

Global Exhibition Barometer

17th edition (July 2016)

A UFI report based on the results of a survey conducted in June 2016



Global



United Kingdom



Central & South America

AFIDA



Mexico



Southern Africa



US



Thailand



Brazil

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Introduction



Welcome to the 17th edition of the “UFI Global Exhibition Barometer“ survey. This study is based on a global survey, conducted in June 2016. It represents up to date information on the development and the outlook of the global exhibition industry as well as on 16 specific countries and zones.

UFI began assessing the impact of the global economic conditions on the exhibition industry twice a year in 2009, based on perceptions of UFI members around the world. In 2010, this biannual survey became the “UFI Global Exhibition Barometer“. For the United States, this survey includes SISO Members (Society of Independent Show Organizers) and the scope of the Research has since been broadened to include members of AFIDA (Asociación Internacional de Ferias de América), AMPROFEC (Asociación Mexicana de Profesionales de Ferias y Exposiciones y Convenciones) and UBRAFE (União Brasileira dos Promotores Feiras) in Central and South America and of EXSA (Exhibition and Events Association of Southern Africa) in South Africa. In this 17th edition, Members from AEO (Association of Event Organisers, UK) and TEA (Thai Exhibition Association) have been included for the first time.

Important remarks

It should be noted that the number of replies to the current survey (262 from 56 countries - see full list on the page 31) provides representative results. However, the consolidated *regional* results may not reflect the situation of specific countries in that region. This is why the report also includes a set of detailed results for the 16 *countries or zones* where a significant number of answers were obtained are included (see list on the page 17).

Also it should be noted that the answers to this survey were provided before the recent events in the UK (EU referendum) and Turkey (terrorist attacks).

Questions related to this survey can be addressed to Christian Druart, UFI Research Manager, at chris@ufi.org.

1. Gross Turnover development

The 17th Barometer surveyed the evolution of participants' gross turnover expectations for the two halves of 2016 and the first half of 2017 compared to their turnover during the same period in the previous year (regardless of possible biennial effects).

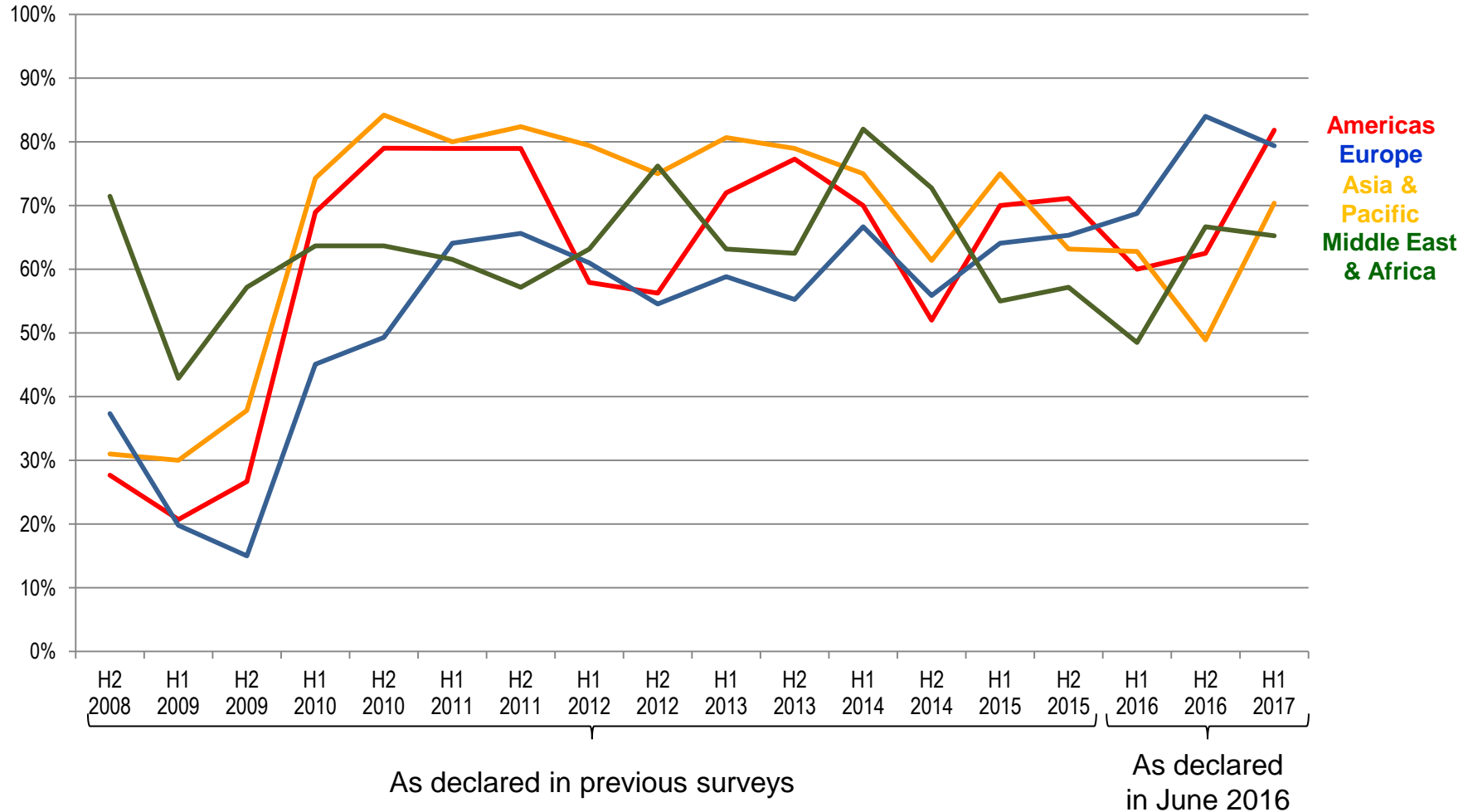
The chart on the next page presents the percentage of companies declaring an increase in their turnover. It combines these results with those of previous surveys since 2008. It does not take into account the “unknown” or “not applicable” answers – see footnote.

Survey results indicate a variety of current regional developments around the globe:

- In North America, 7 to 9 companies out of 10 expect increase in turnover for all three periods;
- In Europe, this is also the case for the UK. In Italy and Turkey this situation is only reached with time. In Germany, less than 1 company out of 2 anticipates a growth for the first half of 2017. In Russia ,(only 1 company out of 2 on average expects increase in turnover for all three periods;
- In Asia/Pacific, 2 to 3 companies out of 10 have uncertainty as to their turnover for the first half of 2017, whereas for 2016, 5 to 6 companies out of 10 in China and most other Asian countries expect an increase. In Thailand however, the situation is more contrasted;
- In the Middle East and Africa, 3 to 4 companies out of 10 have uncertainty as to their turnover for the first half of 2017, whereas for 2016, 7 to 8 companies out of 10 in Iran and 4 to 5 in other countries expect an increase;
- In Central and South America, a majority of companies anticipate decreases in 2016, but they are more confident for the first half of 2017;

Footnote: The charts included in the second part of this report (“Detailed results for selected countries or zones”) detail these results, adding the percentage of companies declaring decreases in their turnover and the percentage of “unknown” answers.

% of companies declaring an increase in turnover when compared to their projections for the same period the year before (regardless of possible biennial effects)



2. Development of Operating Profits

The 17th Global Barometer survey questioned the evolution of operating profits for 2015 and 2016 compared to the previous year.

The chart presented on the following page combines these results with those of previous surveys which track the development of operating profits since 2009. It highlights the results of companies declaring an increase of more than 10% and those declaring a more stable result (between -10% and +10%) – see footnote.

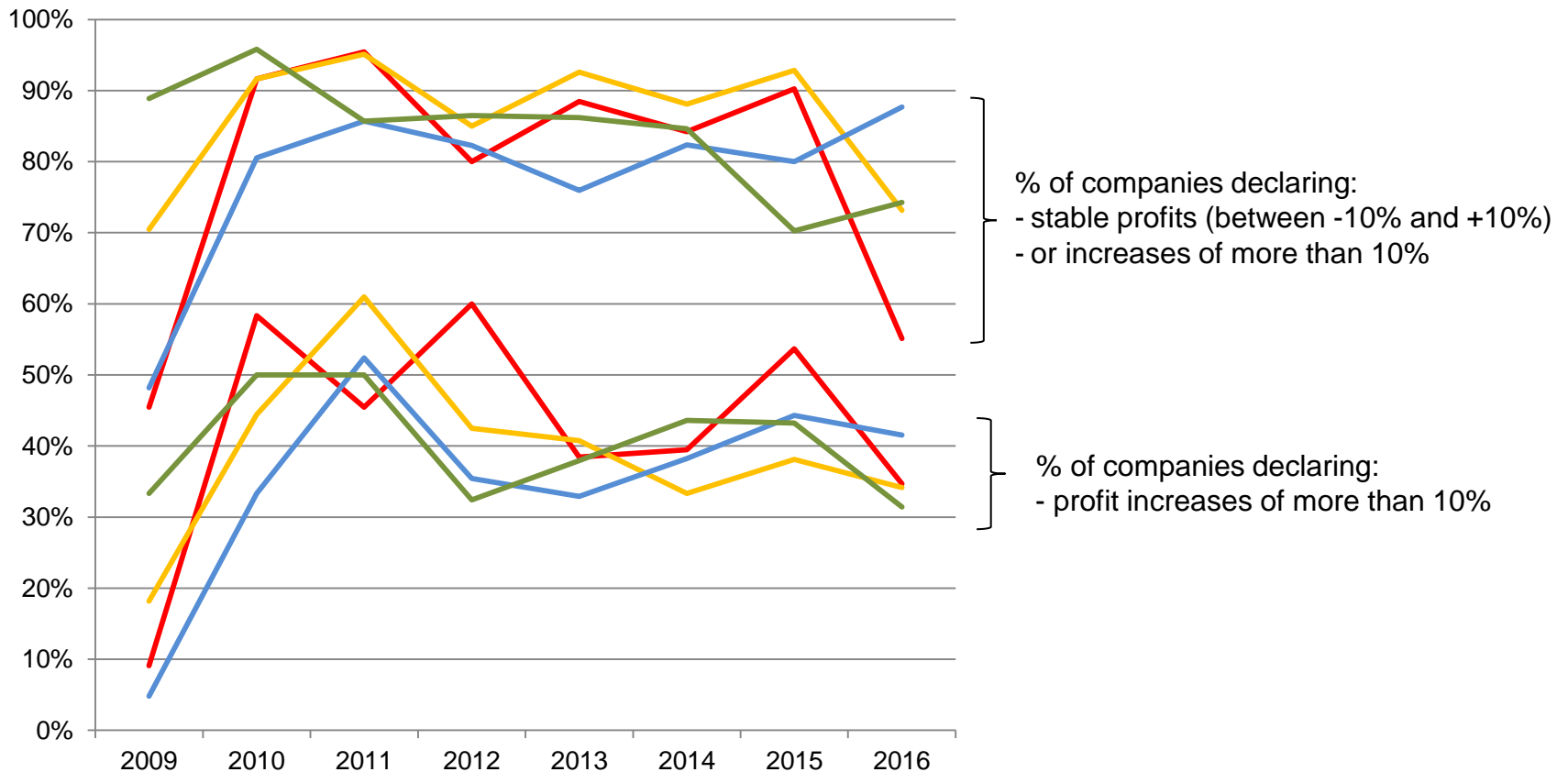
The detailed results show that:

- More than 1 company out of 2 declare an increase of more than 10% in annual profits for 2015 and 2016 in Mexico, USA, the UK and most countries in Central and South America (but not in Brazil, see below);
- 3 to 5 companies out of 10 declare an increase of more than 10% in annual profits for 2015 and 2016 in most countries in Asia (except China, where only 2 to 3 do), the Middle East or Europe (but not in Russia and Turkey, see below);
- In Brazil, Russia and Turkey the levels of companies declaring an increase of more than 10% decrease sharply between 2015 and 2016.

Footnote: The charts included in the second part of this report (“Detailed results for selected countries or zones”) detail these results, adding the percentage of companies with reductions in profits or losses.

Operating profits compared to the previous year

Americas Asia & Pacific Europe Middle East & Africa



3. Most important business issues

Companies were asked to identify the three most important issues for their business in the coming year from a pre-defined list of seven issues. Multiples choices were proposed to get further insight for some answers.

As in previous surveys, around 80% of all answers relate to the following 4 issues:

- “State of the economy in home market” (27% in the current survey)
- “Global economic developments” (24% in the current survey)
- “Competition from within the industry” (17% in the current survey)
- “Internal challenges” (13% in the current survey), where “Human resources” are named as the most important aspect.

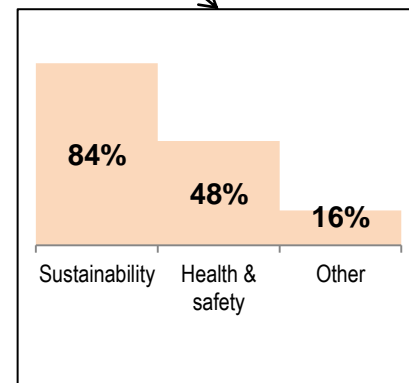
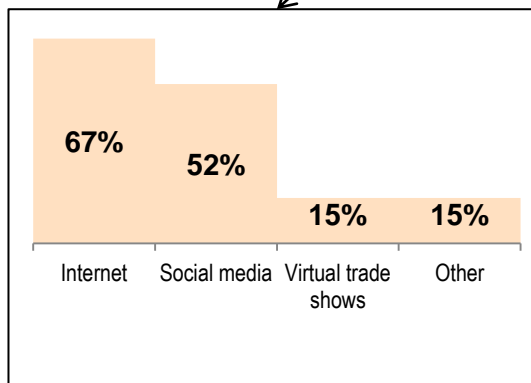
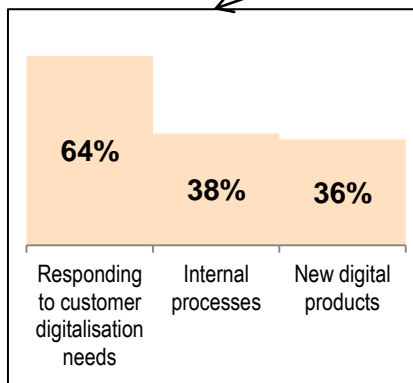
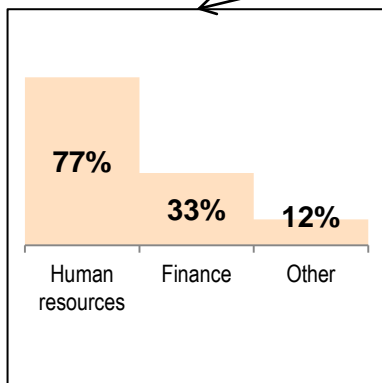
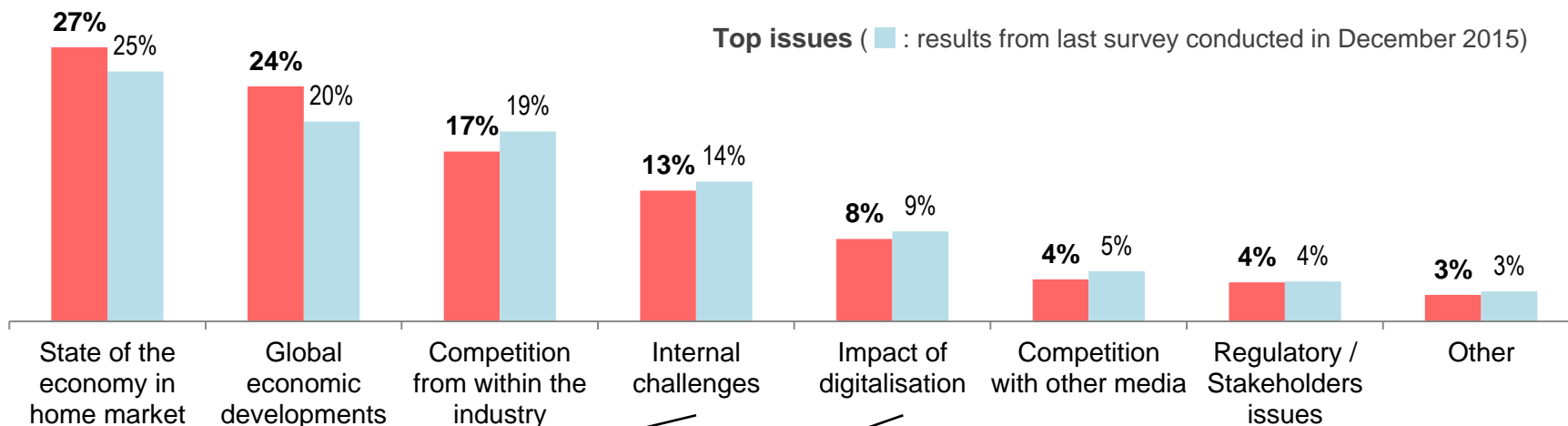
“Impact of digitalisation” (“Responding to customer digitalization needs”, “New digital products” or “Internal processes”), “Competition with other media” (“Internet”, “Social media”, “Virtual trade shows” or “Other”) and “Regulatory / Stakeholders issues” (“Sustainability”, “Health & safety” or “Other”) appear as less important issues in the coming year.

The next slide shows the consolidated global results, including further insights, where asked.

The following pages details those results by region and by type of activity (for 3 main segments: “Organiser”, “Venue only” and “Service provider only”). Results show that there are no significant differences based on these criteria, except for the “Impact of digitalisation” which is not so present, generally speaking, in Middle East and Africa and also among “Venues only”, but receives very high relevance in Germany (19%).

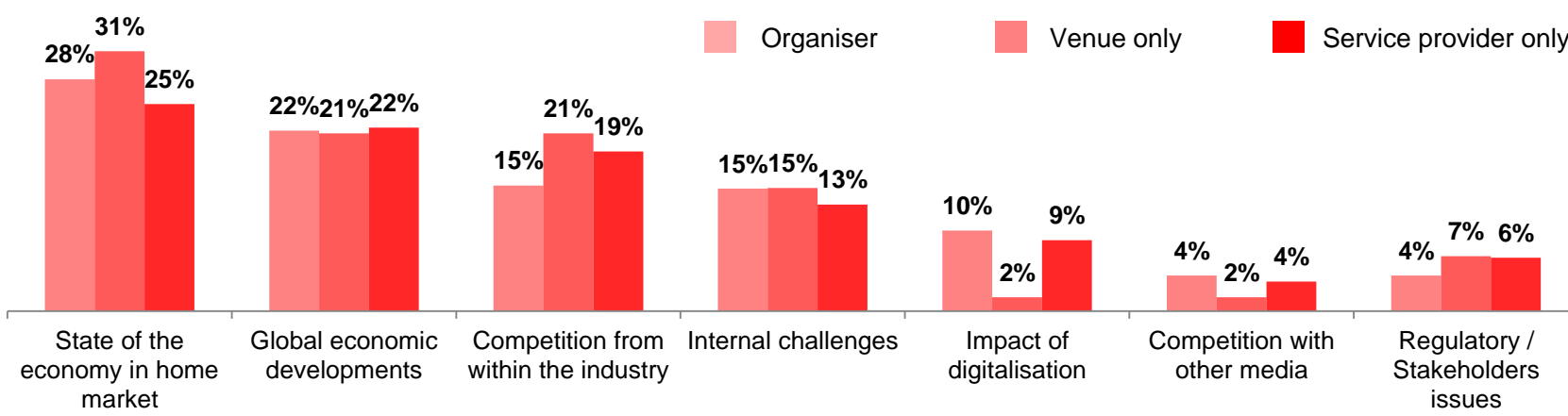
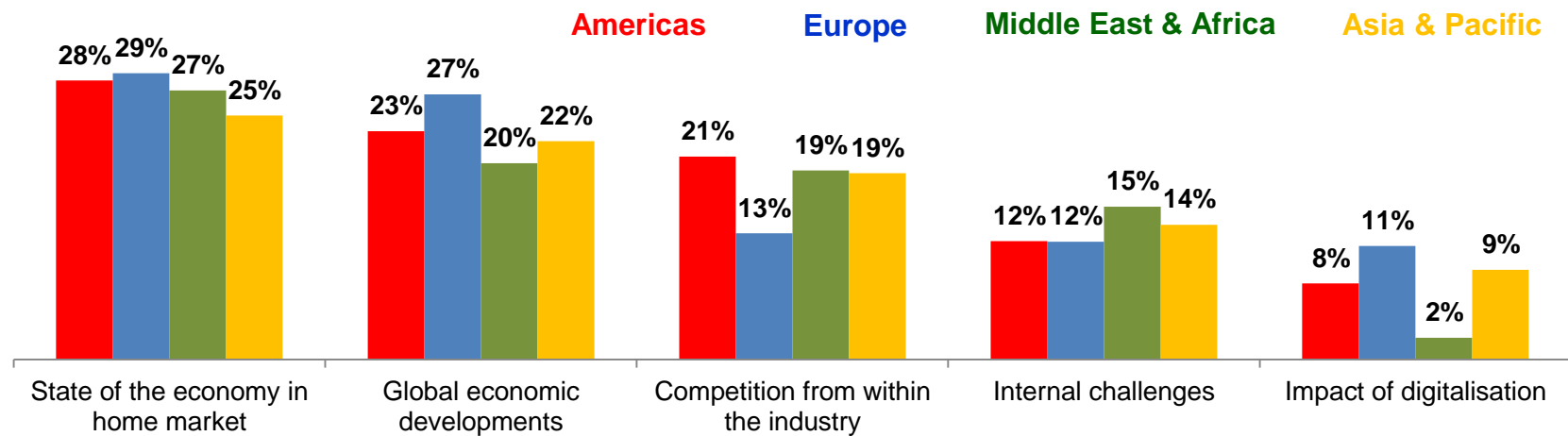
Top issues: global results

Top issues (■ : results from last survey conducted in December 2015)



(multiple answers possible)

Most important issues: detail by region and type of activity for the five top issues identified globally



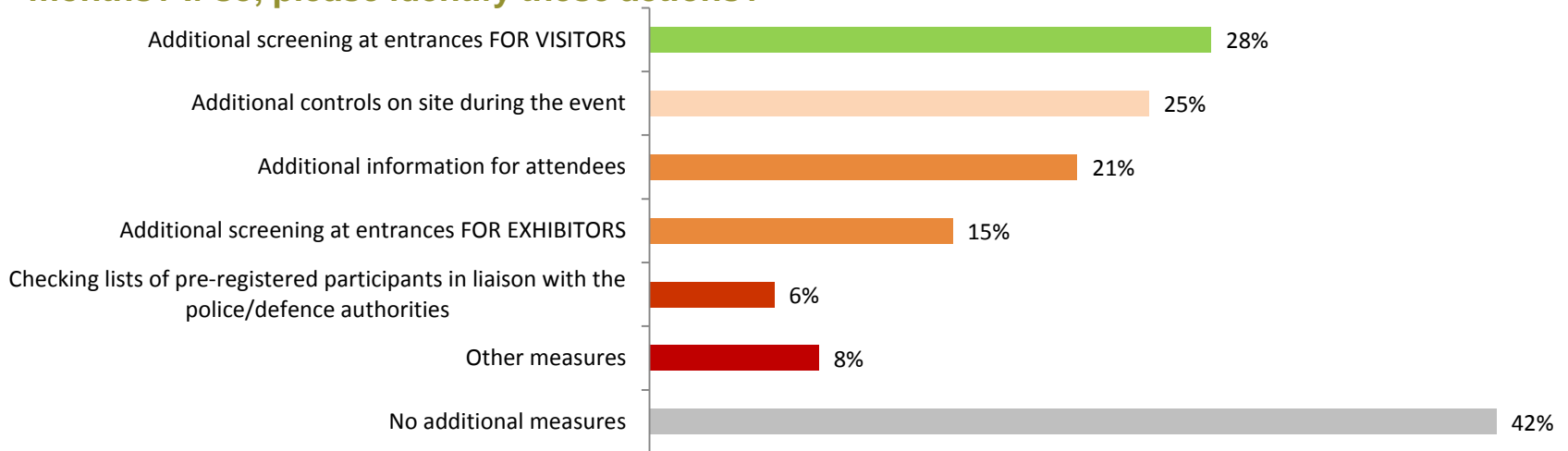
5. Recent security measures

This question aims to assess the actions launched recently in the context of the past terrorists attacks in several places across the world.

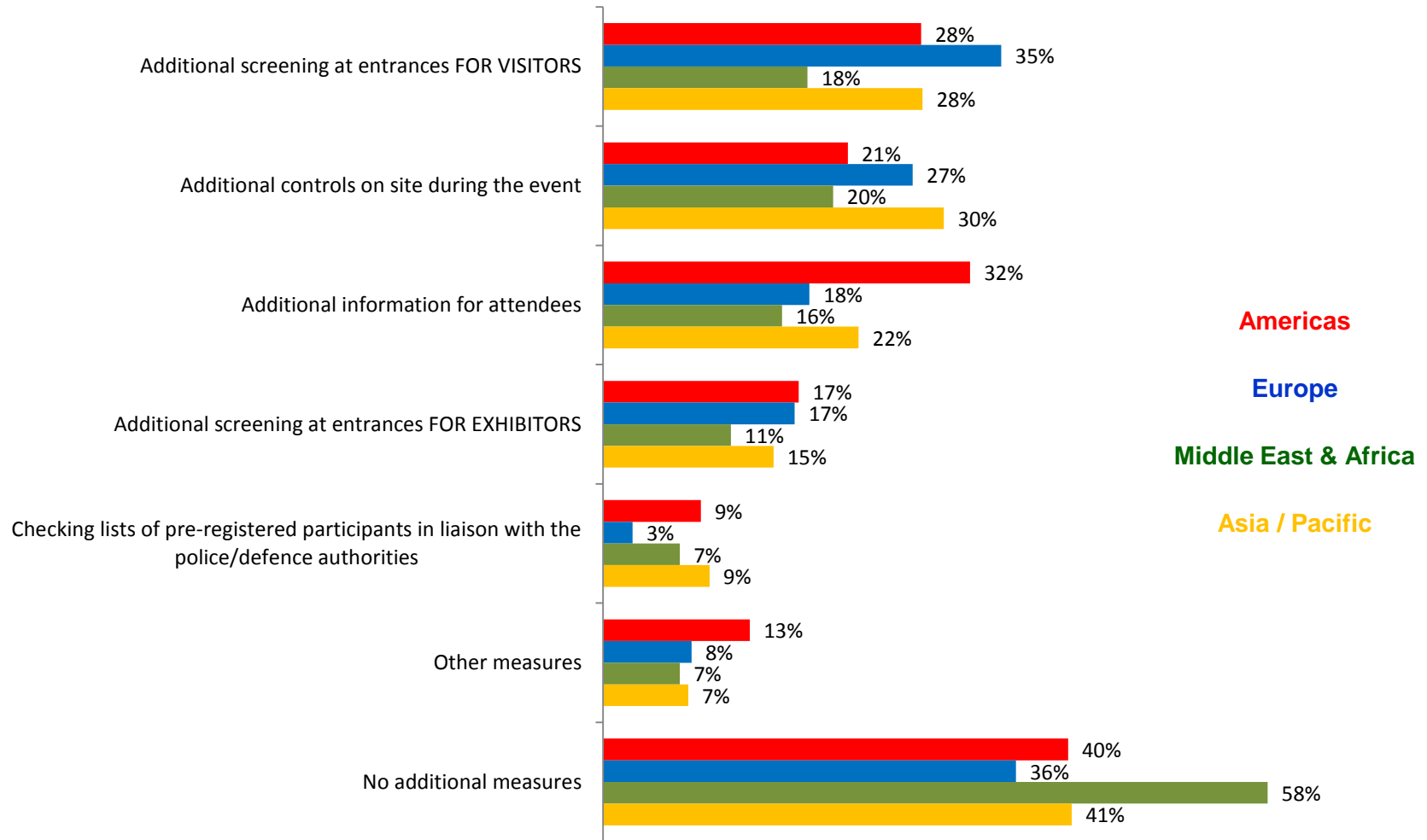
The survey results show that 6 companies out of 10 on average have taken recent actions (and even 7 in Europe and North America).

Additional measures include additional screening at event/venue entrances for visitors (28%), for exhibitors (15%), additional controls on site during the event (25%), additional information for attendees (21%), checking the lists of pre-registered participants in liaison with the police/defense (6%) or other measures (such as police presence – in uniform or not – and new video devices).

Have you expanded security measures around your exhibitions / your venues in recent months? If so, please identify these actions?



Recent security measures: detail by region

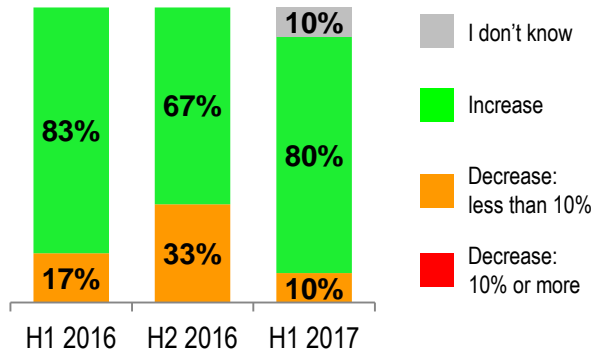


Part 2: Detailed results for 12 selected countries or zones

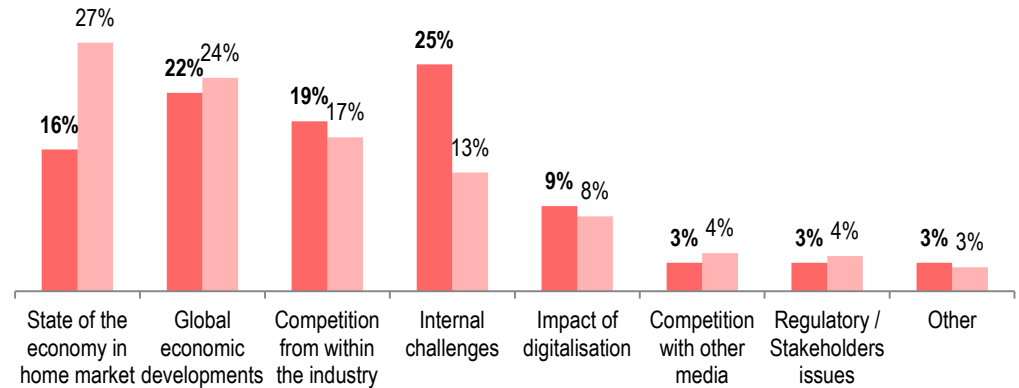
North America:	Mexico US
Central and South America:	Brazil Other countries in Central & South America
Europe:	Germany Italy Russia Turkey United Kingdom Other countries in Europe
Africa:	South Africa
Middle East:	Iran Other countries in the Middle East
Asia/Pacific:	China Thailand Other countries in Asia/Pacific

Detailed results for MEXICO (13 answers)

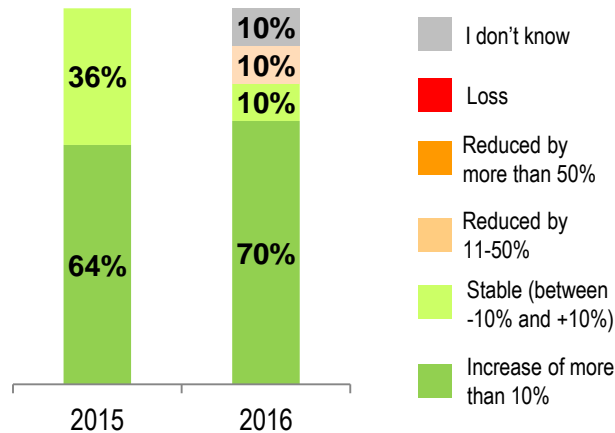
How do you expect your turnover to change when compared to the same period the previous year?



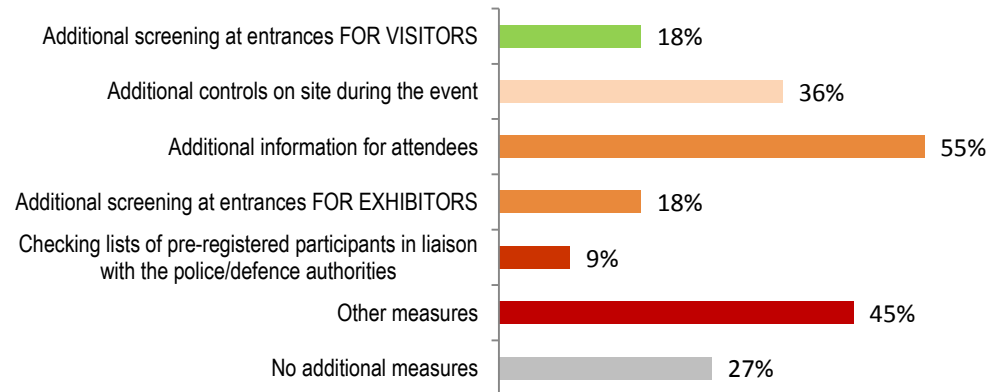
Top issues (: global)



Operating profits compared to the previous year

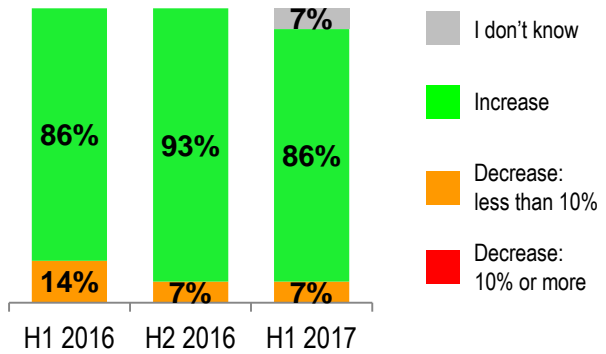


Have you expanded security measures around your exhibitions / your venues in recent months?

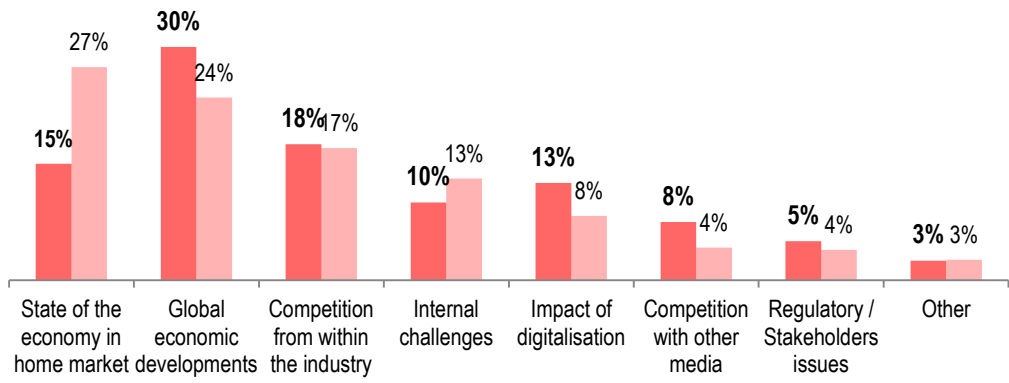


Detailed results for UNITED STATES (16 answers)

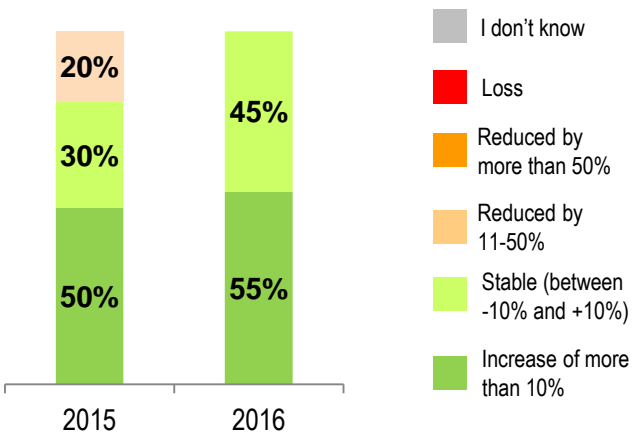
How do you expect your turnover to change when compared to the same period the previous year?



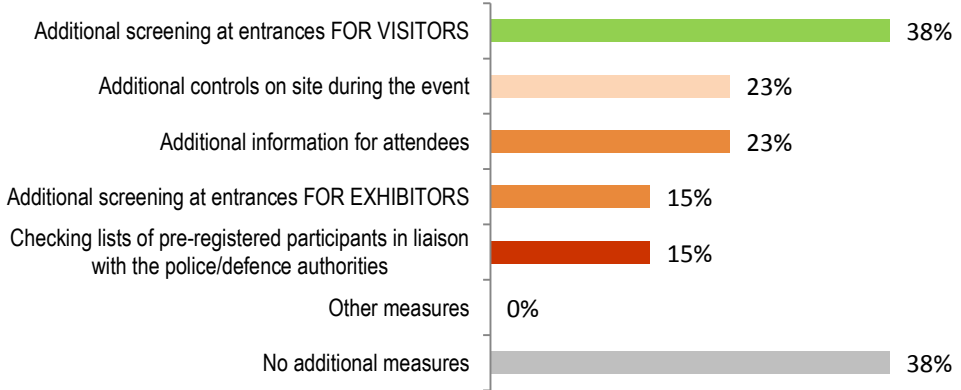
Top issues (: global)



Operating profits compared to the previous year

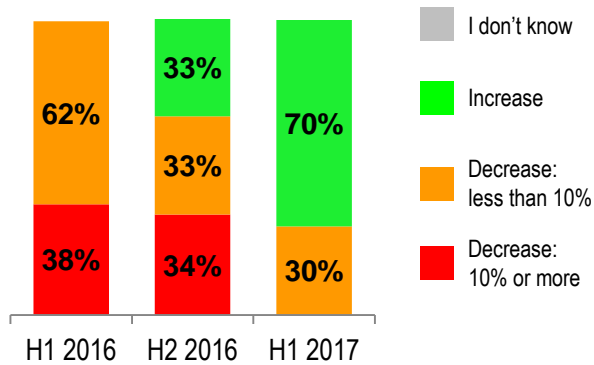


Have you expanded security measures around your exhibitions / your venues in recent months?

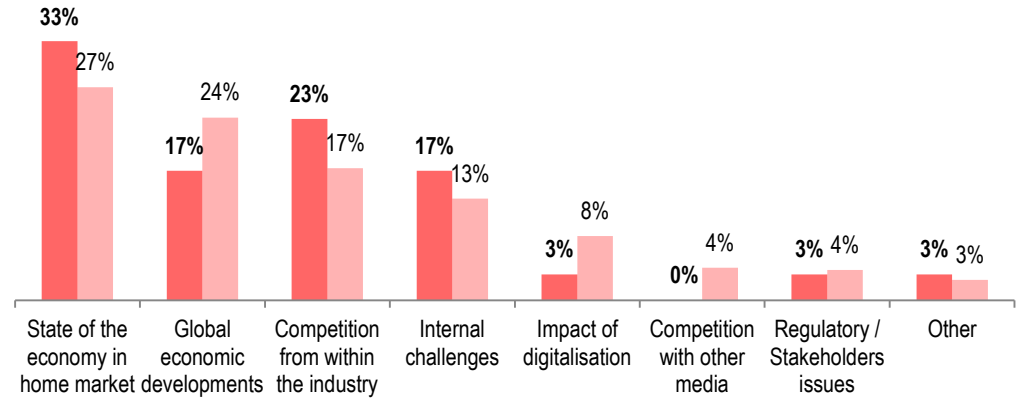


Detailed results for BRAZIL (11 answers)

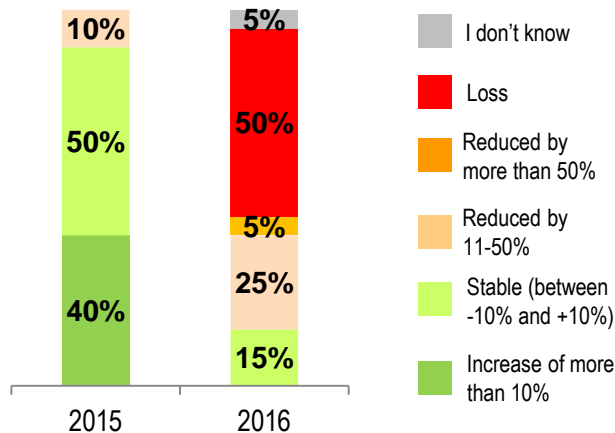
How do you expect your turnover to change when compared to the same period the previous year?



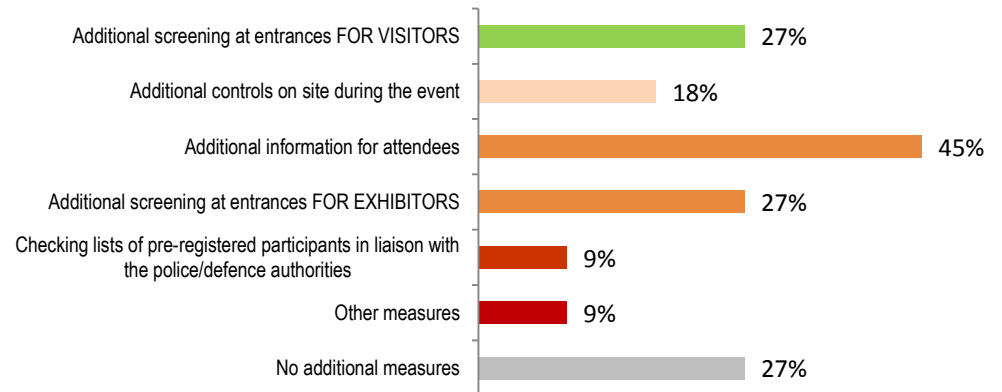
Top issues (: global)



Operating profits compared to the previous year

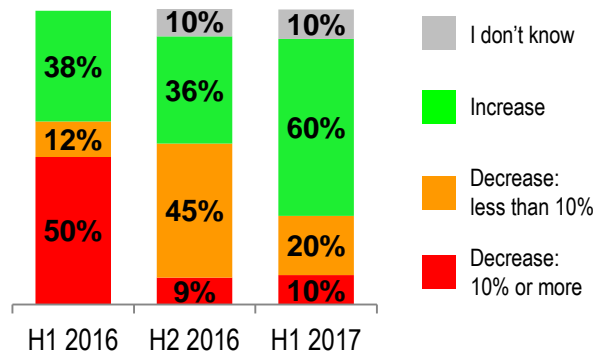


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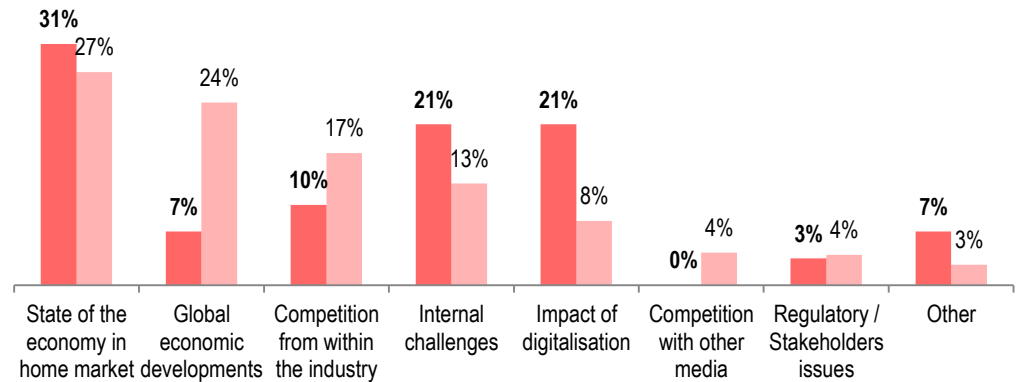


Detailed results for the other countries in Central and South America (12 answers)

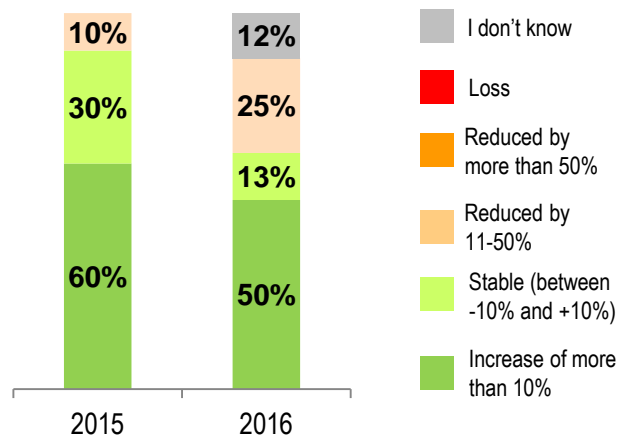
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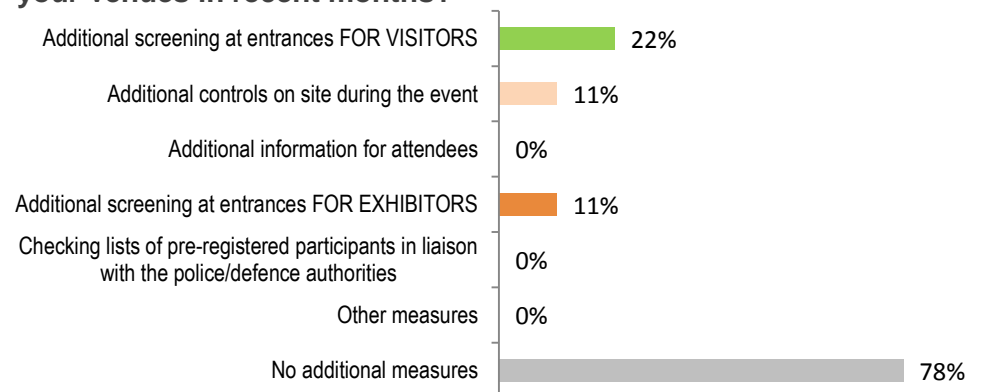
Top issues (■ : global)



Operating profits compared to the previous year

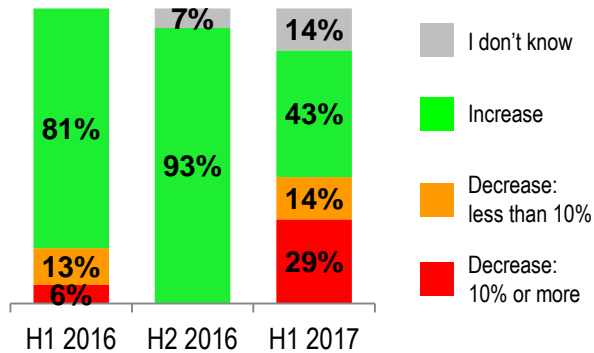


Have you expanded security measures around your exhibitions / your venues in recent months?

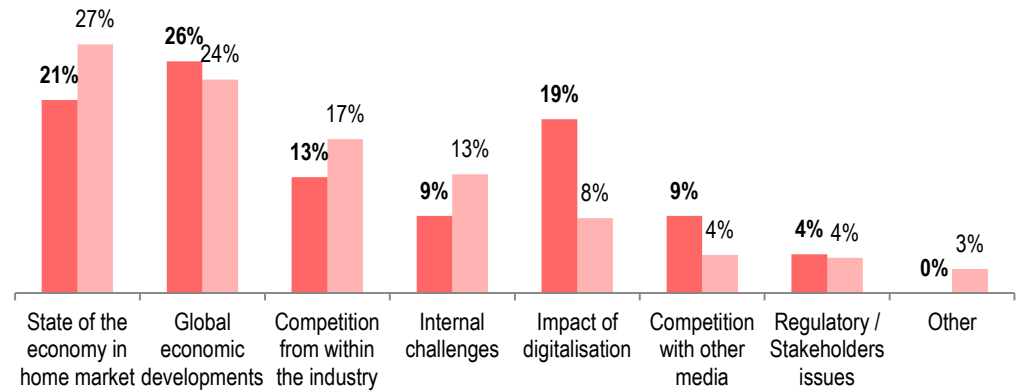


Detailed results for GERMANY (17 answers)

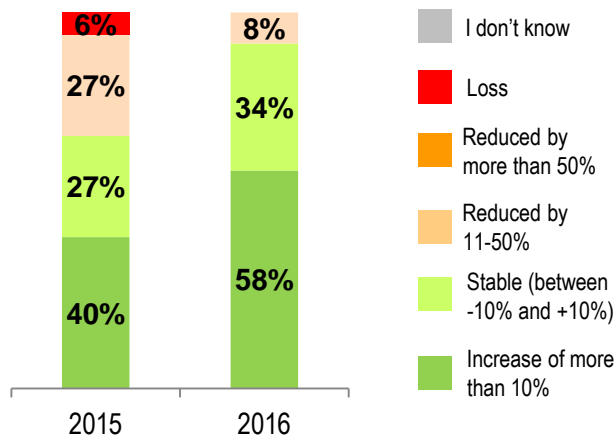
How do you expect your turnover to change when compared to the same period the previous year?



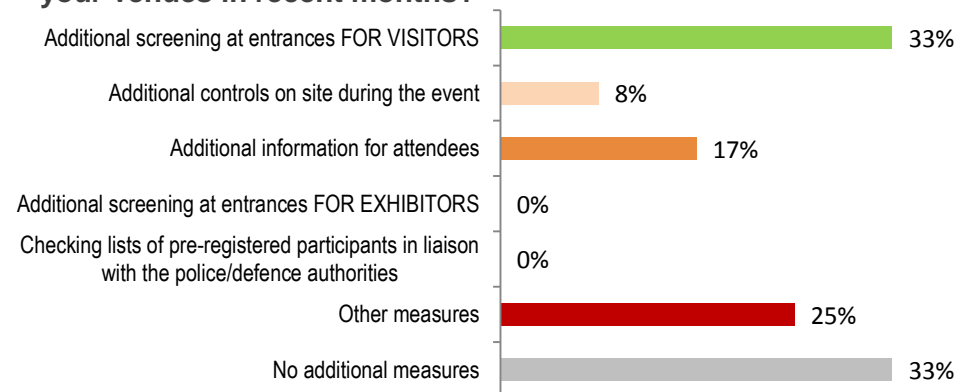
Top issues (: global)



Operating profits compared to the previous year

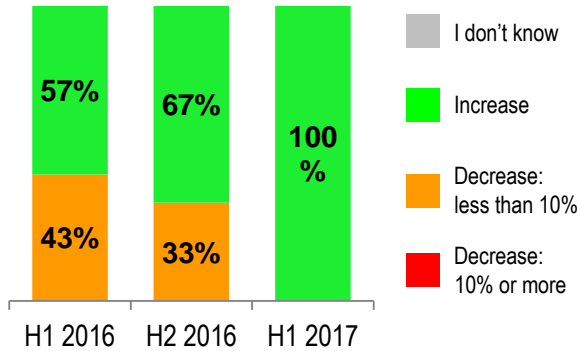


Have you expanded security measures around your exhibitions / your venues in recent months?

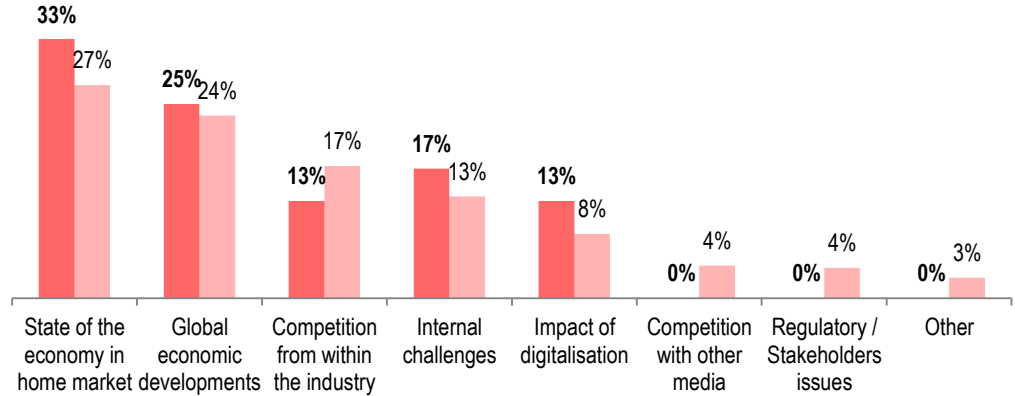


Detailed results for ITALY (10 answers)

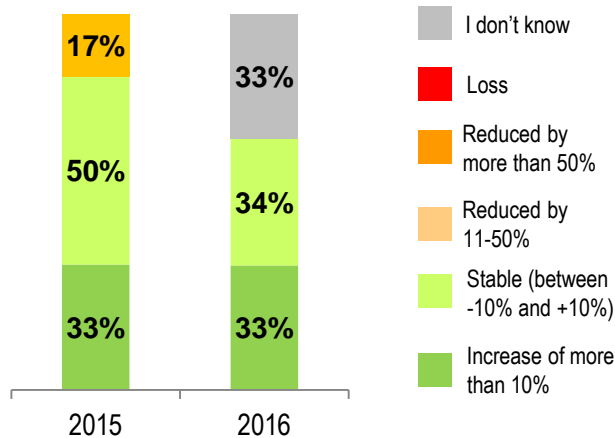
How do you expect your turnover to change when compared to the same period the previous year?



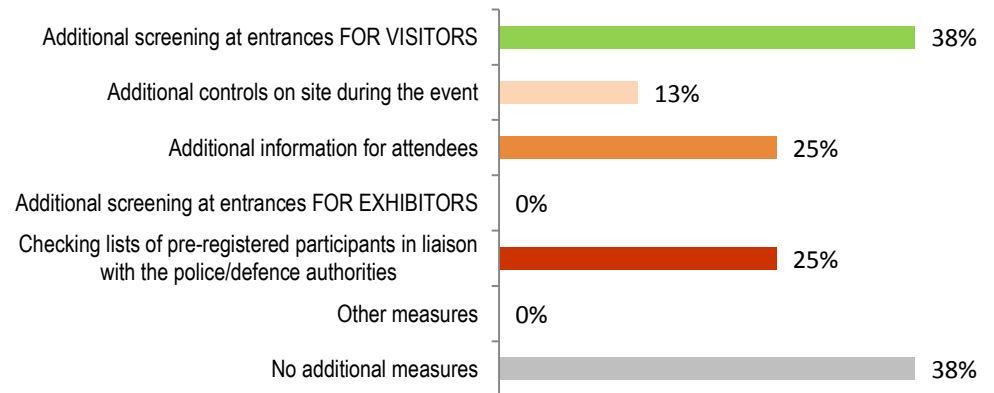
Top issues (■ : global)



Operating profits compared to the previous year

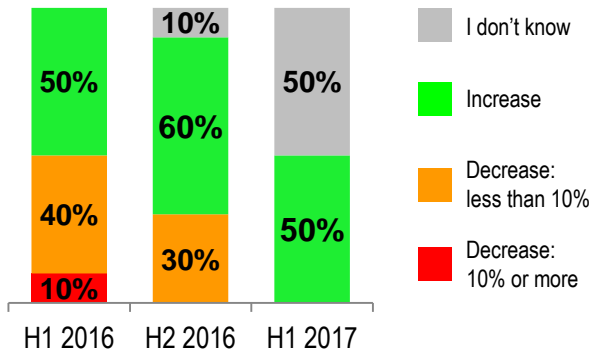


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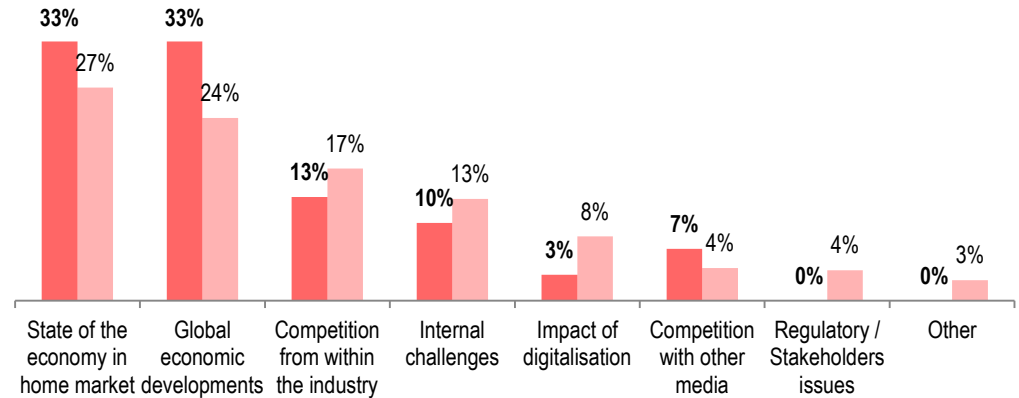


Detailed results for RUSSIA (13 answers)

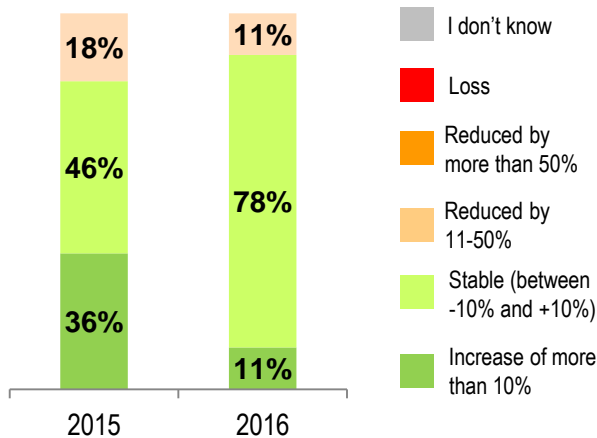
How do you expect your turnover to change when compared to the same period the previous year?



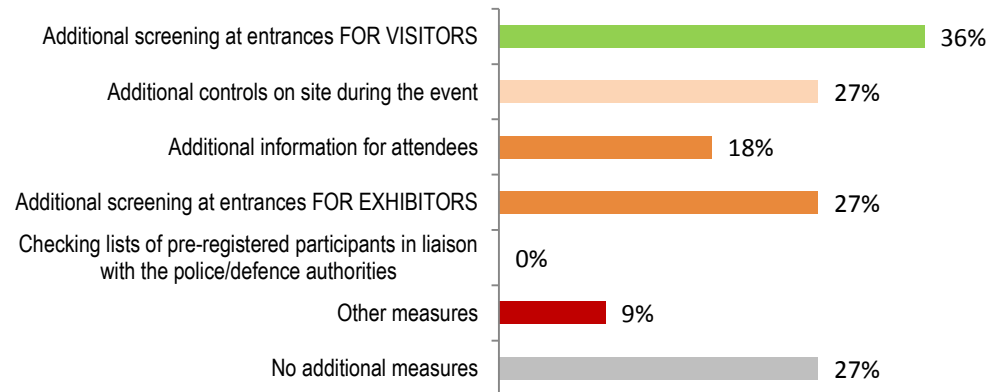
Top issues (: global)



Operating profits compared to the previous year

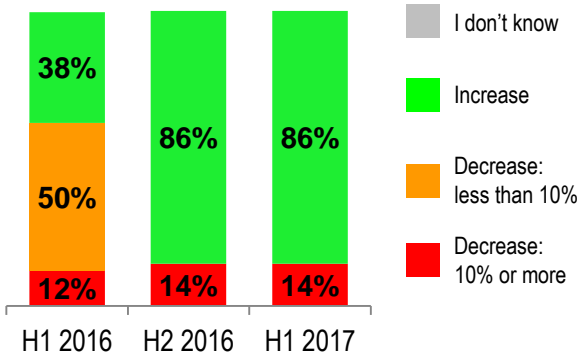


Have you expanded security measures around your exhibitions / your venues in recent months?

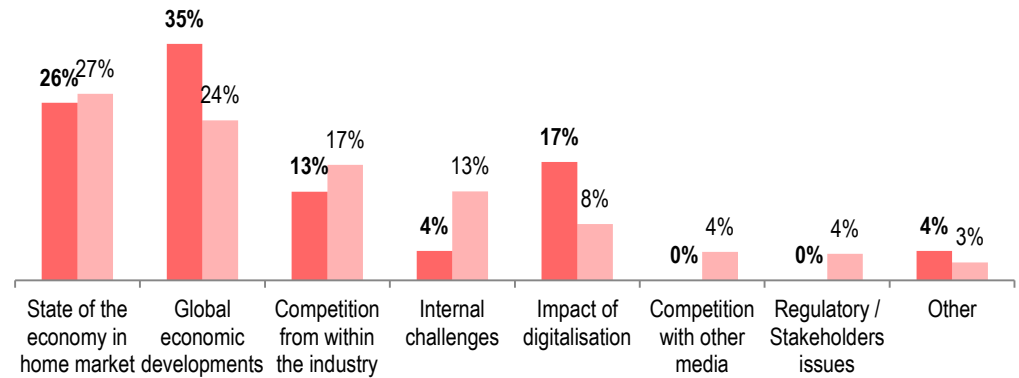


Detailed results for TURKEY (10 answers)

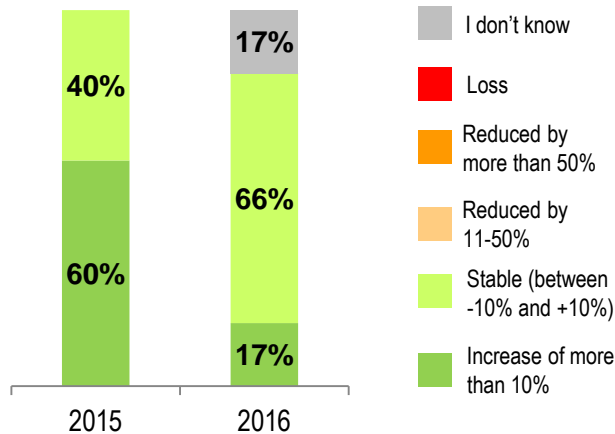
How do you expect your turnover to change when compared to the same period the previous year?



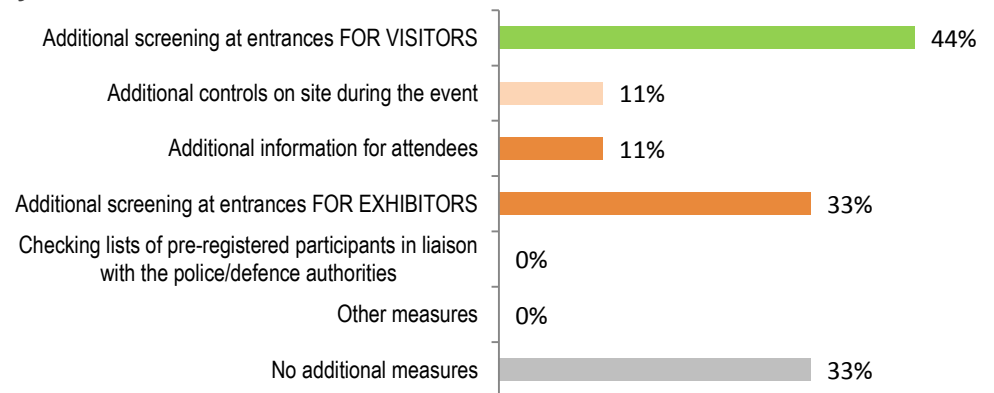
Top issues (■ : global)



Operating profits compared to the previous year

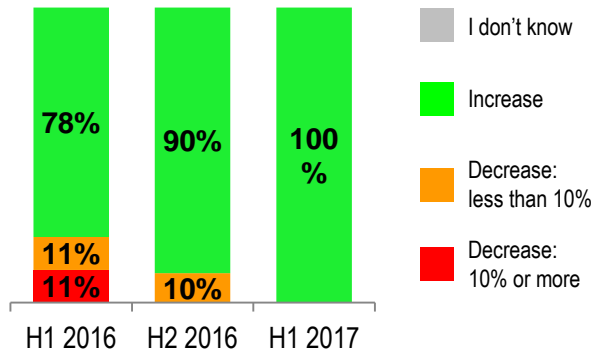


Have you expanded security measures around your exhibitions / your venues in recent months?

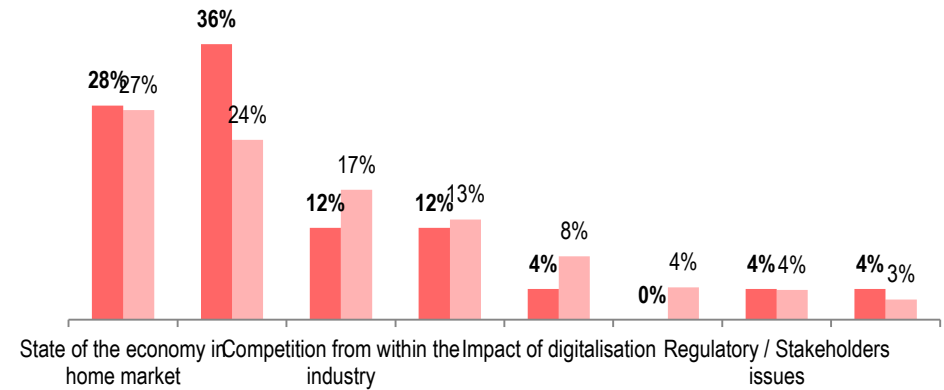


Detailed results for the UK (11 answers)

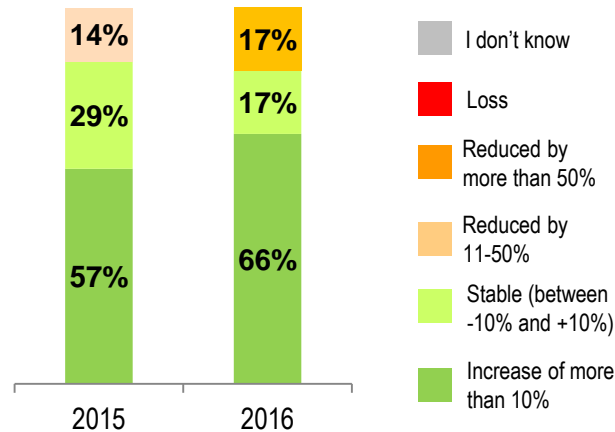
How do you expect your turnover to change when compared to the same period the previous year?



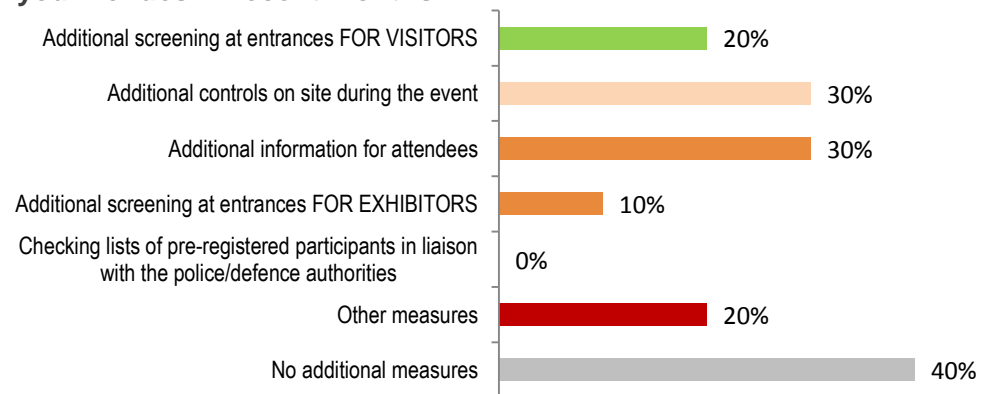
Top issues (: global)



Operating profits compared to the previous year

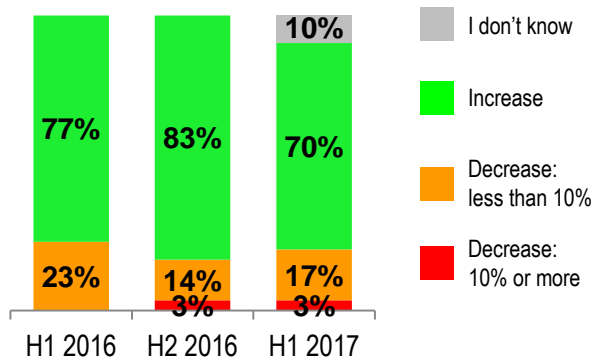


Have you expanded security measures around your exhibitions / your venues in recent months?

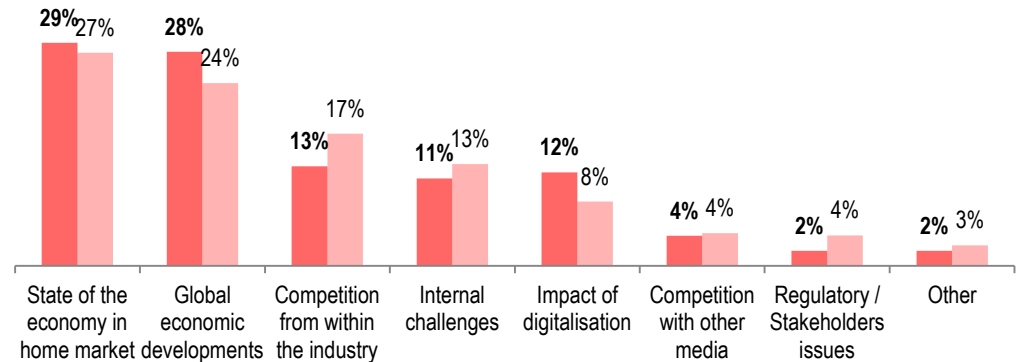


Detailed results for the other countries in Europe (33 answers)

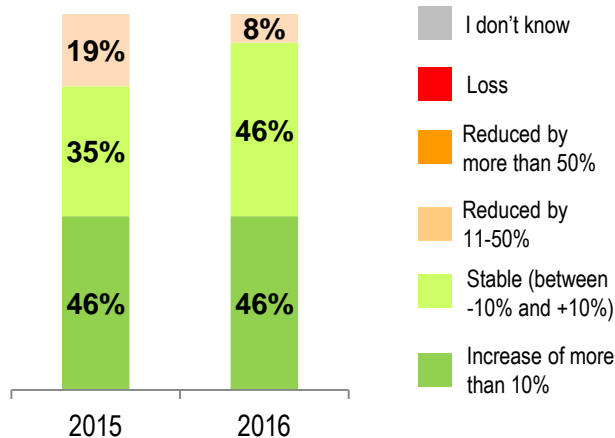
How do you expect your turnover to change when compared to the same period the previous year?



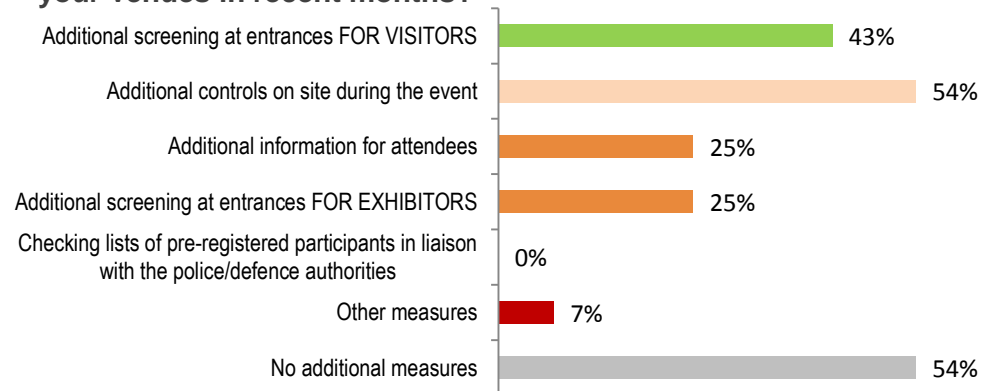
Top issues (: global)



Operating profits compared to the previous year

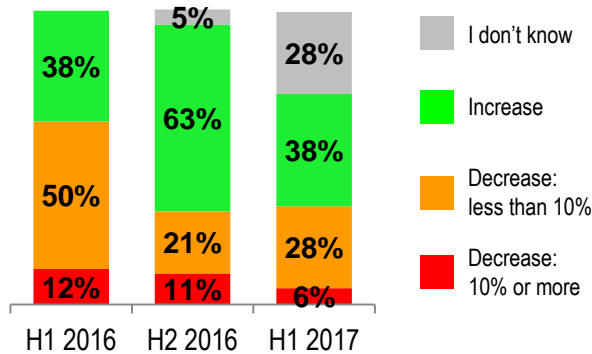


Have you expanded security measures around your exhibitions / your venues in recent months?

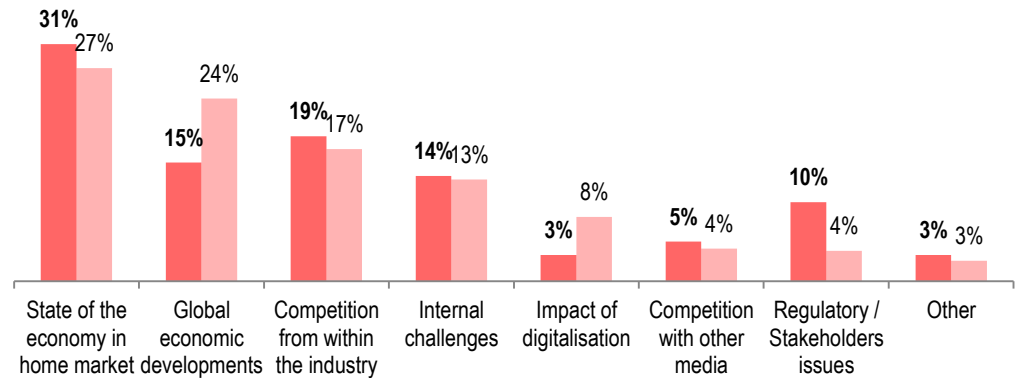


Detailed results for SOUTH AFRICA (23 answers)

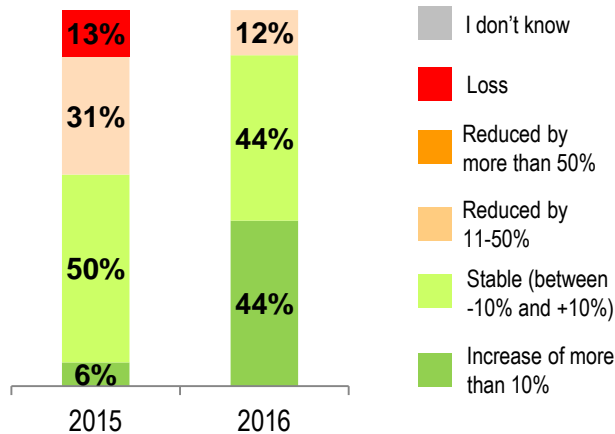
How do you expect your turnover to change when compared to the same period the previous year?



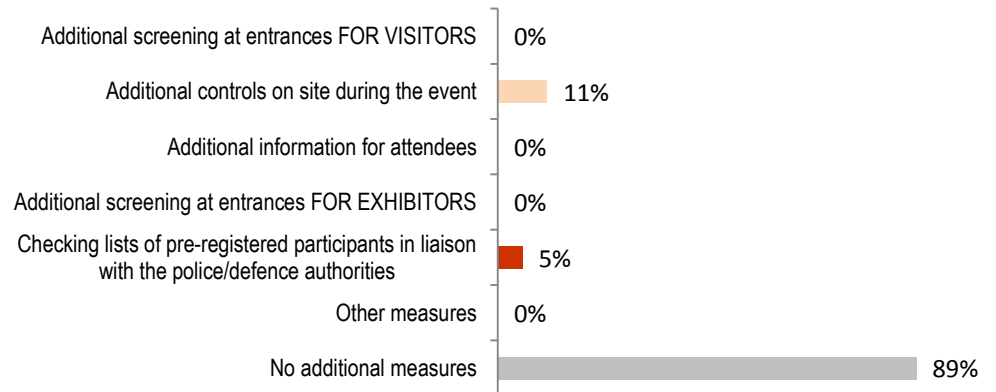
Top issues (: global)



Operating profits compared to the previous year

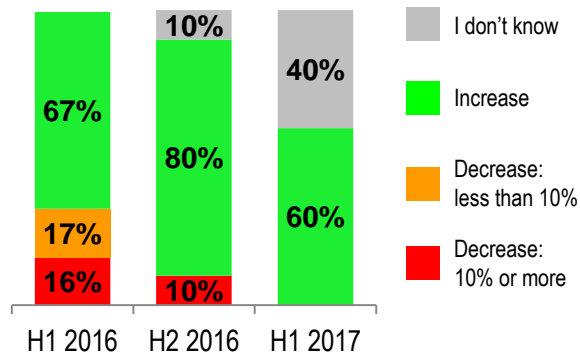


Have you expanded security measures around your exhibitions / your venues in recent months?

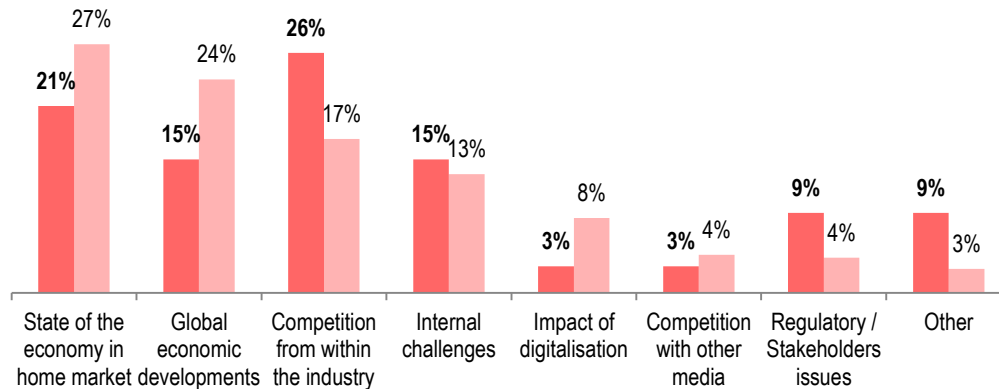


Detailed results for IRAN (12 answers)

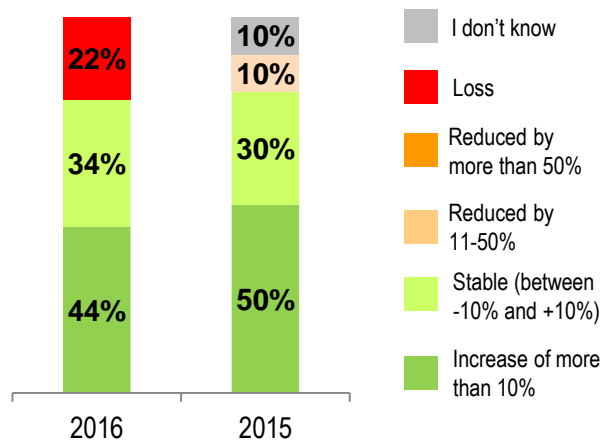
How do you expect your turnover to change when compared to the same period the previous year?



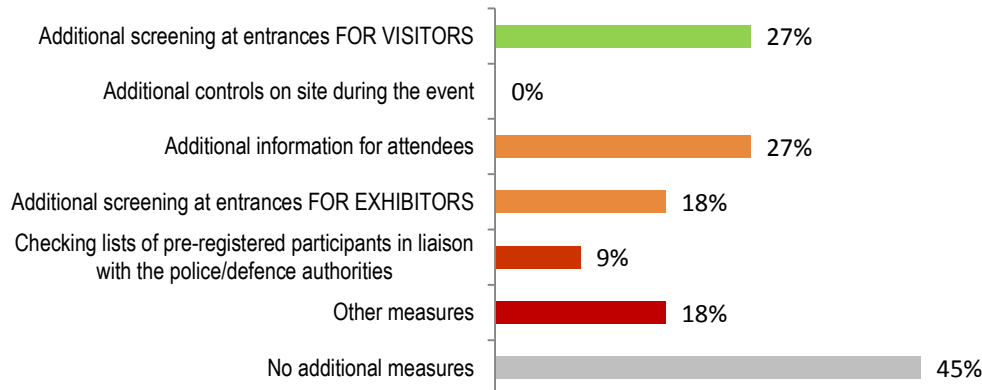
Top issues (: global)



Operating profits compared to the previous year

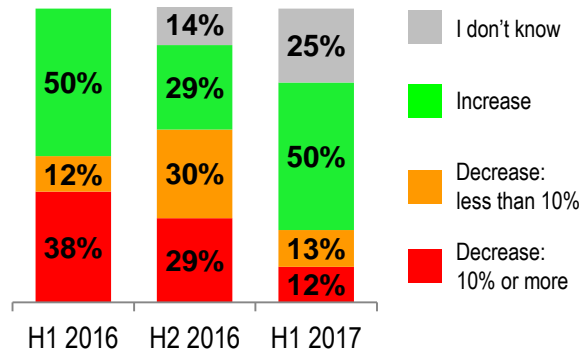


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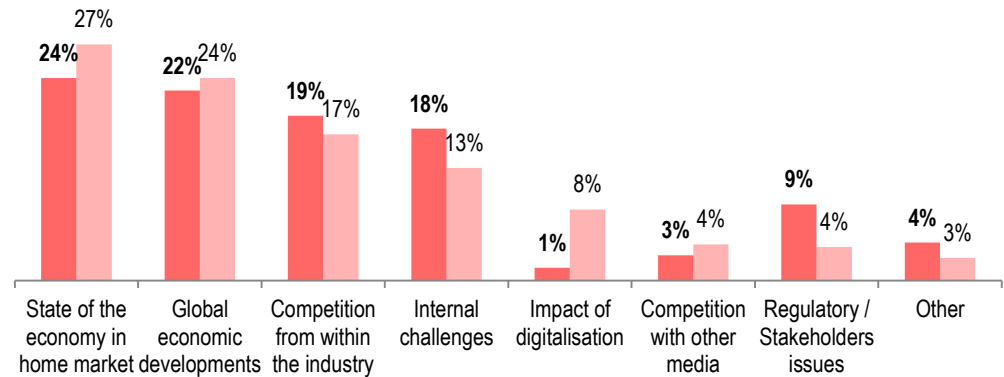


Detailed results for other countries in the MIDDLE EAST (12 answers)

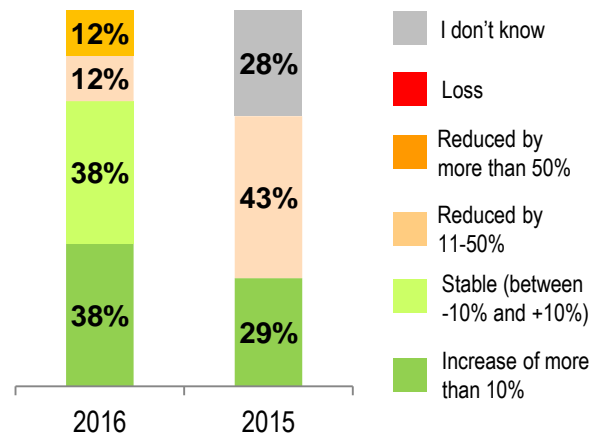
How do you expect your turnover to change when compared to the same period the previous year?



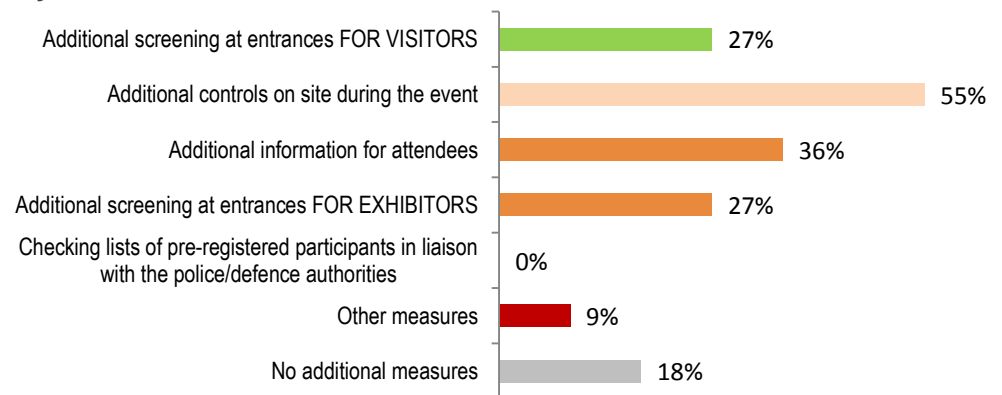
Top issues (: global)



Operating profits compared to the previous year

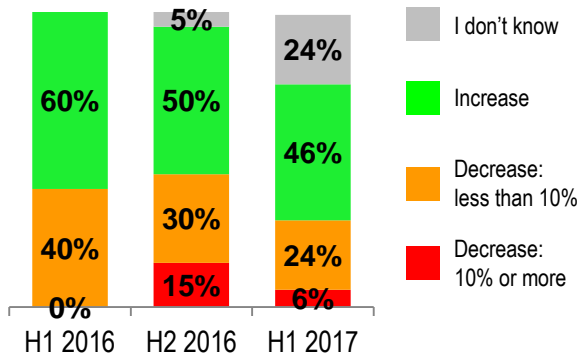


Have you expanded security measures around your exhibitions / your venues in recent months?

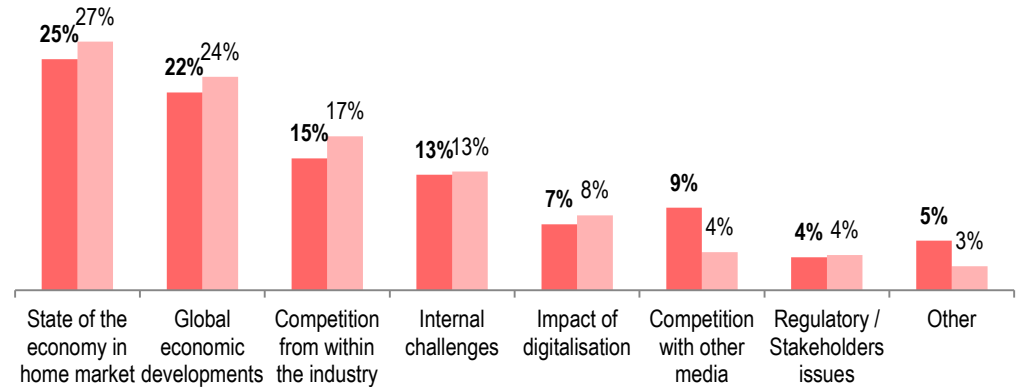


Detailed results for CHINA (23 answers)

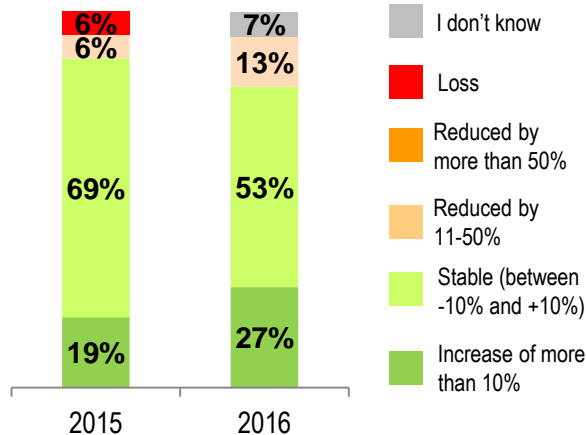
How do you expect your turnover to change when compared to the same period the previous year?



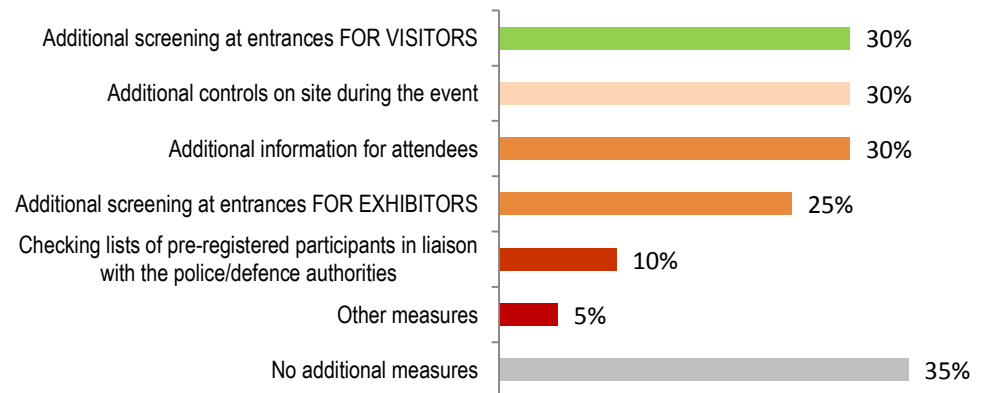
Top issues (: global)



Operating profits compared to the previous year

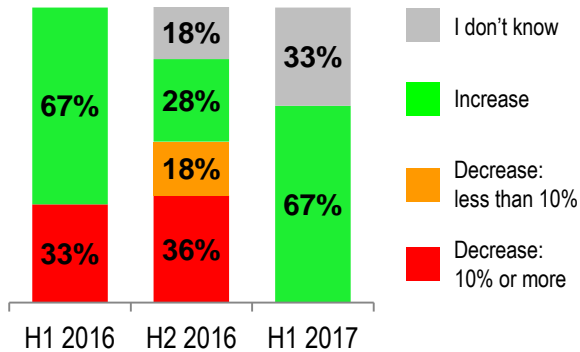


Have you expanded security measures around your exhibitions / your venues in recent months?

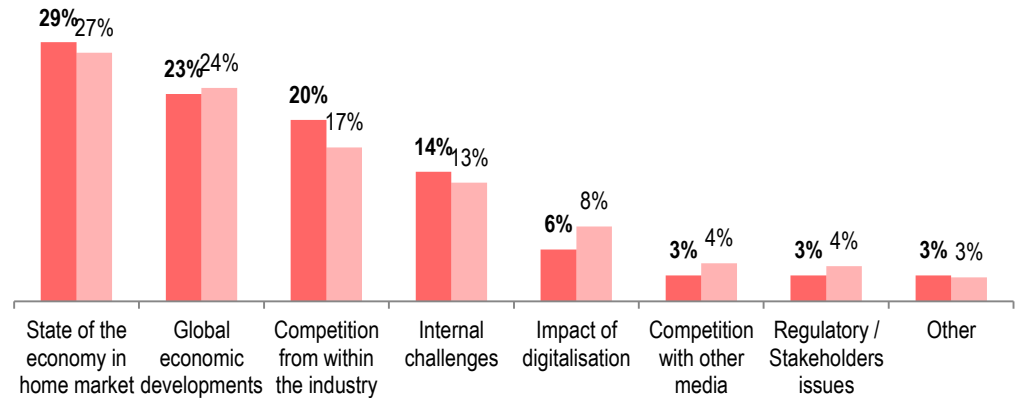


Detailed results for THAILAND (15 answers)

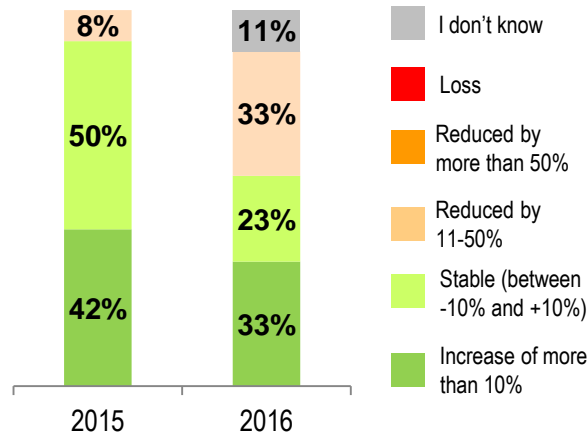
How do you expect your turnover to change when compared to the same period the previous year?



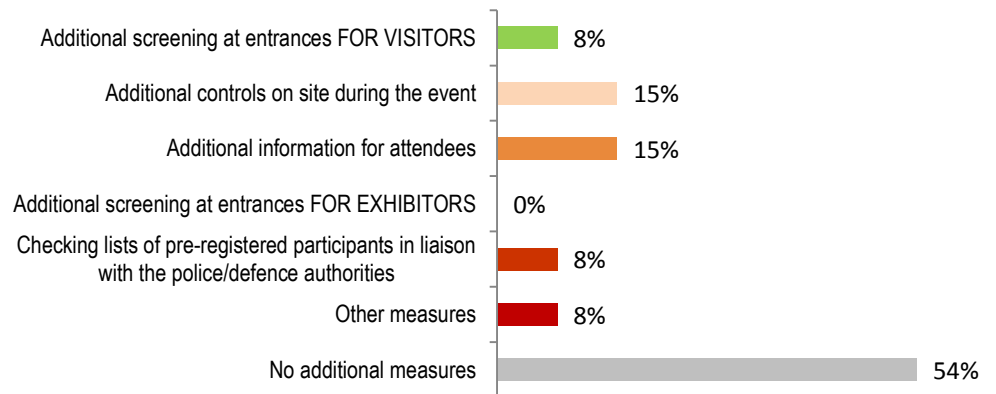
Top issues (: global)



Operating profits compared to the previous year

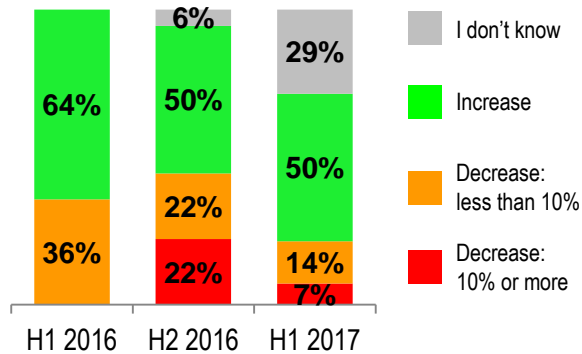


Have you expanded security measures around your exhibitions / your venues in recent months?

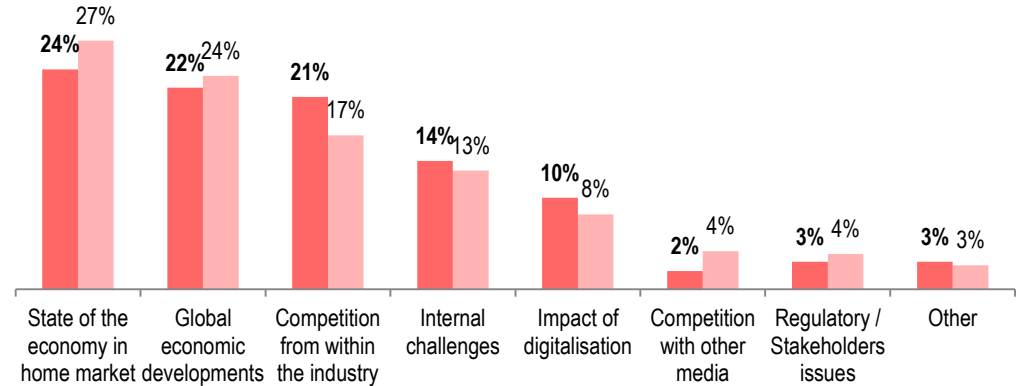


Detailed results for the other countries in Asia/Pacific (23 answers)

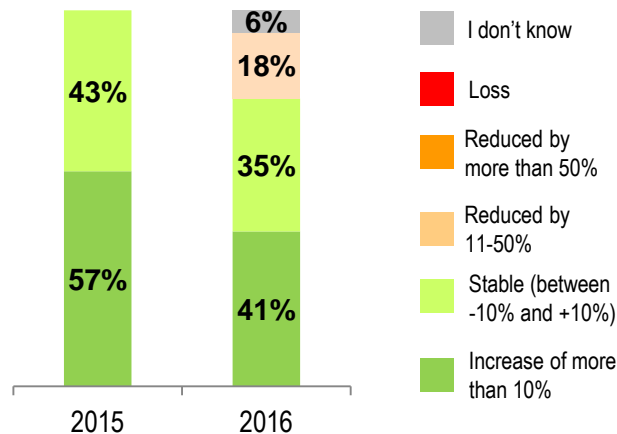
How do you expect your turnover to change when compared to the same period the previous year?



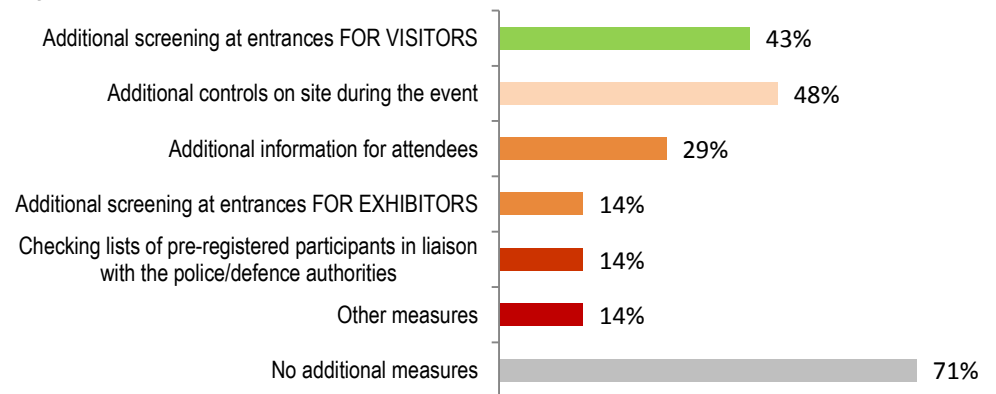
Top issues (: global)



Operating profits compared to the previous year



Have you expanded security measures around your exhibitions / your venues in recent months?



Conclusion

The Global Barometer survey has been measuring the pulse of the exhibition industry since 2008. The 17th survey, conducted in June 2016, was answered by 262 companies from 56 countries. The results are detailed for 16 geographical zones, including 12 major national markets. Survey results reveals a number of key regional trends for the exhibition industry:

- In North America, the outlook is very positive: more than 8 companies out of 10 expect increase in turnover for 2016 and the first half of 2017 and more than 50% of those polled declare an increase of more than 10% in annual profits for 2015 and 2016.
- In Europe, UK - at the time of the survey, before the EU referendum - was expecting to perform in a positive way similar to North America, whereas good perspectives also appeared in several European markets. In Germany however, less than 50% of the survey participants anticipate a growth for the first half of 2017 compared to a cyclically strong 2016. In Turkey, the levels of companies declaring a profit increase of more than 10% decreases sharply between 2015 and 2016. The situation in Russia remains flat.
- In Central and South America, a majority of companies anticipate turnover decreases in 2016, but are more confident for the first half of 2017. Profits there are also expected to rise, with the notable exception of Brazil.
- In Asia as well as in the Middle East and Africa, 3 to 5 companies out of 10 declare an increase of more than 10% in annual profits for 2015 and 2016. The level is lower in China, where 2 to 3 do but 2 to 4 companies out of 10 report uncertainty regarding their turnover for the first half of 2017.

In each region, the most important business issues remain related to the general economic situation with the state of the economy in home market, the global economic development uncertainty, the competition from within the industry, and internal challenges.

Security is also high on the agenda with a large majority of companies declaring having implemented additional measures in the recent months, varying from additional screening for visitors and exhibitors to additional information for attendees, controls on site during the event and also, sometimes, checking the lists of pre-registered participants in liaison with government institutions.

THE NEXT GLOBAL BAROMETER SURVEY WILL BE RUN IN DECEMBER 2016 – PLEASE PARTICIPATE!

Appendix: Number of survey replies per country

Total = 262 (in 56 countries)

<u>North America</u>	<u>32</u>	<u>Europe</u>	<u>94</u>	<u>Middle East</u>	<u>24</u>
Canada	3	Austria	2	Bahrain	1
Mexico	13	Belgium	2	Iran	12
USA	16	Bulgaria	1	Iraq	1
		Czech Republic	1	Lebanon	1
		France	1	Oman	2
		Georgia	1	Qatar	1
<u>Central & South America</u>	<u>23</u>	Germany	17	Saudi Arabia	2
Argentina	4	Greece	1	Tanzania	1
Brazil	11	Hungary	1	United Arab Emirates	3
Chile	2	Italy	10		
Colombia	2	Montenegro	1		
Cuba	1	Netherlands	4		
Ecuador	2	Poland	2	<u>Asia / Pacific</u>	<u>61</u>
El Salvador	1	Portugal	2	Australia	2
		Russian Federation	13	China	23
		Slovenia	1	India	3
		Spain	4	Japan	4
<u>Africa</u>	<u>28</u>	Sweden	4	Malaysia	1
Egypt	1	Switzerland	1	Pakistan	1
Libya	2	Turkey	10	Philippines	1
Mozambique	1	Ukraine	2	Singapore	9
South Africa	23	United Kingdom	11	South Korea	2
Sudan	1	(*)	2	Thailand	15

(*): several countries (regional answer)

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