

Public Events Council Survey Report: Public Events Industry 2012



OVERVIEW BY SECTOR:

Existing Event Expectations

Public event organizers were asked to indicate their **general expectation outcomes** for 2012 events conducted in each of the 22 identified sectors. (Figure 1 below)

In comparing specific industry sectors for existing events from 2011 to 2012, the **Arms-Guns-Knives, Automobile, Aviation, Computer-Electronics, Education-College-Career, Food-Beverage, Miscellaneous** and **Women's** sectors reported 100% of their events met or exceeded expectations.

The **Food-Beverage** sector has consistently reported 100% of their events in this category from 2009 through 2012. Those sectors showing positive momentum by reporting 100% having met or exceeded expectations over the past two years, 2011 and 2012, include **Arms-Guns-Knives, Education-College-Career, Food-Beverage, Miscellaneous** and **Women's**.

Sectors that should be encouraged due to a slight increase in expectations from 2011 to 2012 are **Agriculture-Farm-Ranch, Boating-Marine, Bridal, Craft-Hobby-Woodworking, RV** and **Travel**. Although some sectors reported a slight increase, several including **Agriculture-Farm-Ranch, Business-Franchise-Entrepreneur, Gift-Gem-Jewelry** and **Travel** still fall into the below expectations category reporting 50% or more below expectations.

The **Home-Garden** and **Kids-Family-Lifestyle-Pets** sectors stayed virtually the same from 2011 to 2012, with about three-quarters of their events having met or exceeded expectations.

EXISTING EVENTS COMPARISON; 2009-2012

EXISTING EVENTS INDUSTRY SECTOR	2012 EVENTS	EXPECTATIONS		2011 EVENTS	EXPECTATIONS		2010 EVENTS	EXPECTATIONS		2009 EVENTS	EXPECTATIONS	
		% Met or Exceeded	% Below		% Met or Exceeded	% Below		% Met or Exceeded	% Below		% Met or Exceeded	% Below
Agriculture-Farm-Ranch	2	50%	50%	4	33%	67%	2	100%	0%	13	100%	0%
Antiques-Collectibles	42	59%	45%	14	75%	25%	13	100%	0%	5	0%	100%
Arms-Guns-Knives	2	100%	0%	3	100%	0%	3	0%	100%	0	-	-
Automobile	15	100%	0%	11	62%	38%	3	67%	33%	1	0%	100%
Aviation	1	100%	0%	0	-	-	0	-	-	0	-	-
Boating-Marine	11	57%	43%	18	50%	50%	9	33%	67%	12	0%	100%
Bridal	24	86%	14%	11	75%	25%	2	100%	0%	0	-	-
Business-Franchise-Entrepreneur	2	50%	50%	2	100%	0%	2	100%	0%	0	-	-
Computer-Electronics	1	100%	0%	1	0%	100%	5	50%	50%	1	0%	100%
Craft-Hobby-Woodworking	3	67%	33%	13	60%	40%	2	100%	0%	2	100%	0%
Education-College-Career	2	100%	0%	3	100%	0%	0	-	-	0	-	-
Fairs-Festivals	5	67%	33%	5	100%	0%	2	100%	0%	1	100%	0%
Food-Beverage	16	100%	0%	33	100%	0%	6	100%	0%	3	100%	0%
Gift-Gem-Jewelry	5	50%	50%	3	50%	50%	7	67%	33%	1	100%	0%
Home-Garden	30	73%	27%	14	75%	25%	15	60%	40%	39	80%	20%
Kids-Family-Lifestyle-Pets	10	75%	25%	11	80%	20%	2	50%	50%	7	100%	0%
Miscellaneous*	35	100%	0%	9	100%	0%	25	50%	50%	17	75%	25%
RV	27	87%	13%	17	75%	25%	33	67%	33%	21	0%	100%
Retirement-Senior	0	-	-	0	-	-	0	-	-	0	-	-
Sportsman-Hunting-Outdoors	14	40%	60%	8	100%	0%	14	75%	25%	5	100%	0%
Travel	25	33%	67%	2	0%	100%	13	67%	33%	2	100%	0%
Women's	1	100%	0%	13	100%	0%	3	50%	50%	2	100%	0%
TOTAL	273			195			161			131		

*Miscellaneous events include: Green Industry/Environment; Gay Community; Ski & Snowboard Expo; Health & Fitness; Pop Culture; Construction and Powersports

Figure 1

Some sectors, including **Antiques-Collectibles**, **Business-Franchise-Entrepreneur**, **Fairs-Festivals**, and **Sportsman-Hunting-Outdoors**, showed a drop in meeting or exceeding expectations from 2011 to 2012. The **Antiques-Collectibles** sector performance may have dropped due to more events reporting than in 2011 (42 in 2012 compared to 14 in 2011).

Overall, the results are positive as no sectors reported being 100% below expectations. The **Travel** industry continues to struggle reporting 100% below expectations in 2011 and 67% below expectations for 2012. Although there is slight improvement from 2011, this is the sector with the lowest expectation rating for 2012.

The snapshot this comparison provides for the industry in 2012 shows continued improvement from the benchmark data gathered in 2009. As more events add their data from year to year, the information becomes a more valuable tool

to gauge the strength of the public events industry, sector by sector.

New Launch Expectations

Four of the seven sectors reporting on new launches in 2012 reported 100% performing at or exceeding expectations. Those sectors with positive results include **Bridal**, **Food-Beverage**, **Kids-Family-Lifestyle-Pets** and **Miscellaneous** (Pop Culture Shows). The **RV** sector reports 67% having met or exceeded expectations which bodes well for the industry as credit-reliant industries such as boat shows, auto shows and RV shows are fairly accurate indicators of economic change (positive or negative).

The **Antiques-Collectibles** and **Travel** sectors continue to struggle with 60% and 100% respectively of the newly launched events below expectations.

NEW LAUNCH COMPARISON; 2009-2012

NEW LAUNCHES INDUSTRY SECTOR	2012 Events	EXPECTATIONS		2011 EVENTS	EXPECTATIONS		2010 EVENTS	EXPECTATIONS		2009 EVENTS	EXPECTATIONS	
		% Met or Exceeded	% Below		% Met or Exceeded	% Below		% Met or Exceeded	% Below		% Met or Exceeded	% Below
Agriculture-Farm-Ranch	0	-	-	1	100%	0%	0	-	-	6	50%	50%
Antiques-Collectibles	6	40%	60%	0	-	-	2	100%	0%	1	0%	100%
Arms-Guns-Knives	0	-	-	1	-	-	1	100%	0%	0	-	-
Automobile	0	-	-	1	-	-	0	-	-	0	-	-
Aviation	0	-	-	0	-	-	0	-	-	0	-	-
Boating-Marine	0	-	-	0	-	-	0	-	-	0	-	-
Bridal	2	100%	0%	3	0%	100%	0	-	-	0	-	-
Business-Franchise-Entrepreneur	0	-	-	0	100%	0%	0	-	-	0	-	-
Computer-Electronics	0	-	-	1	100%	0%	0	-	-	0	-	-
Craft-Hobby-Woodworking	0	-	-	0	-	-	2	100%	0%	1	100%	0%
Education-College-Career	0	-	-	0	-	-	1	0%	100%	0	-	-
Fairs-Festivals	0	-	-	0	-	-	0	-	-	0	-	-
Food-Beverage	4	100%	0%	3	0%	100%	0	-	-	1	100%	0%
Gift-Gem-Jewelry	0	-	-	0	-	-	0	-	-	0	-	-
Home-Garden	0	-	-	0	-	-	1	100%	0%	2	100%	0%
Kids-Family-Lifestyle-Pets	2	100%	0%	0	-	-	0	-	-	1	100%	0%
Miscellaneous*	2	100%	0%	2	-	-	11	67%	33%	4	100%	0%
RV	3	67%	33%	2	50%	50%	1	100%	0%	1	0%	100%
Retirement-Senior	0	-	-	0	-	-	0	-	-	0	-	-
Sportsman-Hunting-Outdoors	0	-	-	1	100%	0%	3	100%	0%	0	-	-
Travel	2	0%	100%	0	-	-	0	-	-	0	-	-
Women's	0	-	-	0	-	-	0	-	-	1	0%	100%
TOTAL	21			15			22			16		

*Miscellaneous events include: Pop Culture

Figure 2

2012 EVENT REVENUE, EXHIBIT SPACE SALES (NSF) and ATTENDANCE

Public event organizers were asked if their event **Revenue, Exhibit Space Sales (NSF)** and **Attendance** for their most profitable event in 2012 was better, nearly the same or worse as compared to 2011.

Since the benchmark report of 2009, **Revenue** and **Attendance** results have been stable and growing incrementally and consistently. **NSF**

results are holding steady with 2011 benchmarks, and are not backsliding to 2009 results when only 8% reported better, 31% nearly the same and a 54% reported worse results than the previous year. The comparative data in the charts below details movement in the revenue, attendance and NSF categories from 2009 through 2012.

Revenue in 2012 continued positive growth with 90% reporting better or nearly the same results as in 2011. The comparative data in the chart details the incremental improvement since the baseline 2009 data.

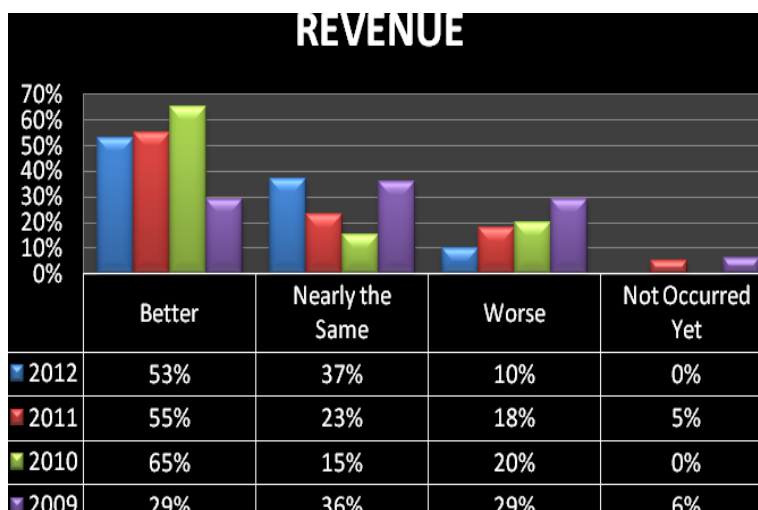


Figure 3

Figures 3a and 3b show by what percentage increment 2012 **Revenue** was better or worse than in 2011.

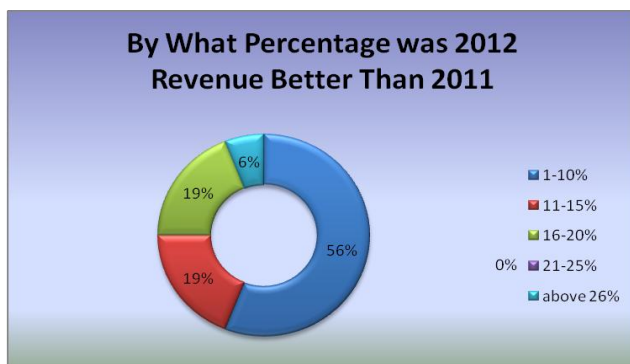


Figure 3a

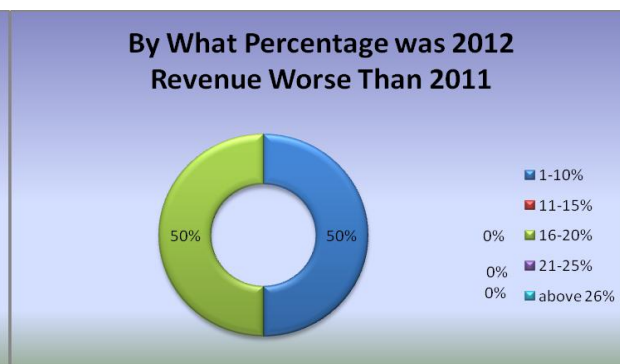


Figure 3b

Attendance in 2012 was virtually the same as in 2011. Eighty-one percent reported better or nearly the same attendance, while 19% reported worse.

The comparative data shows a little back and forth between better and nearly the same data but all in all this is a very stable result.

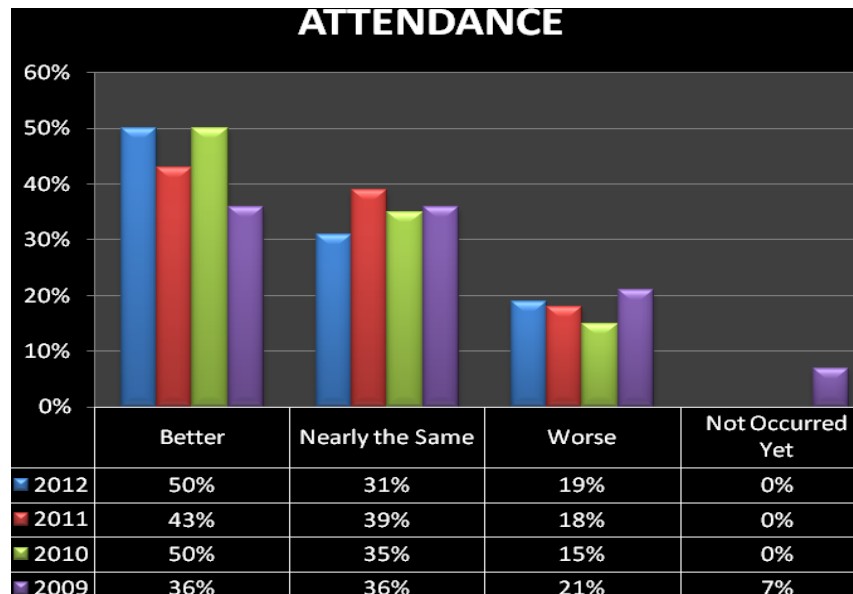


Figure 4

As **attendance** is one indicator of recovery, stable results in this category are encouraging. In response to the survey question, *What are the Most Important Issues Facing Public Events?*, several respondents reported maintaining/increasing attendance as one of the issues. Other attendance-

related issues included maintaining/boosting “gate,” aging of attendees, attracting a younger audience and changes in the traditional attendee show-going behavior. The full results for the important issues question are further detailed later in this report.

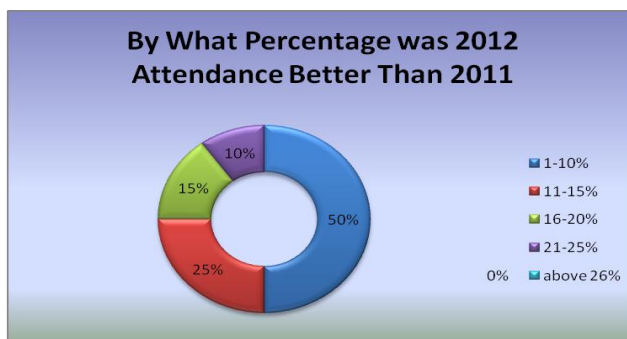


Figure 4a

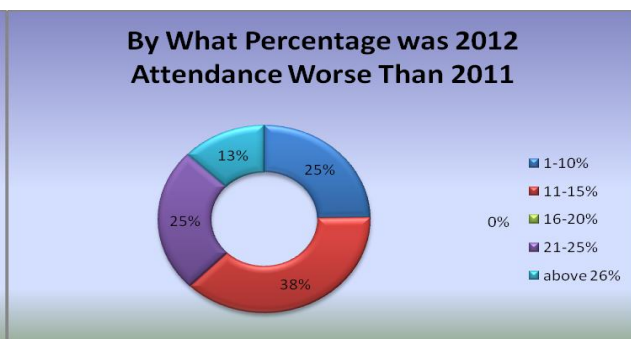
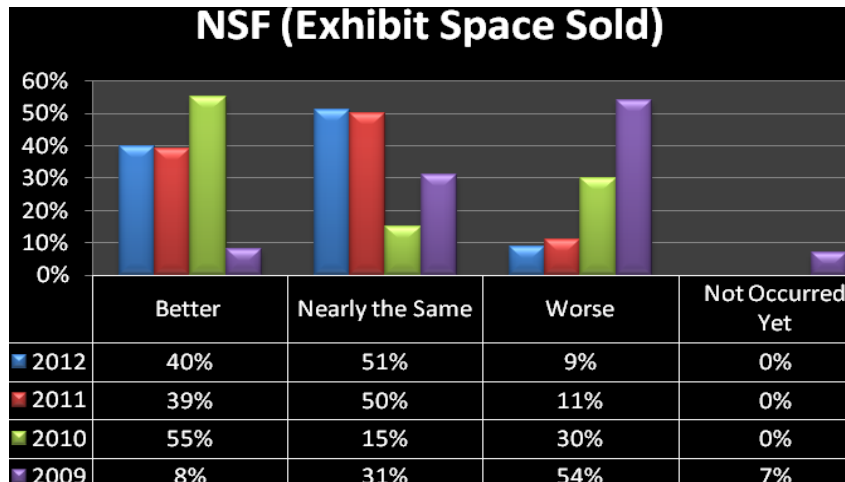


Figure 4b

In figures 4a and 4b, three-quarters of the respondents report better **attendance** results when combining the 1-10% and 11-15% categories. It is a little troubling, however, that for those reporting

worse results, 38% report worse attendance when combining categories above 21%. *This statistic supports that some events are still struggling to retain their attendees from year to year.*



NSF in 2012 stayed positive with small increases in the Better and Nearly the Same categories and a 2% decrease in the Worse category. When comparing data from 2012 to the baseline data gathered in 2009, there has been a substantial reversal.

Figure 5

It is important to note that when respondents were asked what are the three most important issues facing public events; exhibitor sales, booth sales, re-signing current/former vendors, selling exhibit space and exhibitor base growth

were all identified as exhibiting/exhibitor-related issues. The full results for the important issues question are further detailed later in this report.

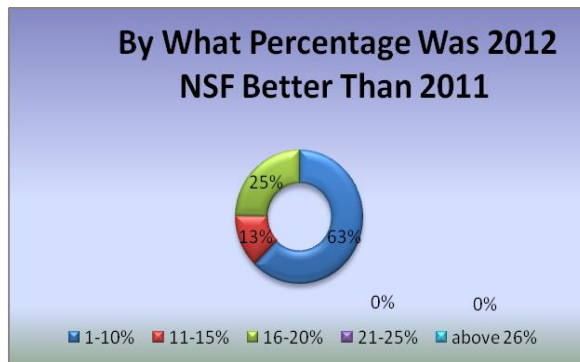


Figure 5a



Figure 5b

Figures 5a and 5b illustrate by what percentage increment 2012 **Exhibit Space Sales** were better or worse than in 2011. As shown in Figure 5b, 20% of those reporting worse results fell in the above 26% worse category. In 2011, 33% of respondents reported **Exhibit Space Sales** at 21-25% worse than in 2010 and it was noted then

that this would be an important statistic to monitor in 2012. So although in the comparative chart above (figure 5) there has been a substantial reversal when looking at the big picture, there are still challenges for those events reporting worse results.

EXHIBITORS SECURING EXHIBIT SPACE

One area that has been troublesome since the initial report in 2009 is that exhibitors continue to wait longer in the process to **commit to exhibit space**. This downward trend over the past few years could reflect negatively on the stability of an event, causing angst for the organizer as potential attendees may choose not to attend.

There was some improvement noted in 2010, but 2011 dropped back close to the 2009 reported results. Improvement has been made in 2012 with 47% of organizers reporting no noticeable difference and 53% reporting somewhat to substantially longer. This is a vast improvement from 2009 when 93% reported exhibitors waiting somewhat to substantially longer. The chart below details movement from 2009 through 2012.

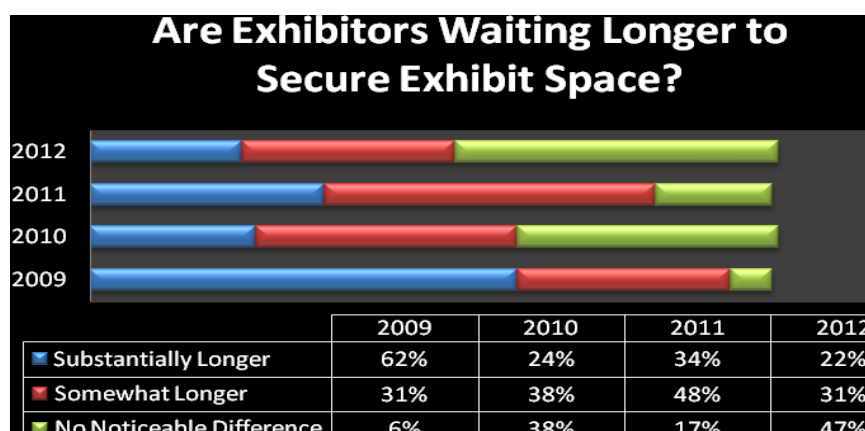


Figure 6

EVENT CANCELLATIONS AND WORKFORCE REDUCTIONS

In 2009, 50% of organizers submitting survey data **cancelled events due to economic circumstances** and nearly three-quarters had no plans to reschedule. In 2010 a huge turnaround was realized with only 5% **cancelling events** for that reason. Fourteen percent **cancelled events** in 2011, and while that reflected a slight

increase from 2010, it was still a substantial improvement from 2009.

2012 results are more reflective of 2010 results with only 6% **cancelling events due to economic circumstances**.

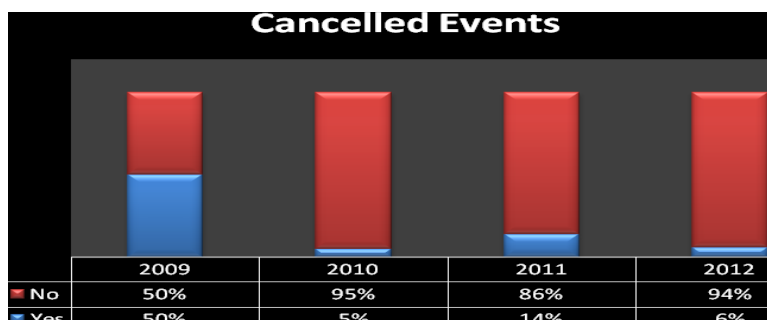


Figure 7

100%

...of survey respondents who cancelled events in 2010, 2011 and 2012 have plans to reschedule them.

Workforce Reduction results (laying off employees) continue to move in a positive direction, diminishing from 44% in the baseline year of 2009, to 29% in 2010, 14% in 2011 and for 2012 only 5%. Of those who did layoff employees, 100% of all **workforce reductions** were between 1-10%. This result combined with the low percentage of **cancelled events** indicates the industry is building confidence as the economy moves toward recovery.

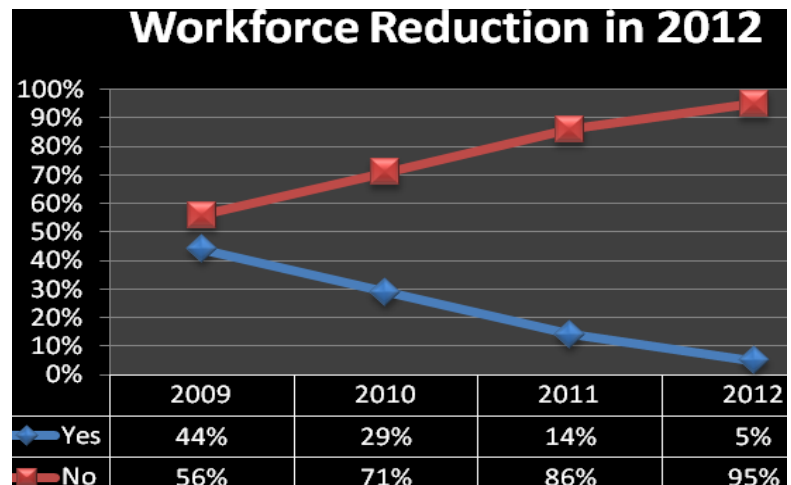


Figure 8

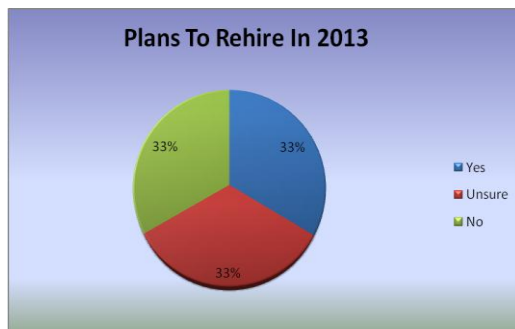


Figure 9

When asked if they would consider **rehiring laid off employees** in 2013, the results were split evenly (33% each) between Yes, Unsure and No; this same result was reported last year and is a notable improvement when compared to data from the 2009 and 2010 reports. In 2009 and 2010 respectively, 83% and 100% of survey respondents were Unsure or Not Planning to **rehire laid off workers** in the subsequent year.

LOOKING TO THE FUTURE

Organizers were asked in general, and based on 2012 events, about their **attitude toward 2013**.

Similar results to 2011 were reported in 2012 with 68% reporting Very Optimistic/Optimistic, 27% Unsure and 5% Pessimistic. Pessimistic and Very Pessimistic responses from 2009 through 2012 have been, and remain, in the single digits.

This continued positive result reinforces earlier reported category results pointing to a return to confidence in the industry and the economy.

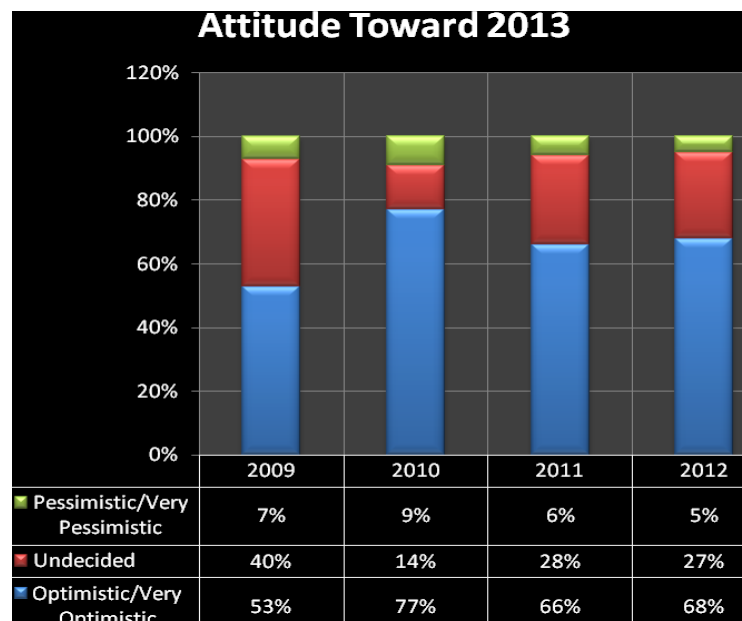


Figure 10

When asked about **plans to launch new events** in 2013, 27% of the respondents chose Yes while 30% were Unsure. Forty-three percent have No plans to launch new events in 2013. The 2012 results are consistent with 2009 and 2011 survey results. 2010 was much more optimistic with 60% of the respondents planning to launch new events in the subsequent year. It is evident that the organizers responding to the survey would like to see more positive results for their existing event(s) before committing to launch new events.

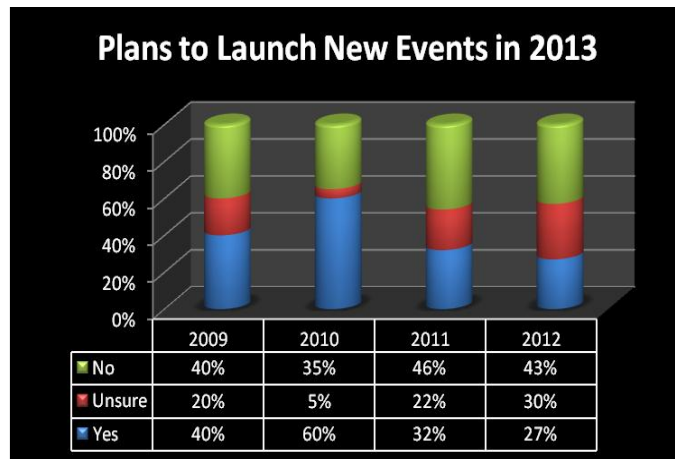


Figure 11

Based on the survey responses, **expectations for sponsorship revenue** in 2013 are likely to improve slightly or stay nearly the same as in 2012. Although those reporting Better results decreased to 22% in 2012 from 32% in 2011,

when combined with Nearly the Same results, the numbers are virtually identical. This response has been very steady across the 2010, 2011 and 2012 reports.

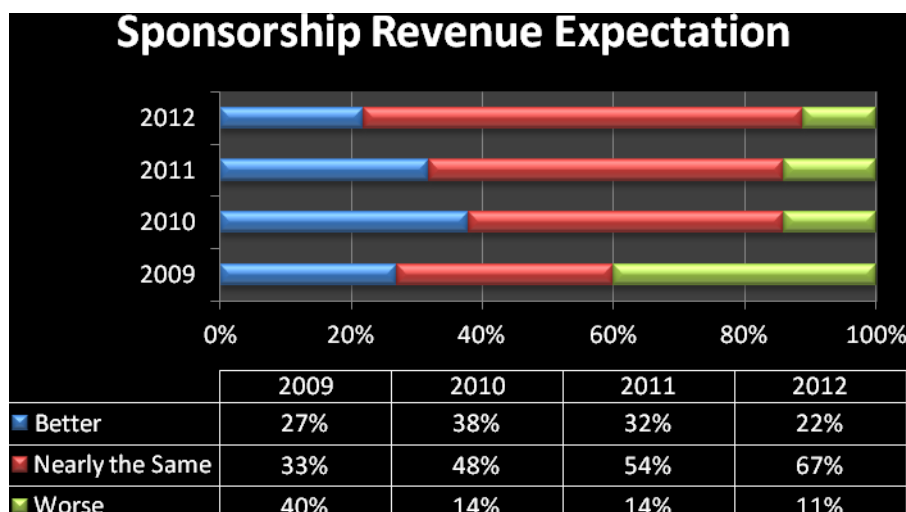


Figure 12

SIGNS OF RECOVERY MOVING INTO 2013

Public event organizers were asked if they were **seeing signs of recovery** as 2013 approaches. As shown in Figure 13, three sectors, **Travel, Boating/Marine and Auto** responded 100% seeing signs of recovery. The **RV and**

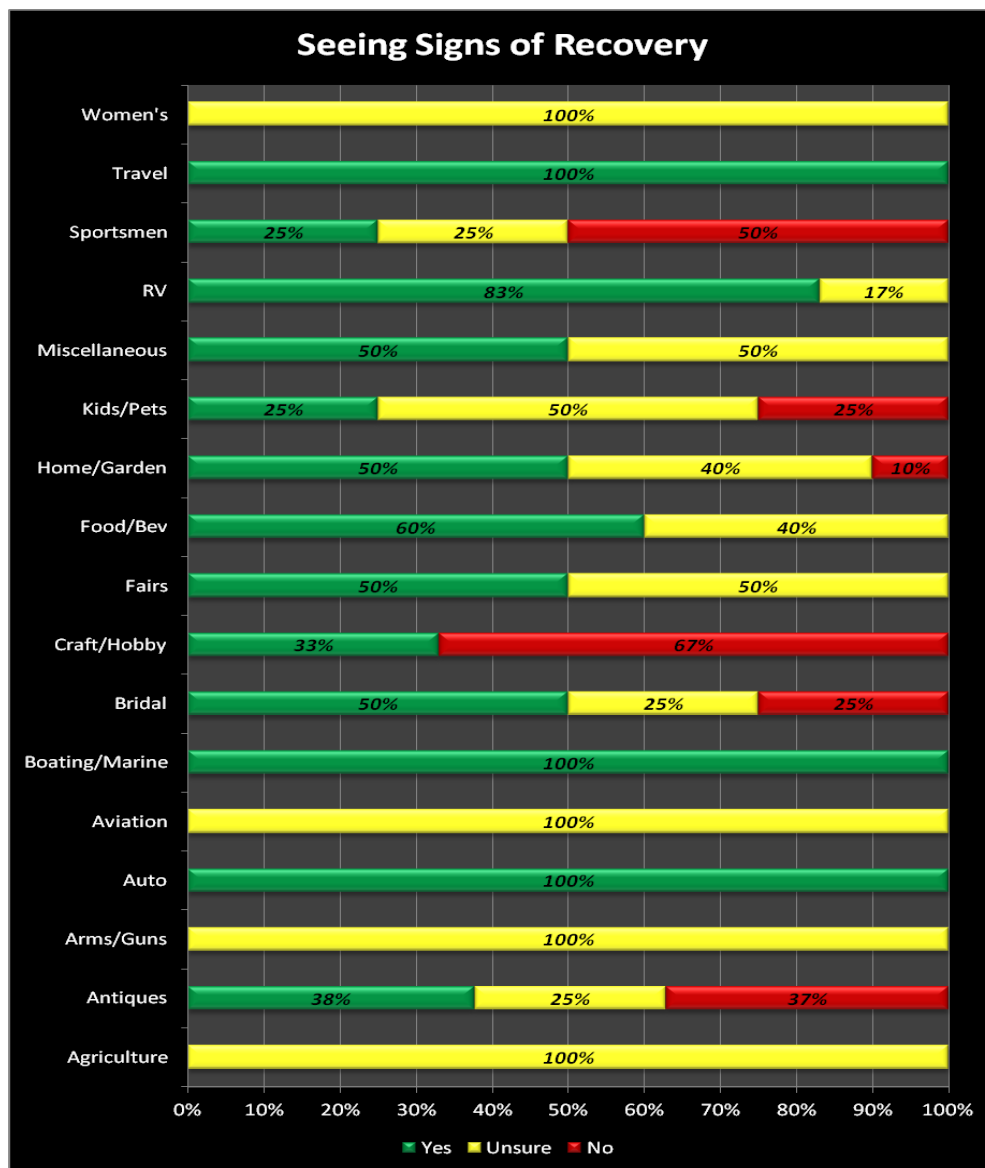
Food/Beverage sectors, at 83% and 60% respectively, report seeing signs of recovery. It is interesting to note that the **Travel** sector in the 2011 report was one of three sectors reporting 100% not seeing signs of recovery.

The **Women's, Aviation Arms/Guns and Agriculture** sectors are 100% unsure about seeing signs of recovery for 2013.

In the 2011 report, reporting on signs of recovery moving into 2012, three sectors, **Travel, Education and Computer/Electronics** were not seeing signs of recovery. In this report, asking organizers about seeing signs of recovery moving into 2013, zero sectors were 100% not seeing signs of recovery and, only one, the

Craft/Hobby industry at 67% was above 50% not seeing signs of recovery.

In 2009, the sectors that were struggling were the credit dependent industries such as **Automobile, Boating/Marine and Computer/Electronics**. In 2012, positive results for the **Travel, RV, Boating/Marine and Auto** sectors are encouraging as success in many of those credit-reliant industries are indicators of economic recovery.



Overall results are very encouraging; when looking at Figure 13, there is very little red indicating not seeing signs of recovery. The green and yellow areas are fairly balanced showing both seeing signs of recovery and unsure.

Figure 13

THE TOP ISSUES FACING THE INDUSTRY TODAY

The **top issues** identified in the 2012 survey:

1. Venue-related Issues: High cost of facility rental, shortage of mid-sized show space in NYC, venue quality, venue availability, increased rental costs and reimbursable expenses from facilities, venue restrictions, increased facility fees and lease costs, lack of exhibition venue infrastructure in India, and the inability to grow events due to convention facility size.

2. Event-related:

Costs: Tight advertising/marketing budgets, identifying quality speakers within the event budget, high fuel prices related to transport of exhibitor goods, high union labor rates and high general service contractor rates.

Issues: Exhibitor/booth sales, technology/social media, aging attendees, launching new shows, securing sponsors, increasing attendance, competition, identifying quality speakers, re-signing current/former vendors and financial health of the leisure and recreation industry.

3. Government Regulations: A few respondents noted an increase in the number of government regulations, taxes or fees imposed on events. This topic has been on IAEE's radar since 2010 and was addressed as a supplemental topic to the survey which supplied data for this report. Results on taxes, fees and restrictions gathered through the survey are posted on the IAEE website under Public Events Resources.

http://www.iaee.com/resources/public-eventresources/current_issues_facing_public_event_organizers

4. Big Picture Political/Government-related: National debt, higher taxes, buying down in an election year, escalating costs/taxation issues, change in government and national politics were all identified as political and government situations that affected the events industry in 2012.

5. Economy: Several respondents commented on the general U.S. economy as well as the tenuous nature of the world economy. The economy most likely contributes to many of the other areas identified as top issues.

IN CONCLUSION...

The **economy** continues to contribute to most of the important issues facing the industry today. **Government regulations** and **big picture political and government-related issues** were addressed more than in the previous reports, 2009-2011, and is most likely related to 2012 being an election year. The overall health of the industry is positive based on slight growth in **Revenue** and **NSF** results and steady **attendance** results for 2012.

Existing event expectations continue to grow from the baseline data submitted in 2009.

Although some **new launches** reported in at below expectations, the good news is that four of the seven sectors reporting on **new launches** reported 100% performing at or exceeding expectations. Success for newly launched events will be a key factor in recovery for the industry moving forward.

Organizers are still cautious when it comes to **launching new events** and **sponsorship revenue expectations** look to remain the same (only 6%) or improve slightly. Positive movement in **event cancellations** and

workforce reductions (only 5%) show the industry is building confidence as the economy moves toward recovery.

When looking at the **signs of recovery** moving into 2013, results are very encouraging with no sectors reporting 100% not seeing signs of recovery. Three sectors were 100% unsure about seeing signs of recovery and three sectors were 100% seeing signs of recovery. Overall, those sectors reporting positive signs of recovery: the **Travel, RV, Boating/Marine and**

Auto sectors are industries that are indicators of economic recovery.

There is marked improvement in some of the areas in the 2012 report and many areas report steady or slightly improved results. Those credit-reliant industry sectors seem to be responding well and growing as the economy recovers, but most likely the smaller business and niche sectors will continue to struggle until a full economic recovery is realized.



Professional Show Managers Association

Where the BEST Trade & Consumer shows are!

The IAEE Public Events Council recognizes and thanks the Professional Show Managers Association (PSMA) for supporting the industry report in providing a survey link to their membership. The additional data gathered makes the report a more valuable tool across the public events industry.

Methodology: The data for this report was obtained through an IAEE Public Events Council Survey sent to 528 public event producers. Of those producers, 46 responded **reporting on 294 existing and newly launched events in 2012.**



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