

UFI's Global Barometer reveals huge opportunities, regional challenges for the exhibition industry in 2016

- Turnover and profits expected to rise globally on average
- Hiring 'Millennials' puts pressure on HR acquisition costs globally
- Expanded survey scope now delivers detailed insights for twelve global core markets

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UFI – the Global Association of the Exhibition Industry released the results of its “Global Barometer” survey today, showing that, on average, the exhibition industry is expecting growth in turnover and profitability in 2016. However, whereas some markets will enjoy significant growth, others expect to struggle with shrinking businesses. Every third company surveyed also reports higher costs to find, hire, and replace young, talented staff, the so called ‘Millennials’.

The flagship industry survey, conducted in December 2015, includes data from 240 companies in 58 countries. In the new, expanded format of the report, its results are detailed for twelve global core markets of the industry, including the following eight major national markets: Brazil, China, Germany, Italy, Mexico, Russia, South Africa, and the US.

Overall, the results indicate positive turnover expectations in 2016 for a large majority of companies in North America and Europe, with the exception of Russia. In Asia/Pacific, Middle East and Africa the situations remains generally positive but with a certain level of uncertainty. In Central and South America half of the surveyed companies are expecting decreases of turnover, but an improvement is expected in Brazil for the second half of 2016.

In terms of operating profits, around 3 to 4 companies out of 10 on average, have declared an increase of more than 10% in their annual profits for 2015; the US and the Middle East outperform these results, but lower levels are identified in Brazil and Russia.

The most important business issues continue to be related to the general economic situation. The ‘state of the economy’ in the respective home market, and uncertainty about ‘global economic development’ have consistently been selected as among the most important business issues for the last five years. ‘Competition from within the industry’ and ‘Internal challenges’ also rank highly. Of growing global importance is the ‘impact of digitalisation’, being rated fifth globally, and fourth in Europe.

In terms of strategy, a large majority of companies intend to develop new activities, in either the classic range of exhibition industry activities (venue/organizer/services), or in live events or virtual events, or in both: 75% in the Middle East & Africa, 86% in Asia/Pacific, 87% in Europe and 93% in the Americas. In terms of geographical expansion, only one to two of the surveyed companies out of 10 on average, in all regions, declared an intention to develop operations in new countries.

As a new feature, the UFI Global Barometer now also tracks crucial strategic developments in the industry beyond economic performance. To start with, the survey asked whether companies are seeing higher HR acquisition costs due to increasing turnover among young staff. Every third company surveyed globally has reported higher acquisition costs, with the highest share coming from Asia/Pacific region (55%), and the lowest reported in Europe (14%).

Kai Hattendorf, UFI Managing Director, concludes: “Despite limited global economy growth prospects, the exhibition industry appears dynamic and confident for 2016, with turnover increases expected in most regions and new activities planned for most companies. At the same time, as an industry we have to make sure to be visible and attractive for young, talented staff – the growing costs of hiring talent shows that we will have to work at it.”

He adds: “We are very pleased to have been able to expand the scope of the results for the UFI Global Barometer to include detailed findings from Brazil and Mexico. Thank you to our association partners AMPROFEC and UBRAFE for their support.”

Full results of the 16th Global Barometer Survey can be freely downloaded at www.ufi.org/research. The next UFI Global Barometer Survey will be conducted in June 2016.

About UFI - The Global Association of the Exhibition Industry

UFI is the leading global association of the world's tradeshow organisers and exhibition centre operators, as well as the major national and international exhibition associations, and selected partners of the exhibition industry. UFI's main goal is to represent, promote and support the business interests of its members and the exhibition industry. UFI represents over 684 member organisations in 83 countries around the world.

Over 900 international trade fairs proudly bear the UFI approved label, a quality guarantee for visitors and exhibitors alike. UFI members continue to provide the international business community with a unique marketing media aimed at developing outstanding face-to-face business opportunities.

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