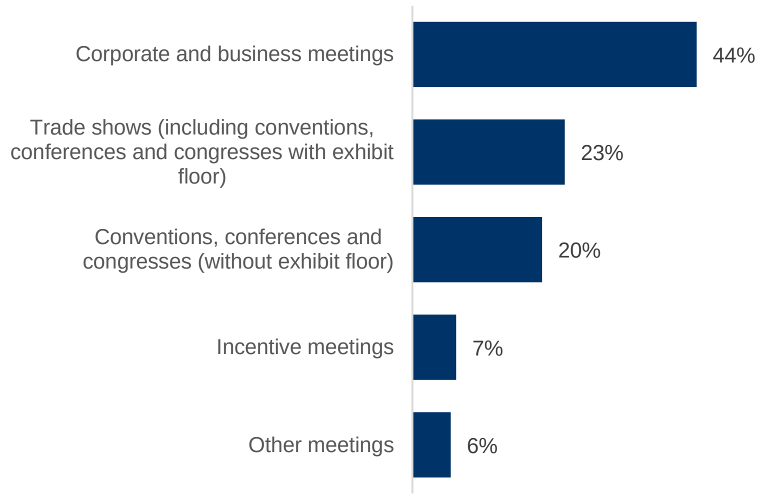
In addition to the room nights generated, and the corresponding spending on accommodations, many meetings occur at hotels, and generate substantial banquet, catering, audio/visual and space rental revenues.

The largest share of room nights were generated by corporate and business meetings (43.8%), followed by trade shows (23.5%).

The 300 million room nights generated by meetings at hotels and the broader accommodations sector in 2016 was equivalent to one-quarter (25.0%) of the total room nights at U.S. hotels as estimated by STR Inc.

Room nights generated by meeting type (2016)

Share of total room nights



Accommodations spending and room nights by meeting type

	2012	2016	Growth	Share of total (2016)
Direct meetings spending: Accommodations (in millions)	**$39,772**	**$48,910**	**23.0%**	NA
Room nights generated (in millions)	**275.7**	**299.6**	**8.7%**	100.0%
By meeting type				
Corporate and business meetings	116.8	131.2	12.3%	43.8%
Conventions, conferences and congresses (without exhibit floor)	56.7	59.9	5.7%	20.0%
Trade shows (including conventions, conferences and congresses with exhibit floor)	68.3	70.4	3.1%	23.5%
Incentive meetings	17.8	20.3	13.8%	6.8%
Other meetings	16.1	17.8	10.6%	5.9%

Note: NA indicates not applicable

Travel spending in context

Meetings-related travel expenses represented 13.2% of total travel and tourism spending in the U.S.

Two comparisons help provide perspective on the meetings sector in relation to the travel and tourism sector.

- First, we can look at the $118 billion of non-local meetings-related travel expenses in 2016. This measure includes participant travel costs that are paid by participants and meeting organizers, as well as travel spending related to an accompanying party (e.g. spouse). It excludes participant spending on registration fees; excludes certain spending by the meeting host (e.g. catering at hotels); and excludes local participant spending. Using this measure, we observe that **non-local meetings-related travel spending ($118 billion) represented 13.2% of total travel and tourism spending** as tracked in the Travel and Tourism Satellite Accounts maintained by the Bureau of Economic Analysis.

Meetings direct spending: Focus on travel spending (2016)

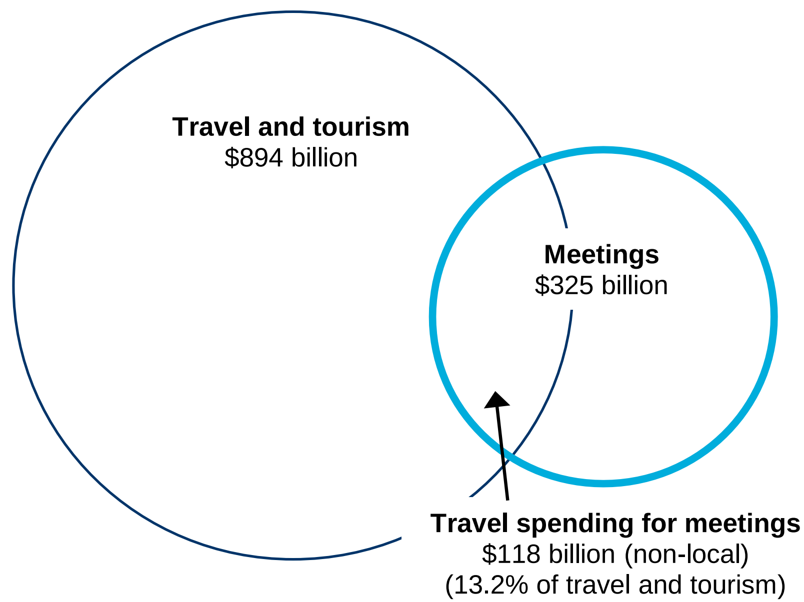
Amounts in millions

	Local	Non-local	Total
Meetings direct spending	**$11,628**	**$313,417**	**$325,045**
Travel spending (participant and organizer-paid)	**$2,806**	**$117,619**	**$120,425**
Share of total direct spending	0.9%	36.2%	37.0%
All other meeting direct spending	**$8,822**	**$195,799**	**$204,620**
Share of total direct spending	2.7%	60.2%	63.0%

- Second, we can look at the total size of the meetings sector ($325 billion of direct spending in 2016) in relation to the travel and tourism sector ($894 billion). Based on this comparison, the **meetings sector is more than one-third (36.4%) the size of the travel and tourism sector**. This comparison includes spending that is part of the meetings sector that isn't specifically travel (e.g. catering at hotels, and event production).

Meetings travel in relation to total travel and tourism (2016)

Direct spending, also referred to as direct output. Figures drawn to scale.



Source: Bureau of Economic Analysis, U.S. Travel and Tourism Satellite Accounts

2. Economic impact of meetings

Economic impact approach

Our analysis of meetings direct spending served as an input for the economic impact model we used to estimate meetings-sector direct employment and labor income, and the downstream impacts of the sector. This model is also referred to as an input-output (I-O) model.

Components of economic impact analysis

There are three main components of a project or sector's overall economic impact:

- **Direct impacts** consist of the direct spending and jobs that are involved in planning and producing meetings, and for participants to travel to meetings, as well as other meetings-related spending. Given the characteristics of the meetings sector, much of this direct activity occurs across a variety of sectors. For example, the production of a meeting frequently involves employees onsite at a hotel or other venue, including banquet staff as well as audio-visual/staging and technical staff, and other third-party contracted service providers, such as entertainment/production services, décor, speakers and trainers, advertising and promotion. These employees all represent direct jobs supported by the meetings sector. Meanwhile, participants' travel to the meeting, and accommodation during the event, supports direct spending and jobs across a range of service providers in the travel sector. Though this spending is occurring across businesses in a range of industry sectors, it all represents activity that is supported by meetings direct spending, and is part of the meeting sector's direct impacts.
- **Indirect impacts** represent downstream supplier industry impacts, also referred to as supply chain impacts. For example, the facilities at which meetings occur require inputs such as energy and food ingredients. Also, many meeting venues contract with specialized service providers, such as marketing, equipment upkeep, cleaning, technology support, accounting, and legal and financial services. These are examples of indirect impacts.
- **Induced impacts** occur as employees spend their wages and salaries in the broader economy. For example, as hotel employees spend money on rent, transportation, food and beverage, and entertainment.

Indirect and induced impacts may also be referred to collectively as indirect effects.

To conduct the economic impact analysis, we used a customized model based on the IMPLAN modeling system, a well-respected economic impact analysis tool, to quantify key relationships in the economy. The IMPLAN model traces the flow of direct expenditures through the economy and the effects on employment, labor income, and taxes. IMPLAN also quantifies the indirect (supplier) and induced (income) impacts. For example, when a meeting organizer pays for an event at a hotel, another portion of the sale supports wages for hotel employees, while a portion of the sale may pay for locally produced food and beverages. The IMPLAN model captures these types of spending relationships based on a structured analysis of economic statistics. Additionally, the IMPLAN model reflects the typical levels of federal, state and local taxes generated by specific types of economic activity.

To estimate direct employment and labor income, Oxford allocated meetings direct spending by commodity to specific sectors in the IMPLAN model. For example, meeting production spending on food and beverage was allocated in part to the accommodations sector in IMPLAN, representing spending on banquets and catering at hotels. We then used the IMPLAN model to estimate the corresponding direct, indirect and induced effects, as well as the fiscal impacts.

Economic impacts

The meetings sector supported over $845 billion of total output (business sales) annually.

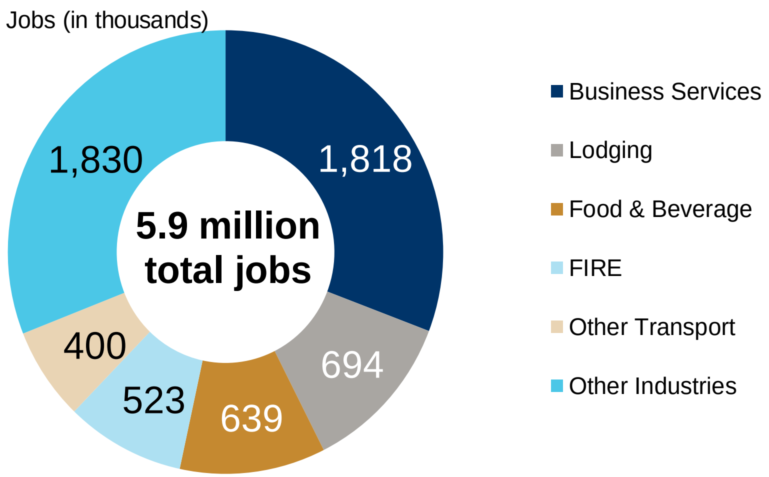
Overall, the total economic impact of the meetings sector in 2016 is summarized as follows:

- $845.3 billion of economic output (business sales)
- $249.2 billion in total labor income;
- 5,905,000 total jobs; and,
- $104.5 billion of taxes, including $41.4 billion in state and local taxes and $63.1 billion in federal taxes.

These totals represent the combination of direct impacts within the meetings sector (e.g. $325 million of meetings direct spending, and 2.5 million direct jobs), plus the estimated indirect and induced effects.

The resulting output multiplier for the meetings sector is 2.60, implying that each $1.00 in direct meeting spending generates an additional $1.60 in indirect and induced expenditures in the nationwide economy.

Job impacts attributable to the meetings sector (2016)



Note: FIRE represents the finance, insurance, real estate sectors

Meetings sector economic impacts

Amounts in billions of dollars, except jobs

	2016
Direct meetings sector impact	
Output (meetings direct spending)	$325.0
Labor income (wages, salaries and other)	$95.9
Employment	2,489,000
GDP	$184.2
Total meetings sector impact	
Output (business sales)	$845.3
Labor income (wages, salaries and other)	$249.2
Employment	5,905,000
GDP	$446.0
Total taxes	$104.5
State and local tax revenue	$41.4
Federal tax revenue	$63.1

Economic impacts (continued)

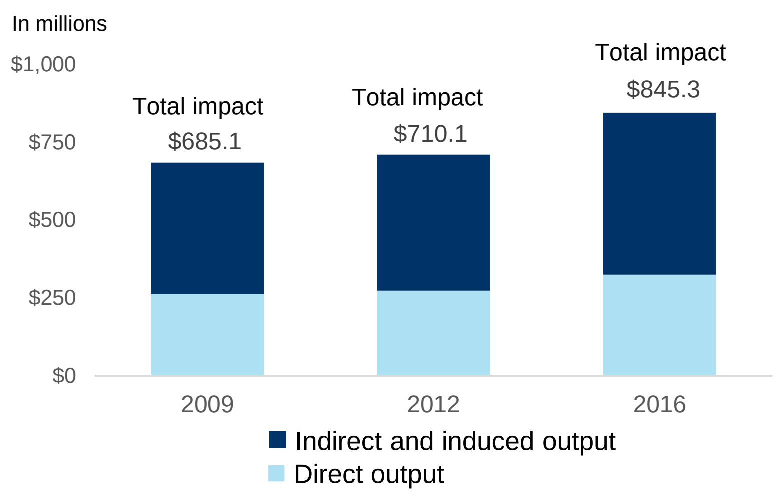
Growth in the meetings sector supports expanded economic impacts.

Growth in the meetings sector supports expanded economic impacts. For example, between 2009 and 2016:

- The number of direct jobs supported by the meetings sector expanded 2.8%, and direct wages expanded 19.3%
- The impact of the meetings sector in terms of total output expanded from $685.1 billion to $845.3 billion.

These estimates reflect re-estimations by Oxford for earlier years. Specifically, for 2012, we re-estimated meetings direct spending and corresponding economic impacts. For 2009, we relied on meetings direct spending as previously estimated by PwC, but re-estimated the corresponding economic impacts to support comparability across time.

Meetings sector total output impact



Meetings sector economic impacts (2009 to 2016)

Amounts in billions of dollars, except jobs

	2009	2012	2016	Growth (2009 to 2016)
Direct meetings sector impact				
Output (meetings direct spending)	$263.4	$273.1	**$325.0**	23.4%
Labor income (wages, salaries and other)	$80.4	$81.9	$95.9	19.3%
Employment	2,422,000	2,319,000	2,489,000	2.8%
GDP	$147.5	$152.9	$184.2	24.9%
Total meetings sector impact				
Output (business sales)	$685.1	$710.1	$845.3	23.4%
Labor income (wages, salaries and other)	$208.8	$212.9	$249.2	19.3%
Employment	5,724,000	5,449,000	5,905,000	3.2%
GDP	$357.2	$370.2	$446.0	24.9%

Source: Direct meetings spending in 2009 based on prior estimates by PwC. All other estimates based on Oxford Economics analysis.

Economic impacts (continued)

Key ratios put the economic impacts of the meeting sector in context:

- The direct meetings spending associated with ***43 meeting participants supported one US job***, on average in 2016, including both direct and indirect impacts.
- On average, ***each meeting participant supported $416 of tax revenue*** in 2016, including $215 of federal tax revenue and $165 of state and local tax revenue.
- The ***total tax impact per household was $879*** per US household in 2016. This tax offset represents the federal, state and local taxes that would otherwise need to be paid per US household to compensate for the absence of meeting sector activity. The state and local tax impact per household was $348.

Meetings sector impact in context

	2016
Meeting sector activity	
Meetings participants	251,236,000
Meeting sector impacts	
Total employment supported by meetings (direct and indirect)	5,905,000
Total taxes generated (in billions)	$104.5
Federal taxes	63.1
State and local taxes	41.4
Key ratios	
Number of meeting participants that support one job	**43**
Total taxes generated per meeting participant	**$416**
Federal taxes	251
State and local taxes	165
Tax savings per household because of meetings sector	**$879**
Federal taxes	531
State and local taxes	348

Economic output impacts by industry (1 of 2)

The economic impacts generated by the meetings sector are spread across a variety of industries in the nationwide economy. The business services industry was the most impacted industry in 2016, with $196.3 billion in total economic output in 2016. The finance, insurance, and real estate industry followed with $141.1 billion in total economic output, followed by the manufacturing industry with $92.6 billion in total output.

Total economic output generated by the meetings sector (2016)

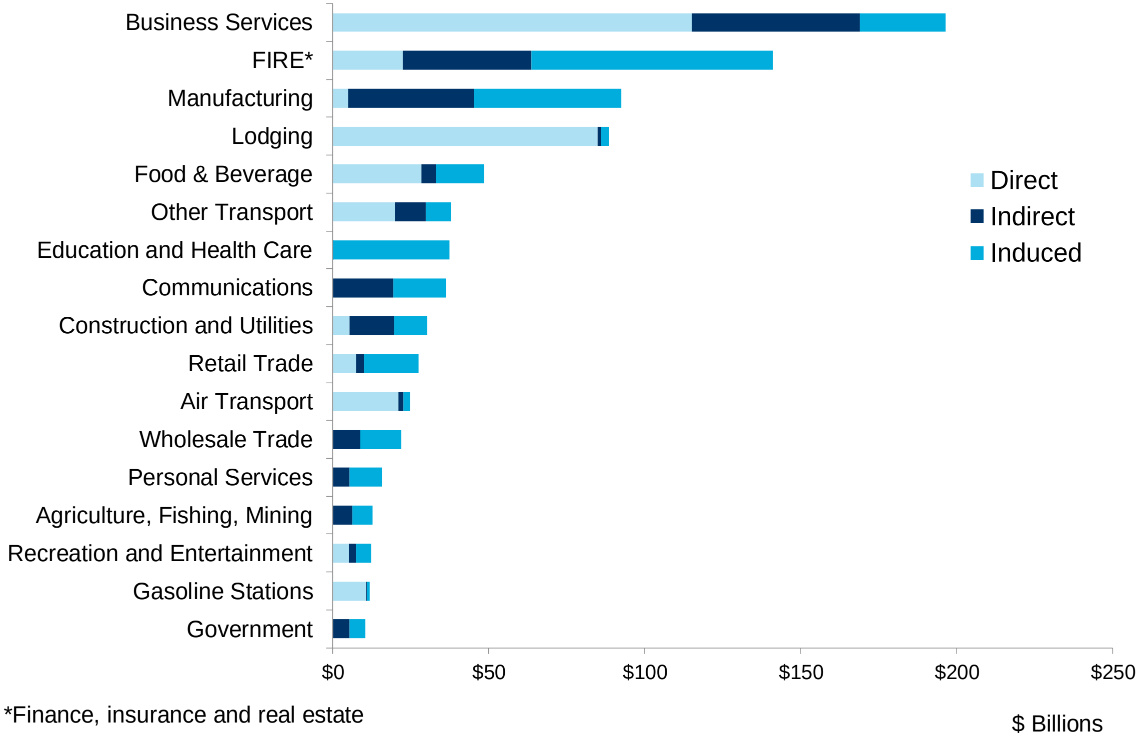
Amounts in billions

Industry	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	$6.3	$6.4	**$12.7**
Construction and Utilities	5.4	14.3	10.5	**30.2**
Manufacturing	4.8	40.5	47.3	**92.6**
Wholesale Trade	-	8.7	13.2	**21.8**
Air Transport	21.0	1.5	2.0	**24.6**
Other Transport	19.9	9.8	8.1	**37.8**
Retail Trade	7.4	2.4	17.5	**27.4**
Gasoline Stations	10.6	0.2	0.9	**11.7**
Communications	-	19.3	16.8	**36.2**
Finance, Insurance and Real Estate	22.4	41.2	77.5	**141.1**
Business Services	115.0	53.9	27.4	**196.3**
Education and Health Care	-	0.1	37.2	**37.3**
Recreation and Entertainment	5.2	2.3	4.8	**12.3**
Lodging	84.9	1.2	2.5	**88.6**
Food & Beverage	28.4	4.7	15.5	**48.5**
Personal Services	-	5.2	10.6	**15.8**
Government	-	5.2	5.2	**10.5**
Total	**$325.0**	**$216.7**	**$303.5**	**$845.3**

Economic output impacts by industry (2 of 2)

The meetings sector supports additional output (business sales) in a variety of sectors through indirect and induced effects. For example, meetings generated $81.3 billion of indirect and induced output in the business services sector in 2016. This output represented additional sales that occurred because of the meetings sector, for example as the businesses serving the meetings sector purchased input goods and services from other parts of the economy.

Output (business sales) generated by the meetings sector (2016)



*Finance, insurance and real estate

Labor income impacts by industry (1 of 2)

Meetings generated a total labor income impact of $249.2 billion in 2016, including $95.9 billion in direct labor income, $66.5 billion in indirect labor income, and $86.8 billion in induced labor income.

The labor income impacts attributable to the meetings sector are spread across a variety of industries. The business services industry was the most impacted industry in 2016, with $86.5 billion in total labor income. The lodging sector followed with $23.2 billion in total labor income impacts, followed by the finance, insurance and real estate industry with $23.0 billion in total output.

Total labor income generated by the meetings sector (2016)

Amounts in billions

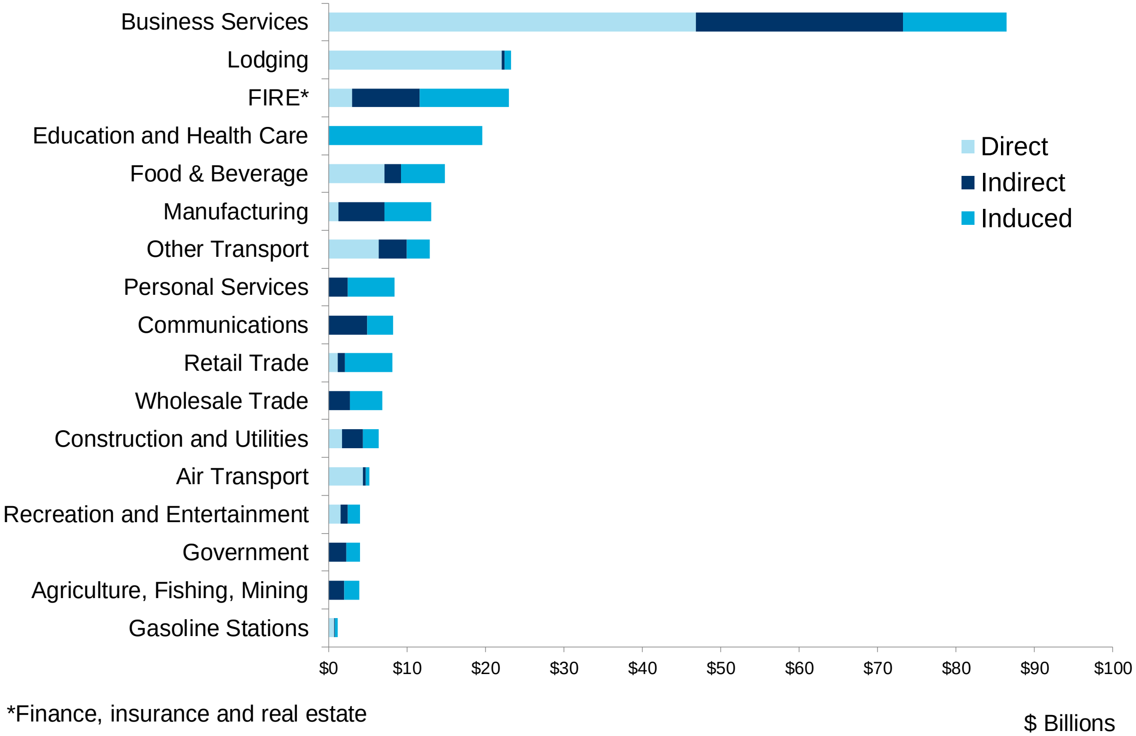
Industry	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	$2.0	$1.9	$3.9
Construction and Utilities	1.7	2.7	2.0	6.4
Manufacturing	1.2	5.8	6.0	13.1
Wholesale Trade	-	2.7	4.1	6.9
Air Transport	4.4	0.4	0.5	5.2
Other Transport	6.4	3.6	2.9	12.9
Retail Trade	1.1	0.9	6.1	8.1
Gasoline Stations	0.6	0.1	0.4	1.2
Communications	-	5.0	3.3	8.2
Finance, Insurance and Real Estate	3.0	8.7	11.3	23.0
Business Services	46.8	26.5	13.2	86.5
Education and Health Care	-	0.0	19.5	19.6
Recreation and Entertainment	1.5	0.9	1.5	4.0
Lodging	22.1	0.4	0.7	23.2
Food & Beverage	7.1	2.1	5.6	14.8
Personal Services	-	2.4	5.9	8.4
Government	-	2.2	1.7	4.0
Total	**$95.9**	**$66.5**	**$86.8**	**$249.2**

Labor income impacts by industry (2 of 2)

The meetings sector supports additional labor income in a variety of sectors through indirect and induced effects. For example, meetings generated $39.7 billion of indirect and induced labor income in the business services sector in 2016, and $20.0 billion in the finance, insurance and real estate sector.

This included, for example, labor income that was associated with jobs that were supported as employees in the meetings sector spent a portion of their wages and salaries at other businesses in the economy.

Labor income generated by the meetings sector (2016)



*Finance, insurance and real estate

Employment impacts by industry (1 of 2)

Meetings generated a total job impact of nearly 5,905,000 jobs in 2016, including approximately 2,489,000 direct jobs, 1,560,000 indirect jobs, and 1,856,000 induced jobs.

The job impacts attributable to the meetings sector are spread across a variety of industries. The business services industry was the most impacted industry in 2016, with 1,818,000 total jobs. The lodging industry followed with approximately 694,000 total jobs, followed by the food and beverage industry with approximately 639,000 total jobs.

Employment generated by the meetings sector (2016)

Amounts in thousands of jobs

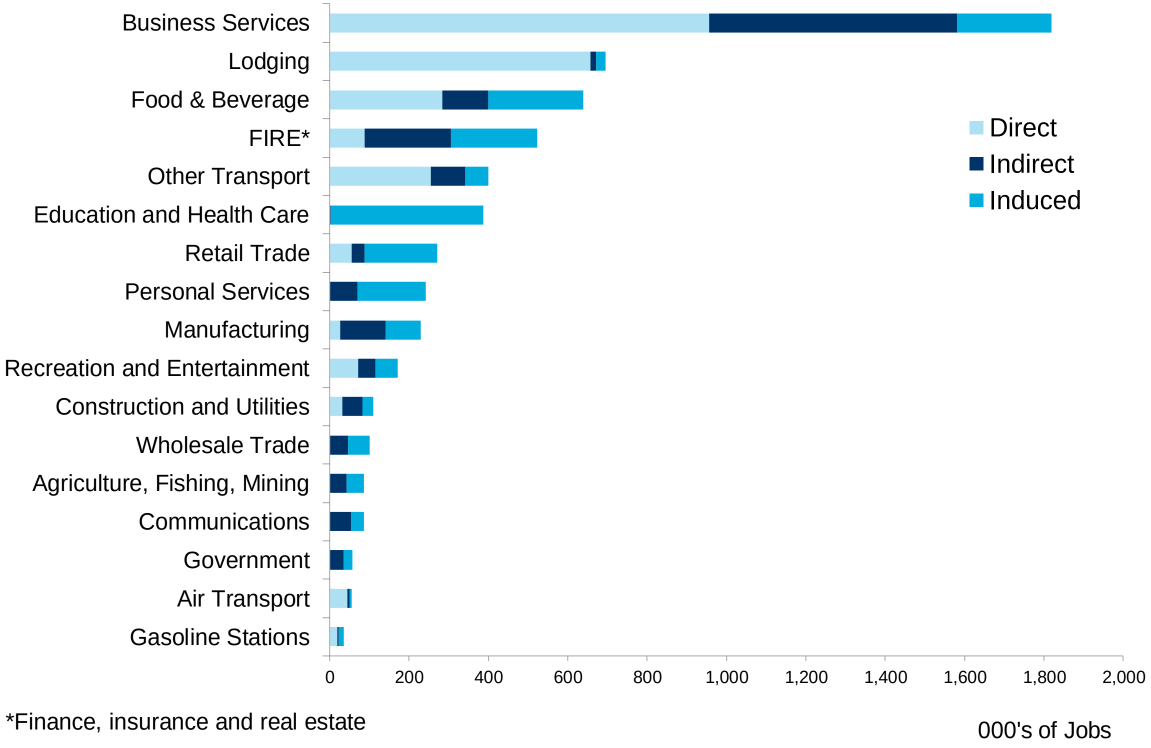
Industry	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	0	43	43	**87**
Construction and Utilities	31	50	27	**109**
Manufacturing	26	115	88	**229**
Wholesale Trade	0	46	54	**100**
Air Transport	45	5	5	**55**
Other Transport	255	87	58	**400**
Retail Trade	55	32	185	**272**
Gasoline Stations	19	3	13	**35**
Communications	0	54	32	**86**
Finance, Insurance and Real Estate	88	218	217	**523**
Business Services	956	627	236	**1,818**
Education and Health Care	0	0	385	**386**
Recreation and Entertainment	71	44	57	**171**
Lodging	658	14	23	**694**
Food & Beverage	284	115	240	**639**
Personal Services	0	70	172	**242**
Government	0	36	22	**58**
Total	**2,489**	**1,560**	**1,856**	**5,905**

Employment impacts by industry (2 of 2)

The jobs supported by the meetings sector spread beyond the businesses directly involved in the meetings sector.

For example, 386,000 jobs were supported in education and health care by the meetings sector in 2016. These almost entirely represent jobs that are supported by induced effects. In other words, as compensation paid to employees in the meetings sector supports demand for education and health care services.

Employment generated by the meetings sector (2016)



*Finance, insurance and real estate

GDP impacts by industry (1 of 2)

Meetings generated a total GDP impact $446.0 billion in 2016, including a direct contribution to U.S. GDP of $184.2 billion.

The GDP impacts attributable to the meetings sector are spread across a variety of industries. The business services industry was the most impacted industry in 2016, with $115.0 billion of total GDP. The finance, insurance and real estate industry followed with $84.3 billion of GDP.

GDP generated by the meetings sector (2016)

Amounts in billions

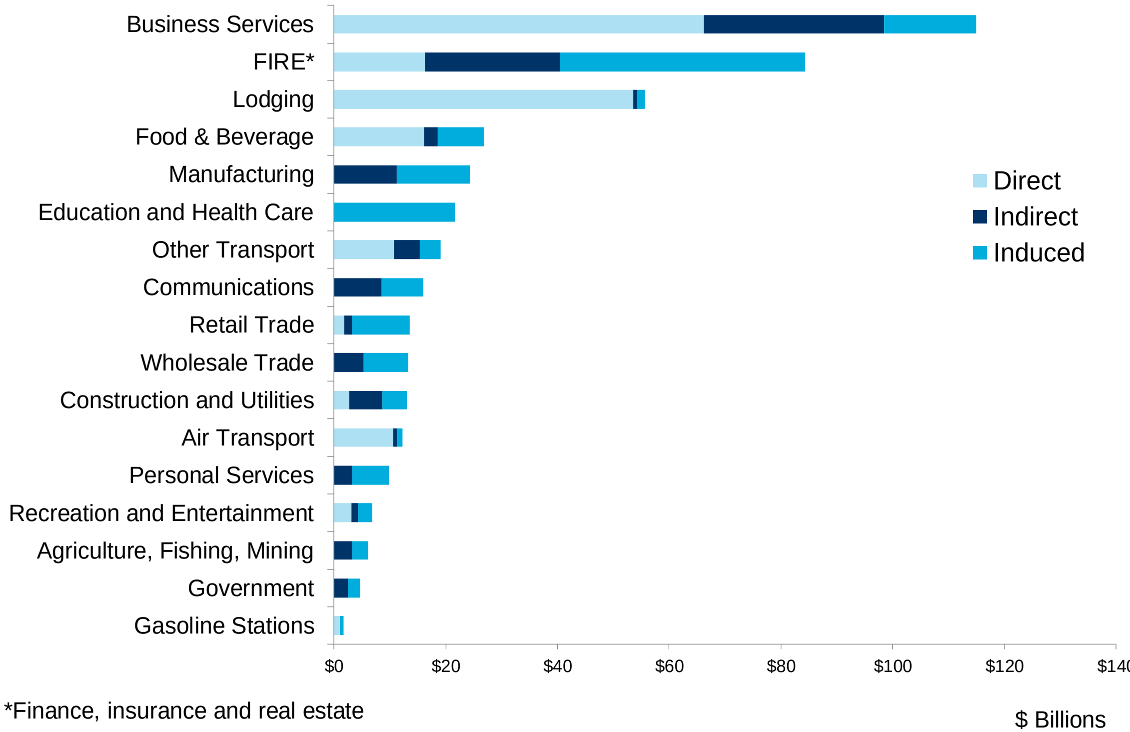
Industry	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	$3.2	$2.8	**$6.0**
Construction and Utilities	2.7	5.9	4.3	**13.0**
Manufacturing	-	11.2	13.1	**26.5**
Wholesale Trade	-	5.3	8.0	**13.3**
Air Transport	10.6	0.7	0.9	**12.3**
Other Transport	10.8	4.6	3.7	**19.1**
Retail Trade	1.8	1.4	10.4	**13.6**
Gasoline Stations	1.0	0.1	0.5	**1.6**
Communications	-	8.5	7.5	**16.0**
Finance, Insurance and Real Estate	16.2	24.2	43.9	**84.3**
Business Services	66.2	32.3	16.5	**115.0**
Education and Health Care	-	0.0	21.6	**21.6**
Recreation and Entertainment	3.1	1.2	2.5	**6.8**
Lodging	53.5	0.7	1.4	**55.7**
Food & Beverage	16.1	2.4	8.3	**26.8**
Personal Services	-	3.3	6.5	**9.8**
Government	-	2.5	2.1	**4.6**
Total	**$184.2**	**$107.6**	**$154.2**	**$446.0**

GDP impacts by industry (2 of 2)

The GDP contribution of the meetings sector extends beyond the sector itself.

Indirect and induced effects support additional GDP in other sectors of the economy. For example, as businesses in the meetings sector require finance, insurance and real estate services (FIRE), they create demand for the FIRE sector. As a result, meetings supported $68.1 billion of GDP in the FIRE sector in 2016 through indirect and induced effects, resulting in a total contribution to GDP of $84.3 billion through FIRE-sector impacts alone.

GDP impacts generated by the meetings sector (2016)



*Finance, insurance and real estate

Fiscal (tax) impacts attributable to the meetings sector

The economic impacts attributable to the meetings also generate considerable fiscal (tax) impacts as they cycle through the nationwide economy. In total, $104.5 billion in total tax revenues were supported by the meetings sector in 2016. Federal taxes generated by the meetings sector amounted to $63.1 billion, while total state and local tax impacts amounted to $41.4 billion.

Fiscal (tax) impacts generated by the meetings sector (2016)

Amounts in billions

	Direct	Indirect/ Induced	Total
Federal	**$26.4**	**$36.7**	**$63.1**
Personal Income	9.7	12.5	22.2
Corporate	3.2	5.9	9.1
Indirect business	1.8	2.1	4.0
Social insurance	11.6	16.2	27.8
State and Local	**$18.8**	**$22.6**	**$41.4**
Sales	7.2	8.4	15.6
Personal Income	2.4	3.1	5.1
Corporate	0.5	0.9	1.4
Social insurance	0.2	0.3	0.4
Excise and Fees	2.0	2.4	4.4
Property	6.5	7.5	14.0
Total	**$45.2**	**$59.3**	**$104.5**

3. Methods

Research approach

We integrated the results of the primary and secondary research to model meetings volume and direct spending.

Our approach to the meetings sector research focused on two components as summarized in the table below. This included:

- **Primary research** including a nationwide survey of meeting planners, exhibitors, and venues.
- **Secondary research** including an analysis of data gathered independently by Longwoods International, STR, the National Travel and Tourism Office, and others. It also included research published by the Center for Exhibition Industry Research (CEIR) on trade show activity.

We integrated the results of the primary and secondary research to model meetings volume and direct spending.

Our discussion of research methods in this section follows the same order. First, we outline the meetings survey, then we highlight the key secondary sources, and last, we discuss prior studies and the conceptual framework.

Figures in this report are based on unrounded estimates. Due to rounding, the totals in certain tables may differ slightly from the sum of the individual rows or columns.

Key data sources

	Source	Coverage	Meetings segment
Primary research	**Oxford Economics and Events Industry Council survey of:**		
	Meeting planners/organizers	933 survey responses covering meetings with a total of 5.5 million participants, and a $18 billion aggregate meeting budget	Meeting organizers
	Venue managers	271 survey responses	Venue managers
	Exhibitors	95 survey responses	Exhibitors
Secondary research	**Longwoods International**	Survey responses covering 8,914 business travelers	Domestic day and overnight meeting participants
	STR	Group demand data on over 11,000 hotels, and financial data on 5,200 hotels	Group travel; hotels as meeting venues
	Center for Exhibition Industry Research (CEIR)	Trade show activity covering 9,422 trade shows with 33.2 million attendees and $10.1 billion of event revenue	Trade shows
	National Travel and Tourism Office	Survey responses covering 49,221 international air travelers	Overseas meeting participants
	Statistics Canada	Survey data on Canadian visitors to the US	Canadian participants at US meetings
	Destinations International (formerly Destination Marketing Association International)	Organization and Financial Profile report covering 154 US destination marketing organizations (DMOs)	DMO's

Meetings survey

The meetings survey targeted meeting planners/organizers, venue managers, and exhibitors.

Meetings survey design

The Oxford Economics / Events Industry Council meetings survey conducted as part of this research study consisted of three components:

- **Survey of meeting planners:** This gathered information from meeting planners and organizers. It was organized in two parts. The first part gathered metrics on the total number of meetings organized by the respondent's team or department during 2016. The second part requested respondents provide details on one specific meeting as a "snapshot". This included information such as the number of participants by type and origin, as well as the total budget for the meeting, and specific revenue and expenditure categories.
- **Survey of venues:** This gathered information from meeting venues, such as number of meetings, participants, and certain revenue and expenses.
- **Survey of exhibitors:** This gathered information from companies that exhibit at meetings, including expenditures and person-days exhibiting at meetings.

The accompanying table provides additional information on the groups targeted with each of the surveys.

Of these three groups, the information provided by meeting planners and organizers, as well as exhibitors, was of primary importance in the modeling. The information provided by venue managers was used to supplement the analysis.

Survey design

Respondent type	Description
Meeting planners/organizers	Meeting organizers included both "in-house" meeting organizers and "independent/third-party" meeting organizers. In-house organizers are responsible for organizing the meeting for their own organization which is hosting or sponsoring the meeting. Independent/third-party organizers are contracted to organize the meeting on behalf of the meeting host or sponsor organization.
Venue managers	Managers of the following types of venues: ▪ Purpose-built meeting facilities (without lodging) such as conference centers and convention centers ▪ Meeting facilities with lodging (hotels, motels, resorts, etc.) ▪ Meeting facilities at other venues, such as universities/colleges, arenas, stadiums, parks, racetracks, museums, theaters, restaurants, etc.
Exhibitors	A person or firm that displays its products or services at an event, or an event attendee whose primary purpose for attending the event is to staff a booth/stand.

Meetings survey (continued)

Surveys were distributed to approximately 45,000 unique contacts in late-2017.

Meetings survey distribution

We prepared the meetings surveys in both an online format and as Excel spreadsheets. Please refer to the appendices of this report for copies of the survey questions.

For the purpose of distributing the surveys, we compiled a master database of survey contacts based on membership lists from 16 Events Industry Council (EIC) member organizations. As part of this process, we reviewed the final master list to ensure there were no duplicate survey contacts. In addition, for larger companies that had multiple representatives on the survey distribution list, we identified a single point of contact to avoid multiple survey responses from a single company that could potentially be contradictory. In instances where EIC member organizations did not provide detailed membership lists, we supplied unique survey links so that the organization could distribute the survey directly to their members.

We worked with a specialized survey firm to host the online survey and to distribute the survey links by email. Overall, surveys were distributed to approximately 45,000 unique contacts, including approximately:

- 22,000 meeting organizers;
- 8,000 venue managers; and,
- 15,000 meeting exhibitors.

We launched the surveys on October 3, 2017 and collected responses through December 15, 2017.

Meetings survey processing

Before analyzing survey results, we thoroughly reviewed each survey response to ensure data integrity. The review process included the following steps:

- Reviewing each response to ensure it corresponded to meetings held in the U.S. during 2016.
- Determining whether each survey included enough information to be included in the analysis. Responses that did not meet a minimum threshold in terms of questions answered or data provided were excluded from the analysis.
- Reviewing key survey results relative to averages, standard deviations, and other summary statistics calculated across all responses. For example, any response that was three or more standard deviations from the average was considered an outlier and excluded from the analysis.
- Weighting survey responses to ensure that certain key response categories were not over- or under-represented.

Meetings survey (continued)

The survey results covered meetings with 5.5 million total participants, and an aggregate meeting budget of $18 billion.

We received more than 1,300 survey responses across the three components (planners, venues and exhibitors). The accompanying table outlines summary statistics across all of the surveys included in the analysis after review and exclusion of outliers.

Overall, the survey analysis included data from meeting planning teams with a total of 11,000 team members. (Note: Based on the survey, a group with two meeting planners and two support staff whose primary role related to planning meetings would represent a meeting planning team with four members.)

In 2016, these meeting planners planned approximately 225,000 meetings with an aggregate budget of $18 billion. These 225,000 meetings drew 5.5 million total participants, including five million attendees, 400,000 exhibitors, and 80,000 speakers, media, and other attendees.

Summary survey coverage

Concept	Coverage
Number of planners and team members covered by survey responses	11,000 planners and team members
Number of meetings planned by these meeting planners and team members	225,000 meetings planned
Aggregate budget for these meetings	$18 billion aggregate budget
Total meeting participants	5.5 million total participants
Number of attendees	5,000,000 attendees
Number of exhibitors	400,000 exhibitors
Number of speakers, media, other	80,000 speakers, media, other

Secondary data sources

Secondary data sources were a critical part of the research.

We used the following secondary data sources in the research.

Longwoods International: Survey results based on Longwoods Travel USA, the largest ongoing survey of U.S. business and leisure travel. The Longwoods survey provided information on the number of travelers that reported a meeting-related activity as part of their trip (specifically, a business conference/convention, business meeting, or trade show), as well as the traveling party trip spending (i.e. includes accompanying party). The number of respondents that reported at least one meeting activity during their trip was taken as the initial base. This was then adjusted to retain only the estimated share of travelers attending gatherings that met the definition of a meeting for the purpose of this research.

STR hotel segmentation data: Customized data on group room night demand provided by STR, the leading provider of hotel benchmarking data. Specifically, we obtained group room night data covering U.S. hotels classified as upscale class and above. In this data, group room nights were defined as rooms sold as 10 or more rooms per night, sold pursuant to a signed agreement. The data included estimates for about 1,050 convention- or conference-type hotels with 637,000 rooms in aggregate, as well as STR's estimates for all other upscale and above hotels. We used this data as an input to our analysis of estimated meetings-related room night demand, including room demand booked outside of room blocks, and at hotels at midscale and economy class tiers.

STR hotel financial statement data: Averages for certain hotel revenue line items as a ratio to total revenue (e.g. F&B banquet/catering, meeting room rental, AV), based on a sub-set of P&L statements collected annually by STR covering 5,200 U.S. hotels.

National Travel and Tourism Office: Data based on the Survey of International Air Travelers (almost 50,000 respondents) showing the share of overseas travelers that reported a convention/conference/trade show was a purpose of their trip.

Statistics Canada: Data on the share of travelers to the U.S. that reported business/convention as a purpose of their trip.

Center for Exhibition Industry Research (CEIR): Data from the CEIR Index on trade show activity in the U.S. during 2012 and 2016, including number of trade shows, show revenue, show attendance, and number of exhibiting companies.*

Destinations International (formerly Destination Marketing Association International)**:** Data on destination marketing organization (DMO) spending on convention sales and related services (e.g. convention housing) from the Organization and Financial Profile report covering 154 U.S. DMOs.

Bureau of Economic Analysis: National data on output, employment, income, and GDP by industry.

Bureau of Labor Statistics: Data on employment by occupation.

IMPLAN: Economic impact modeling software and data.

* Center for Exhibition Industry Research (2017) "2017 Index Report: 2016 Exhibition Industry and Future Outlook".

Prior studies

Oxford's research follows the same primary definitions and conceptual approach as in previous studies.

Oxford's research follows the same primary definitions and conceptual approach as in previous studies conducted by PwC.

The significance of the meetings sector was previously analyzed for the Events Industry Council (previously Convention Industry Council) by PricewaterhouseCoopers (PwC) in reports on the sector's activity in 2009 and 2012.*

Oxford's analysis follows the same primary definitions as the previous PwC studies. For example, the definition of what constitutes a meeting, and concepts such as meetings direct spending, have not changed. However, several updates were made to align with additional data sources and to clarify the survey process and reporting.

As part of these updates, Oxford re-estimated meetings volume and direct spending for 2012. The impact to topline measures for 2012 was minor, with direct spending slightly lower (now $273 billion, as compared to $280 billion previously reported), and the number of meeting participants somewhat higher (229 million, as compared to 224 million). In particular, these changes reflect the use of Longwoods International data on domestic attendance, survey data from Statistics Canada and NTTO on international attendance, and STR data on group room demand at hotels.

Additionally, to show the broader economic impacts of the meetings sector on a consistent basis across years, Oxford re-estimated the direct and total economic impacts of the meetings sector for 2009 and 2012.

Additional changes by Oxford:

- Simplified the primary survey forms, while remaining broadly consistent with prior questions and definitions. Also, the meeting planner survey was designed to separate convention (with exhibit floor) activity from convention (without exhibit floor) activity.
- Shifted convention (with exhibit floor) activity into the trade show category. This aligns "trade show" estimates with the CEIR Index estimates for revenue and attendance.
- Clarified definitions of participants by origin by separating domestic participants into day and overnight categories. Longwoods data were used to establish the following categories of domestic participants:
  - Local (attending meeting within usual environment without staying overnight)
  - Day domestic (traveling outside usual environment to attend meeting without staying overnight)
  - Overnight domestic (staying overnight)

  Additionally, by estimating meetings direct spending separately by participant origin, Oxford's approach clearly shows meetings direct spending attributable to "non-local participants" (day domestic, overnight domestic, and international), helping better align with the definition of travel and tourism and providing a newly available breakout of spending generated by international visitors.
- Clarified how other meeting revenue (e.g. exhibit fees and sponsorships) are handled in estimating net meeting production expenditures.

* PricewaterhouseCoopers LLP. (2014) "The Economic Significance of Meetings to the U.S. Economy, Interim Study Update for 2012." Convention Industry Council.
PricewaterhouseCoopers LLP. (2011) "The Economic Significance of Meetings to the U.S. Economy." Convention Industry Council.

Conceptual framework

The conceptual framework is based on World Tourism Organization guidance.

The conceptual framework for this analysis is based on guidance developed by the World Tourism Organization, an agency of the United Nations (UNWTO).

The UNWTO has published guidance to support the measurement of the economic importance of meetings.* This guidance includes the following definition of meetings:

> A meeting is a general term indicating the coming together of a number of people in one place, to confer or carry out a particular activity. The key purposes of meetings are to motivate participants and to conduct business. Frequency can be on an ad-hoc basis or according to a set pattern, as for instance annual general meetings, committee meetings, etc.

UNWTO's Global Meetings Initiative further advised that the concept of a meeting, as it pertains to the meetings sector, excludes social and economic activities such as formal education, purely recreational or political activities, and gathering of consumers or would-be customers. The UNWTO Global Meetings Initiative also advised that meetings under consideration must occur at contracted venues, and clarified that the term "meeting" should be understood to encompass the following three major areas of activity:

- congresses, conventions, conferences and seminars;
- trade fairs and exhibitions; and,
- incentive activities.

Additionally, the UNWTO Global Meetings Initiative recommended that data be collected on all meetings with at least 10 participants, and that last for a minimum of four hours or half a day.

The UNWTO Global Meetings Initiative proposed the adoption of a strict definition of meeting participants as including meeting delegates and exhibitors, and excluding those strictly involved in the supply-side of meeting production (e.g. staff of ancillary service providers). Our approach is consistent with that definition. Specifically, as meeting participants, we have included delegates, exhibitors, as well as speakers, media and other attendees.

The Global Meetings Initiative drew a distinction between meeting participants and persons who travel with the meeting participant (accompanying party). Our approach captures the spending associated with such accompanying parties, as it is part of the traveling party spending that is included in the Longwoods International survey results. Our approach does not include a specific estimate of the number of accompanying parties, nor are they included as meeting participants.

- World Tourism Organization. (2006) Measuring the Economic Contribution of the Meetings Industry: a Tourism Satellite Account Extension. UNWTO/MPI/ICCA/Reed Travel Exhibitions.

  World Tourism Organization. (2008) Global Meetings Initiative, Volumes 1-3.

Meetings definitions

Certain terms used in the analysis are defined in the accompanying table.

Certain terms used in the analysis are defined in the accompanying table.

Additional definitions and instructions provided to survey respondents were contained in the survey forms.

Meetings definitions and classifications

Meeting length	Minimum of four hours
Meeting size	Minimum of 10 participants
Meeting location	United States (not including territories)
Meeting types	Corporate and business meetings Conventions, conferences, and congresses (without exhibit floor) Incentive meetings Trade shows (including conventions, conferences, and congresses with exhibit floor) Other meetings
Meeting types excluded	Consumer shows Social activities Formal educational activities Recreational & entertainment activities Political campaign rallies
Meeting host types	Corporate Association/membership Non-government, not-for-profit Government Other host types
Non-local meeting participants	Participants who travel more than 50 miles from their primary residence to attend a meeting
Local meetings participants	Participants who travel less than 50 miles to attend a meeting

4. Industry comparisons

Comparison of industry output

To put the size of the meetings sector in context, we have prepared a set of three industry comparisons. These compare the direct output, employment, and labor income supported by the meetings sector, with direct impacts of specific industries as tracked by the Bureau of Economic Analysis (BEA).

We selected industries that are relevant for size comparisons, and which have relatively clear industry boundaries and descriptions.

As shown in the accompanying table, the meetings direct spending is greater than the output of the air, rail and transportation sectors combined. It is also larger than the accommodations industry, and several major manufacturing sectors.

Industry comparisons: Direct output (business sales)

In billions

	2009	2012	2016
Hospitals (622)	$603	$694	$850
Chemical manufacturing (325)	623	805	810
Motor vehicles, bodies and trailers, and parts manufacturing (3361MV)	320	511	677
Computer and electronic product manufacturing (334)	353	379	400
Machinery manufacturing (333)	284	407	365
Publishing industries (except Internet) (511)	287	301	345
Truck transportation (484)	233	301	331
Meetings sector	**263**	**273**	**325**
Air, rail and water transportation (481, 482, 483)	241	317	319
Motor vehicle and parts dealers (441)	153	240	288
Accommodation (721)	178	203	249
Plastics and rubber products manufacturing (326)	166	215	236
Oil and gas extraction (211)	224	341	212
Paper manufacturing (322)	160	180	185
Motion picture and sound recording industries (512)	126	144	159
Amusement, gambling, and recreation industries (713)	111	125	154
Electrical equipment, appliance, and component manufacturing (335)	102	123	119
Wood product manufacturing (321)	64	79	104
Printing and related support activities (323)	84	84	83
Furniture and related product manufacturing (337)	60	66	79
Transit and ground passenger transportation (485)	45	52	60

Note: Numbers indicate three-digit North American Industry Classification System (NAICS) code corresponding to each industry sector.
Source: Bureau of Economic Analysis

Comparison of industry employment

The meetings sector supports more direct jobs than many large manufacturing sectors, including machinery, food, auto, and chemicals. It sustains more jobs than the telecommunications and oil and gas extraction industries as well.

The accompanying table of employment comparisons includes more industries than the similar tables for output and GDP. This is because the employment data is available from the BEA for a greater number of industries.

Industry comparisons: Direct employment

In thousands

	2009	2012	2016
Hospitals (622)	4,693	4,798	5,039
Meetings sector	**2,422**	**2,319**	**2,489**
Performing arts, spectator sports, and related industries (711)	1,865	1,991	2,294
Truck transportation (484)	1,966	2,004	2,222
Motor vehicle and parts dealers (441)	1,882	1,940	2,202
Accommodation (721)	1,910	1,999	2,166
Amusement, gambling, and recreation industries (713)	1,760	1,844	1,858
Food manufacturing (311)	1,512	1,542	1,638
Clothing and clothing accessories stores (448)	1,565	1,606	1,588
Transit and ground passenger transportation (485)	657	743	1,318
Machinery manufacturing (333)	1,075	1,147	1,124
Computer and electronic product manufacturing (334)	1,157	1,113	1,095
Gasoline stations (447)	879	886	970
Telecommunications (517)	1,110	1,006	951
Motor vehicles, bodies and trailers, and parts manufacturing (3361MV)	678	788	949
Publishing industries (except Internet) (511)	945	893	882
Oil and gas extraction (211)	581	788	854
Chemical manufacturing (325)	825	818	850
Sporting goods, hobby, musical instrument, and book stores (451)	792	730	794
Air, rail and water transportation (481, 482, 483)	746	766	773
Plastics and rubber products manufacturing (326)	640	656	718
Electronics and appliance stores (443)	538	548	543
Motion picture and sound recording industries (512)	441	465	535
Furniture and home furnishings stores (442)	517	499	530
Printing and related support activities (323)	591	528	507
Wood product manufacturing (321)	414	393	435
Furniture and related product manufacturing (337)	422	388	432
Electrical equipment, appliance, and component manufacturing (335)	387	391	402
Paper manufacturing (322)	409	381	375

Note: Numbers indicate three-digit North American Industry Classification System (NAICS) code corresponding to each industry sector.
Source: Bureau of Economic Analysis

Comparison of industry contribution to GDP

The meeting sector's direct contribution to GDP is greater than that of auto manufacturing; air, rail and water transportation; and oil and gas extraction.

Industry comparisons: Direct GDP

In billions

	2009	2012	2016
Hospitals (622)	$344	$375	$425
Chemical manufacturing (325)	310	342	388
Computer and electronic product manufacturing (334)	229	257	287
Publishing industries (except Internet) (511)	176	194	234
Motor vehicle and parts dealers (441)	133	167	205
Meetings sector	**148**	**153**	**184**
Motor vehicles, bodies and trailers, and parts manufacturing (3361MV)	48	126	166
Air, rail and water transportation (481, 482, 483)	114	132	165
Oil and gas extraction (211)	185	267	162
Accommodation (721)	107	126	159
Truck transportation (484)	109	128	151
Machinery manufacturing (333)	116	143	142
Motion picture and sound recording industries (512)	91	110	125
Amusement, gambling, and recreation industries (713)	60	72	88
Plastics and rubber products manufacturing (326)	62	70	83
Paper manufacturing (322)	59	52	59
Electrical equipment, appliance, and component manufacturing (335)	50	51	56
Printing and related support activities (323)	39	37	39
Transit and ground passenger transportation (485)	27	31	37
Furniture and related product manufacturing (337)	23	23	30
Wood product manufacturing (321)	21	24	30

Note: Numbers indicate three-digit North American Industry Classification System (NAICS) code corresponding to each industry sector.
Source: Bureau of Economic Analysis

Appendix: Detail on meetings direct spending

Spending by participant origin

Domestic overnight participants represent the largest group in terms of direct spending, contributing a total of $223 billion.

The detail presented in the accompanying table shows the composition of meetings direct spend by participant origin.

In total, domestic overnight participants represented the largest group in terms of direct spending, contributing a total of $223 billion in 2016.

Meetings direct spending: By participant origin

Amounts in millions

	2012	2016					Growth
	Total	Local	Domestic day	Domestic overnight	Internat-ional	Total	2012 to 2016
Meetings direct spending	**$273,076**	**$11,628**	**$53,087**	**$222,794**	**$37,536**	**$325,045**	**19.0%**
Travel spending	**$98,489**	**$2,806**	**$16,647**	**$74,667**	**$26,305**	**$120,425**	**22.3%**
Accommodations	39,772	0	0	37,886	11,023	48,910	23.0%
Transportation	36,089	1,312	8,443	24,385	8,331	42,471	17.7%
Transportation to destination	23,907	0	5,365	16,901	5,749	28,015	17.2%
Transportation at destination	12,182	1,312	3,079	7,484	2,582	14,456	18.7%
Food and beverage	13,078	1,360	4,096	7,210	3,745	16,410	25.5%
Shopping	5,688	135	2,451	3,021	1,830	7,436	30.7%
Recreation and entertainment	3,862	0	1,656	2,165	1,377	5,197	34.6%
All other meetings direct spending	**$174,586**	**$8,822**	**$36,440**	**$148,128**	**$11,231**	**$204,620**	**17.2%**
Number of participants (millions)	229.1	54.2	102.3	88.7	6.0	251.2	9.6%

Spending per participant

International participants generate the highest level of direct spending per participant ($6,207).

Average spending per participant differs substantially across the categories of visitors. The accompanying table shows the composition of average spending per participant across the various expenditure categories.

International participants generated the highest level of direct spending per participant ($6,207) in 2016, of which $4,350 represented travel spending. This included spending before, during, and after the meeting event (e.g. pre- and post-meeting stays).

Meetings direct spending: By participant origin, average per participant

Amounts in millions

	2012	**2016**					**Growth**
	Total	Local	Domestic day	Domestic overnight	Internat-ional	Total	2012 to 2016
Meetings direct spending	**$1,192**	**$215**	**$519**	**$2,513**	**$6,207**	**$1,294**	**8.6%**
Travel spending	**$430**	**$52**	**$163**	**$842**	**$4,350**	**$479**	**11.5%**
Accommodations	174	0	0	427	1,823	195	12.2%
Transportation	157	24	83	275	1,378	169	7.3%
Transportation to destination	104	0	52	191	951	112	6.9%
Transportation at destination	53	24	30	84	427	58	8.2%
Food and beverage	57	25	40	81	619	65	14.4%
Shopping	25	2	24	34	303	30	19.2%
Recreation and entertainment	17	0	16	24	228	21	22.7%
All other meetings direct spending	**$762**	**$163**	**$356**	**$1,671**	**$1,857**	**$814**	**6.9%**
Number of participants (millions)	229.1	54.2	102.3	88.7	6.0	251.2	9.6%

Meeting production expenditures

Spending on food and beverage services represented 29% of gross meeting production expenditures.

Spending on food and beverage services represented 29% of gross meeting production expenditures in 2016, followed by audio-visual/staging services at 14%.

The average gross meeting production expenditures per participant is $664. This represents the total cost of the meeting as covered by the meeting budget. It excludes other spending that are part of the meeting, but which are paid by exhibitors and others, such as the local destination marketing organization (DMO).

On average, one-half of the gross cost of meetings in 2016 was covered by registration fees and other meeting revenue, such as exhibitor fees and sponsorships.

Meeting production expenditures by category (2016)

Amounts in millions

Category	Amount (in millions)	Ratio to gross meeting production spending	Average amount per participant
Food and beverage	$47,931	29%	$191
Audio-visual/staging services	23,161	14%	92
Meeting venue rental	16,990	10%	68
Transportation and tour operator services (e.g., local group transportation)	12,132	7%	48
Entertainment/production services (e.g., performers, speakers, trainers)	10,534	6%	42
Administration (e.g., organizer staff time, insurance, credit card commissions)	8,512	5%	34
Meeting organization fees (e.g., third-party meeting planning/management services)	7,316	4%	29
Technology services (e.g., internet, mobile/wireless communications)	7,065	4%	28
Meeting labor (e.g., temporary staff, union services)	5,769	3%	23
Equipment rental (e.g., generators, computers, audio-visual, chairs)	5,388	3%	21
Signage/printing	4,823	3%	19
Advertising and promotions	4,579	3%	18
Décor (e.g., floral, backdrops, centerpieces)	4,434	3%	18
Shipping	3,041	2%	12
Registration services	2,390	1%	10
Other (e.g., sponsored attendees)	1,026	1%	4
Security services	865	1%	3
Corporate social responsibility (e.g., green/sustainability programs, community/charitable donations, volunteer events, etc.)	576	0%	2
Reservation services (e.g. housing services excluding accommodations)	341	0%	1
Sub-total: Gross meeting production expenditures	**$166,874**	**100%**	**$664**
Less: Production costs funded by registrations	$46,062	28%	$183
Less: Production costs funded by other revenue (e.g. exhibitor fees and sponsorships)	38,038	23%	151
Total: Net meeting production expenditures	**$82,775**	**50%**	**$329**

Acknowledgements

Acknowledgements

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Religious Conference Management Association

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IACC

Incentive Research Foundation

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Society for Incentive Travel Excellence

Society of Government Meeting Professionals

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South African Association for the Conference Industry

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The Events Industry Council's more than 30 member organizations represent over 103,500 individuals and 19,500 firms and properties involved in the events industry. The Events Industry Council promotes high standards and professionalism in the events industry with the Certified Meeting Professional (CMP) program and signature program initiatives. The CMP credential is recognized globally as the badge of excellence in the events industry. The qualifications for certification are based on professional experience, education, and a rigorous exam. The four signature programs — Sustainability, Industry Insights, Knowledge, and Leadership — represent the key initiatives, assets, services and products for the Events Industry Council. Learn more at www.eventscouncil.org.

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