

Current situation on the German MICE market

1 Feedback from German event planners

- Most events for the rest of the year (national and international) have been postponed or cancelled.
- Many agencies are looking for alternative event formats and working on virtual or hybrid events, open-air concepts, etc. (e.g. VOK DAMS aims at becoming the leading event agency for virtual events).
- The majority of event planners are in short-time work and work from home. Office hours changed.
- Some event agencies filed for insolvency (e.g. New Ego in Munich) and some had to lay-off employees (e.g. Banks Sadler in Dusseldorf).
- The general perception of planners is that face-to-face events will come back because of personal interactions and the current lack of it. People are already annoyed from Zoom meetings and webinars and want to meet again. The question is how, when, where and how often this will be allowed and doable again.
- It seems that companies will focus much more on national events now and it will take even longer for international events to recover. One reason therefore is that the regulations are so different from country to country. This is misleading and complicated to understand.
- A few planners are working on proposals for 2021.
- A slight recovery could be expected for early / mid next year.

2 MICE Industry Updates by Lieb Management

- On 6th May, the German Convention Bureau published an analysis about the consequences of the Corona virus on the German events industry. The major findings are that the Corona pandemic is changing the volume and structure of the market and that recovery will take time. It shows that larger events tend to be postponed, whereas smaller events are often completely eliminated or relocated to virtual space. The study also predicts the average loss of sales for the first quarter of 2020 in a six-digit range for all types of event venues. The absence of tasks due to failure or legally prescribed closures in combination with the drop in sales inevitably leads to job cuts. This means that every third job in the event industry is at risk. Moreover, the report deals with various recovery-scenarios and highlights the trend towards hybrid meetings. www.gcb.de
- According to the recent study by VDR, 74 percent of German companies now allow business trips again. The number of companies with travel bans decreased from 42 percent in March to 21 percent now. But as long as travelling and staying abroad is associated with risks, high demands are placed on business travellers, mobility partners, accommodation providers and business travel agencies. www.cimunity.com

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