614
GROUP

THE FUTURE OF THE "IN-PERSON" BUSINESS ECONOMY:

Summary of Wave 1 Findings
June 2020

In mid-April, 2020, as the severity of the pandemic and accompanying restrictions became abundantly clear, The 614 Group launched the first wave of a new tracking study entitled, The Future of the "In-Person" Business Economy. The goal of the research is to examine how digital marketing and advertising professionals are experiencing their work environments as they go through the changes wrought by the pandemic and how they envision post-Covid 19 "in-person" events, conferences and broader business environments.

Wave 1 of the study using an online survey questionnaire was conducted April 16th, 2020 through May 13, 2020. 343 executives from advertising agencies, marketers, publishers, ad tech, and other marketing and advertising disciplines completed questionnaires. The core topics in Wave 1 are:

- What executives miss most from lack of face-to-face contact with business associates
- Respondents' perceptions of marketing and media business in-person gatherings and events pre- and post-pandemic
  - Primary business functions of in-person events and gathering
  - Vision of the types and formats of events and gatherings in the future
- Assessment of the "return" to normal in event attendance

Respondents were asked what they miss most from a lack of face-to-face contact with business associates. The four most commonly chosen responses center on team and network relationships and getting things done with others spontaneously. One quarter of respondents selected "Simple human contact with others on the team" (25.4%) and statistically equal to that choice was "The ability to network beyond my immediate circle" selected by 23% of respondents. Additionally, more than a fifth (21.0%) of respondents answered that "Being able to get things done with short unscheduled conversations" was what they miss most about not being in face-to-face contact with business associates. And, the fourth most frequently selected item was "Cultivating relationships with colleagues", picked by 19.8% of the respondents. Interestingly, "Onsite access to bosses" was chosen by fewer than 10.0% of respondents as what they missed most from lack of face-to-face contact with business associates.

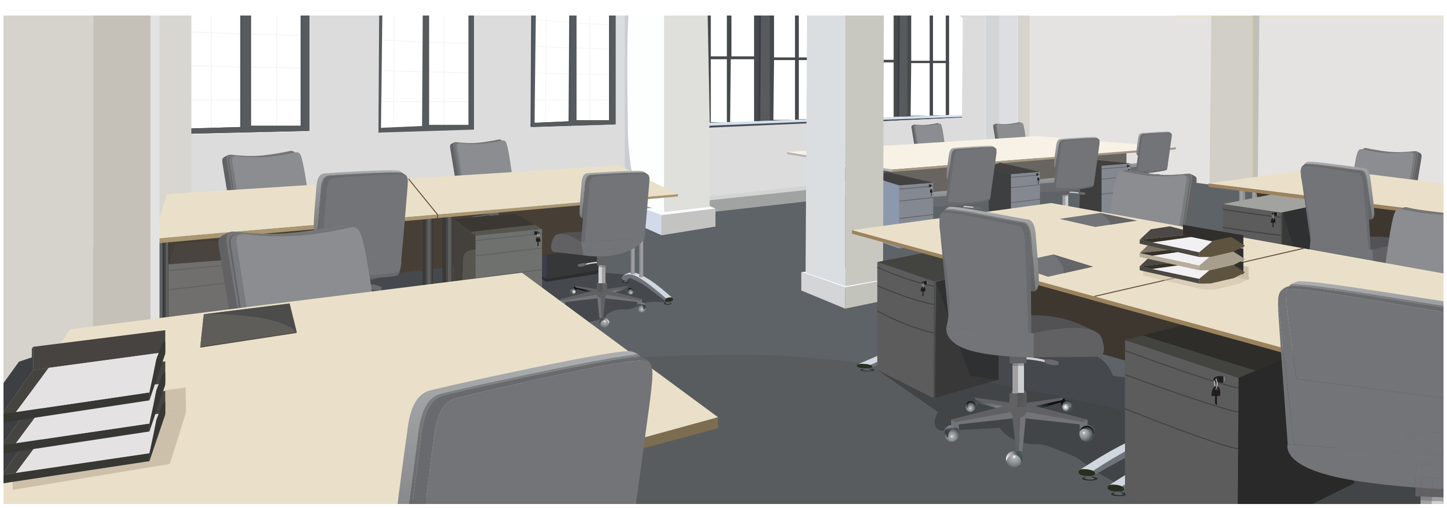

TABLE 1:
MISS MOST FROM LACK OF FACE-TO-FACE CONTACT WITH BUSINESS ASSOCIATES

Question:
What do you miss most from lack of face-to-face contact with business associates?

** Multiple responses accepted. Thus, totals add up to more than 100%.

Simple human contact with others on the team	**25.4%**
Ability to network beyond my immediate circle	**23.0%**
Being able to get things done with short unscheduled conversations	**21.0%**
Cultivating relationships with colleagues	**19.8%**
Wining and dining clients	**11.7%***
On site access to bosses	**5.8%***
Interviewing/hiring face to face	**3.5%***
Other/Don't know	**2.6%***

* Directional only: insufficient sample sizes.

The survey examined respondents' perceptions and predictions for the future of advertising and media business in-person gatherings and events in a **post** coronavirus pandemic world. In response to a question asking if respondents believe that once the virus runs its course, attendance at in-person gatherings and events will go back to pre-pandemic levels, more than a quarter, (26.8%) felt it was too soon to tell and more than a fifth (21.6%) did not answer. One third (33.0%) responded No. Less than one fifth of respondents (19.2%) responded in the affirmative that attendance at in person gatherings and events would return to prior levels. Overall, this is not a particularly bullish perspective on how in-person event attendance will look in the future.

However, among the respondents who indicated that event attendance will return to pre-pandemic levels once the virus runs its course, the majority is bullish on **personally** resuming attendance at in-person events: more than three quarters (75.8%) responded "Yes" to the question of whether or not they anticipate their own personal attendance at in-person events to resume attendance at pre-pandemic levels.

In order to understand how marketing and advertising executives view the future of events and gatherings, The 614 Group also examined business reasons for attending events in "normal" pre-pandemic times as well as perceptions of future event formats and types.

Respondents were asked which are the primary functions of event attendance for their businesses in pre-pandemic times. The two most frequent responses are: "Opportunity to learn about the latest developments in the industry" with 67.9% citing it and "A way to meet new business prospects and generate leads" at 64.4% of respondents indicating that that is a primary function of event attendance. Beyond keeping up with the latest and business prospecting/lead generation, events also serve as an opportunity to "Spend quality time with current clients" for more than half of respondents (56.3%) and for two fifths (44.0%) provide "Social time with peers". Other business reasons for event attendance, such as, "A key part of my company's marketing" (37.6%) and "A venue to display/exhibit your products to large numbers of people" (28.3%) are less dominant.

TABLE 2:
PRIMARY FUNCTIONS OF EVENT ATTENDANCE FOR BUSINESS

Question:
Please indicate the primary functions of event attendance for your business during (normal) pre-pandemic times.

** Multiple responses accepted. Thus, totals add up to more than 100%.

Opportunity to learn about the latest developments in the industry	67.9%
A way to meet new business prospects and generate leads	64.4%
Quality time with current clients	56.3%
Social time with peers	44.0%
Opportunity to close deals	37.6%
A key part of my company's marketing	37.6%
Venue to display/exhibit your products to large numbers of people	28.3%
Opportunity to recruit talent	13.7%*
A reward for employees	12.2%*
Don't know	14.3%*

* Directional only: insufficient sample sizes.

To further understand the role of event attendance for respondents' businesses, they were asked to take the primary functions they had already selected and rank them by order of importance. The most often selected primary functions of event attendance: "Opportunity to learn about the latest developments in the industry" and "A way to meet new business prospects and generate leads" and "Opportunity to spend quality time with current clients" also captured the highest importance rankings but the order and magnitude vary. By far, "A way to meet new business prospects and generate leads" had the strongest importance ranking with more than a third of respondents (37.1%) ranking it #1 in importance.

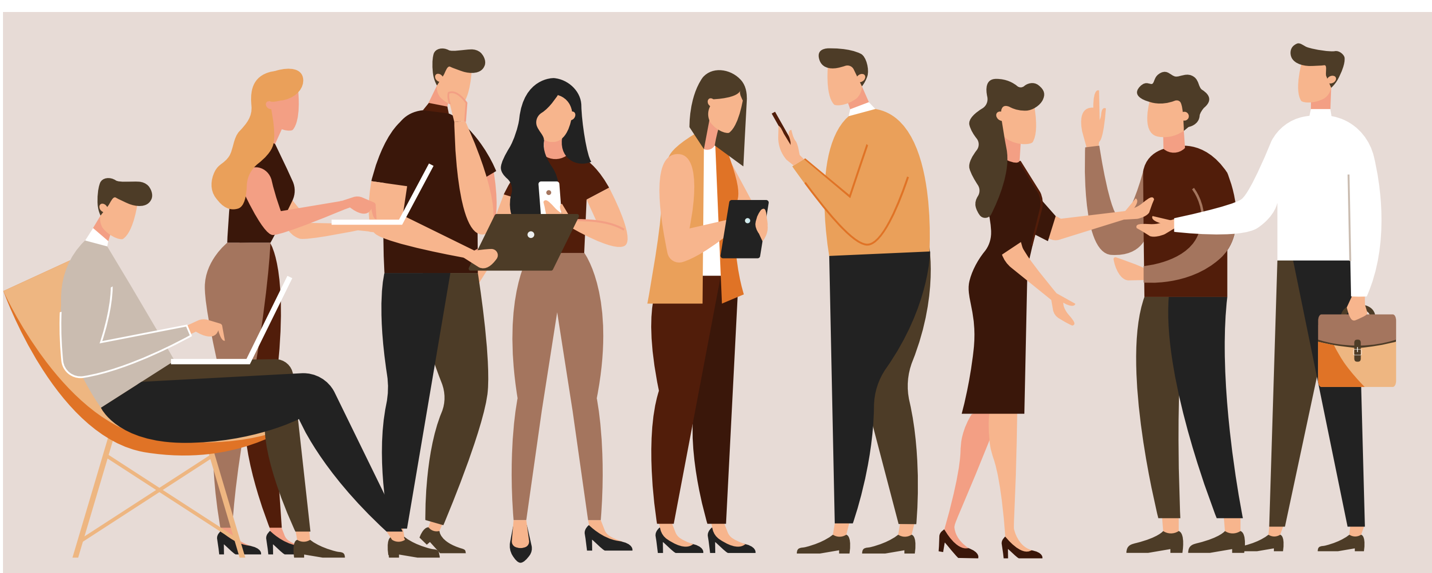

TABLE 3:
TOP RANKED PRIMARY FUNCTION OF EVENT ATTENDANCE FOR BUSINESS

	% Ranking #1
A way to meet new business prospects and generate leads	37.1%
Opportunity to learn about the latest developments in the Industry	22.3%
Quality time with current clients	12.2%
A key part of my company's marketing	10.1%
Opportunity to close deals	7.2%*
Venue to display/exhibit your products to large numbers of people	5.0%*
Social time with peers	4.3%*
A reward for employees	1.0%*

*Directional only: insufficient sample sizes.

Survey respondents were asked whether or not they think that in the future all live events will have a virtual dimension. The majority (50.7%) responded in the affirmative. Nearly a fifth (18.0%) think it is too soon to tell if all live events will have a virtual dimension and just over a fifth (21.5%) do not know or did not answer, thus punctuating the uncertainty around the future.

When asked about new types of events and gatherings with different formats and core audiences, respondents were presented with a list of possibilities and asked how likely each item is to become a regularly occurring events type. Four types of events are deemed very likely by approximately half to two thirds of respondents and they are all both virtual and similar to the kinds of events that regularly occurred in-person pre-pandemic.

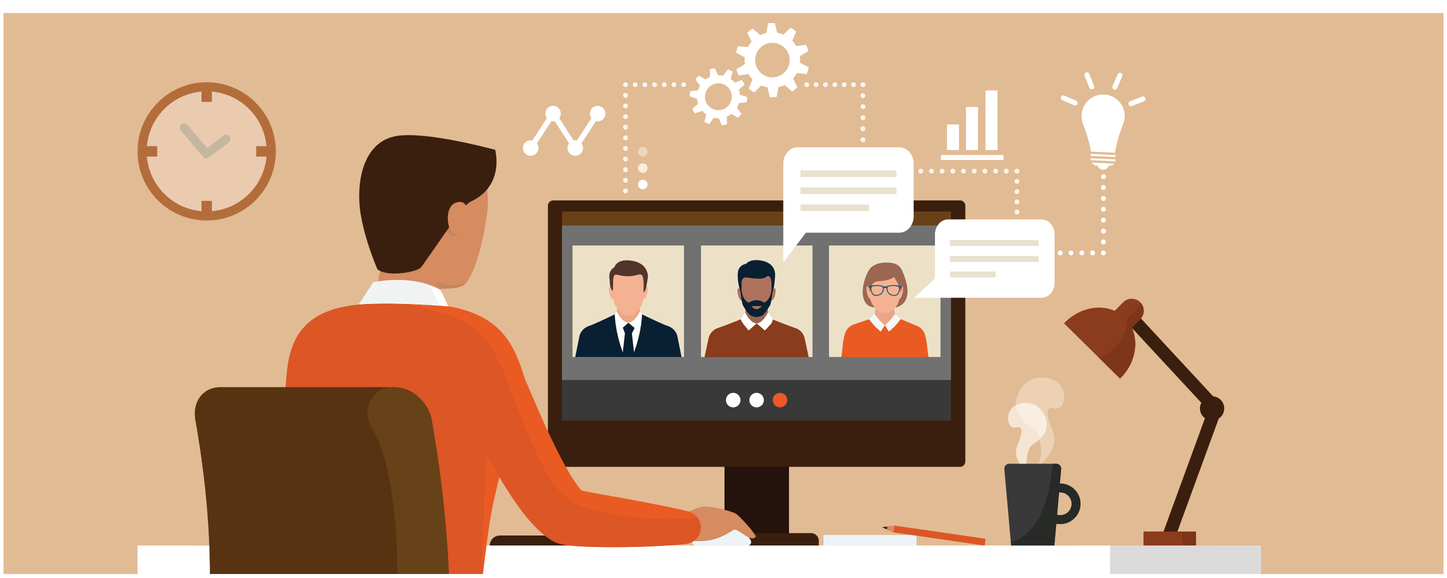

TABLE 4:
LIKELIHOOD THAT TYPES OF EVENTS WILL OCCUR REGULARLY IN THE FUTURE

	Very Likely
Global virtual events with live video feeds from headliners speaking about big issues	62.3%
Virtual event designed to foster community and share thought leadership among defined groups of experts/specialists	58.9%
Global virtual gatherings of country and regional experts to foster global communities of those experts	51.0%
Member only virtual networking gatherings designed to connect businesses with prospects	46.8%
AR / VR experiences shared by remote event attendees with the goal of creating unique opportunities to demonstrate/try new products/services	24.4%
Virtual cocktail hours with clients that include custom video feeds of performers/concerts	15.5%*
Virtual client dinners created by boutique event producers who oversee delivered-to-the-door catering and special decorative sets for background	10.9%*

*Directional only: insufficient sample sizes.

Nearly one quarter (24.4%) of respondents think that it is very likely that AR/VR experiences shared by remote attendees with the goal of creating unique opportunities to demonstrate/try new products/services will be a regularly occurring event type in the future while one third (33.0%) think that unlikely (somewhat plus not at all likely).

In closing, as a country and around the world, we are just beginning to grasp that the coronavirus pandemic has changed many ways of living and doing business. The situation remains fluid. It is the intention of The 614 Group to continue to study how marketing and media executives are experiencing the changing "in-person" business economy, what they think the "new normal" is and how they envision future ways of conducting and growing their businesses. It is our hope that this first of several waves of research is thought provoking and sheds some light on where we are heading ... for now.