

UFI Global Barometer shows global impact of COVID-19 pandemic

- After monthly activities dropped sharply everywhere in the world, the industry is gradually starting up again
- Revenues for 2020 are expected to represent 39% of 2019 revenues
- Every second company has increased investments related to digitalisation, but 44% of companies have stopped all investments
- A large majority of the industry is confident that COVID-19 confirms the value of face-to-face events, and that the sector will come back quickly
- Research delivers dedicated profiles for 25 markets and regions

Paris – 16 July 2020: UFI, the Global Association of the Exhibition Industry, has released the latest edition of its flagship Global Barometer research, which takes the pulse of the industry.

The report highlights the severe impact of the COVID-19 pandemic on the exhibition industry worldwide.

Globally, 85% of companies declared their overall level of activity was “normal” in January. This quickly dropped to 15% in March, to reach between 5% and 6% in April, May and June. For both April and May, 73% of companies worldwide declared “no activity”.

With a majority of companies expecting “local” and “national” exhibitions to open again during the second half of 2020, the level of activity is expected to slowly increase, and two companies out of three project at least a “reduced” level of activity in the last quarter of 2020. In all regions, a majority of companies believe that exhibitions with an international scope will not open until 2021.

Globally, revenues for the first half of 2020 dropped by two thirds on average, compared with the same period last year. Looking at 2020 as a whole, it is currently expected that globally revenues will represent only 39% of those of 2019.

In terms of profits, a strong level of performance was reached in 2019, with 45% of companies declaring an increase of more than 10% for 2019 when compared to 2018. The sharp drop in revenues that occurred in 2020 has led to a loss for 39% of companies, and only 7% of companies currently expect a stable or increased profit for 2020.

44% of companies that participated in the research have stopped all of their investments. At the same time, 50% of companies are increasing their investments in digitalisation programmes. By comparison, investments have decreased or been stopped for 55% of companies in programmes related to diversity, and 54% in those related to sustainability.

The survey also tackles possible driving trends for the format of exhibitions in the coming years. Global results indicate that 57% are confident that “COVID-19 confirms the value of face-to-face events”, anticipating that the sector will bounce back quickly, whereas 31% are “not sure” and 12% are “not sure at all” or “disagree completely”.

“On the back of an exceptional year in 2019, we are now seeing an unprecedented drop in revenues around the world. While the industry remains confident that it will bounce back, everyone is aware that this crisis will lead to major changes in the way exhibitions are produced, especially with a push towards more digital elements before, during, and between events,” says Kai Hattendorf, UFI Managing Director and CEO.

Size and scope

This latest edition of UFI's bi-annual industry survey was concluded in June 2020 and includes data from a record 459 companies in 62 countries and regions.

The study delivers outlooks and analysis for 20 countries and regions: Argentina, Australia, Brazil, China, Colombia, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, South Africa, Singapore, South Korea, Spain, Thailand, the UAE, the UK and the US. In addition, it analyses five aggregated regional zones.

"We sincerely thank all companies who took part in this study, as its results provide strong insights, for 25 markets and regions, to several key questions raised in relation to the crisis," says Christian Druart, UFI Research Manager.

Operations in 2020 – reopening exhibitions

Each region follows the level of operations indicated above for the world, with two notable differences:

- The Asia-Pacific region first faced a drop in activity: only 73% of companies declared a "normal" level in January compared to a minimum of 85% in all other regions; in February, the level had already dropped to 45% in the Asia-Pacific region.
- The Middle East & Africa, and to some extent Central and South America, appear less confident as to the return to a "normal" level of activity than in other regions. In both those regions, a majority of companies expect that "national" exhibitions won't open until 2021.

Turnover – operating profits

In addition to the global results indicated above, regional results indicate that:

- The revenue drop for all of 2020 is expected to be slightly higher in the Middle East & Africa and Central and South America (respectively only 31% and 33% of last year's revenue) than in the Asia-Pacific region (39%) or Europe and North America (44% for both)
- In terms of profits, the percentage of companies expecting a loss for 2020 varies from 34% in the Asia-Pacific region to 48% in the Middle East & Africa, and around four companies out of ten in all other regions.

Cost reductions – public financial support – investments

Overall, 87% of companies applied cost reductions, and of more than 50% of overall costs for 17% of them. A majority of companies did not get any public financial support. At the same time, 44% did, and for a majority of those, it related to less than 10% of their costs.

The short-term investments required to comply with COVID-19 (likely) protocols and guidelines appear unknown at this point in time for one company out of three in general. For one company out of four, they will represent more than 10% of their overall costs.

Generally speaking, all 2020 investments are stopped for 44% of companies throughout the world, and they will decrease for another 32% of companies. All those proportions apply to most regions, with a few significant differences:

- Financial public support is less frequent in the Middle East & Africa and in North America, where only respectively 31% and 38% benefitted from some.
- 60% of companies have stopped all their investments in Central and South America.

Impact of COVID-19 on specific programmes

Results indicate that, on average, companies consider that the transition of the exhibition industry is more than halfway for digitalisation (2.9 on a scale of 1-5), diversity (2.9) and sustainability (2.8). It can be noticed that those ratings do not vary much from one region to another.

Out of the three areas, digitalisation programmes are those where COVID-19 had the most impact (“strong” or “significant” for 60% of companies). Globally, every second company has increased their investments in that area. By comparison, investments have decreased or been stopped for 55% of companies in their programmes related to diversity, and 54% for those related to sustainability.

Around one company out of two indicates that public investments are “essential and necessary for most of the investments” required towards digitalisation (50% of companies) and sustainability (46%), and “necessary for a significant share” towards diversity (49%).

Most important business issues

“Impact of COVID-19 pandemic on the business” is considered as the most important business issue (27% of combined answers). Also, for the first time, “Impact of digitalisation” (10% of answers) joins the “State of the economy in home market” (21%) and “Global economic developments” (18%) in the top priorities. “Internal challenges” and “Competition from within the industry”, always in the top four most important business issues, are ranked below for this survey, with respectively 7% (15% six months ago) and 5% of answers (20% six months ago).

It can be noticed that “State of the economy in home market” is ranked as the top issue in Central and South America, and the Middle East & Africa.

Format of exhibitions in the coming years

About possible driving trends, global results indicate that:

- 57% are confident that “COVID-19 confirms the value of face-to-face events” anticipating that the sector will bounce back quickly (19% “Yes, for sure” and 38% “Most probably”), but 31% are “Not sure”.
- 56% believe that there will be “Less international ‘physical’ exhibitions, and overall, less participants” (13% “Yes, for sure” and 44% “Most probably”), and 25% are “Not sure”.
- 82% of companies consider that there is “A push towards hybrid events, more digital elements at events” (30% “Yes, for sure” and 52% “Most probably”).
- A minority of 17% agrees with “Virtual events replacing physical events” (3% “Yes, for sure” and 14% “Most probably”), and 20% are “Not sure”.

There is one significant regional differentiation:

- “Virtual events replacing physical events”, with stronger and opposing views – from Europe, where 80% of companies disagree, and from North America, where “only” 50% do.

Background

The 25th Global Barometer survey, conducted in June 2020, provides insights from 459 companies in 62 countries and regions. It was conducted in collaboration with 17 UFI Member Associations: AAXO (The Association of African Exhibition Organisers) and EXSA (Exhibition and Event Association of Southern Africa) in South Africa, AEO (Association of Event Organisers) in the UK, AFE (Spanish Trade Fairs Association) in Spain, AFIDA (Asociación Internacional de Ferias de América) representing Central and South America, AKEI (The Association of Korean Exhibition Industry) in South Korea, AMPROFEC (Asociación Mexicana de Profesionales de Ferias y Exposiciones y Convenciones) in Mexico, EEAA (The Exhibition and Event Association of Australasia) in Australia, IECA (Indonesia Exhibition Companies Association) in Indonesia, IEIA (Indian Exhibition Industry Association) in India, JEXA (Japan Exhibition Association) in Japan, MFTA (Macau Fair Trade Association) in Macau, RUEF (The Russian Union of Exhibitions and Fairs) in Russia, SECB (Singapore Exhibition & Convention Bureau) in Singapore, SISO (Society of Independent Show Organizers) in the US, TEA (Thai Exhibition Association) in Thailand and UBRAFE (União Brasileira dos Promotores Feiras) in Brazil.

In line with UFI's objective to provide vital data and best practices to the entire exhibition industry, the full results can be downloaded at www.ufi.org/research.

The next UFI Global Barometer survey will be conducted in December 2020.

Attachments:

- [Cover of the 25th edition of the UFI Global Barometer report](#)
- [Infographic relating to the top business issues](#)

About UFI – The Global Association of the Exhibition Industry: UFI is the global trade 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 directly represents more than 50,000 exhibition industry employees globally, and also works closely with its 60 national and regional association members. More than 800 member organisations in 88 countries around the world are presently signed up as members. Around 1,000 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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