IMPACT XM

THE STATE OF EVENTS

Strategic Insights for your Event Portfolio

INTRODUCTION

Strategic Insights for your Event Portfolio

We all know that the experiential marketing industry has been impacted by a range of new technologies, outside influences, and business objectives. But what does that mean for the future of events?

Impact XM partnered with third party research firm, **Stax Consulting,** to answer that very question. By initiating an international market study designed to span industries and disciplines, our goal was to gain valuable unbiased insights to leverage future-forward strategies for our clients and our partners. We had a total sample size of 266 respondents from Europe and North America across diverse industries, including retail, technology, manufacturing, healthcare, construction, and finance. Companies employed a minimum of 500 employees and ranged up to 20,000+ employees; sales were $100 million to $5 billion or more. Respondents were equally diverse, ranging from C-suite executives to mid- and senior-level management. In short, we were able to get perspectives from influential up-and-comers, established leaders, and everyone in between.

About the Survey Respondents

Revenue

- $100 million to $499 million
- $500 million to $699 million
- $100 million to $499 million
- $1 billion to $1.9 billion
- $2 billion to $2.9 billion
- $3 billion to $3.9 billion
- $4 billion to $4.9 billion
- $5 billion to $10 billion
- More than $10 Billion

Number of Employees

- 500 to 999 employees
- 1,000 to 1,499 employees
- 1,500 to 1,999 employees
- 2,000 to 2,499 employees
- 2,500 to 4,999 employees
- 5,000 to 9,999 employees
- 10,000 to 19,999 employees
- 20,000 or more employees

Role

- C- Level Executive
- Executive / Senior Vice President
- Vice President
- Department Head / Director
- Manager / Sr. Manager

INITIAL FINDINGS

Meaningful face-to-face interactions at events are considered more valuable than ever, with an **emphasis on proprietary and experiential engagements**. Customers are looking for positive, affirming experiences that address their unique needs both personally and professionally. At the same time, companies have realized that the quantity of touchpoints does not necessarily equate with quality relationship-building. While event participation was deemed critical to future growth by most survey respondents, they also acknowledged a **highly competitive environment** in the event space. As a result, companies are strategically spending **more marketing dollars across fewer events**, in addition to seeking out new ways to attract and retain attendee attention via proprietary corporate events.

55% of respondents confirmed **higher direct spend on marketing-related events**

70% of people agree that virtual will **never** fully replace in-person events

70% of companies surveyed expect to **use a third-party event service provider** in the near term

ABOUT THIS REPORT

Now that we have identified our initial finding that proprietary events are growing in priority due to increased brand and messaging control, audience needs for face-to-face interaction, and greater competition and expectations in events overall, we will be diving into more details on the following areas and identifying how these themes relate to the reported data.

Understanding Proprietary Events

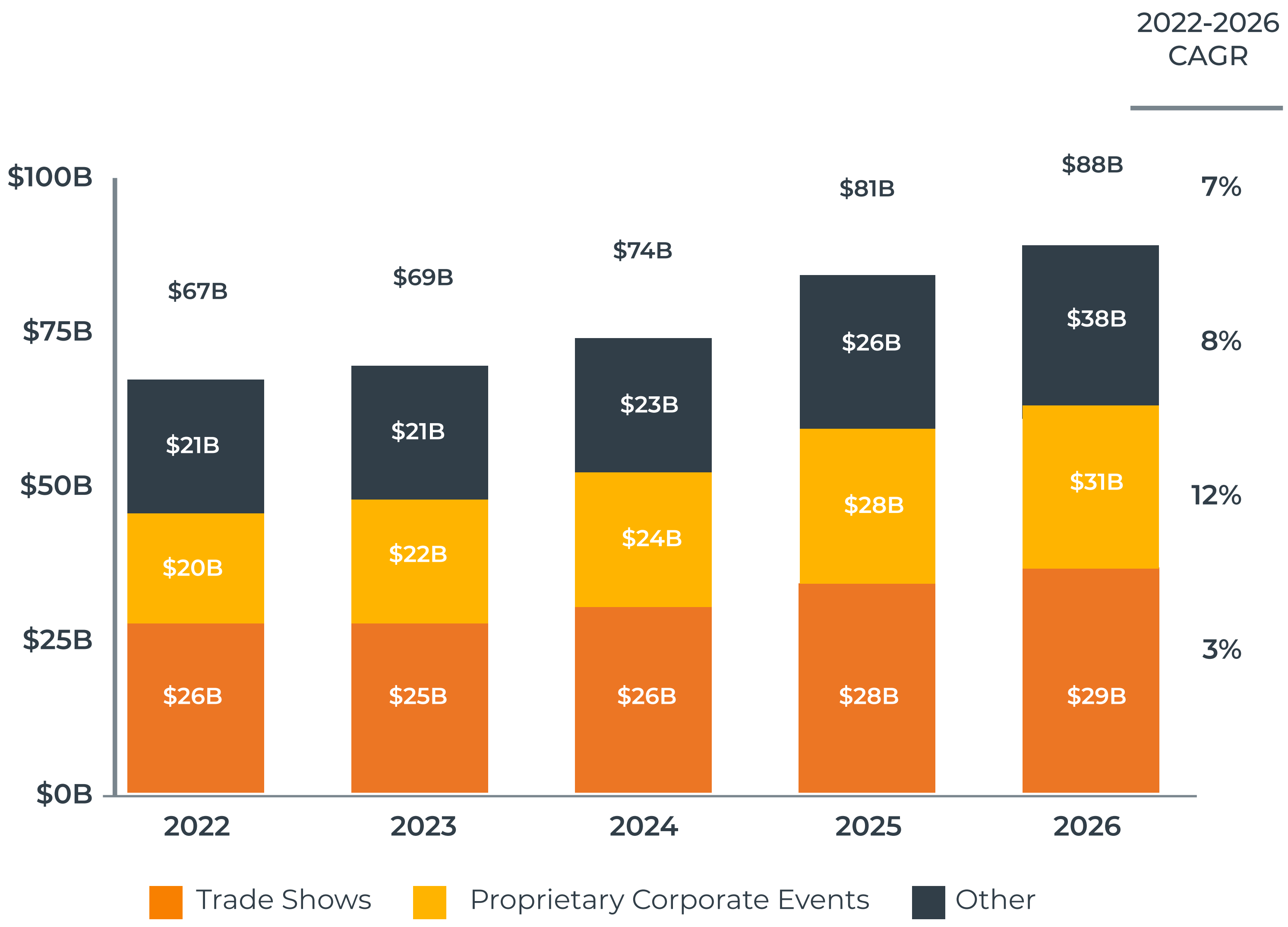
UNDERSTANDING PROPRIETARY EVENTS

A proprietary event has one focus: YOU! You (and by default, your brand) have full control over who attends, who exhibits, who speaks, and how your event will be delivered. Proprietary events allow you to screen out "white noise" distractions, such as other competitors, messages, and conversations. Instead, **your brand takes center stage** and invites prospects to give their **undivided attention** in unique and engaging ways.

Based on the following chart, you'll see in our data that we have honed in on the proprietary events due to the predicted **12% growth expected between 2022 and 2026**. However, the data collected and presented throughout the report is not exclusive to proprietary events.

GROWTH IN TOTAL EVENTS SPEND SEGMENTED BY EVENT TYPE

US 2022-2026



Source: U.S. Census Gartner, Plural Strategy, other secondary sources, Stax Interviews, survey and analysis, February 2023

THEMES


NVIDIA
sophisticated hyperscale
PU clustering platform
Workflow Automation With
NVIDIA and ServiceNow
METROPOLIS
IMPACT
backend

THEMES

Based on the data and feedback that was collected and analyzed through our market research with Stax Consulting, Impact XM has identified three key themes that we believe will impact the state of events from here on out. These three themes will empower marketers to make informed and strategic decisions on the most effective spend for your event marketing budget based on the needs of your audience. With a strategic approach to proprietary events, you can drive more focused and meaningful connections with engaged customers at your events in 2024 and beyond.

These themes are important indicators that brands and consumers expect **greater focus and personalization** when it comes to event experiences. People are keen to engage and interact with brands through **meaningful and authentic brand engagement** moments, no matter the industry. **Take control of your brand's share of voice** by exploring the benefits and trends of your next proprietary event.

1. THE RISE IN HIGH-VALUE EXPERIENTIAL EVENTS

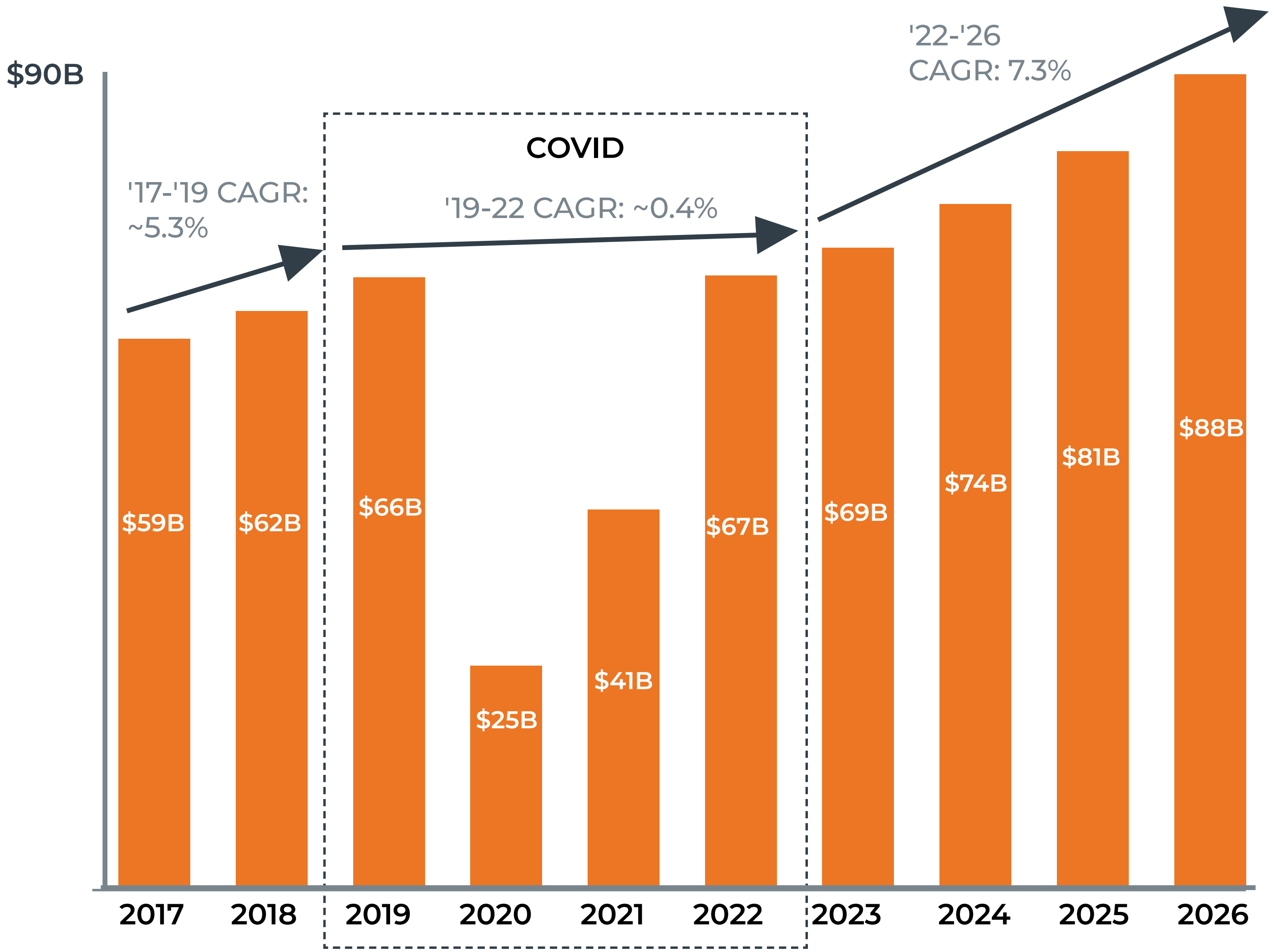
In a resounding testament to the enduring power of direct connection, companies are fervently investing in both B2B and B2C realms, with a notable surge in event budgets, signaling a profound resurgence of immersive experiences and unparalleled engagement opportunities.

INSIGHT

Marketing budgets have **rebounded significantly**, and robust growth for events is predicted to continue. While CAGR grew a healthy ~6.7% between 2019 and 2022, it is forecasted to continue to rise another ~4.3%, bringing marketing spend within core opportunity from $343B in 2020 to $769B by 2026. ***"Events are really coming back,"*** said one Director of Marketing at a Financial Tech company, ***"everyone is craving that in person touch, and now I'm seeing events being a bigger part of marketing budgets going forward."***

SPEND ON EVENTS BY EVENT TIME WITHIN CORE OPPORTUNITY

2017-2026 USD



Source: U.S. Central, Garner, Plural Strategy, other secondary sources, Stax Interviews, survey and analysis, February 2023.

1. THE RISE IN HIGH-VALUE EXPERIENTIAL EVENTS

RESPONSE

The return of in-person events underscores the critical nature and **intrinsic value of face-to-face** opportunities for both companies and attendees, resulting in a quick rebound of event spend following declines in 2020 and 2021. Direct interaction and immersive experiences continue to drive customer engagement and ROI.

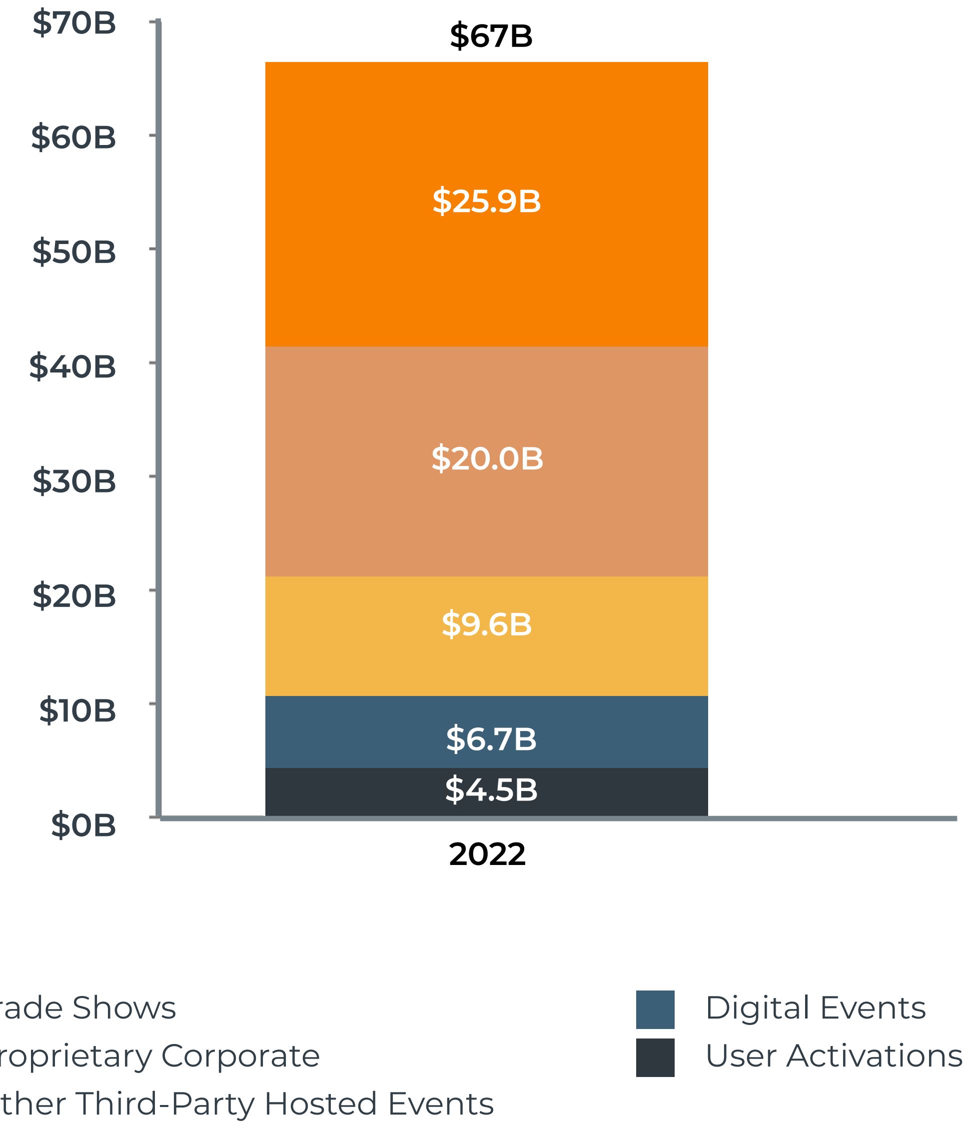
SIGNIFICANCE

A historic and continued upswing in event spending supports how critical events are to companies around the world. However, most are considering their event strategies carefully to ensure the biggest ROI possible. As companies **face higher spend levels** and a **demand for improved production quality and overall event delivery**, they are specifically choosing to engage B2B and B2C customers with **high-value, experiential marketing engagements** at a consolidated number of important events.

As one Senior Events Marketing Manager at a 100K+ FTE company put it, ***"The goal moving forward is to do less events, and just focus on the bigger events. Rather than have a presence at a lot of small events, we want to just focus on a few large events."***

SPEND ON EVENTS BY EVENT TYPE WITHIN CORE OPPORTUNITIES

2022 USD



2. THERE'S NOTHING LIKE THE REAL THING

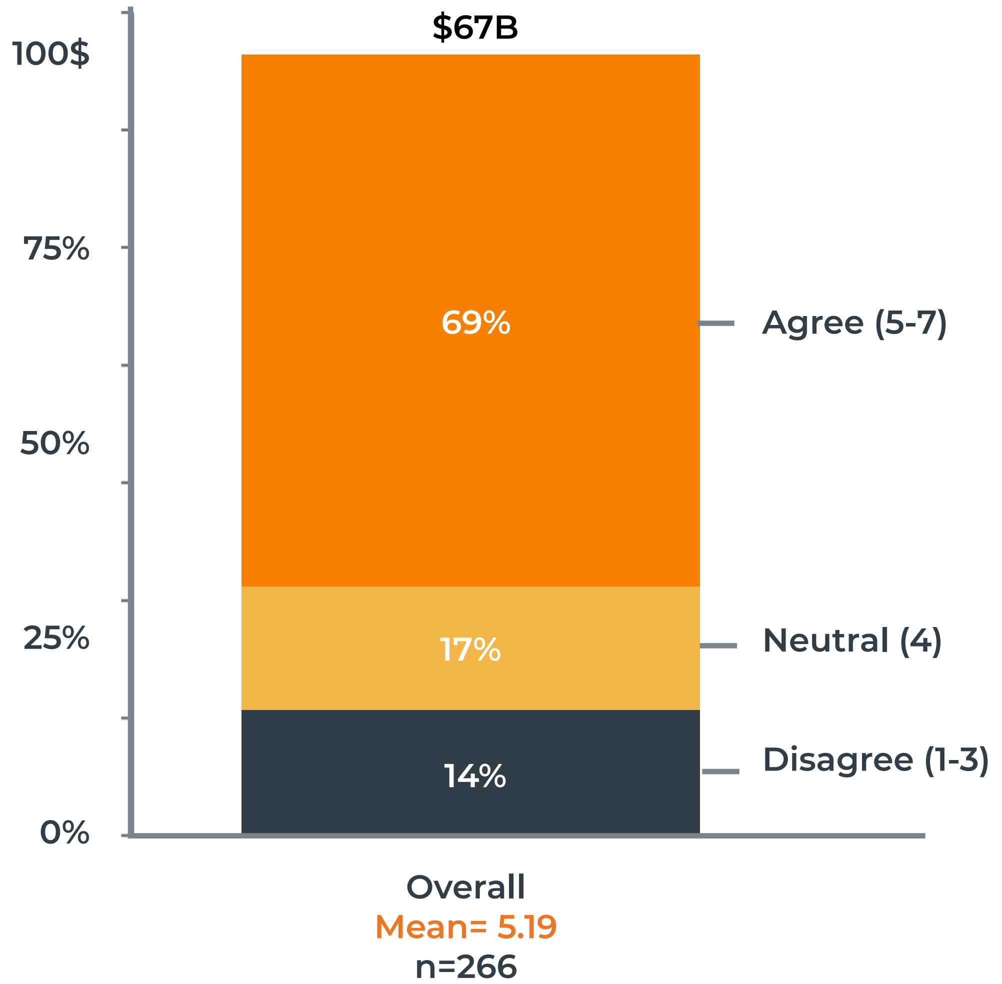
In a landscape marked by digital fatigue, companies are recalibrating their approach to events, recognizing the irreplaceable value of in-person connections while integrating technology to enhance engagement and foster lasting brand relationships, setting the stage for innovative hybrid experiences that drive future growth.

INSIGHT

There is a lot of digital fatigue in the today's market, and trying to replace personalized customer connections based on face-to-face interactions with virtual experiences simply isn't compelling. While technology is an important and growing component of events, nearly 70% of survey respondents agree that **virtual and digital events will never fully replace in-person events.** Instead, companies are looking to supplement in-person interactions with technology that draws attention, creates excitement, and furthers the brand relationship.

PURE VIRTUAL EVENTS WILL NEVER FULLY REPLACE IN-PERSON EVENTS

SCALE 1-7: 1= "STRONGLY DISAGREE"; 7="STRONGLY AGREE"



Source: Stax Interview, survey and analysis, February 2023

2. THERE'S NOTHING LIKE THE REAL THING

RESPONSE

"People are moving toward a model where they have in-person events with hybrid on top of it, everyone needs in-person but virtual components can drive people to attend future events…there's value to hybrid to enable future in-person growth," explained one Senior Account Manager.

SIGNIFICANCE

Supplementing in-person experiences with virtual and immersive "wow factor" add-ons is one way that companies are working to distinguish themselves in the event space. As focus intensifies on proprietary events, companies are investing in highly customized and complex events designed to attract and appeal to potential customers, while at the same time maximizing exposure to their brand by owning the event imprint.

3. INVESTING IN THE RIGHT RESOURCES

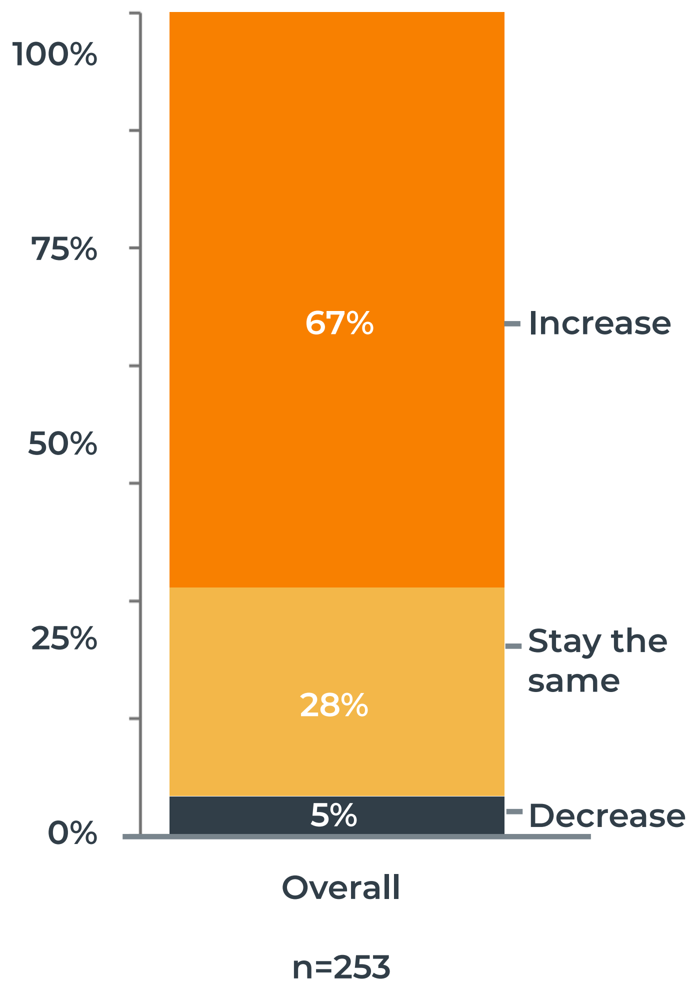
In a dynamic shift towards tailored experiences, companies are seize control of their brand narratives. The creative strategies and approaches to your brand offered by such agency partners aims to transcend the limitations of traditional trade shows and sets new standard for immersive engagement that resonates deeply with both B2B and B2C audiences.

INSIGHT

Major trade shows and other large industry events are established outlets for brand exposure, but the high level of competition and increased customer expectations make truly compelling interactions difficult in these settings. According to one survey respondent, ***"Trade shows are different now...people are looking to be engaged now more than they used to be...all these new elements of customer perception and engagement [are] in play..."***

While trade shows and other events retain healthy and growing budgets, companies are looking for **more customized, controlled environments with less competition for attention** to raise awareness, differentiate, and create meaningful connections with customers. But, in many cases, companies lack the internal resources to strategize, design, and execute on that high-value environment that the brand and attendee consumer is expecting.

EXPECTED USAGE OF THIRD-PARTY EVENT SERVICE PROVIDERS IN THE NEXT 1-3 YEARS



3. INVESTING IN THE RIGHT RESOURCES

"There is high competition and more challenges to stand out at events; the level of production quality and overall delivery of the event has had to continually improve meaning our experiential event budget growing more rapidly than our overall brand marketing budgets."
— VP Global Events & Experiential Mktg., Technology Company, ~5,000 FTEs

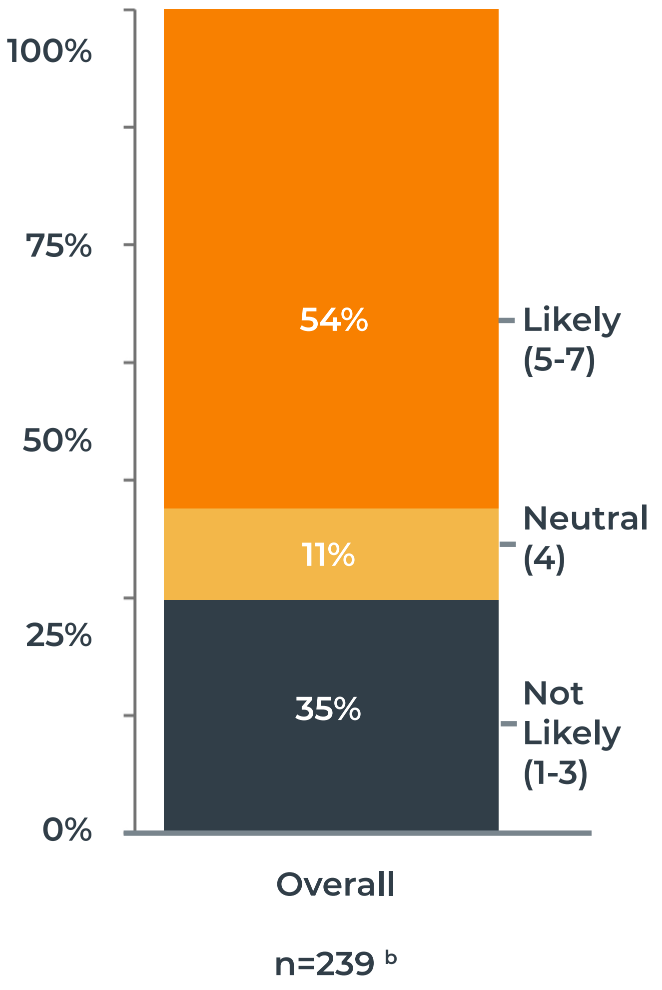
RESPONSE

To create that customized, high-value environment, many companies are exploring outsourced event logistics and front-of-house capabilities to get the absolute best experience for their audience.

Nearly 70% of companies surveyed expect to use a third-party event service provider in the near term, with more than half of respondents likely to outsource front-of-house workflows in the same timeframe. Companies are strategically positioning themselves to stand out by becoming the primary exhibitor for both B2B and B2C audiences by hosting their own events.

LIKELIHOOD TO OUTSOURCE FRONT OF HOUSE [a] WORKFLOWS IN THE NEXT 1-3 YEARS IF NOT DOING SO TODAY

SCALE 1-7: 1="NOT AT ALL LIKELY"; 7 = "EXTREMELY LIKELY"
PERCENTAGE OF RESPONDENTS NOT CURRENTLY OUTSOURCING STRATEGY



a. "Front of house" workflows include only strategy and creative design.

b. n includes respondents no currently outsourcing and/or creative design. Some respondents are counted twice as they may have provided scores for both strategy and creative design.
Source: Stax interview, survey and analysis February 2023

3. INVESTING IN THE RIGHT RESOURCES

SIGNIFICANCE

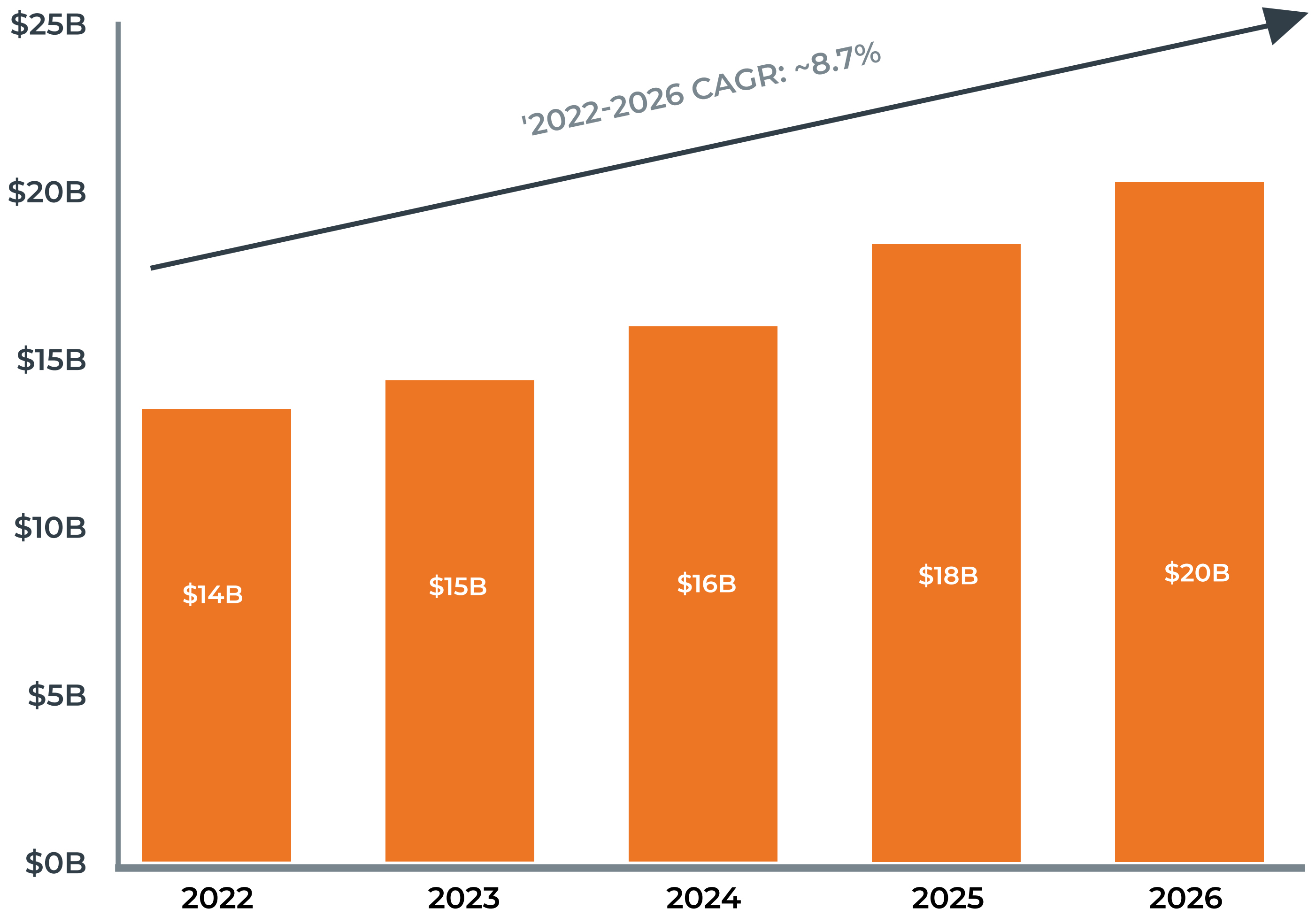
Proprietary events are the fastest-growing segment of the events sector, with growth expected to reach $31B in 2026, up from $22B in 2023. And most companies are focusing on the experiential portion of their event presence. As this trend continues to gain momentum, front-of-house services, such as strategy and design, are expected to see especially high growth due to their expanded roles as external thought partners to companies around the globe.

"Experiential is really nascent of a space...if you look 10 years ago, it didn't really exist and even now there are a range of different approaches," said one Head of Brand Reputation and Experiences at a 100k+ FTE technology company. ***"I think people are keen to invest more to work out how to best maximize the value of a moment in time."***

"There's an inherent benefit to outsourcing creative, to be cutting edge...an external agency is better at coming up with new perspectives and making a bigger splash... we need things to be clean, finished, and polished. To me, external agencies tend to be better", added a VP of Events and Experiential Marketing at a technology company with ~100K FTEs.

GROWTH IN SPEND ON END TO END EVENTS AGENCIES WITH CORE OPPORTUNITIES

U.S. 2022-2026



5. Census, Gartner, Plural Strategy, other secondary sources, Stax Interview, survey and analysis, February 2023.

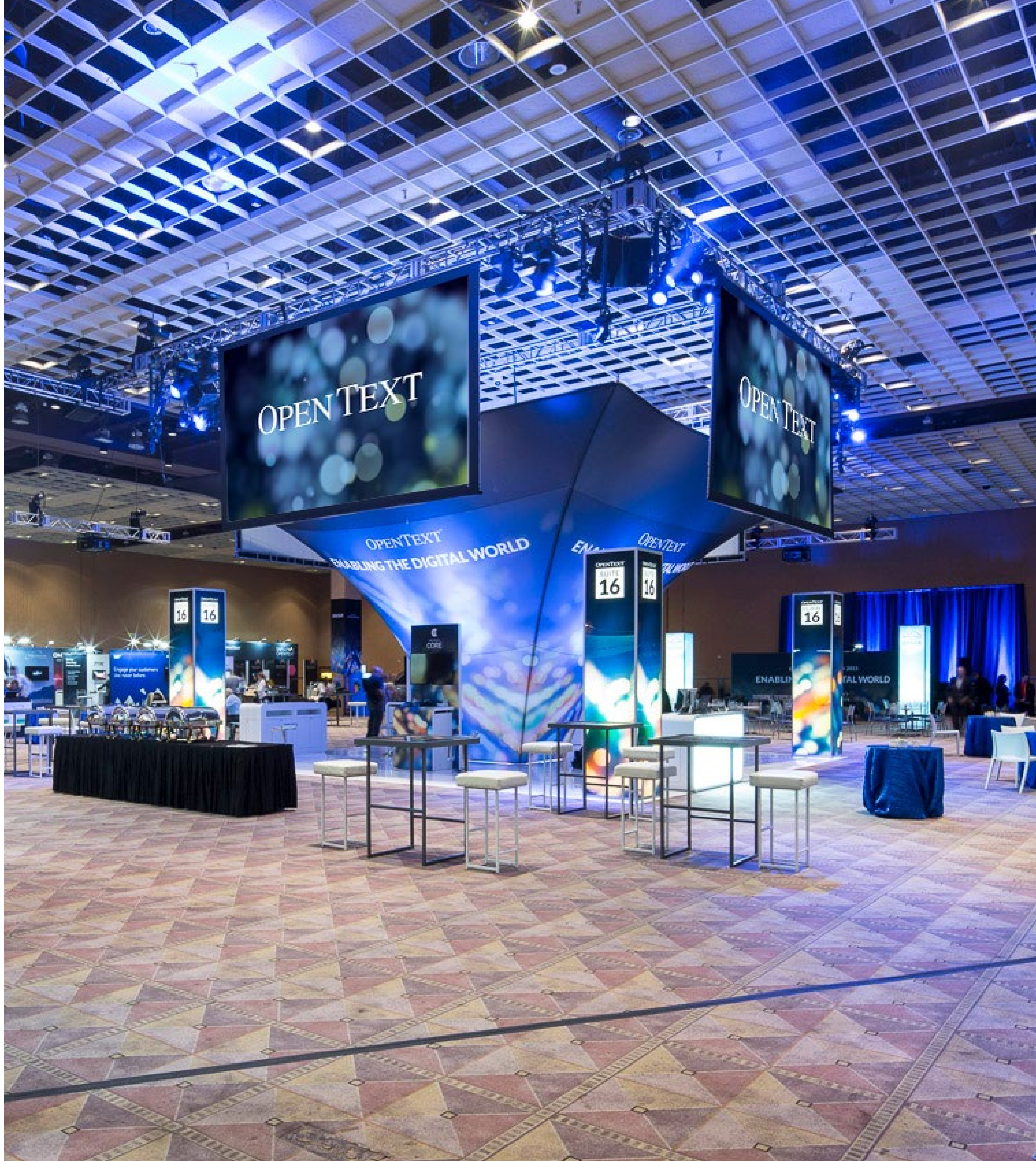
Key Takeaways

KEY TAKEAWAYS

Companies expect **greater competition** for event attendees, driving a need for differentiation and innovation in event presence. Consumers expect **greater personalization**[a] and focus from companies at events, and want a platform that allows them to genuinely connect with a brand, product, or company regardless of industry. To that end, companies are investing more in trade shows, but prioritizing that spend to **focus on proprietary events** supported by expert strategy, creative, and technology capabilities via agency partnerships.

While 66% of respondents ranked trade shows as highly critical to marketing success in 2023, a whopping **75% considered proprietary events as extremely critical**, and this is projected to reach nearly 80% in the next 3 years. Moreover, **proprietary events are the fastest-growing segment of the events sector** and are expected to maintain the lion's share of budget (increasing $11 billion from $20B in 2022 to a projected $31B in 2026).

a - https://www.forbes.com/sites/forbesbusinesscouncil/2022/03/11/what-does-todays-consumer-want-personalized-seamless-omnichannel-experiences/?sh=20cea0401e1e



Conclusion

PointClickCare
ADVANCING HEALTHCARE TECHNOLOGY. TOGETHER.
SHOWCASE
SHOWCASE
Transforming care. Enriching lives.
Understand more about the solutions you use
Information
PointClickCare
ENRICHING LIVES. TOGETHER.
SMARTZone
Senior Living
Build Loyalty Through Better Experiences

CONCLUSION

The event sector is rapidly evolving to become more strategic and fine-tuned, with stand-out experiences aimed at engaging customers in ways that capture attention and defuse competition. Spending for all event types has continued to be robust, but the proprietary event sector has seen the most growth. While both trade shows and proprietary events were considered critical to business success, our survey shows that the latter will **surpass trade shows in importance** moving forward in the next 1 to 3 years.

Proprietary events allow companies to selectively invest in an event presence that will deliver the most ROI, while at the same time offering **focused opportunities for differentiation**. Moreover, in order to guarantee the best possible in-person experiences at events, many companies are **outsourcing their proprietary event engagements** to third-party providers that offer the latest in technology and creativity.

In the high-stakes, highly competitive world of experiential marketing, proprietary events present an ownable space for companies to use their event dollars to **maximize customer engagement, immersion, and attention** by providing their audiences with high-value interactions that cannot be duplicated in virtual or third-party environments.

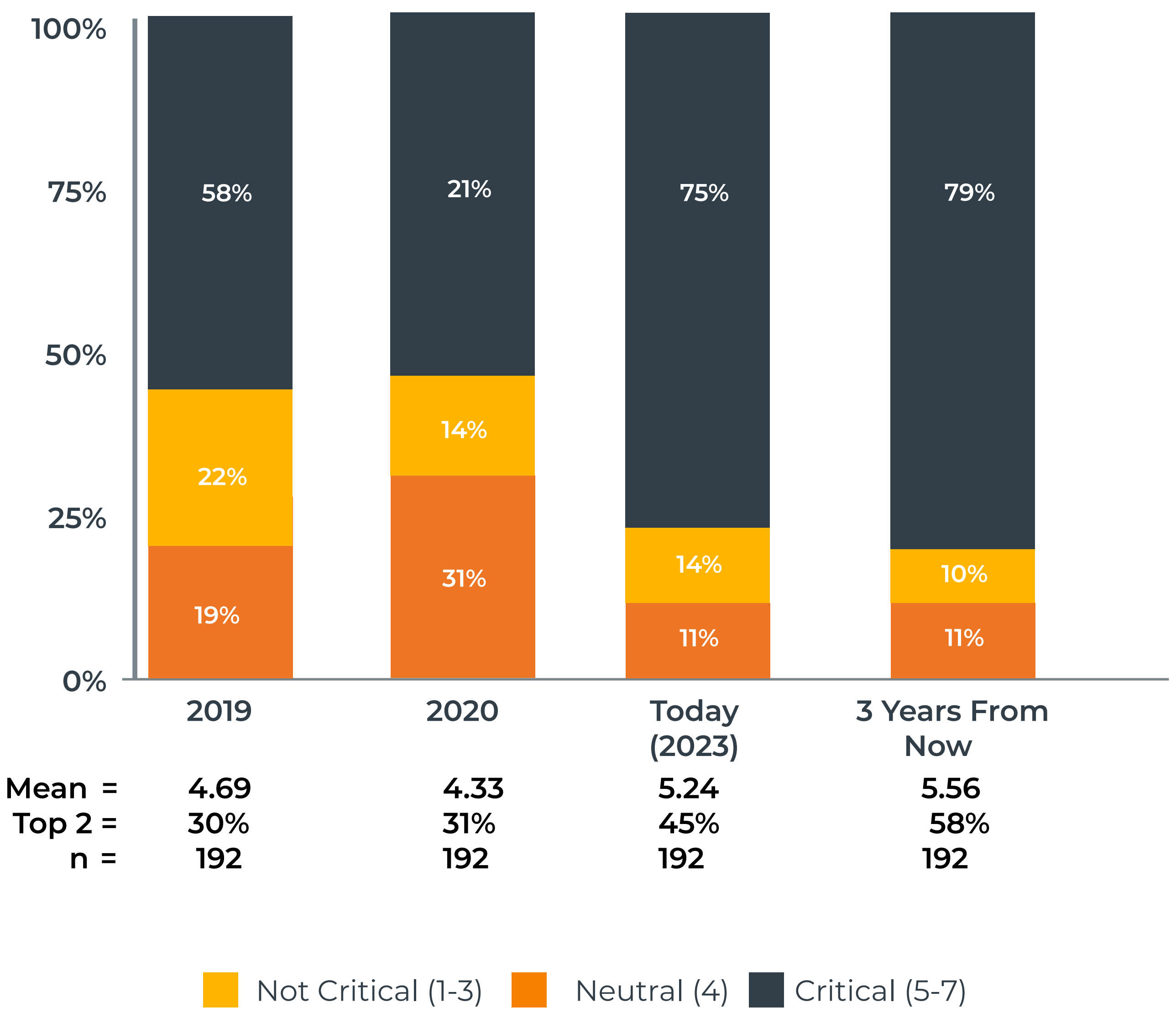
Over the next several years, every company will have access to the platforms and services required to host their own experiential marketing and proprietary corporate events, replete with new technologies that allow them to connect directly and genuinely with their audience. Agencies will offer a full suite of event and creative services designed to bring the brand vision to life like never before. And companies will have to compete fiercely in a diverse market of events and industries for the attention and loyalty of their followers and customers through innovation, creativity, and authenticity.

Are you ready?

CRITICALITY OF MARKETING-RELATED EVENTS

SCALE 1-7: 1 ="NOT ALL CRITICAL"; 7="EXTREMELY CRITICAL"

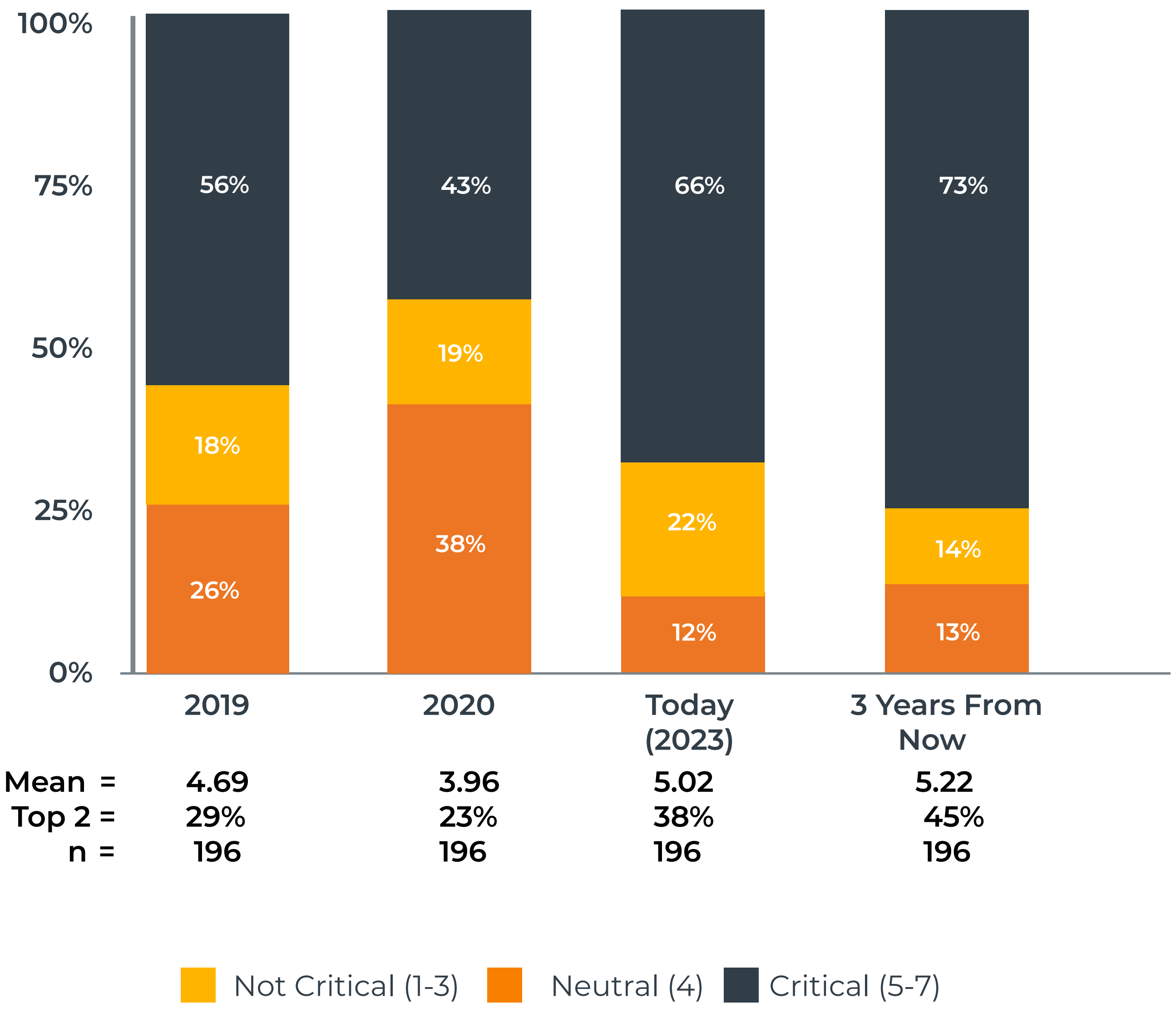
PROPRIETARY CORPORATE EVENTS



CRITICALITY OF MARKETING-RELATED EVENTS

SCALE 1-7: 1 ="NOT ALL CRITICAL"; 7="EXTREMELY CRITICAL"

TRADE SHOWS



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To learn more or to see the full report email us:

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