

OUTLOOK FOR THE GLOBAL MARKET

AMR INTERNATIONAL'S **DIANA GINEVA** REVIEWS THE OUTLOOK FOR THE EXHIBITIONS MARKET AND HIGHLIGHTS SOME KEY TRENDS FROM GLOBEX: AMR'S ANNUAL GLOBAL EXHIBITIONS ORGANISING MARKET: ASSESSMENT AND FORECAST TO 2019

Growth for the market
The outlook for the exhibitions market is positive as it returns to pre-recession levels. In 2014 it expanded by 4.2% to reach \$29bn.

AMR forecasts that growth will be 4.5% CAGR to 2019, driven by emerging markets and the Gulf Region, together with the recovery in mature markets due to overall improved macroeconomic conditions.

Most emerging markets maintained their strong growth and continue to offer significant expansion opportunities for the major international organisers, all of which have increasingly been focusing their growth strategies on these markets.

In response to this trend there has been an increased demand for exhibition space in emerging markets. A number of new venues have opened and renovation projects are currently underway. The most significant development in 2014/15 is the opening of the 403,500sqm National Exhibition and Convention Centre in Shanghai.

Continuing investment in digital

Organisers are finding it increasingly difficult to grow their existing shows in mature markets (whether through volume or price) or to find new market niches in which to launch events. Square metre growth is constrained and price increases are becoming more difficult to achieve, leading to much head scratching as to where the next wave of growth could come from.

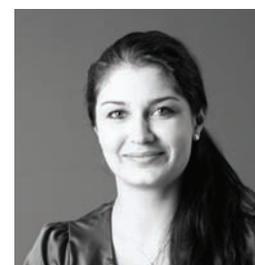
Organisers are continuing to invest in digital tools and in show content.

Numerous digital alternatives to exhibitions provide marketers with a more targeted audience and readily available ROI measurements. Market maturity means that organisers have to work harder than ever to deliver a better show experience with a more tangible return on investment whilst maintaining strong financial performance.

Exhibitors and attendees are becoming ever-greater users of technology and accustomed to making better, data-driven decisions, whether in their professional or private lives. Technology suppliers promise sophisticated solutions to pre-registration, 'match-making', event marketing and event management. However digital revenues still account for a minute proportion of overall events revenue for most organisers. Most of these revenues still come from online advertising / sponsorship rather than from the monetisation of technology-enabled services.

Acquisition activity

The exhibitions market remains a highly attractive sector for many reasons: events can be highly profitable; they have excellent cash flow characteristics, with stand space deposits often paid a year in advance; there is also a high degree of revenue integrity with exhibitor renewal rates typically in the 65% to 70% range. Furthermore, the exhibitions market remains fragmented and still offers considerable opportunities for consolidation. **EW**



Above
Diana Gineva

AMR International publishes Globex: the global exhibitions organising market: assessment and forecast to 2019 and Sector Globex an indispensable set of reports that provide key insights into the most attractive sectors in the tradeshow industry.

