AIPC EXCELLENCE IN CONVENTION CENTRE MANAGEMENT

2015 Member Survey

Centre Growth & Engagement

Centre Growth & Engagement

2015 Member Survey

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Introduction

This is the sixth annual AIPC Member Survey conducted to analyze how various trends and issues are impacting the convention and congress centre industry around the world. This study continues to track revenue and attendance growth seen by the membership. This new study further examines industry and economic issues and the impact on venue performance and management. New this year is a focus on Community Engagement and Centre Relations with the DMO-CVB. Also new this year are anonymous member quotes on how clients are changing added throughout the report. These insightful quotes are more numerous than in previous reports and the chapter on Community Engagement also has many individual member comments.

As in past studies, this survey presents the voice of the AIPC membership on many industry issues. In March to May 2015, AIPC conducted the survey which was sent to all members around the world. The survey received responses from 107 member venues, which represents a 60% response rate. The report covers the following key areas:

- Growth & Revenue
- New Buildings, Expansions & Renovations
- Marketing & Clients
- DMO-CVB & Centre Relationship
- Community Engagement

The study was developed by AIPC in collaboration with Michael Hughes, Managing Director of Research & Consulting with Access Intelligence Research & Consulting. The report is provided for members to use as a resource throughout the year to find detailed industry and peer information and benchmarks.

It is important to note that even though the total number of responses in some regions is small the survey data has high validity. A small number of responses in certain regions equates to a high proportion of AIPC members and very often the total number of venues in each of the major regions of the world.

AIPC and Access Intelligence Research & Consulting thank all of the member respondents for their invaluable contributions to this study.

AIPC ACCESS INTELLIGENCE RESEARCH & CONSULTING

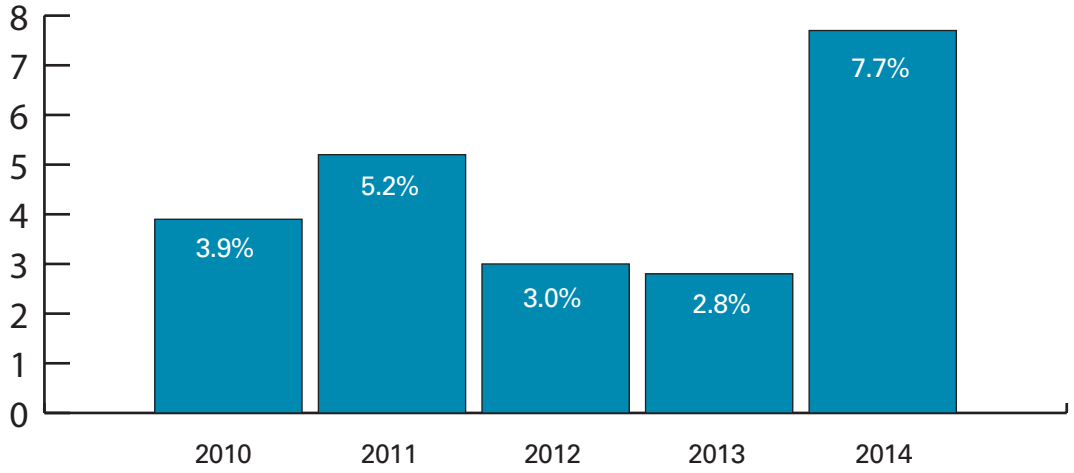
Executive Summary

The new AIPC Member Survey data shows continued signs of industry expansion at a faster rate than worldwide economic growth. Five of the key insights from the new survey include:

1.) There was strong 5.8% revenue growth worldwide in 2014 compared to 3.1% in 2013.

2.) Europe experienced the fastest growth since this study has been conducted: 7.7% revenue growth in 2014 up from 2.8% in 2013.

EUROPEAN CENTRES REVENUE GROWTH



3.) Last year saw the strongest attendance growth since 2011. On average attendance grew worldwide by 4.5% in 2014.

4.) Major capital investment projects are slowing. While 71% of members said they had some type of major project underway or in planning stages in 2014, in this year's survey the figure has decreased to 63%. Specifically there are less new building projects underway around the world, although expansion and renovation projects are increasing.

5.) Africa continues to be the fastest growing region of the world. African members expanded gross revenue by over 15% in 2014.

Additional key findings and more information on some of the five primary insights are provided in the remainder of the Executive Summary.

How Clients are Changing: "Technical perfection; hybrid meeting facilities; open formats and respective spaces; more flexibility; traditional exhibition areas will change." – Member Quote

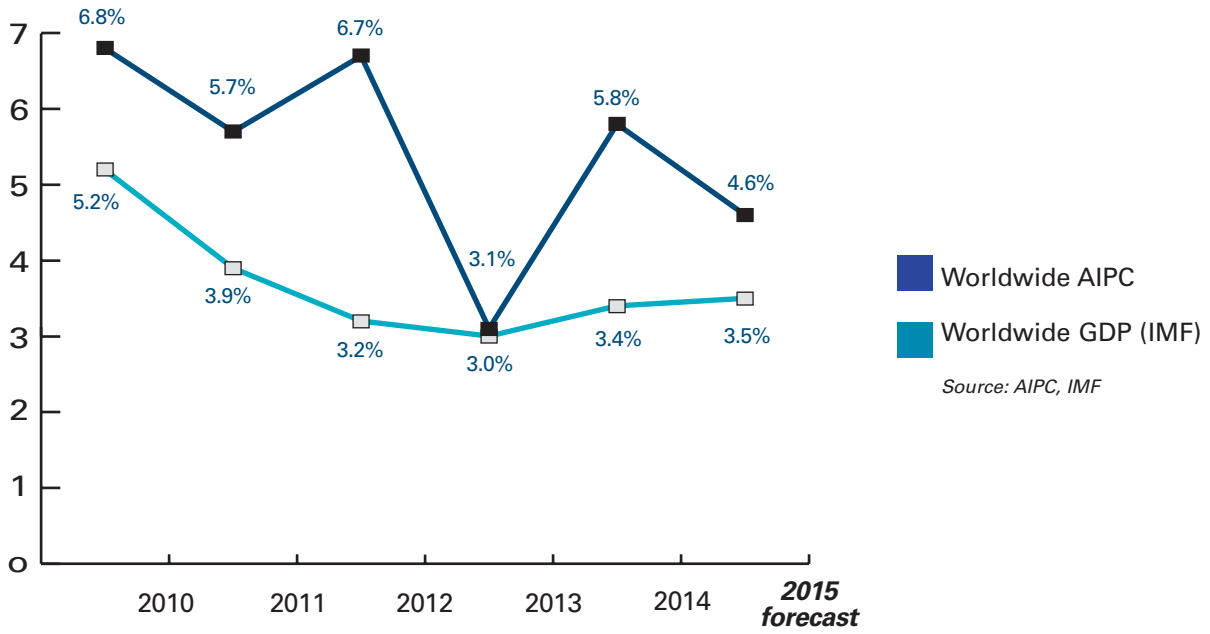
2010 to 2014 Revenue Growth with 2015 Forecast

AIPC members collectively experienced strong revenue growth of 5.8% in 2014, the fastest growth since 2012. Africa was again the fastest growing region followed by the strongest growth figures from Europe at 7.7% since this study was first conducted in 2010. The growth rate expected for 2015 on average for the entire membership worldwide is a more subdued 4.6% although this is still faster than total worldwide GDP growth expected by the IMF.

	2010 Gross Revenue Growth Actual	2011 Gross Revenue Growth Actual	2012 Gross Revenue Growth Actual	2013 Gross Revenue Growth Actual	2014 Gross Revenue Growth Actual	*2015 Gross Revenue Growth Expected*
Worldwide All Regions	6.8%	5.7%	6.7%	3.1%	5.8%	***4.6%***
Europe	3.9%	5.2%	3.0%	2.8%	7.7%	***3.4%***
North America	2.2%	5.3%	1.1%	-0.3%	-1.2%	***2.5%***
Asia	26.1%	2.4%	17.8%	1.4%	5.2%	***8.3%***
Australia	9.3%	9.1%	10.1%	3.3%	2.7%	***7.8%***
Africa	—	7.8%	36.7%	9.2%	15.6%	***4.8%***

Centre Revenue Growth 2010 to 2014 Compared to World GDP and Forecasts

AIPC members increased revenue in 2014 at a rate of growth more than two percentage points faster than worldwide GDP tracked by the IMF. While continued modest growth of the global economy is forecast by the IMF, AIPC members collectively expect their own growth to slow but to (a still decent) 4.6% this year.



2010 to 2014 Attendance Growth and 2015 Forecast

Average member centre attendance growth in 2014 was 4.5%. In Europe and North America attendance increased significantly, although the rate of attendance growth slowed in Asia and Africa. Attendance growth was modest in Australia. Similar to the membership expectation for revenue growth, attendance is expected to increase at a slower rate of 3.4% in 2015.

	2010 Attendance Growth Actual	2011 Attendance Growth Actual	2012 Attendance Growth Actual	2013 Attendance Growth Actual	2014 Attendance Growth Actual	*2015 Attendance Growth Expected*
Worldwide All Regions	1.0%	5.4%	2.0%	2.7%	4.5%	***3.4%***
Europe	-0.8%	5.2%	0.3%	0.9%	4.6%	***4.8%***
North America	-6.3%	6.8%	0.1%	-1.1%	5.1%	***-2.0***
Asia	15.5%	2.8%	12.8%	13.0%	4.2%	***6.1%***
Australia	6.7%	4.3%	-3.5%	0.7%	1.3%	***4.9%***
Africa	--	22.0%	10.0%	11.7%	11.0%	***2.8%***

Strength of Economic Growth

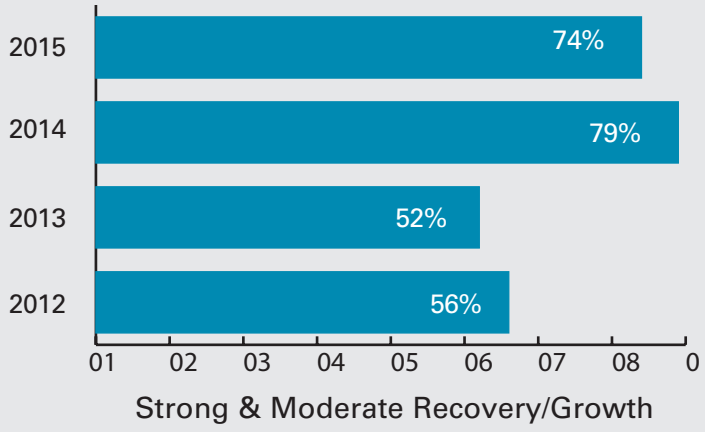
A total of 74% of members around the world consider the strength of the economic growth in their region to be moderate or strong. This is down from 79% of members indicating they saw moderate to strong growth in 2014. Asian members continue to see the strongest economic growth overall.

	All Regions	Europe	North America	Asia	Australia	Africa
Strong growth/ activity	13%	14%	7%	18%	9%	0%
Moderate	61%	57%	72%	73%	64%	50%
Weak	18%	16%	21%	9%	18%	60%
Very weak, flat to no growth-	6%	9%	0%	0%	9%	0%
Negative growth, recession	2%	4%	0%	0%	0%	0%

Key Insight: In 2014 Members Experienced the Strongest Attendance Growth Since 2011
Overall attendance expanded by 4.5% on average in 2014 worldwide.

Multi-Year Trends: Centres with Strong or Moderate Growth 2012 to 2015

The percentage of members that say they are experiencing either strong or moderate growth dipped over the past year but has increased to 74% up from 56% in 2012.



What Could Derail Economic Growth

The survey asked what could derail sustained economic recovery. The top risks are considered to be:

- Overall economic weakness, according to 58% of members
- Government policies including reduced spending: 47%
- Changing government priorities: 36%

What are Continued Risks Specifically to Centre Business Performance

A more specific follow-up question was: *What are the remaining perceived risks to the recovery specifically to your centre business?* The top responses were:

- Growing competition from other centres / regions: 72%
- Hotel availability and pricing: 43%
- Overall economic strength: 43%

Growth Expected in Key Revenue Areas

The survey asked where growth is expected in 2015 by the major revenue categories. Food and beverage sales or concessions have been selected by the highest percentage of centres in terms of expected revenue increases this year. The next most selected revenue categories in terms of expected growth are the key areas of exhibit hall and meeting room rental, event services, and telecommunications and technology services.

	2015 Expecting Increase	2015 Expecting Decrease	2015 Expecting to Stay the Same	Not Applicable
Exhibit hall and meeting room rent	57%	13%	29%	1%
Food/beverage sales or concessions	60%	20%	18%	2%
Other vendor commissions/revenue share	24%	13%	41%	23%
Event services include equipment rental, AV	53%	8%	36%	2%
Telecom, internet and technology services	53%	5%	36%	6%
Parking revenues	29%	13%	29%	29%
Signage and/or advertising	32%	4%	37%	27%
Events owned/produced by the venue	23%	3%	18%	56%
Portion of hotel occupancy tax	10%	0%	10%	79%
Direct government funding	4%	9%	28%	60%
Naming rights	6%	0%	5%	89%
Public/private partnerships	12%	1%	10%	77%

How Clients are Changing: "More personalized, flexible alternatives in food and beverage service. More flexibility in set up and dismantling." – Member Quote

2015 AIPC Members in Europe, North America, Asia, Australia and Africa Planning or Currently Developing/Constructing a New Build, Expansion or Renovation Project

The total activity around major capital investment projects looks to be slowing. While 71% of members said they had some type of major project underway or in planning stages in 2014, in this year's survey the figure has decreased to 63%. Specifically there are less new building projects underway around the world, although expansion and renovation projects are increasing.

	All Regions	Europe	North America	Asia	Australia	Africa
New build	10%	12%	0%	10%	10%	0%
Expansion	31%	26%	33%	20%	60%	50%
Renovation	41%	51%	33%	20%	30%	50%
No development plans currently	37%	40%	42%	50%	10%	25%

Member Survey Response by Region

Over half of the survey responses were from European members and 16% were from North America and 13% from Asia.

Region	2015 %
Europe	51%
North America	16%
Asia	13%
Australia	12%
Africa	5%
Middle East	2%
Latin/South America	2%

I.) Growth & Revenue

Worldwide Gross Revenue Growth Over the Past Few Years and Expected for 2015

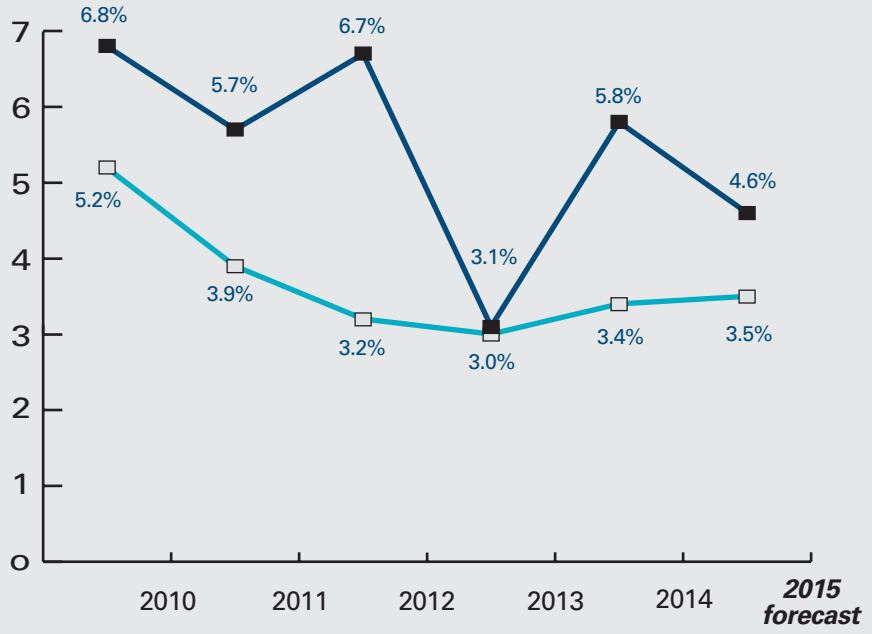
AIPC members collectively experienced strong revenue growth of 5.8% in 2014, the fastest growth since 2012. Africa was again the fastest growing region followed by the strongest growth figures from Europe at 7.7% since this study was first conducted in 2010. The growth rate expected for 2015 on average worldwide is a more subdued 4.6%, although this is still faster than total worldwide GDP growth forecast by the IMF.

2010 to 2014 Revenue Growth with 2015 Forecast

	2010 Gross Revenue Growth Actual	2011 Gross Revenue Growth Actual	2012 Gross Revenue Growth Actual	2013 Gross Revenue Growth Actual	2014 Gross Revenue Growth Actual	*2015 Gross Revenue Growth Expected*
Worldwide All Regions	6.8%	5.7%	6.7%	3.1%	5.8%	***4.6%***
Europe	3.9%	5.2%	3.0%	2.8%	7.7%	***3.4%***
North America	2.2%	5.3%	1.1%	-0.3%	-1.2%	***2.5%***
Asia	26.1%	2.4%	17.8%	1.4%	5.2%	***8.3%***
Australia	9.3%	9.1%	10.1%	3.3%	2.7%	***7.8%***
Africa	--	7.8%	36.7%	9.2%	15.6%	***4.8%***

Multi-Year Trends: Centre Revenue Growth 2010 to 2014 with World GDP

AIPC members collectively increased revenue much faster than worldwide GDP in 2014, and the forecast is for more subdued but still solid growth for centres in 2015.



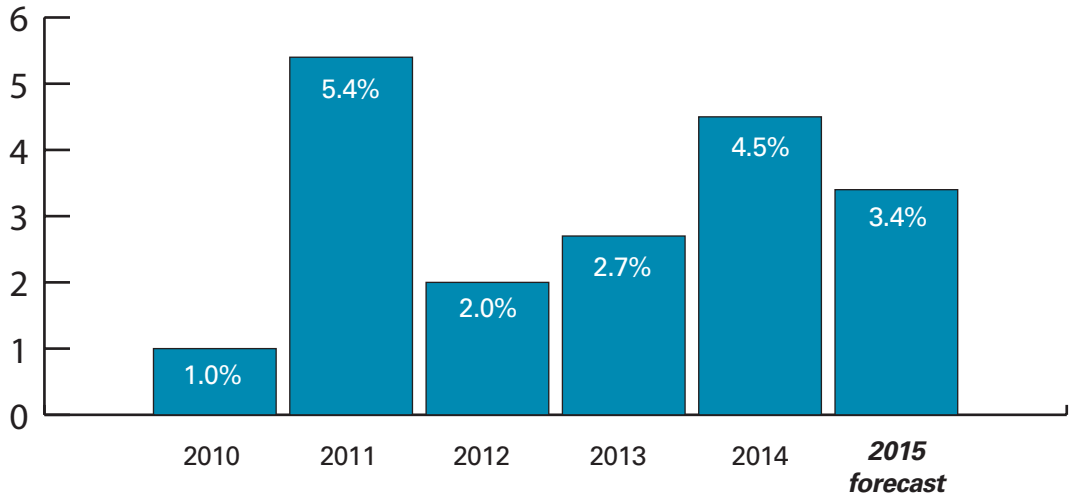
Worldwide AIPC

Worldwide GDP (IMF)

Source: AIPC, IMF

Worldwide Attendance Growth 2010 to 2014 with Forecast

Attendance growth worldwide was also strong in 2014. In fact last year saw the strongest attendance growth since 2011. Members are forecasting 3.4% overall expansion in attendance this year.



2010 to 2014 Attendance Growth and 2015 Forecast

The fastest attendance growth last year was seen in Africa, which grew by 11%. The next strongest region was North America with 5.1% growth, although members in this region are pessimistic about 2015, collectively expecting a 2% decline in attendance.

	2010 Attendance Growth Actual	2011 Attendance Growth Actual	2012 Attendance Growth Actual	2013 Attendance Growth Actual	2014 Attendance Growth Actual	*2015 Attendance Growth Expected*
Worldwide All Regions	1.0%	5.4%	2.0%	2.7%	4.5%	***3.4%***
Europe	-0.8%	5.2%	0.3%	0.9%	4.6%	***4.8%***
North America	-6.3%	6.8%	0.1%	-1.1%	5.1%	***-2.0%***
Asia	15.5%	2.8%	12.8%	13.0%	4.2%	***6.1%***
Australia	6.7%	4.3%	-3.5%	0.7%	1.3%	***4.9%***
Africa	--	22.0%	10.0%	11.7%	11.0%	***2.8%***

Metrics Used to Forecast Growth Outlook

Over nine out of ten members use existing bookings to forecast centre growth and performance. The survey question was: *Overall, which of the following indicators do you use when forecasting your facility business and attendance outlook?*

	All Regions	Europe	North America	Asia	Australia	Africa
Existing event and client bookings	93%	87%	92%	100%	100%	100%
Event and client booking pace	66%	61%	83%	80%	70%	50%
Event and client inquiries, marketing activity	60%	70%	17%	40%	60%	100%
Overall economic growth	43%	41%	33%	50%	40%	75%
Destination marketing organization / tourism bureau information / expectations	16%	18%	25%	10%	10%	0%
Hotel bookings	9%	5%	8%	20%	10%	0%
Other	4%	5%	8%	0%	0%	0%

How Clients are Changing: "Exhibit space requirements continue to remain static or contract, while meeting and F&B space requirements continue to expand." – Member Quote

Revenue Growth Expected in 2015 -- Percentage of Centres Seeing Increasing Revenue

Food and beverage sales or concessions have been selected by the highest percentage of centres in terms of expected revenue increases this year. The next most selected revenue categories in terms of expected growth are exhibit hall and meeting room rental, event services, and telecommunications and technology services. The survey question was: *Which of the following revenue streams do you expect to see an increase or decrease in terms of total revenue in 2015 compared to 2014?*

	2015 Expecting Increase	2015 Expecting Decrease	2015 Expecting to Stay the Same	Not Applicable
Exhibit hall and meeting room rent	57%	13%	29%	1%
Food/beverage sales or concessions	60%	20%	18%	2%
Other vendor commissions/revenue share	24%	13%	41%	23%
Event services include equipment rental, AV	53%	8%	36%	2%
Telecom, internet and technology services	53%	5%	36%	6%
Parking revenues	29%	13%	29%	29%
Signage and/or advertising	32%	4%	37%	27%
Events owned/produced by the venue	23%	3%	18%	56%
Portion of hotel occupancy tax	10%	0%	10%	79%
Direct government funding	4%	9%	28%	60%
Naming rights	6%	0%	5%	89%
Public/private partnerships	12%	1%	10%	77%

New Revenue Sources

Thirty-nine percent of members say they added a new revenue source in the last year. This is the same exact percentage found in the 2014 survey. Asia had the highest percentage of members with a new revenue source. Survey Question: *Have you added any new revenue sources (facilities, services or events) in the past year?*

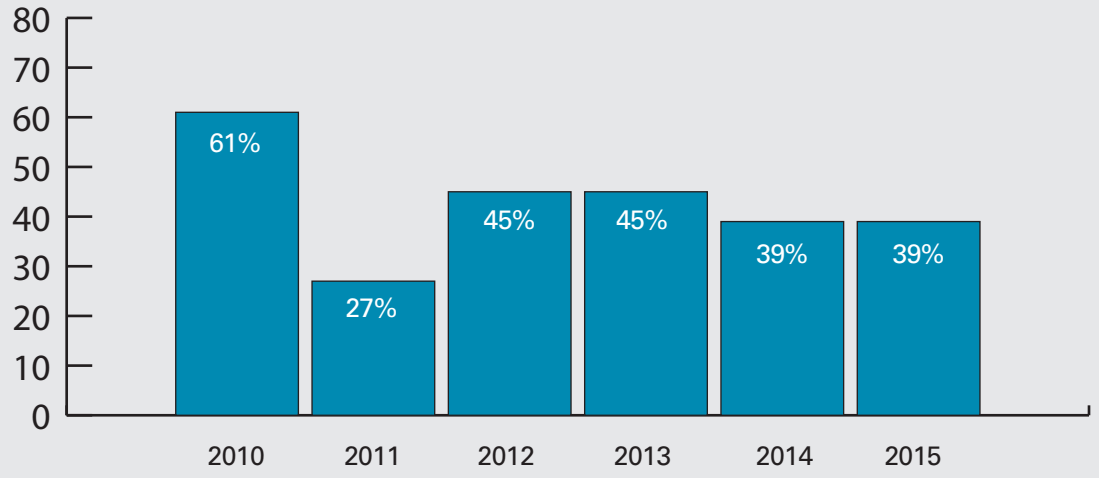
	All Regions	Europe	North America	Asia	Australia	Africa
Yes	39%	38%	25%	60%	50%	25%
No	61%	62%	75%	40%	50%	75%

Common examples of new revenue streams include:

- Advertising
- Sponsorships
- Enhanced AV services
- Digital Signage
- Event Management
- Events Owned by Venue
- Expanded Catering Services
- Expanded Event Services
- Digital Media
- Registration
- Ticketing

Multi-Year Trends: Centres that Added New Revenue Stream 2010 to 2015

The table below provides the percentage of members that added a new revenue stream in the last few years. This data suggests the question: Is innovation slowing – or are growth trends reducing the pressure for new revenue streams?



Strength of Economic Recovery

The survey asked AIPC members: *How do you characterize the strength of the overall economy, business growth and activity in your region?* A total of 74% of members around the world indicate they consider the strength of economic growth to be moderate or strong. This is down from 79% of members indicating they saw moderate to strong growth in 2014. Asian members continue to see the strongest economic growth overall. In contrast, only 52% of members indicated they saw moderate to strong growth in 2013.

Members Characterize the Strength of Overall Economic and Business Recovery in Their Region

	All Regions	Europe	North America	Asia	Australia	Africa
Strong growth/activity	13%	14%	7%	18%	9%	0%
Moderate	61%	57%	72%	73%	64%	50%
Weak	18%	16%	21%	9%	18%	60%
Very weak, flat to no growth	6%	9%	0%	0%	9%	0%
Negative growth, recession	2%	4%	0%	0%	0%	0%

Key Insight: Average Percentage of Gross Revenue from New Revenue Streams

For centres with new revenue streams, the average percentage of total gross revenue attributable to these new streams is 5.6%.

Risks to Continued Recovery in Your Regional Economy

This question asked annually shows the differences in the diverse economic situations faced by members. For all members overall economic weakness is the top ranked risk to growth, and this was selected by 58% of the survey respondents. North American and Australian members are most concerned about their economies. The second key issue worldwide relates to Government policies.

	All Regions	Europe	North America	Asia	Australia	Africa
Overall economic weakness	58%	57%	64%	45%	64%	40%
Government policies including reduced spending	47%	46%	57%	36%	45%	80%
Changing government priorities	36%	28%	50%	27%	73%	40%
Unemployment	29%	35%	14%	9%	18%	80%
Political changes, instability	27%	20%	36%	27%	45%	40%
Energy costs	14%	9%	0%	18%	9%	80%
Other	12%	15%	0%	18%	9%	0%

How Clients are Changing: "More organizers of some up-market exhibitions and conferences are keen on providing sophisticated catering services such as VIP lounge, VIP dining, a gala dinner and/or themed restaurants to attract high-end quality attendees and buyers." – Member Quote

Risks to Continued Recovery Specifically to Centre Business

The annual follow-up question asked: *What are the remaining perceived risks to the recovery to your specific centre business?* And annually the key response (as is seen again this year) is growing competition. North American members are most concerned about competitive issues and trends.

Comparing the regional breakouts find the following interesting differences:

- Asian members are least concerned about competition, although 64% still selected this as a concern.
- Hotel availability and pricing is seen as a key issue mainly in North America.
- Changing government priorities is seen as a potential concern in both Australia and Africa.

	All Regions	Europe	North America	Asia	Australia	Africa
Growing competition from other centres / regions	72%	68%	86%	64%	73%	80%
Hotel availability and pricing	43%	47%	64%	9%	45%	20%
Overall economic strength	43%	46%	36%	45%	36%	60%
Air travel issues (pricing, availability, airlift, route access, etc.)	31%	25%	43%	9%	64%	60%
Government / corporate restrictions on meetings	27%	30%	14%	18%	18%	80%
Changing government priorities	23%	21%	7%	9%	55%	60%
Immigration or visa requirements limiting access	7%	2%	21%	0%	0%	40%
Increases of corporations and individuals using digital media and communications	3%	5%	0%	0%	0%	0%
Sustainability concerns	2%	2%	7%	0%	0%	0%
Replacement of events with online alternatives	0%	0%	0%	0%	0%	0%
Other	10%	12%	0%	18%	0%	20%

Key Insight: Not one member indicated they see the replacement of events with online alternatives as a potential near-term issue for the industry.

Impact of Government Policy Changes or Cut-Backs

Overall worldwide the issue of government policy changes or cut-backs in terms of impacting centres and the events industry is seen as a secondary or tertiary issue. Although 80% of African and 46% of North American members says they are concerned. The exact question was: *Have you seen changes in government policies or cut-backs that have negatively impacted event attendance at your centre?*

	All Regions	Europe	North America	Asia	Australia	Africa
Yes	34%	30%	46%	27%	36%	80%
No	66%	70%	54%	73%	64%	20%

Percentage Revenue Growth by Client and Event Types

For the first time, the survey asked members to provide the rate of revenue growth seen in the past year by specific client and event booking categories. Worldwide the fastest growing event segment has been exhibitions and trade shows followed by corporate meetings. Interestingly just behind corporate meetings are governmental events and meetings. These findings suggest the industry may be entering a later stage of the economic cycle as both exhibitions and corporate meetings are considered to be lagging indicators.

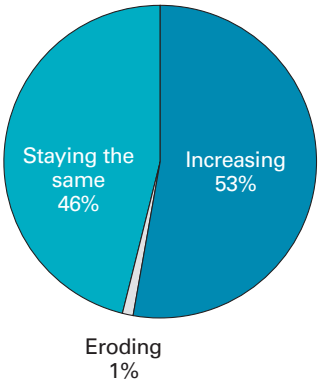
	% Change in Past Year Worldwide Average
Exhibitions, trade shows, trade fairs	9.8%
Corporate meetings	7.3%
Governmental events and meetings	7.2%
Associations conventions and conferences	6.5%
Entertainment events	5.7%
Consumer and public shows	2.9%
Sporting events	0.7%

Key Insight: The average impact on total attendance estimated by centres that have seen a significant pull-back by government events is a decline of 10.9%.

Key Insight: The 2015 Worldwide Average Published Exhibit Hall Rate Increase over the past year has been 2.1%.

Published Convention and Exhibition Space Pricing

Just over half of members increased their published space pricing over the past year. The survey question was: *By what percentage has your published convention and exhibition space / half pricing ("rack rate") changed in the past year?*



Centre Management Team Success Measures

Besides profit and loss, the primary management team success measures are total number of events, visitors and economic impact. Some of the regional differences around this question include:

- Venue operational profit/loss is least important to North American centres.
- Total number of events is of least importance to members in Australia and North America.
- Total number of visitors is least important to Asian members.
- Economic impact is the most important success measure in North America.

	All Regions	Europe	North America	Asia	Australia	Africa
Venue operational profit/ loss	93%	96%	69%	100%	100%	100%
Total number of events	69%	76%	46%	90%	40%	100%
Total number of visitors	61%	63%	54%	40%	80%	75%
Total economic impact	58%	50%	92%	20%	70%	75%
Owner expectations and requirements	34%	37%	0%	70%	30%	25%
Public Relations, press coverage	27%	33%	31%	0%	30%	0%
Total number of booked hotel rooms	25%	7%	85%	20%	40%	0%
Visitor-related tax revenues	13%	11%	31%	10%	10%	0%
Performance of our proprietary event business	6%	7%	0%	20%	0%	0%
Hotel community occupancy levels	5%	2%	15%	0%	10%	0%
Other	8%	4%	15%	20%	0%	0%

Centres with Gross Profit

The region with the highest percentage of profitable venues is Africa, and North America has the least.

	All Regions	Europe	North America	Asia	Australia	Africa
Yes	46%	44%	18%	60%	60%	75%
No	54%	56%	82%	40%	40%	25%

Governmental Payments

A follow-up question asked: *(If the centre does not realize a gross profit) Does your venue receive any governmental payments or subsidies to fund operations or pay debt service or loans?*

	All Regions	Europe	North America	Asia	Australia	Africa
Yes	49%	38%	100%	0%	25%	100%
No	51%	62%	0%	100%	75%	0%

Centre Management Structure

New this year is a quantification of centre management structures. Direct Government or City Department ownership and management is most common in North America. In Europe 35% of centers are run by a Special Purpose organization such as a corporation or authority, and another 35% are managed via contracted private management.

	All Regions	Europe	North America	Asia	Australia	Africa
Direct by Government or City Department	18%	16%	42%	0%	0%	25%
Special Purpose organization (Corporation, Authority)	37%	35%	58%	12%	30%	75%
Contracted Private Management	32%	35%	0%	63%	40%	0%
Other	14%	14%	0%	25%	30%	0%

Has the Management Structure Changed Over the Past Five Years

The survey asked this follow up question: *Has this management structure changed over the past five years?*

	All Regions	Europe	North America	Asia	Australia	Africa
Yes	9%	9%	8%	12%	10%	0%
No	91%	91%	92%	88%	90%	100%

Centre Bookings Analysis

New to this year's survey is data on centre bookings by major event and client categories.

Number of Major Events in Key Categories

Survey Question: *How many major events in the following categories were held at your venue in 2014?*

Event, Meeting or Group Type -- ALL REGIONS	# Events in 2014 (Average)
International Conventions / Conferences / Major Meetings	23
National or Regional Conventions / Conferences / Meetings	151
International B2B Exhibitions / Trade Shows / Trade Fairs	11
National or Regional B2B Exhibitions / Trade Shows / Trade Fairs	18
Other Major Events	76

Event, Meeting or Group Type -- EUROPE	# Events in 2014 (Average)
International Conventions / Conferences / Major Meetings	20
National or Regional Conventions / Conferences / Meetings	158
International B2B Exhibitions / Trade Shows / Trade Fairs	9
National or Regional B2B Exhibitions / Trade Shows / Trade Fairs	15
Other Major Events	42

Event, Meeting or Group Type -- NORTH AMERICA	# Events in 2014 (Average)
International Conventions / Conferences / Major Meetings	10
National or Regional Conventions / Conferences / Meetings	70
International B2B Exhibitions / Trade Shows / Trade Fairs	8
National or Regional B2B Exhibitions / Trade Shows / Trade Fairs	9
Other Major Events	75

Event, Meeting or Group Type -- ASIA	# Events in 2014 (Average)
International Conventions / Conferences / Major Meetings	110
National or Regional Conventions / Conferences / Meetings	381
International B2B Exhibitions / Trade Shows / Trade Fairs	21
National or Regional B2B Exhibitions / Trade Shows / Trade Fairs	36
Other Major Events	109

Event, Meeting or Group Type -- AUSTRALIA	# Events in 2014 (Average)
International Conventions / Conferences / Major Meetings	12
National or Regional Conventions / Conferences / Meetings	47
International B2B Exhibitions / Trade Shows / Trade Fairs	0
National or Regional B2B Exhibitions / Trade Shows / Trade Fairs	22
Other Major Events	210

Event, Meeting or Group Type -- AFRICA	# Events in 2014 (Average)
International Conventions / Conferences / Major Meetings	23
National or Regional Conventions / Conferences / Meetings	94
International B2B Exhibitions / Trade Shows / Trade Fairs	13
National or Regional B2B Exhibitions / Trade Shows / Trade Fairs	12
Other Major Events	96

Number of Business Attendees and Delegates

Survey Question: *What was the total number of "business attendees and delegates" that attended events and meetings at your venue in 2014 excluding attendees at consumer/public shows and entertainment events?*

Total Number of Business Event Attendees/Delegates:

- Average: 363,398
- Median: 167,500

II.) New Buildings, Expansions & Renovations

The activity around major capital investment projects looks to be slowing. While 71% of members said they had some type of major project underway or in planning stages in 2014, in this year's survey the figure has decreased to 63%. Specifically there are less new building projects underway around the world, although expansion and renovation projects are increasing.

2015 AIPC Members in Europe, North America, Asia, Australia and Africa Planning or Currently Developing a New Build, Expansion or Renovation Project

	All Regions	Europe	North America	Asia	Australia	Africa
New build	10%	20%	21%	0%	30%	20%
Expansion	31%	18%	36%	40%	40%	40%
Renovation	41%	54%	21%	20%	20%	20%
No development plans currently	37%	28%	29%	40%	20%	40%

Multi-Year Trends: AIPC Members Worldwide Planning or Currently Developing a New Build, Expansion or Renovation Project 2010 to 2015 – All Regions

	2010	2011	2012	2013	2014	2015
New build	17%	12%	16%	15%	20%	10%
Expansion	32%	25%	20%	31%	28%	31%
Renovation	17%	23%	36%	33%	39%	41%
No development plans currently	35%	40%	36%	38%	29%	37%

How Clients are Changing: "(Clients have) demand for high speed broadband, increase requirement for breakaway spaces, and increase request for public catering for conferences."
– Member Quote

Spaces and Areas in Most Need of Enhancement or Investment

The venue areas in the most need of enhancement or investment, according to the members, are technology infrastructure or services, meeting rooms and exhibit halls. These are the three main areas seen in past surveys as well. Technology infrastructure or services are of most importance in terms of new investment or enhancement requirements in Asia and North America. Exhibit halls are in need of most expansions or upgrades in Africa.

	All Regions	Europe	North America	Asia	Australia	Africa
Technology infrastructure or services	67%	67%	73%	78%	60%	50%
Meeting rooms	53%	57%	55%	44%	50%	25%
Exhibit halls	44%	48%	45%	33%	30%	75%
Signage	36%	40%	36%	22%	30%	25%
Client-facing food service areas and restaurants	24%	24%	27%	22%	40%	0%
Pre-function spaces	23%	17%	55%	11%	30%	25%
Ballroom(s)	23%	12%	45%	11%	40%	75%
Outdoor, outside areas	22%	21%	45%	0%	30%	0%
Kitchen(s)	14%	19%	0%	11%	0%	25%
Venue connections and links to transportation, such as shuttle bus and taxi areas	13%	10%	27%	11%	10%	25%
Business centre	10%	5%	18%	22%	10%	25%
Other concession areas and store-fronts	6%	5%	18%	11%	0%	0%
Loading dock and related areas	5%	7%	0%	11%	0%	0%
Venue connections and links to hotels or other key buildings	4%	2%	18%	0%	0%	0%
Other	9%	10%	9%	11%	0%	0%

How Clients are Changing: "Changes in technology are driving demands in IT and AV infrastructure and client expectations." – Member Quote

Key Insight: New Investment Cost Averages

Total Investment Cost, Average and Median, in Both Euros and U.S. Dollars.

The survey asked: *If you are planning a new build, expansion or renovation project currently, or is one underway, please provide the estimated total investment cost for the project.*

- Average Euro Value: €93,481,935
- Median Euro Value: €21,535,000

- Average US Dollar Value: $103,281,065
- Median US Dollar Value: $22,500,000

Is Government More or Less Inclined to Invest in Convention Centre Industry

African and Asian members feel their governments are the most inclined to invest in the convention and congress centre industry. Survey Question: *Do you feel that currently government is more or less inclined to invest in the convention and congress centre industry, especially in terms of facilities and infrastructure than a few years ago?*

	All Regions	Europe	North America	Asia	Australia	Africa
More inclined to invest	34%	29%	36%	44%	20%	75%
Less inclined to invest	27%	22%	36%	22%	60%	0%
No change	39%	49%	27%	33%	20%	25%

III.) Marketing & Client Trends

This section of the report covers convention centre marketing and how event producers and clients are changing.

How Centre Sales and Marketing Has Changed

The survey asked: *How have you changed your sales and marketing in response to changing market conditions?* Analyzing the regional findings shows the following:

- North American centres have been the least likely to pursue other markets in the past year.
- European and Australian members have been the most likely to switch marketing tactics.
- The highest percentages of members in Africa and Australia have increased their marketing spending.

	All Regions	Europe	North America	Asia	Australia	Africa
Pursuing other markets	50%	51%	33%	40%	78%	75%
Switched tactics	49%	56%	33%	50%	56%	25%
More marketing investment	42%	49%	17%	30%	56%	75%
Pursued local business alliances	42%	39%	50%	50%	22%	75%
Developed an "Ambassador" program	32%	34%	33%	10%	22%	75%
Changed messaging	30%	32%	33%	0%	44%	50%
Changed DMO-CVB relations	17%	22%	25%	0%	0%	25%
Joined a marketing alliance	14%	10%	33%	10%	11%	25%
Other	8%	2%	17%	20%	2%	2%

Percentage of Venues Engaging in More Incentive or Subvention Activities

Fifty-one percent of the respondents say they are engaging in more incentive or subvention activities such as rent reductions, added value services, cash incentives, or hosted functions compared to last year. The 2014 survey found 55% of centres worldwide providing more of these incentives and discounts. Australian members are most likely to be offering incentives or subventions; and Asian centres are the least likely to provide these.

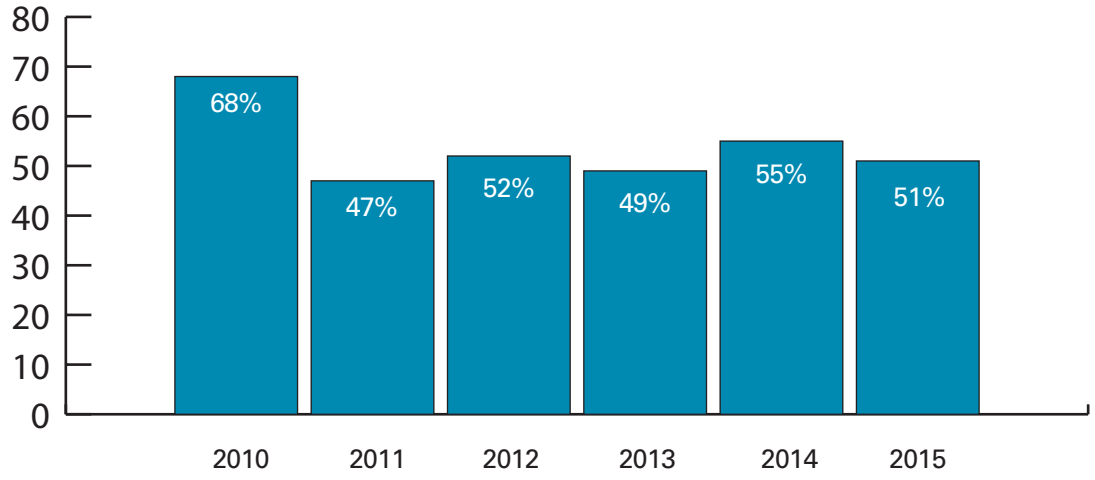
	All Regions	Europe	North America	Asia	Australia	Africa
Yes	51%	47%	36%	30%	90%	75%
No	49%	53%	64%	70%	10%	25%

Percentage of Clients Provided with Incentives or Subventions

On average worldwide 21% of clients are provided with an incentive or subvention, according to the new survey.

Multi-Year Trends: Percentage of Centres Offing More Incentives and Discounts 2010 to 2015

Over half of members said they are offing more incentives, discounts and subventions. The percentages of members offering more of this activity has remained relatively stable for a number of years.



How Clients are Changing: "(Clients require) more audio-visual, bigger conferences, more breakouts, more flexibility, more events in halls rather than in rooms/centres." – Member Quote

Event and Group Segments with the Best Current Growth or Near-Term Prospects

Another side of the business upswing is that AIPC members say that major International and National corporate meetings are the strongest client segment in the near term, followed by association conventions and conferences. Key regional differences:

- In Europe associations with exhibits are the strongest client sector.
- The best performing group in North America are conferences and meetings run by associations.
- Exhibitions and trade shows are strongest in Asia and Africa.
- Governmental meetings are by far the strongest in Asia.

	All Regions	Europe	North America	Asia	Australia	Africa
Association conventions with exhibits	74%	87%	50%	70%	55%	75%
National or International corporate meetings	72%	78%	58%	70%	55%	100%
Association conferences and meetings	64%	65%	67%	60%	55%	75%
Exhibitions, trade shows and trade fairs	45%	46%	33%	50%	36%	50%
Local corporate meetings	45%	41%	42%	50%	55%	50%
Governmental events and meetings	42%	43%	8%	80%	36%	50%
Entertainment events	33%	41%	17%	10%	45%	25%
Consumer and public shows	27%	21%	33%	50%	36%	0%
Sporting events	19%	17%	33%	10%	18%	25%
Other	6%	2%	8%	20%	0%	0%

How Clients are Changing: "More corporate organizations are hosting multi-stakeholder events, i.e., one event covers internal/external communications, media, product launch in one overall event, maximizing ROI." – Member Quote

Average Marketing Budget Percentage Increase

For centres that increased their marketing budget over the past year, the average increase around the world has been 14%.

How Clients are Changing: "(There is) greater requirement for more breakout meeting spaces and proximity to the anchor space." – Member Quote

IV.) DMO - CVB & Centre Relationship

This chapter provides new information and analysis to this annual study. For the first time AIPC has studied centre relationships with DMOs and CVBs.

Does Your City Have a DMO or CVB?

Overall worldwide the membership is nearly evenly split in terms of the type of DMO-CVB marketing model. Fifty-one percent of members say their city or regional DMO-CVB markets to both leisure/consumer tourists and conventions, meetings and groups. Separately, 43% say their convention and tourism marketing partner primarily focuses efforts on conventions, meetings and other key groups. The survey question was: *Does your city or region have a Destination Marketing Organization (DMO), Convention Bureau (CB) or Convention and Visitors Bureau (CVB)?*

	All Regions	Europe	North America	Asia	Australia	Africa
Yes, a DMO-CVB that markets to both leisure/ consumer tourists and conventions, meetings and groups (often the North American model)	51%	48%	92%	38%	20%	75%
Yes, a DMO-CB that markets primarily to conventions, meetings and groups (often the European / Australian model)	43%	45%	8%	50%	80%	25%
No	6%	7%	0%	12%	0%	0%

Does the DMO-CVB Market and Sell the Centre?

As the data shows most DMOs-CVBs around the world also market and sell centres to key associations, event producers and groups.

	All Regions	Europe	North America	Asia	Australia	Africa
Yes	89%	93%	100%	71%	80%	100%
No	11%	7%	0%	29%	20%	0%

If the DMO-CVB Markets Centre, How are Responsibilities Allocated?

Nearly three out of four members around the world work with DMOs-CVBs that provide marketing assistance to the centre, although the centre is the primary marketer. The survey question: *If the DMO-CVB is part of the centre sales and marketing process, how are responsibilities allocated, what does the DMO-CVB provide or assist with specifically?*

	All Regions	Europe	North America	Asia	Australia	Africa
DMO-CVB provides marketing assistance to the centre; but the centre is the primary marketer	74%	79%	50%	100%	75%	67%
DMO-CVB provides hotel relations and bookings assistance for event and group clients	60%	68%	75%	0%	50%	33%
DMO-CVB has the primary marketing responsibility for the centre	11%	6%	33%	0%	12%	0%
DMO-CVB controls the centre booking window between 12 to 24 months out	3%	0%	17%	0%	0%	0%
DMO-CVB controls the centre booking window between 6 to 12 months out	0%	0%	0%	0%	0%	0%
Other	15%	6%	42%	0%	13%	33%

Percentage of DMO-CVB Budget Allocated to Selling Conventions, Exhibitions and Groups Overall -- and to the Centre Specifically

% of DMO-CVB budget allocated to selling conventions overall 2015	% of total DMO-CVB budget allocated to selling the Centre specifically
39.9% worldwide average	36.0%

The survey questions were: (Question One) *What percentage of the DMO-CVB budget is allocated to selling conventions, exhibitions and major group meetings overall including salary/commissions/benefits for salespeople -- and what is the total expenditure?* (Question Two) *What percentage of the DMO-CVB budget is allocated to selling conventions, exhibitions and major group meetings overall including salary/commissions/benefits for salespeople to the Centre specifically?*

DMO-CVB Centre-Specific Sales and Marketing Allocation Compared to Centre Sales and Marketing Budget

In Europe 19% of members say the DMO-CVB's sales and marketing allocation is higher than the Centre's, while 60% say this is the model in North America. Survey Question: *How does the DMO-CVB's Centre-specific sales and marketing allocation including salary/commissions/benefits for salespeople compare with the centre sales and marketing budget?*

	All Regions	Europe	North America	Asia	Australia	Africa
DMO-CVB's sales and marketing allocation is higher than the Centre's	21%	19%	60%	0%	0%	0%
Lower	31%	26%	20%	20%	50%	75%
About the same	10%	16%	0%	0%	12%	0%
Unsure	31%	29%	10%	80%	38%	25%
Other	7%	10%	10%	0%	0%	0%

Source of DMO-CVB Funding

Survey Question: *What is the source of the DMO-CVB's funding?*

	All Regions	Europe	North America	Asia	Australia	Africa
Government funding besides specific tax receipts	74%	76%	55%	80%	80%	75%
Membership dues	67%	74%	64%	40%	90%	0%
Centre payment / contribution	30%	39%	27%	0%	30%	0%
Services revenue (housing, marketing services, etc.)	25%	37%	18%	0%	10%	0%
Sponsorship fees	23%	24%	27%	20%	30%	0%
Hotel room night / bed tax	22%	18%	64%	0%	0%	25%
Other taxes and fees	3%	3%	9%	0%	0%	0%
Other	9%	11%	0%	0%	10%	25%

Does Centre Have Control or Influence Over DMO-CVB Convention and Group Meeting Marketing Strategy?

Centres around the world primarily have influence over DMO-CVB convention and group meeting sales and marketing strategies. The survey posed this question: *Do you have any control or influence over the DMO-CVB's convention and major group meeting marketing strategy and programming?*

	All Regions	Europe	North America	Asia	Australia	Africa
Yes, control	7%	8%	17%	0%	0%	0%
Yes, influence	63%	61%	83%	43%	60%	50%
No	28%	29%	0%	57%	30%	50%
Other	3%	3%	0%	0%	10%	0%

What Level of Control or Influence Does Centre Have Over the DMO-CVB Marketing Strategy?

The survey posed this question: *If yes, what control or influence do you have over the DMO-CVB's marketing strategy and programming?*

	All Regions	Europe	North America	Asia	Australia	Africa
Centre has DMO-CVB board position(s)	58%	68%	27%	67%	83%	50%
Centre has a contract for marketing	29%	28%	45%	0%	33%	0%
Overlapping governance among both Centre and DMO-CVB	25%	28%	18%	33%	0%	50%
Centre controls convention and major group meetings marketing messaging and branding	13%	8%	27%	0%	0%	50%
Centre and DMO-CVB are essentially the same organization	6%	4%	18%	0%	0%	0%
Centre manages CMO-CVB convention and exhibition salesforce	6%	0%	27%	0%	0%	0%
Centre selects or manages advertising agencies	4%	0%	18%	0%	0%	0%
Centre controls marketing partners	4%	0%	18%	0%	0%	0%
Other	8%	4%	18%	0%	17%	0%

DMO-CVB Performance Measures for Conventions, Exhibitions and Group Bookings

The main performance measures for DMOs-CVBs related to conventions, exhibitions and major groups are total number of events and meetings followed by number of visitors and total hotel rooms booked. North American groups are most focused on hotel room booking figures.

	All Regions	Europe	North America	Asia	Australia	Africa
Total number of event, group and meeting bookings at the venue(s)	60%	53%	42%	83%	78%	100%
Total number of visitors to the destination or generated by events at the venue(s)	56%	56%	42%	50%	89%	25%
Total number of hotel rooms booked by events at the venue(s)	56%	50%	92%	17%	78%	0%
Total economic impact	53%	53%	33%	50%	89%	25%
Public Relations, press coverage	35%	39%	17%	33%	56%	0%
Hotel community occupancy levels generated by events at the venue(s)	25%	25%	33%	17%	22%	0%
DMO-CVB operational profit/loss	18%	22%	8%	17%	22%	0%
Visitor-related tax revenues generated by events at the venue(s)	9%	11%	8%	17%	0%	0%
Convention centre operational profit/loss	6%	8%	0%	0%	0%	25%
Do not formally measure	7%	6%	8%	17%	11%	0%
Other	7%	8%	8%	0%	11%	0%

Does DMO-CVB Provide Subventions, Discounts or Incentives?

The survey posed this question: *Does your DMO-CVB provide subventions, discounts and/or incentives to key client groups?*

	All Regions	Europe	North America	Asia	Australia	Africa
Yes	65%	58%	73%	57%	80%	75%
No	35%	42%	27%	43%	20%	25%

Source of Subvention and Incentive Funds

Around the world, except for North America, it is common for subvention and incentive funds often managed by DMOs-CVBs to be sourced from Municipal (or other) government general fund and/or tax revenues. The question was: *What is the source of these subvention and incentive funds?*

	All Regions	Europe	North America	Asia	Australia	Africa
Municipal (or other) government general fund and/or tax revenues	60%	76%	0%	75%	63%	100%
DMO-CVB operating budget	42%	48%	38%	25%	38%	33%
Convention centre operating budget	24%	24%	25%	25%	38%	0%
Special fund allocated by the hotel and hospitality community	9%	10%	25%	0%	0%	0%
Hotel tax segregated for incentives	7%	5%	25%	0%	0%	0%
Convention centre or tourism-related taxing district	2%	5%	0%	0%	0%	0%

V.) Community Engagement

Another new area studied this year covers the important opportunity of centre management efforts to engage with various sectors of the community.

Percentage of Centres that Connect Clients to Community or Local Business Groups

While a majority of members worldwide connect clients with key community or local business groups, Australian members are the most likely to do this. The survey question was: *Do you make an effort to connect your clients with any key community or local business groups as a part of their event program?*

	All Regions	Europe	North America	Asia	Australia	Africa
Yes	72%	70%	67%	63%	90%	75%
No	28%	30%	33%	37%	10%	25%

What Types of Clients and Community Connections are Provided

Some of the most interesting regional differences include:

- European centres are most likely to provide meetings or connections with government leaders and the academic community.
- Australia and North American members more often make client connections with the regional business community.
- North American centres are much more focused than other regions on providing local attendance building efforts for client events, as well as providing potential speaker contacts.

	All Regions	Europe	North America	Asia	Australia	Africa
Press, media and other PR contacts	80%	73%	88%	67%	100%	67%
Meetings or connections with government leaders	72%	81%	75%	33%	67%	67%
Meetings or connections with academic community	72%	81%	63%	33%	78%	67%
Meetings or connections with business community leaders	65%	62%	75%	33%	78%	67%
Meetings or connections with professional community	54%	58%	50%	33%	56%	33%
Local attendance building efforts	46%	50%	63%	33%	33%	33%
Speaker contacts	24%	23%	50%	17%	11%	33%
Other contact and list sharing	17%	19%	13%	0%	33%	0%
Other	7%	4%	13%	17%	0%	33%

How Centres Connect and Engage with Community Groups

The survey asked an open-ended question: *What efforts do you make to connect and engage with the following local community groups?* Some of the most key comments and themes listed by members are provided below broken-out by the following categories:

- Business Community
- Local Government
- Senior Government (National/Federal, State/Province)
- Academic Community
- Professional Community
- General Public
- Other Communities

Business Community

- Active co-op with Chamber of Commerce.
- Ambassador programme.
- Attend business events and functions, advertise in business magazines.
- Business memberships.
- Chamber of Commerce membership.
- Continuous networking.
- Created foundation to support local charities / clubs / activities; managed by a committee of Centre staff.
- Emails, news, updates and other communications.
- Engagement sessions with Business Community; Quarterly stakeholder events.
- FAM trips, attendance at key events/forums, networking opportunities.
- Hosted special invitation lunches on site.
- Hosting events for consulate and embassies business communities.
- Hosting of on-site invited lunches and cocktails.
- International industry association members.
- Local purchases.
- Marketing: database newsletter and advertising.
- Meetings, Newsletters, Publications.
- Member and Chairmanship of the Munich Congress Alliance.
- Members of Chamber of Commerce and other association.
- Membership of business networking organizations.
- Monthly gathering.
- Networking events.

- Organizing networking sessions.
- Our organization is a member of several business community groups.
- Outreach to local universities and companies.
- Part of Local business forum.
- Participate in working groups and forums.
- Participating in local associations.
- Participating in networks.
- Partnerships with Local Chamber of Commerce.
- Reaching out to local key economic sectors.
- Regular sessions for SMEs.
- Reporting on economic impact.
- Sales calling, entertainment, networking.
- Sales calls, invitations, digital marketing.
- Significant engagement with business community including ambassadors.
- Sit on various boards.
- Social Media.
- Special marketing programes.
- Sponsorship of events - particularly if charitable purpose behind events.
- Support local sports companies/clubs.
- Usage of local suppliers.
- Using local partners.
- Venue sponsorship for community outreach programmes.
- We have specific agreements with the local chambers of commerce and relevant business associations (restaurants, hotels, etc.) to promote hospitality, tourism and center events.
- We run a business networking group with local stakeholder groups.
- We sponsor their events.

Local Government

- A municipal owned venue, thus engagement is often through reporting. We also offer special rates to municipality departments.
- Authority Board includes local government officials.
- Board Meetings.
- Board representation, CRM events, Newsletter, Monthly reports.
- Close liaison with convention bureau, London & Partners.
- Close operational working relationship City.
- Collaborations with local CVB.
- Committee volunteer for government strategy planning.
- Communication.
- Emails, news, updates.
- Host annual stakeholder engagement event.
- Hosting and site visits.
- Increase relationships.
- Lobbying.
- Local association membership.
- Meetings, Newsletters, Publications.
- Member of working group in Economic Development Commission.
- Participating in networks.
- PR
- Reaching out to investment and international bodies.
- Regular involvement in development.
- Regular Meetings.
- Regular visits with the senior executives, invitations, hosting events.
- Sales calling, networking.
- Scholarship.
- Significant involvement.
- Sit on various boards.
- Site Tour for Local Government.
- Social Media connections.
- Staff exchange.
- Staff regularly interact with elected officials and local government staff.
- The city is our owner; continuous engagement.
- Through the ministry of tourism, we work cordially.
- Using different marketing channels.

- Various contacts.
- Venue sponsorship.
- We have dedicated staff tasked to work directly with local government in advocacy-related efforts.
- Weekly gathering, e.g., coffee morning.
- Work closely with Local Council and Bureau.

Senior Government (national/federal government, province/state, etc.)

- Bi-monthly meeting with Western Cape Government, CRM events.
- Chairman sits on board of city marketing organization.
- Communicate Annual performance.
- Communication.
- Constant ad hoc engagement.
- Courtesy Calls.
- Educating them, attending politicians forums, economic impact study.
- Lobbying.
- Meet with them directly.
- Meetings, Newsletters, Publications.
- Member of working group in Economic Development Commission.
- Monthly updates with key, senior level representatives from Ministries (Government).
- National Industry Boards and Congressional outreach.
- Networking activities.
- Participating in networks.
- PR
- PR events for governmental decision makers.
- Quarterly reports, networking.
- Reaching out to investment and international bodies.
- Regular communication at all levels.
- Regular Meetings and Updates.
- Request letters of support for bidding in international market.
- Sit on advisory panels.
- Through partnership.
- Using different marketing channels.
- We are owned by Central Government.
- We cooperate within different types of network.
- Work closely with CE's of government agencies to attract events.

Academic Community

- Active co-op, priority in international congress marketing.
- Advocates Program.
- Ambassador program.
- Ambassador appreciation events.
- Ambassador program for international events, members on our board, student engagement.
- Ambassador Program that interacts with the academic community.
- Ambassador Program, visits.
- Ambassador programme; education about value that they would bring to the local economy.
- Attending their events.
- Conference ambassador programme.
- Continuous networking.
- Engage with universities linkage programs.
- Meetings and hosting.
- Network with 3 universities.
- Networking.
- Networking functions in conjunction with CVB.
- News, updates.
- Offering tailor made University projects. We also offer graduate and training opportunities to students in the area to expose them to the Industry.
- Organizing a forum for students / Internship.
- Participating in networks.
- Pursue to invite association conferences.
- Presentations to University and Hospitality schools.
- Reaching out to potential champions to support bids.
- Relationship with universities for overflow, large venues.
- Road shows with CVB, Ambassador program, Meetings, Newsletter.
- Sales calling, networking.
- Sales calls, initiations, digital marketing.
- Special price arrangements for their events.
- Sponsor local schools - CSR.
- Staff are regularly engaged with a large local university and their school of hospitality.
- Student intern opportunities, guest lectures.
- Through offering internship.
- Trainee recruitment, adviser to local universities and colleges.
- Using different marketing channels.

- Venue sponsorship.
- We cooperate within different types of network.
- We sponsor their events & welcome COOP students.
- Work in relation to bid submissions.
- Work with University to attract academic events.

Professional Community

- Ambassador Program.
- Ambassador programme; education about value that they would bring to the local economy.
- Ambassador programs.
- Ambassador's programme and face to face meetings.
- Attending networking events.
- CEO outreach, education, case studies.
- Conference ambassador programme.
- Direct marketing.
- Education sessions.
- Executive member of Exhibition and Convention Industry Association.
- Facilities and services improvement, specific marketing actions.
- FAM trips, attendance at key events, networking opportunities.
- Growing local ambassador program.
- Industry Associations.
- Meetings and hosting and specific advertising.
- Members of various professional associations.
- Membership in Industry associations and sponsorship of industry events.
- Networking events and sponsored functions on site.
- News, updates.
- Participating in networks.
- Regular Meetings.
- sales calling, networking.
- Social Media - LinkedIn, Twitter.
- Sponsorship / Advertise - attend functions.
- Staff are members of local, state, national and international organizations and actively participate and volunteer.
- Trade shows, seminars, memberships, hosting professional groups.
- Using different marketing channels.
- Visits, regular meetings.

- We are part of various professional associations that are mainly for the networking and information sharing opportunities. We partner to host meetings and events with shared values.
- We maintain strong leadership roles in national professional organizations.
- We organize events for professionals.
- we welcome COOP students.
- Work in relation to bid submissions.

General Public

- Advertising.
- Art exhibitions, charity sponsorship, Trees for Life.
- Building Awareness through Marketing.
- Community events, Partnerships and Open Day for general public.
- Community outreach events - family, schools, community groups.
- CSR strategy.
- cultural events for low-income families etc.
- Engaging in and providing community platforms, social media.
- Events, festivals and concerts.
- Focus groups - ask for feedback by all channels of communication.
- free art exhibitions, venue created public events.
- Free events for the public.
- general advertising campaigns.
- Holding public events and connecting with them in social media.
- Hosting charity events.
- Increased online media engagement.
- Local Convention Host Committee.
- Media relations.
- Meetings, Newsletters, Publications.
- More public events, free art exhibitions, live music.
- Organize green initiatives and community services program.
- our audience at concerts.
- Outreach programmes on key medical evens to engage with the general public.
- Press releases.
- Show the value of meeting content.
- Social Media - Facebook and Twitter.
- Social networks.

- Sponsorship / Advertising and promotional giveaways.
- Sponsorship neighborhood activities.
- Television shows.
- Through CSR.
- Using different marketing channels.
- Visitor surveys, engagement programs with taxi drivers and local residents.
- We do volunteer work and do cause marketing.
- We host Schools at the centre to allow them the opportunity to better understand the Meeting and conventions industry.
- Website; social media including Twitter, LinkedIn and Facebook; donations to local charities; community tours and presentations; special community focused events.

How Centres and Partners Select and Pursue Event and Group Business that Ties to and Benefits the Local Community

Survey Question: *Please briefly describe the process of how you and your marketing partners select and pursue event, group and meeting business that specifically ties to and benefits the local community?*

Select Verbatim Responses

- Active member of local associations serving on the board with local organizations.
- Aligned with government economic development strategy which highlights key sectors.
- Alignment with key government priorities and industry research themes.
- Bid on convention that have local chapters.
- By sharing costs in activities benefiting the local communities.
- Centre selects events that align with the strategic goals of the business.
- Each event generates benefits to the local community. We usually just try to emphasize these benefits (economical, scientific, academic, related to the notoriety of the destination) to the various stakeholders.
- First goal is to find a local ambassador who is interested in arranging a meeting or event. We then assist in the bidding process, hold site inspections where we involve local businesses.
- Defined a Special Cluster policy in terms of national and international acquisition of association clients in this field.
- Pursuing clients and events whose subject matter supports local industry.
- The organization has consistently targeted our marketing efforts to attract medical meetings held by national and international associations. These meetings provide opportunities by local leaders in their fields to participate and engage with thought-leaders in their respective fields. As above, we have also targeted life-sciences, global technology and popular arts/culture events.
- We align with key government priorities and research themes.
- We cooperate within different types of network already and we can all see the benefits of sharing knowledge and competence within different fields and gain from each other and each event.
- We don't seek to specifically attract business on the basis of benefits to the local community - business is targeted based on financial contribution forecast at a venue level/attractiveness of timing of event and footprint for venue's utilization - the DMO will identify events which are attractive from a city perspective and seeks to attract these through a range of incentives/techniques.
- We have identified areas of expertise within the community and use strategic marketing to attract meeting business.
- We select primarily according to the Strategic Economic Program 2020 of our Government, pointing the sector that are strategic to the country and looking for exhibitions, meetings and conferences that fit with this strategy.
- Working together with local stakeholders to attract events who are linked to the main focus areas of the cities / countries economy.

How Clients are Changing: "Shift to Digital/Content Ready. Clients looking for input into events." – Member Quote

Conclusion

In retrospect, and as shown in the data from this annual study and other sources, the Convention Centre industry performed well following the global financial crisis. The rates of recovery have ranged by region of course, and the current centre revenue and attendance growth trends also show significant differences around the world. But the key issue is there is solid growth seen by most centres, and this growth is faster than worldwide GDP as tracked by the IMF. Re-capping some of the key findings related to growth: average AIPC membership revenue growth in 2014 was 5.8% and attendance expanded by 4.5%.

While steady growth is now a multi-year trend, another big picture theme of this study is the changing client and event producer base. As member quotes show, top clients want "technical perfection... and more flexibility." Another says event producers are "looking for input (from Centres) into events". Clients need recommendations and insights on how to improve their event experiences for attendees, and many want this from Centre management.

These findings dovetail with research conducted recently by Access Intelligence Research & Consulting on how leading convention and exhibition producers are enhancing the attendee experience and expanding networking opportunities. The topic of adding more value to attendees by upgrading the entire event experience including content, education, food and beverage, navigating exhibit halls and other areas is one of the most discussed industry-wide. Key insights from studies in this area include:

- Enhancing the attendee experience is the number one focus of leading conference and event producers.
- Yet there is no single way (or easy way) to improve the attendee experience and add more value to networking opportunities. Success in these areas is event specific and often requires a mix of strategies, approaches and elements.
- In general, the primary ways to enhance the attendee experience are to improve educational content, offer more networking opportunities, and harness technology to add value to the in-person aspect of events.
- Related to making networking opportunities more valuable and effective, many top events offer more or expanded networking receptions, often with higher quality food and beverage. Other conferences integrate networking, interaction and communication elements with nearly every aspect and area of their events.

In the face of these trends, what are the implications for Centres? What can AIPC members do to help their top event clients enhance the attendee experience and provide more value via networking opportunities? Centres need to continue to add, enhance or upgrade the following amenities and services:

- Meeting and educational session rooms of very high quality and comfort.
- Venue areas and services that can host upgraded networking opportunities and experiences.
- Smaller and more intimate meeting, education and networking experience areas throughout the venue.
- Continue to raise the bar with food and beverage services.
- Continue to focus on venue technology to help events use and integrate with digital media and social networks more effectively.

The basic need for associations, corporations, organizations, clubs, other groups and government agencies to gather to learn, stay connected and do business ensures convention centres will remain vital and busy well into the future. Accelerating technology trends only seem to ensure people need to also meet face-to-face. The convention and congress centre management and service evolution will only continue, likely at an even faster rate, to meet client and attendee (and exhibitor) needs.

Appendix

Verbatim Responses on Other Critical Issues, Trends and Opportunities Impacting Centres

Survey Question: *Are there any other critical issues, concerns, trends or opportunities impacting the convention centre business that this survey has not covered that AIPC membership and management should be aware of?*

- Bid fund being offered to national clients. Expectation of venue discounts and more complex models of F&B waivers.
- Competitor pricing from local hotels for smaller business; CVB should be more involved in the centre and work closer to gain association meetings.
- Convention Bureau support models.
- Food and Beverage as a revenue stream and more attention to be paid on the other revenue streams.
- Global security issues, slow economic growth rate, oversupply in meeting capacity, use of open air function area in conjunction with meeting rooms.
- Good to know the latest in technology used by venues.
- Greater demand for subvention by clients.
- Hotel big banqueting space competing with convention centres.
- Increase in challenges with third-party site selection companies. This impacts access to information and increases costs.
- Lack of available space.
- More and more Centers not connected to Hotels offer room rental free of Charge, do we see this as a trend or already as necessity. How do European centers react to that. Could we add Clients perspectives in the future: What do big associations want, what do big corporates want.
- Overbuilding around the world.
- Pharma Compliance Regulations.
- Security regulation is harder.
- Short out bookings and less commitment for signing contracts. More push on contracts for greater flexibility.
- Strong international price competition. "Cheap conferences centres".
- Technology.
- The evolution of static wall banner advertising to digital video screen advertising for key sponsors and exhibitors at the tradeshow.
- The need for consistent and credible economic impact reporting, preferably one that is (a) NOT hotel-centric, and (b) meets the needs and concerns of the local urban planning/economic development leadership.
- The trend of "one term governments" in Australia will be challenging.

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