



COVID-19 and Disruption in the Incentive Travel, Meetings and Events Industry: *Adaptation and Recovery*

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Author's Note: In 2019, the IRF Board of Trustees voted to include 'Industry Disruption' in the IRF's 2020 research agenda – well before the emergence of COVID-19. However, the surveys, interviews, secondary research, and focus groups conducted for this paper took place between February and May 2020 while COVID-19 was thoroughly disrupting the MICE industry and most others. Unavoidably then, it constitutes much of the focus of this paper. But COVID-19 represents serious disruption in general; we believe that most of the guidance offered in this paper is relevant to serious disruption of all sorts in the Meetings, Incentives, Conference & Exhibitions (MICE) industry.

COVID-19 and Disruption in the Incentive Travel, Meetings and Events Industry

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Introduction

“There are decades where nothing happens; and there are weeks where decades happen.” – Vladimir Ilyitch Lenin

On January 31, 2020, in response to the spreading Coronavirus (COVID-19), the US federal government declared a national state of emergency. It restricted travel from China to the United States the same day. By mid-March, all non-essential travel to and from the US was prohibited and its borders with Canada and Mexico sealed.

Over the next four weeks, the global travel industry – responsible for more than 10% of global GDP – saw declines of 95% in airline passenger volume, US hotel occupancy dropped by two-thirds, and the entire global cruise industry was largely suspended for 2020. As of mid-April, the World Travel & Tourism Council estimated that the industry had already lost almost \$3 trillion and furloughed more than 100 million of its workforce.

“Travel & Tourism is the backbone of the global economy. Without it, global economies will struggle to recover in any meaningful way and hundreds of millions of people will suffer enormous financial and mental damage for years to come.” – Hospitalitynet

Those who earn their living in the meetings, incentives, conferences, and exhibitions (MICE) industry are well aware that COVID-19 has already wreaked worse damage to travel-related industries than 9/11 or the Great Recession. Its impact is far from over.

This report was created for leaders in the MICE industry (meetings, incentives, conferences, and exhibitions), and particularly, operators of small and mid-size MICE-industry businesses who are focused on business survival and eventual recovery. It is based on an extensive review of recent and relevant news, studies and analysis, as well as interviews and panel discussions with 36 industry leaders, poll results from 250 more, and survey findings from 791 working adults around the world.

“Our bottom-line business ground to a total halt almost within the space of a week. We saw huge losses in March through May, and our projections through the rest of 2020 are very low. This is true all over the world, not one market was saved. This is something I have seldom seen. In 9/11, various other terrorist incidents, etc., not all markets were impacted – not even by the financial crisis – at least to this extent. Then you could find ways to make revenue, here you cannot, and that is the most unique thing.” – Interviewee (Global DMC)

Part One: Traveler Intent and Insider Insights

“Regional travel will indeed be the first stage of traveling and international travel will take more time, but it will rebound very strongly.” – IRF Industry Leader Focus Group Participant (meeting planner)

In April 2020, the IRF conducted a global survey of more than 1,100 working adults (‘travelers’), obtaining full (791) and partial (53) surveys from 844, each of whom had participated in overnight travel for work in the past five years.

- Their main reason for travel was conferences and events (70%), then meetings (58%), group reward travel (26%), and individual reward travel (23%).
- 30% had not experienced a disruption of any sort
- Of the 70% who had experienced at least one disruption:
 - Flight delays and cancellations were the top disruption at 54%
 - 35% experienced an event or meeting postponement or cancellation
 - 21% lost luggage
 - 19% experiences reward travel postponement or cancellation
 - 17% experienced and illness /injury

Bad weather the top reason for cancellations and postponements

Those who had experienced postponement or cancellation of a meeting, event, conference, or reward travel cited a variety of reasons. Despite completing the survey at or near the peak of the COVID-19 spread, making it top of mind, weather was the lead cause of travel cancellation or postponement among those surveyed (Figure 1). This mirrors the results from an IRF survey and study published in 2016, in which it was found that bad weather was far and away the most common and frequent disruptor of offsite meetings and events. The industry leaders we interviewed for this study expect weather-related disruptions to worsen, in part due to the effects of accelerating climate change throughout most of the world.

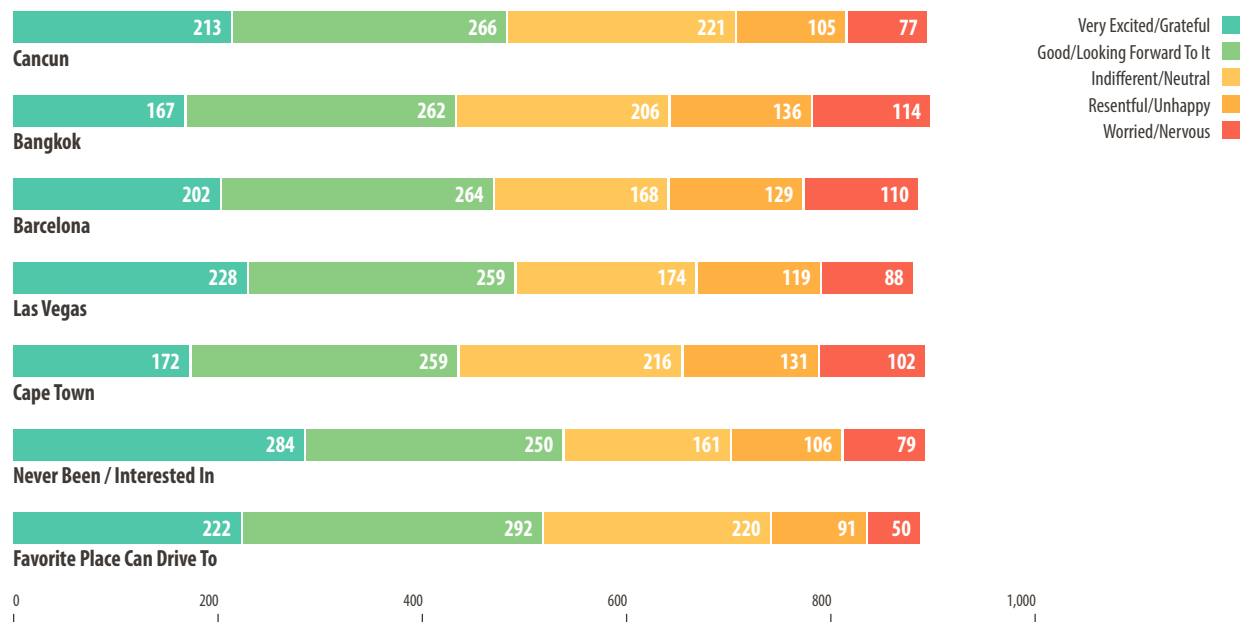
Figure 1: Reasons for Cancellation or Postponement



Eagerness to return to business and reward travel after COVID-19 restrictions are removed

When asked about traveling for an overnight work-related trip to a conference, meeting, or event after all COVID-19 restrictions have been removed, almost 57 percent of would-be travelers reported feeling either very excited and grateful at the prospect, or at least looking forward to it. We chose a representative set of global destinations, all of which at times were impacted by serious disruption, including COVID-19. In each case, a majority said they would feel excited about or look forward to a business meeting or event in those locations.

Figure 2: Meeting, Conference & Event Travel
Attitudes toward business travel after all COVID-19 restrictions have been removed



63% would be excited or looking forward to a business trip to a place they are interested in but have never been to; 60% to a familiar, close place they like and can drive to. For other destinations, including Cancun, Bangkok, Barcelona, Las Vegas, and Cape Town, between 51% to 58% of respondents were excited and grateful, or at least looking forward to the trip.

These results corroborate the majority view of our interviewee and focus groups experts, as well as much that has been reported in the media from late April through mid-May: People are beginning to anticipate and crave travel, especially that involving new experiences and/or safe destinations close enough to drive to and/or that involve shorter flights. Tellingly, US passenger volumes on flights went from 87,534 on April 14 to 215,645 on May 11 according to the TSA.

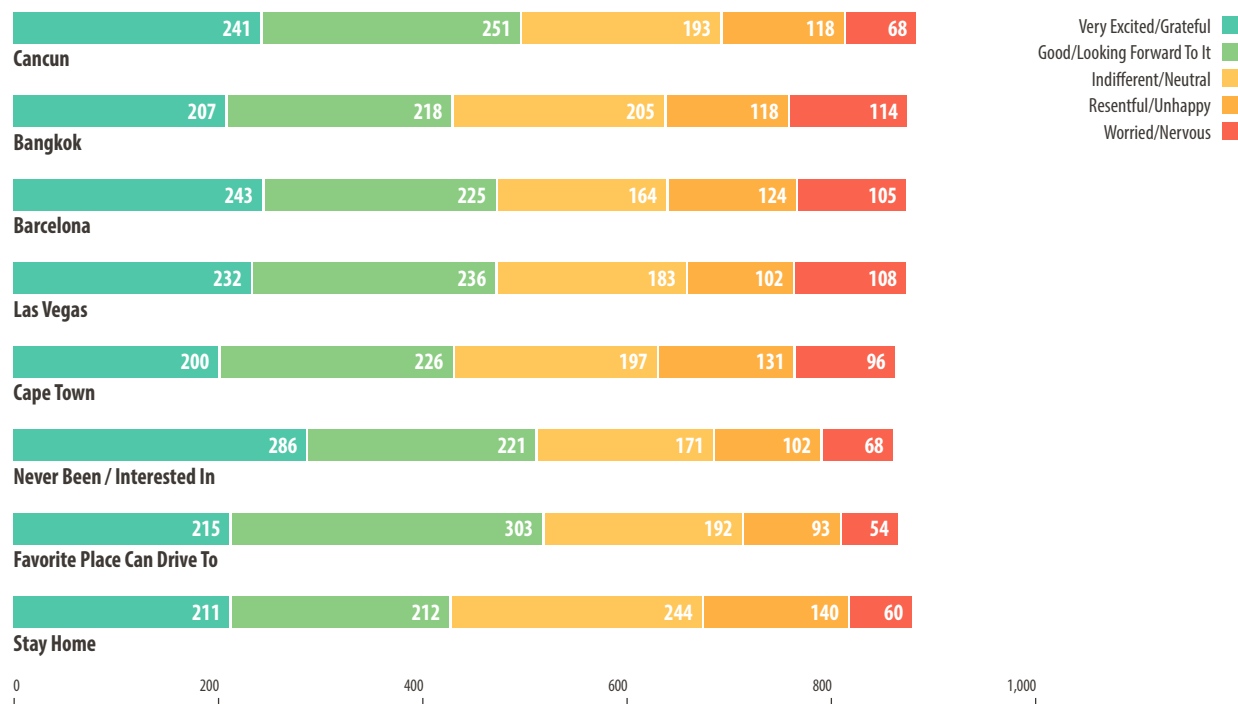
The expectation that domestic travel – especially road trips – will increase as COVID-19 restrictions are removed was expressed throughout our interviews and focus groups with industry experts, and in media coverage concerning COVID-19's impact on the travel industry.

Some pointed out that the combination of pent-up demand to get away, a desire for safety, slashed budgets, and cheap gas will make local travel even stronger than it was prior to the crisis. As above, our survey responses suggest that the desire for travel involving flights to foreign destinations is not as far behind as might be expected.

Overall, South Americans and Europeans are the most excited about travel after COVID-19 restrictions are removed (~70% excited/looking forward to it). North Americans come next at about 58%. Asia, including India and China, appear most cautious; in all cases, fewer than 50% are keen to travel to business meetings or events even after all COVID-19 restrictions have been removed. Other surveys conducted in the same time frame lend support to these findings, including a *Skift* research survey in which one-third of respondents (all Americans) expressed a desire to travel after COVID-19 is contained.

When asked about traveling for a work-related trip for reward travel after COVID-19 restrictions have been removed, the results were similar. A slightly larger majority feel excited/grateful or looking forward to the five named destinations. The greatest difference between attitudes toward travel for meetings and events versus reward travel was in the very excited/grateful category: 29% for reward travel versus 23% for events and meetings travel.

Figure 3: Reward Travel
Attitudes toward business travel after all COVID-19 restrictions have been removed



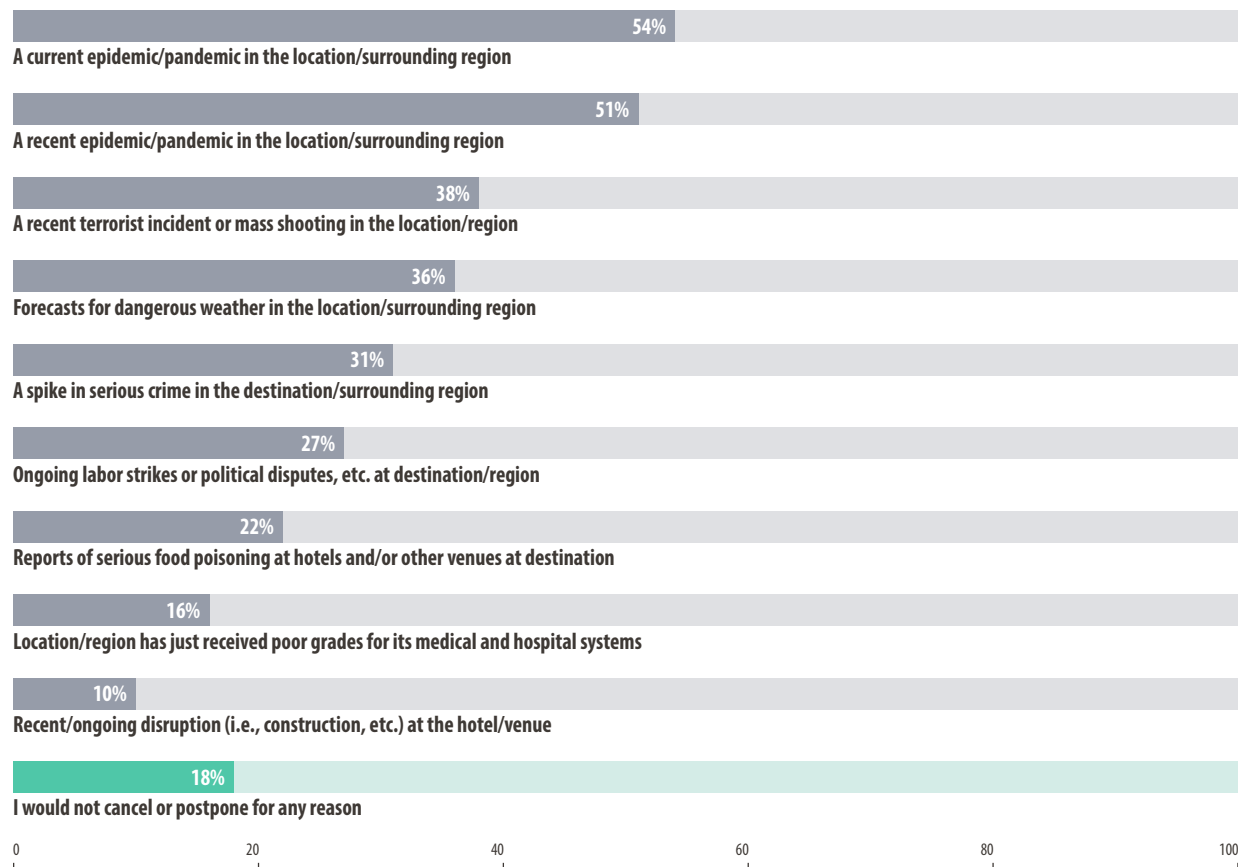
“We know that travel incentives are among the most cherished rewards. This will only be heightened. The pandemic has reminded people of their vulnerability, it will give them a sense of living; that life is precious, and they must get out from behind the desk to appreciate it.”

– Interviewee (Incentive Reward Program Designer)

Because they completed the survey in the last half of April, most respondents were in some form of voluntary quarantine or stay-at-home orders. Despite this, only just over one in five (less for those under 45) said they would be worried about or resentful of upcoming business or reward travel. Moreover, the least favorite option among those imagining future reward travel was to simply take the week off and stay at home (50.5%). Indeed, eagerness to pursue business and reward travel remains above 60% for all age groups 18-45, dropping only slightly for those 46 years and older.

Among those who said they would be worried or nervous about participating in work or reward-related travel to any of the destinations, the threat of epidemic/pandemic was the majority concern at a 33%. Next came weather at 29%, followed by crime, getting sick, labor strikes, a terrorist attack, and food poisoning. Overall, two-thirds of the small minority worried about future work or reward travel cited getting sick – whether from a pandemic, food poisoning or otherwise – as their chief concern.

Figure 4: Reasons respondents would cancel or postpone business or reward travel after all COVID-19 restrictions have been removed



When respondents were asked what would make them “almost certainly” cancel or postpone an offsite business meeting, event, or reward travel after COVID-19 restrictions are removed, they were, on the whole, slightly less inclined to cancel business versus reward travel. Interestingly, only a recent or ongoing pandemic or epidemic would cause the majority of respondents to cancel or postpone their travel (~52%). 18% said they would not cancel a business or reward trip for any reason.

The great majority of firms continue to recognize and reward outstanding employee effort

Earlier in April 2020, the IRF conducted a survey aimed at incentive travel program design providers and firms that operate incentive travel programs. Almost two-thirds of the 250 respondents reported that incentive travel programs scheduled for the first half of 2020 were postponed into the second half (~37%) or into 2021 (~25%). Overall, fewer than one-quarter had cancelled their incentive programs entirely.

Over 70% of respondents who postponed cited the need to continue recognizing and rewarding outstanding employees. Indeed, even among the minority that cancelled their programs, three-quarters substituted other rewards and recognition, from merchandise and gift cards to cash, combined with notes of appreciation and even virtual award ceremonies. Overall, 70% of respondents are maintaining their reward programs and not changing the rules about who qualifies

Part Two: Practical Actions and Measures for Near-Term Survival and Faster Recovery

“Now we focus on survival and help keep the people struggling alive.”

– Focus Group Attendee

Many of the MICE leaders we interviewed and held discussions with told us they are facing the gravest threat to their survival they have so far experienced. To put this in perspective, most had come through the aftermath of 9/11 and the Great Recession.

MICE leaders told us that while survival is their main focus and concern right now, they believe there will be tremendous opportunity for new business beginning sometime in 2021. That expectation is borne out in the survey findings described above. Those that experienced 9/11 and the financial crisis, however, warn that a return to normal volumes of business and revenues is not likely for about two years following the end of the crisis.

After 9/11, MICE industry revenues returned to their pre-crisis levels roughly in 2004. Though the Great Recession began in late 2007, it was not a singular event, it lingered through 2009 and beyond. Pre-recession revenues did not return until 2011. No one can say when the COVID-19 crisis will conclude, but many experts argue it will not be over until a vaccine is both available and in wide circulation.

Most health authorities believe that vaccine discovery, approval, mass production, and distribution is not likely until mid-2021 at the soonest. Using prior crises as a rule of thumb, and assuming a vaccine is available next year, leaders in the MICE industry might expect and plan for a return to pre-COVID-19 revenues by late 2022 or early 2023.

“People are not cancelling so much as pushing their dates out to see what happens, but I think the full recovery from this will take us right through 2022.”

– Interviewee (incentive travel program design)

On the whole – according to the 36 incentive travel, hotel, and meetings / events professionals who participated in our interviews and focus groups – the industry is still experiencing more postponements to incentive travel and meetings / events than cancellations. This was corroborated by the IRF survey of 250 industry professionals conducted in April 2020 described in Part One.

Nevertheless, where postponements were originally pushed into the third and fourth quarters of 2020, most are now being pushed into 2021 and even 2022. When the pandemic began in January and February, decisions to postpone programs were centered on protecting employees and complying with restrictions and shutdowns. As of May 2020, leaders appear to be growing equally concerned with company financials. For this reason, a growing number are cancelling programs rather than postponing them; in some cases, even where they incur six-figure penalties. Either way, the situation for incentive reward designers and meetings / events planners is extremely challenging.

For destination management companies (DMCs), it may be dire. Focus group participants told us that DMCs are in true survival mode. Some have furloughed almost all of their staff. One DMC told us that almost all of their incentive travel groups are cancelled with hardly any postponed to 2021. At first, they didn’t layoff anyone but are now down 70% and expecting further cuts.

“We are processing huge cancellations and working with customers through this. We’re down 94% – all meetings and events are cancelled or postponed into 2021 We’re now also in planning mode, devising strategies around how we come out of it.” – Focus group participant (large online travel firm).

Though a return to normal in the MICE industry appears destined for the longer-term (18-24 months or more), the preponderance of evidence points to near and mid-term opportunities for the industry in satisfying peoples’ growing desire for safe travel and limited social contact.

Moving Forward: Expert Advice

The following actions and advice for getting through the crisis, adapting to a “new normal,” and repositioning for greater resilience to disruptions of all types, were distilled from our interviews and focus groups, and from extensive and recent analysis of industry surveys, papers and articles

“The incentive houses play a very important role for us. I have lost only one program to cancellation in all of this so far. We accommodate new dates happily for exceptional partners. The relationship is key.” – Interviewee (hotel/resort exec)

Customer Service, Employee Engagement & Relationships

Social connectivity is key. Cooperation and relationships with hotels and venues are critical to recovery – and to the opportunity to do business in the future. Play the long game with clients by postponing travel based on their comfort level and offering solutions for alternate forms of recognition, including merchandise, gift cards, and points.

- Most are facing challenges with cancellations and insurances. Unless you have a specific infectious disease rider in your contract, you likely do not have a solid claim for refunds. Rather than arguing over force majeure and other legalities, look for cooperative compromises.
- Even though hotels and venues are suffering also, our interviewees and focus groups participants report that they have grown more cooperative during the crisis and less likely to invoke contract legalities. Everyone in the industry is in the same boat; it will take cooperation to accelerate recovery.
- Again, relationships are key. Hotels not willing to work with you now are those that events and incentive travel managers may not bring business to after. But the same sentiment might play out to some degree in reverse. A grudging, coerced concession from a hotel might have repercussions later on.
- Despite your need for cash, put your clients' interests first. Move their events and incentive travel into 2021 and even 2022 when it is in their best financial interest. Survive, but play the long game, remember that every decision you make, whether a hotel, airline, event planner or incentive travel professional reflects on the industry as a whole and the trust afforded it.
- Remind clients that where incentive travel is concerned, earned rewards should not be denied or unreasonably postponed. Interviewees and focus group participants with other reward programs, such as points and merchandise, report that switching clients from travel to points has been easy and painless. In the IRF's April 2020 survey (Part One) three-quarters of organizations who postponed or cancelled incentive travel are recognizing and rewarding employees in other meaningful ways. This might include travel vouchers so that a group travel reward earner can take his or her family on a trip of their choice as restrictions ease. In some cases, especially where an employee's household income might have been reduced due to the crisis, open gift cards might prove the best reward.
- Use this time to engage employees by investing in training and development. This is an especially opportune time for online learning, which is in many cases as effective as traditional learning. It also tends to be far less expensive or even free.

- Ease employees back into travel as the recovery progresses. Give employees a voice and choice. Discuss with them whether and under what circumstances they feel comfortable getting on planes or staffing events.
- As a leader, spend time coaching your team about staying relevant and enhancing relationships. Your employees need social connectivity. Make sure to communicate now more than ever. Schedule purposeful online video and teleconferences (business strategy, recognition events, and ideation, for example, versus cocktail hours or anything new age that might have been novel a month ago but may seem vacuous now).
- Donate your time toward activities that aid and benefit the industry. Encourage others in your firm to do the same. Volunteer for webinars, offer to conduct a virtual session on incentive travel or industry risk management, for example, with the local chamber of commerce. Produce a white paper or write for a blog. Use these opportunities to bolster the industry and reassure people (e.g., new travel and hotel safety measures, etc.) and to build your brand and reputation. Ensure that your information is useful and relevant – don't attempt to inject overt sales or marketing.
- Use this time to better educate your clients. Offer free consultations. Use these sessions to remind them that social connectivity (even virtual) and employee recognition, appreciation, engagement, and motivation is more essential than ever. Subtle marketing may also be appropriate. One expert we interviewed is conducting weekly destination showcases for clients each Friday emphasizing experiential-type properties that are safer for limited incentive travel.
- Subtly remind clients of your enormous value in negotiating postponements and refunds on their behalf despite the many uncompensated hours this requires. COVID-19 aside, one of our interviewees cited narcissism as the industry's worst disruptor. Organizations increasingly go it alone, thinking they can use tools and technology to replace planners or incentive designers. They book and manage their own trips and meetings and design their own incentive travel programs. Now is a good time to remind clients of the complexities and risks involved in a do-it-yourself approach.
- Looking ahead to when we gather and travel again, discuss duty of care with your clients, including attendee responsibilities. People must observe precautions, not travel when ill or symptomatic, practice social distancing, and use all appropriate protection while traveling. Incentive travel firms and event planners should offer expertise and guidance in these matters, especially where the event or venue itself is concerned. The responsibility for safety must be shared with the client and the traveler/attendee.

Sales

Be ready to respond to your program participants' new needs. Start building an inventory of local, safe, outdoor, and experiential destinations that you can discuss with clients. Look at resort buy-outs, ground transportation, charter flights, new room set ups, and virtual options.

- The evidence from recent polls, surveys, interviews, and other measures of traveler sentiment overwhelmingly suggest a growing pent-up desire to travel, one that many Americans are already acting on. However, given the lingering effects of the pandemic, and the chance that it could return, many will look to safe, local travel. This effect may be compounded where company budgets have been reduced. Start building an inventory of local, safe, outdoor, and experiential destinations that you can discuss with clients. Overwhelmingly, our experts believe that these types of getaways will appeal to people as they get used to traveling again.
- Given people's general unease with air travel and foreign destinations, unique local properties that offer incredible outdoor experiences will almost certainly appeal to incentive reward earners and business meeting attendees. Consider the hundreds of incredible, but often overlooked venues in your state, province, or region – small experience-based fishing or hiking lodges or ranch, ski, and wilderness adventure destinations. Also consider local, often remarkable and historic grand hotels or exclusive cottages or sections of resorts. These close to home experiences also support your local economy.
- Suggest group travel that is highly controlled and lower risk. Hotel/resort buy-outs, for example, and with hotels and resorts that have published their enhanced COVID-19 cleaning measures and other precautions.
- One of our focus group experts signed three new programs in April 2020, all of them to exceptional venues that attendees can drive to. These programs are scheduled as early as August 2020. All feature mostly outdoor, experiential programs and the resorts are small enough that clients can buy them out. This incentive travel provider reports that her team has pitched this option three times and sold it each time.
- Where a destination requires air travel, consider proposing a charter flight. One of our interviewees who operates a luxury fishing lodge with a short June-August season, experienced 30% guest postponements into 2021 but very few outright cancellations. The great majority who were booked in June postponed to mid-July through August believing the small (45-cabin) venue safe for their vacations, incentive trips and/or meetings. Nearly all will fly to reach the lodge, but groups have already made plans for chartered planes, while others have discussed safety options with commercial airlines.

- Where attendees need to meet at venues, arrange rooms with twice the space and half the people, outdoors where possible. Link these smaller groups virtually.
- Diversify. As a short-term alternative, move travel clients to your points program/platform or consider developing these offerings through a white-label relationship with a technology provider. Experts report that this part of their business has not suffered significantly (at least through early May), even though they expect it might later, depending on how much the economy softens. Regardless, there may be ongoing greater-than-ever opportunities in reward/recognition platforms, peer-to-peer recognition tools, and personalized merchandise rewards delivered to the door.
- For events, consider road shows with fewer delegates instead of a big event in a central location. This can include arranging local entertainment.
- One expert reminded us that "'group' is a four-letter word right now" and the notion of taking 500 people to a resort in Cancun might be a long way off. She suggested the Galapagos with a small group or a river cruise with limited cabins.

Strategy

Safety concerns prevail. Emphasize cleaning, social distancing, health assessments and scans, and the presence of physicians at meetings and events. Work with partners, including DMCs, that have relationships with restaurants, entertainment venues, suppliers, local government, police, healthcare, and emergency response at the destination. Identify virtual and hybrid event technology providers.

- Use this time to discuss strategy and repositioning with your team. Encourage everyone to read widely both inside the industry and outside (to gain insights from what other industries are doing). Think big picture and employ systems thinking about your business in the context of the COVID-19 crisis and inevitable future disruptions. Give people the space and freedom to innovate. Conduct ideation sessions, discuss the implications of emerging trends, devise scenarios, and create plans for each.
- More than ever, put safety first. The more the industry can do to reassure travelers and influence the media, the faster the recovery. Most people, and certainly industry clientele, have accepted extraordinary precautions. Evidence suggests that safety concerns will prevail over urges to travel (hence local, outdoor-oriented destinations). For your part, work with your partners; advocate obvious safety measures like wearing masks. Emphasize the extra measures the industry is taking to keep people safe – from cleaning to social distancing, health assessments and scans, the presence of physicians at meetings and events, and the plans you have in place to deal with disruptions of all sorts.
- If you plan events or design group incentive travel and you don't already work with DMCs, rethink that strategy. Our experts were in near unanimous agreement emphasizing the critical role a capable DMC plays as a destination partner. Look for DMCs that know the destination deeply and have relationships with restaurants, entertainment venues, various suppliers, local government, police, healthcare, and emergency response.
- It is safely predictable that events, conferences, business meetings, and group incentive travel will not return to previous norms for at least 18 to 24 months. Air and cruise travel will experience the same slow recovery. Not only will travelers be wary and have less money, but airfares, cruise cabins, hotel rates, and event venues may have to charge more to pay for the very expensive measures necessary to make large group travel safe again. Factor these very likely scenarios into your planning.

- Anticipate and begin planning for a temporary reduction in travel for larger offsite meetings, events, and group rewards at least into 2022. For example, begin anticipating what you will do with a large event you have scheduled in 2021, with perhaps half the expected live attendees. How will the hotel/venue respond and how will social distancing measures impact execution?
- Remember also that social connectivity is a fundamental human need. Every major theory of human motivation, backed by neuroscience, agrees. In-person meetings and large events will return but their execution may be very different. How will you prepare?
- Think about an increased demand for virtual and hybrid events and how you will offer these options. Virtual meetings and event technology can be costly, but it can help reduce overall costs significantly. This too will influence decisions, especially as organizations are in financial recovery.
- Also acknowledge that your clients have learned that they can do effective meetings and events online. Some told us that in several ways, there is even greater value in virtual. For example, attendees experience enhanced engagement with the speakers/presenters. Moreover, new technologies and faster wireless connectivity are making virtual events more immersive than ever – even more interactive in some ways than live events.
- For incentive travel with meetings, brainstorm how you might cater to large groups but separate them into smaller groups onsite. How will you conduct meetings; for example, with small groups in separate rooms connected virtually?
- As above, ask your team to think about unique experiential rewards and how to accommodate the preferences of smaller incentive travel groups, for example, twenty couples on a luxury yacht. Think through how you'll market these options effectively. Have these options and materials ready to go as soon as you can.
- Consider that authenticity and trust in sales will matter more than ever, including the ability to credibly and honestly assess clients of the risks associated with various options. Use this temporary lull in business to provide sales training or coaching that recognizes this. Emphasize educational sales and learning from clients. Reward knowledge-sharing and collaboration internally and with stakeholders.
- Read industry reports and attend webinars. Also, consider joining a pan-industry group or its subcommittees – like the Events Industry Council – which is currently studying best-in-class standards in practice going forward for the industry. Doing so will put you at the vanguard of best and emerging practices in the industry and may provide insights and/or connections that lead to new collaborations and new business.

Legalities and Disruption Planning

You bear a legal responsibility – a Duty of Care – to act reasonably in ensuring the safety of participants and staff in their programs. Thoroughly investigate risk in your targeted destinations. Work with your partners or DMCs to consult with police and government and to gain local knowledge to be prepared should a crisis arise. Document contingency plans and emergency plans for your event as well as the hotel or venue. Communicate safety efforts and expectations of the attendees' responsibilities regarding Duty of Care well in advance of the event.

- MICE professionals bear a legal responsibility – a Duty of Care – to act reasonably in ensuring the safety of participants and staff in their programs. According to one of our interviewees, a lawyer who specializes in meetings and event risk management, this simply means: “You are responsible for taking reasonable steps to keep participants in your meetings and programs safe in the event of disruption.”
- Hotels, airlines and others in the travel chain have operated with safety and risk management rules and principles for years under the rubric of various government regulations and industry Travel Risk Management (TRM) standards. Following deadly events at Mandalay Bay and elsewhere, the importance of similar standards, rules and guidance has emerged more recently for event planners. Your Duty of Care incorporates three main categories:
 1. To fully investigate destinations – hotels, event venues, surrounding areas, etc. – for risk of crime, health, weather and other serious disruption or risk to participant/staff health. And to investigate suppliers to the event, meeting or incentive travel program, and assess their capabilities to do the work assigned to them.
 2. To fully disclose the findings of this research with your client. And, where appropriate, to suggest safer alternative destinations, hotels, venues, suppliers, etc.
 3. To anticipate foreseeable disruptions, including protests, bad weather, even geological events, and to mitigate these risks. This includes awareness of recent and forecasted disturbances at destinations, and extensive planning, including contingency plans for a variety of potential disruptions, and a staff that has rehearsed their responses. Depending on the circumstances, it might also include arranging for the presence of physicians or EMTs, and/or security or police at events.

- Legal liabilities in the MICE industry remain unclear, little jurisprudence is available, and legal opinions differ. Event and incentive travel professionals should seek collaboration among all parties to ensure a balance of personal responsibility and reasonable practices. Industry associations should seek clear legal and regulatory guidance while promoting reasonable safety and risk management processes and best practices.
- There is no way to foresee every potential disruption, but you can mitigate risk to the best of your abilities based on what you have experienced before. Consult with police and government at destinations prior to arrival; select proven, qualified DMCs and other partners whose expertise and local knowledge is likely to prove crucial in a crisis.
- The practice of thoroughly investigating risk at destinations and sharing your findings with clients and partners builds trust. It can also counter situations where the media has exaggerated the risks.
- Before travel and events, meet with your partners, discuss the risks, and talk about what you will do – together – to mitigate it. Create a library of documents and share them with your partners and clients. These should include contingency plans for each foreseeable disruption. These plans should detail what each member of the team – planner and partners – will do, who they will call, etc., depending on the disruption. To avoid panic and bad choices, everyone must know what they are expected to do.
- Ask to see the hotel/venue disaster/emergency plans. If you're refused, book elsewhere. The Conference Services Manager (CSM) assigned by your hotel must be fully briefed and capable. Expect them to have read your plans and documents, otherwise, insist on someone else – it is not your job to train them. Similarly, your DMC and other partners should have read and understood your plans before you arrive on site.
- The importance of having an attorney review your contracts should need no explanation after the chaos caused by COVID-19. Every new contract, for example, will require more precise and expanded language around force majeure and refund policies.
- Alongside legalities, build good relationships with partners and suppliers, including hotels and venues. Even with added vigilance, every potential disaster will not fall perfectly under force majeure. A focus group participant told us they work a great deal with one international hotel chain. Beyond consistency in quality, this chain accommodates complex dietary requirements, it maintains a transparent, updated emergency response plan for all of its locations, and employs in-house physicians. Likewise, look for airline partners with extensive agreements with other airlines so that should a crisis occur, you can evacuate your participants quickly.
- An industry safety and risk attorney we interviewed suggested considering taking out insurance against your liabilities and risk; including your financial risk should a program be cancelled due to disruption. This insurance is expensive, but with thorough plans in place, you may enjoy lower premiums.

Conclusions

“Travel will come back – it’s our culture, restaurants, Broadway – it will come back big.” – Focus Group participant (industry Media)

Our survey data, interviews, and focus groups reported a pent-up demand for travel – even international travel – that is emerging now and should escalate as travel restrictions are removed. A majority of our experts and much of the media mostly concur but take a more cautionary position concerning longer distance air travel. Many believe international travel, especially in large groups, will not return to previous norms until a vaccine for COVID-19 is found and made widely available. Other developments that would encourage a return to travel include the introduction of a reliable treatment alongside ubiquitous testing capability and/or a herd immunity evolves rendering COVID-19 more like the seasonal flu.

Dozens of laboratories are making progress toward a vaccine. Governments have accelerated approvals for human testing and some early-stage human trials have gone well enough that suppliers are already developing the capacity for mass production and distribution. Many expect the COVID-19 vaccine will come faster than any previous vaccine in history (see Recommended Reading below, p.19).

Even if the most optimistic forecasts are correct – and a vaccine arrives before the end of the year – it must still prove safe and effective in larger patient groups, then billions of doses must be mass produced and distributed. No nation is safe for most forms of international travel until all are safe. Though most or many Americans might have access to a vaccine in 2021, experts warn that under no realistic scenario is one likely to be distributed globally before 2022. Complicating any potential impact of a vaccine is widespread (albeit unscientific) mistrust of vaccines, particularly in the US, where in a May 2020 survey of 2,200 adults, only two-thirds said they would take an effective COVID-19 vaccine if it were available (see Recommended Reading below, p.19).

Given economic imperatives, political pressure, the need to address other deadly health issues, and peoples’ mounting frustration at being confined, progress toward herd immunity might proceed faster than vaccine testing, production, and distribution, especially should treatments prove effective and widely available and/or quick, universally accessible testing arise.

Do not count on these scenarios to bring back pre-COVID-19 norms quickly, however. Herd immunity will most likely evolve slowly, in fits and starts. And it will almost certainly inflict more psychological damage as death tolls mount, again, unless an effective, widespread treatment is also discovered. Moreover, if a second wave of COVID-19 – one that many experts predict will arrive in the fall with the flu season – materializes, it will engender more caution. Whatever the scenario, large group events and group incentive reward programs involving air travel will not likely return to pre-COVID-19 volumes for at least 18-24 months.

One of our expert panelists reminded us that those who fail to plan, plan to fail. Even extreme optimists and those sympathetic with arguments that governments have overreacted are well-advised to heed the best evidence and plan accordingly. Those in the industry inclined to take personal risks should not take the same risks with employees, or clients and their employees.

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