

AIPC Member Survey Identifies Key Industry Issues

The results of the recent comprehensive AIPC member "state of the industry" survey shows an industry still struggling with the challenges created by the global economic crisis, along with an ongoing evolution of the industry itself. The survey, carried out in conjunction with Red7 Communications, was designed to assist AIPC member centres in planning their own business strategies and used a regional breakout of key results to facilitate a comparison of how key issues are unfolding differently in various parts of the world.

"No industry sector has escaped the impacts of the recent recession and uncertain recovery that has followed, and in the case of convention centres, these impacts have in many cases been compounded by some fundamental changes in how both we and our clients do business", said AIPC President Edgar Hirt. "By tracking and reporting these changes to our members, we can help them plan for how they can best respond to an ongoing need to anticipate and react".

The survey was the second in what is planned to be an annual series of comprehensive studies which over time will document trends in key areas of business practice and performance. Both surveys have attracted high levels of participation, which makes the results highly reliable from a statistical perspective.

Some of the key findings this year included:

- While there has been some evidence of a business recovery from earlier years, this is highly variable in different parts of the world based largely on the strength of the underlying economy
- Many of the issues driving business prospects are "macro" economic factors such as the overall economy, global competition and transportation costs) that are largely out of the control of individual centres
- Association conventions remain the strongest business sector in most areas, with scheduled events still taking place even though the trade show component may be reduced
- There is a "buyer's market" firmly in place, with more expectations of discounts and incentives along with more negotiations resulting
- New facility construction and planning has slowed somewhat with a shift toward renovation / refurbishment of existing facilities. However, the growth in convention and exhibition business has still been modest by comparison with the growing supply of facilities

- Centres are becoming more active in communicating their key role in economic development, with over 70% putting more emphasis on community, government and business relations in their respective communities
- New revenue streams for centres are starting to look limited with fewer reporting new initiatives in this regard.

Some areas of the survey, such as business growth, event priorities and the methods used to measure performance display distinct differences in various regions, suggesting that there are still many different approaches and tactics centres can learn from each other.

"In times like these, good information is even more critical than usual for decision making, and our members collectively represent the best source of convention centre knowledge in the world", says Hirt. "By sharing this information via these surveys, we can all find new ways to deal with a more challenging business environment".

AIPC represents a global network of 170 leading centres in 54 countries with the active involvement of more than 750 management-level professionals worldwide. It is committed to encouraging and recognizing excellence in convention center management, based on the diverse experience and expertise of its international representation, and maintains a variety of educational, research, networking and standards programs 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.

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