

Today's economic challenges will strengthen centre management

The big challenges facing convention centres today and the ways in which we address them will define the industry for many years to come. In some respects they reflect overall economic conditions, but in others they are uniquely related to facilities that most often are owned by some level of government and must therefore bridge the gap between public policy expectations and private sector client demands.

So what are the big questions today?

First, competition is intense and continuing to grow. Development of new facilities has at least temporarily outstripped growth in demand and as long as this situation persists, so will a buyer's market. The problem is that such a situation demands even more investment, as facilities that fall behind will quickly become irrelevant for all but local business.

Secondly, centres are structures built for the long term that nevertheless have to respond to rapidly and continuously changing customer expectations – so adaptation and flexibility in everything from spaces to technology and services is now an ongoing pre-occupation of centre managers.

Third, revenue generation is more challenging than ever – particularly for centres having to address spending-based economic expectations, which usually includes types of events whose owners are now negotiating harder than ever. This means that centre managers must consider a whole new range of business options while still having to accommodate events that may be great for the community but not necessarily for the bottom line.

Finally, most centres have to address the problems associated with having owners who barely understand the business and its implications, yet are facing all kinds of financial issues of their own as a result of a prolonged period of economic stagnation. This often means such owners are reluctant to make the investments that will ensure ongoing competitiveness.

But as demanding as they may be, such challenges typically bring out the best in good

managers – and we're seeing all kinds of innovations emerging in areas ranging from new design approaches and service delivery concepts to more collaborative forms of client relations and even greater participation in event development.

AIPC encourages these efforts, through both its AIPC Apex Award, which recognises top-performing convention centres as assessed by their own clients, to the AIPC Innovation Award, which creates a showcase of new ideas for areas as diverse as marketing, facility operations, technology and management. Through these and other programme activities, member centres get the full benefit of a world-wide network that sees an ongoing

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advantage in sharing and exchange.

But the biggest challenge of all is one shared with the entire meetings industry, and that is to create a better recognition for the role the industry in general and centres in particular play in supporting economic recovery and growth. While this is a key reason why most centres are built in the first place – to enable participation in global business, professional and knowledge interactions – it is often quickly forgotten when other priorities take the spotlight.

If anything, the current economic malaise should help encourage a refocusing on this important role – and demonstrate why centres need and deserve the ongoing investment that will help ensure their success.

Edgar Hirt
President, AIPC



International Association of Congress Centres

Founded 1958

Membership A global network of 170 leading centres in 54 countries with the active involvement of more than 750 management-level professionals.

Mission Committed to encouraging and recognising excellence in convention centre management, based on the diverse experience and expertise of its international representation and maintaining a variety of educational, research, networking and standards programmes to achieve this. AIPC also celebrates and promotes the essential role of the international meetings industry in supporting economic, academic and professional development and enhancing global relations amongst highly diverse business and cultural interests.

Characteristics Purpose built facilities whose primary purpose is to accommodate and service meetings, conventions, congresses and exhibitions.

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