

# It Costs How Much?

## Investing Wisely for the Guest Experience



**“If you’re looking for  
a deal, you won’t  
necessarily get it.”**

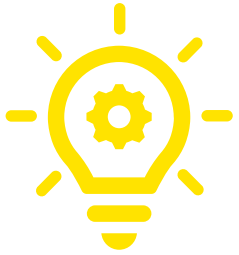
– Meg Pasani  
VP, Supplier Relations, Maritz

# 2024 Inflation Outlook

	2023 Prices Compared to 2019	2024 Prices Compared to 2023 (est.)
Hotels	Up 30% <small>*For chain scales used most by Maritz clients</small>	Up 3.5% <small>*Group hotel rate increase per CoStar/STR, GBTA/CWT 2024 Forecast, and Maritz data</small>
Air	Up 23%	Variable*
Food & Beverage	Up 25%	Up 3-7%
Video and Audio Services	Unavailable	Up 3-7%
Wages for Event Staff	Up 20-25%	Up 4-6%
Events Overall	25-30%	5%

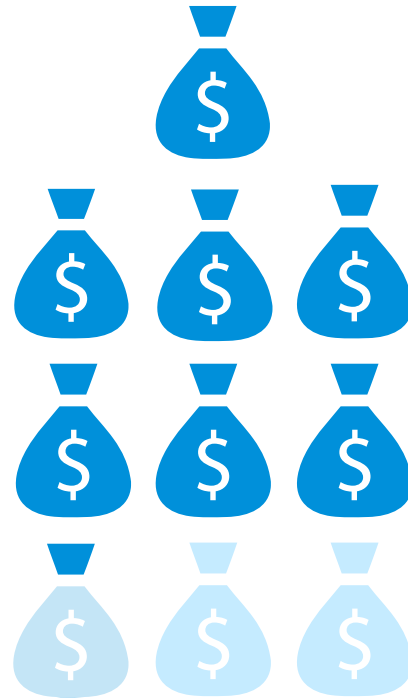


## Projected Budgets

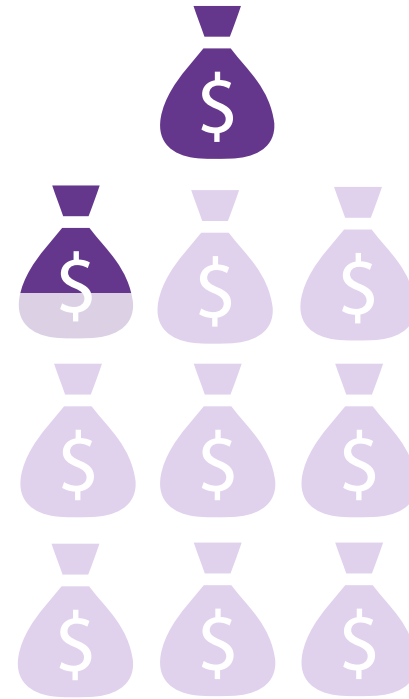


**41%**

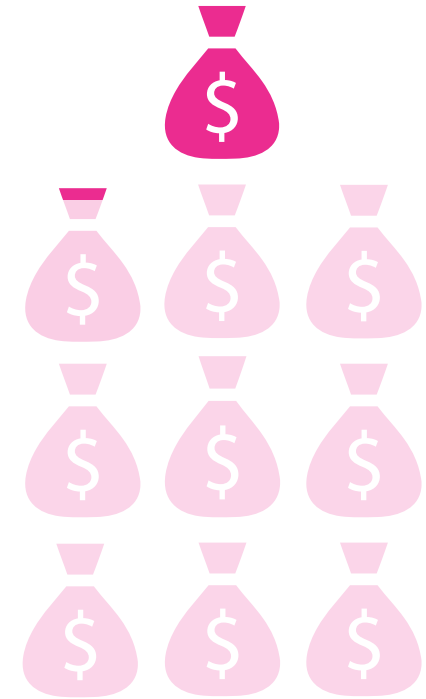
Say budgets  
are increasing  
by at least 6%



**72%**  
increasing



**17%**  
flat



**11%**  
decreasing



Feb24

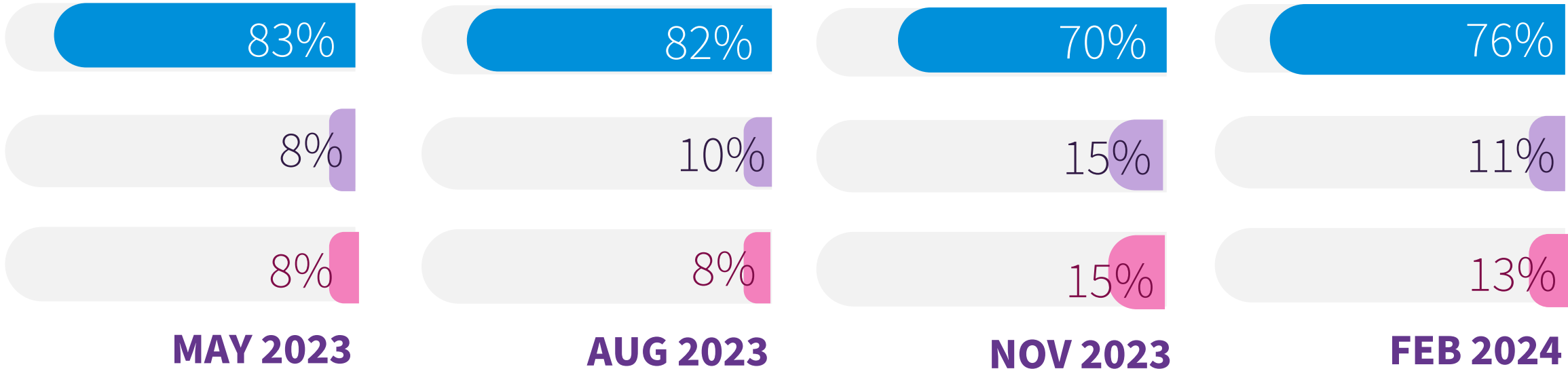
INCREASING

FLAT

DECREASING



## Projected in-person attendance



# What about 2025 and 2026?

To get an idea of what's ahead, we looked at hotel rate projections by chain scale. Maritz clients typically book within the top three tiers shown, with incentive events often using the highest end of the luxury segment.

## What about other event costs?

Sufficient data isn't available yet in other categories to make confident projections.

	2025 Hotel Rates vs. 2024 (forecast)	2026 Hotel Rates vs. 2025 (forecast)
Luxury	Up 3.2%	Up 2.7%
Upper Upscale	Up 3.2%	Up 3.6%
Upscale	Up 3.9%	Up 3.0%
Upper Midscale	Up 2.7%	Up 2.4%
Midscale	Up 3.0%	Up 2.4%
Economy	Up 2.4%	Up 2.1%
<b>U.S. Overall</b>	<b>Up 2.8%</b>	<b>Up 3.1%</b>

Source: CoStar/STR. Chain scales are based on STR classifications.



# What We're Seeing

Clients are trying to scale back where they can without harming the guest experience (they hope).

## High costs force hard tradeoffs

- Employee/sales events: flat budgets, trying to do the same event with less
- Customer/channel partner events, association conferences and trade shows: looking for ways to drive more money from attendees, sponsors and exhibitors

Examples of areas some are scaling back:

- F&B
- Entertainment
- Production
- Décor
- Gifts
- Offsite activities & events
- Program length & number of participants (corporate meetings/incentives)

