

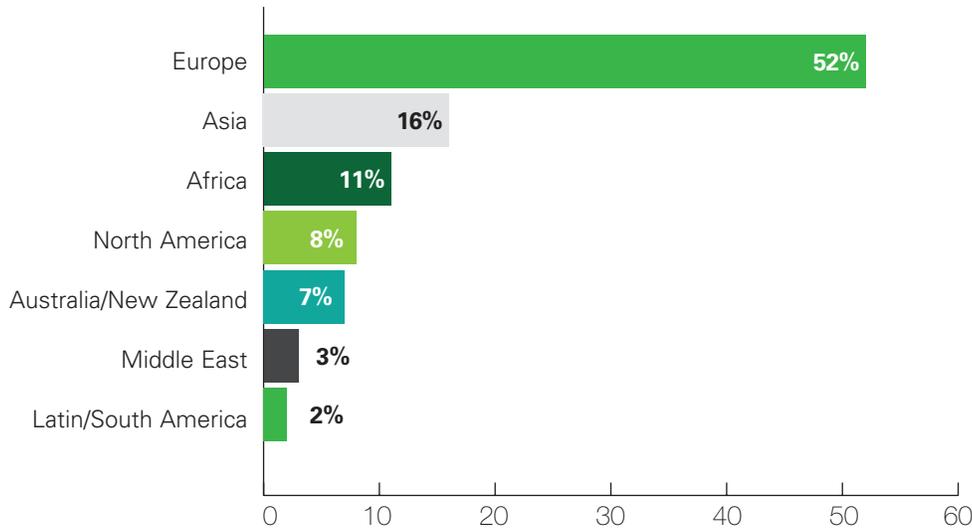
Executive Summary

Some of the key findings from the study, as well as an overview of the respondents, are presented in this summary.

- AIPC members report the strongest top-line revenue growth this decade. The global convention centre industry as represented by members experienced strong top-line revenue growth in 2017. The average year-over-year revenue growth increase was a robust 9.4%. The fastest growing region, by far, was Asia with over 19% growth in 2017.
- AIPC members are optimistic about the revenue growth outlook for this year. The membership is collectively forecasting an average of 6.8% gross revenue growth in 2018.
- The top three economic or political risk areas currently impacting convention centres are increasing event security risks, business disrupters (such as Airbnb and online hotel booking sites in particular), and increasing global or national security risks. These three areas are having an impact currently on about half of members around the world.
- Other headline grabbing issues like trade agreement changes and Brexit are not having a major impact yet, but many members think these could negatively impact centre business in the future. While only 26% of members say threats to trade agreements is impacting centre business currently, a significant 87% feel this issue has the potential for impacting business. Regarding Brexit, 15% of members are seeing an impact now, and 95% say this could have a negative impact in the future.
- Members are adding fewer new revenue streams. Twenty-three percent of members added a new important revenue source in the past year, and the percentage has gone down over the past few years. This is likely due to the fact that for most centres business has been moderate to strong, reducing the pressure to institute new revenue streams. It should also be noted, earlier this decade saw a particular focus on adding new revenue sources especially in the years following the economic downturn.
- In terms of adding innovations, 38% of members around the world implemented an important new operational, management or systems innovation over the past year. Most of the new innovations are related to internal management procedures and using technology to better manage vendors.
- National and International corporate meetings are the event and group category with the best growth outlook, according to the survey findings. By a significant margin, members collectively indicate they see National and International corporate meetings as the strongest client sector. A strong economy in most regions of the world usually translates into a healthy corporate events and meetings industry. The next strongest client category is association conference and meetings.
- A total of 79% of members indicated it is getting more difficult to find candidates with the necessary skills at various staffing levels. Worldwide, the key challenge area is finding good mid-level managers. The quotes below provide a few ways in which members are responding to staffing challenges and enhancing or streamlining talent recruitment, training and retention.
 - ☑ “Developed skills academy. Building relationships with colleges/universities for internships, practical training and part-time work opportunities.”
 - ☑ “Enhanced development training to grow incumbent staff. Increased liaison with specialist educational colleges. Enhanced industry engagement and development programmes for middle management.”
 - ☑ “Increased use of social media to alert new job opportunities and reduce payments to recruitment consultants by employing direct applicants.”
 - ☑ “More flexible part time scheduling, introduced a premium rate for key part time associates.”

Member Survey Response by Region

Fifty-two percent of the survey respondents are European members, 16% are from Asia, 11% are in Africa and 8% are based in North America.



More information on the key insights and the full survey results are provided in the remainder of the report.