



EXCELLENCE IN  
CONVENTION CENTRE  
MANAGEMENT

# AIPC@MaReSz Hungary

A Global Perspective

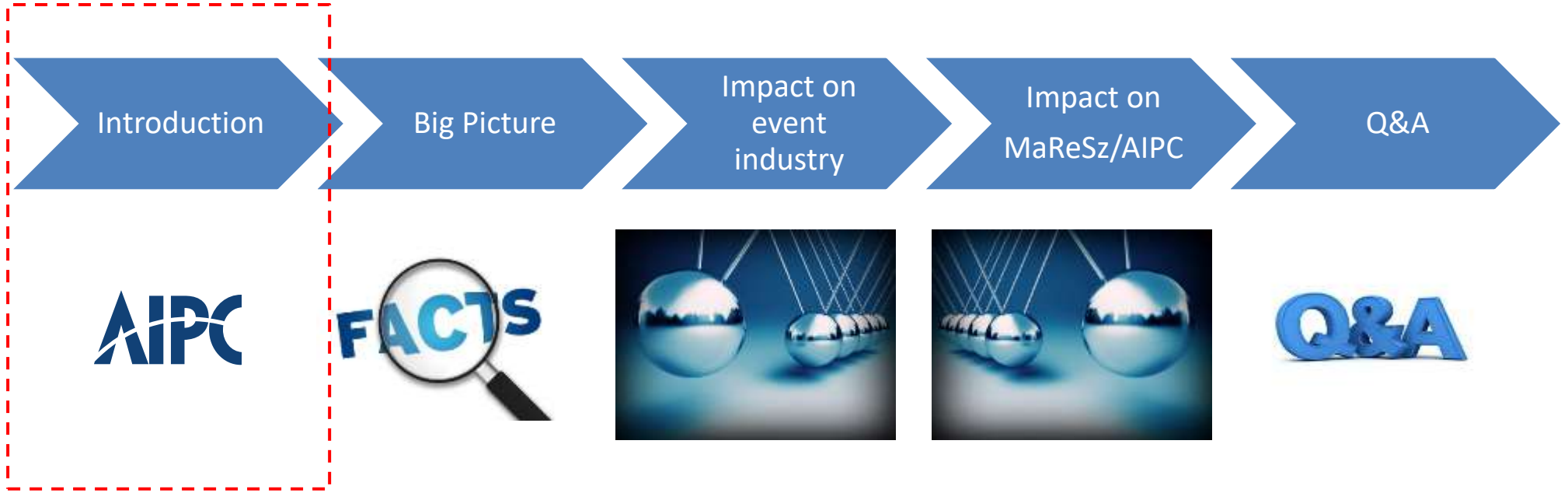


# AIPC Global Perspective | Agenda



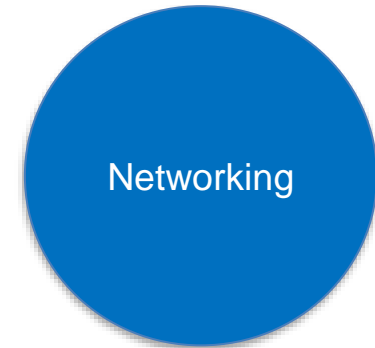
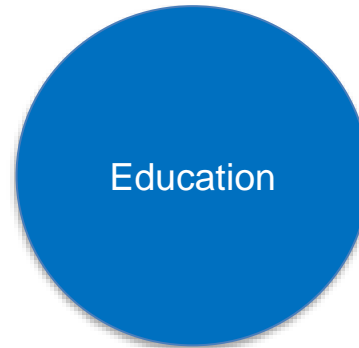


# AIPC Global Perspective | Agenda



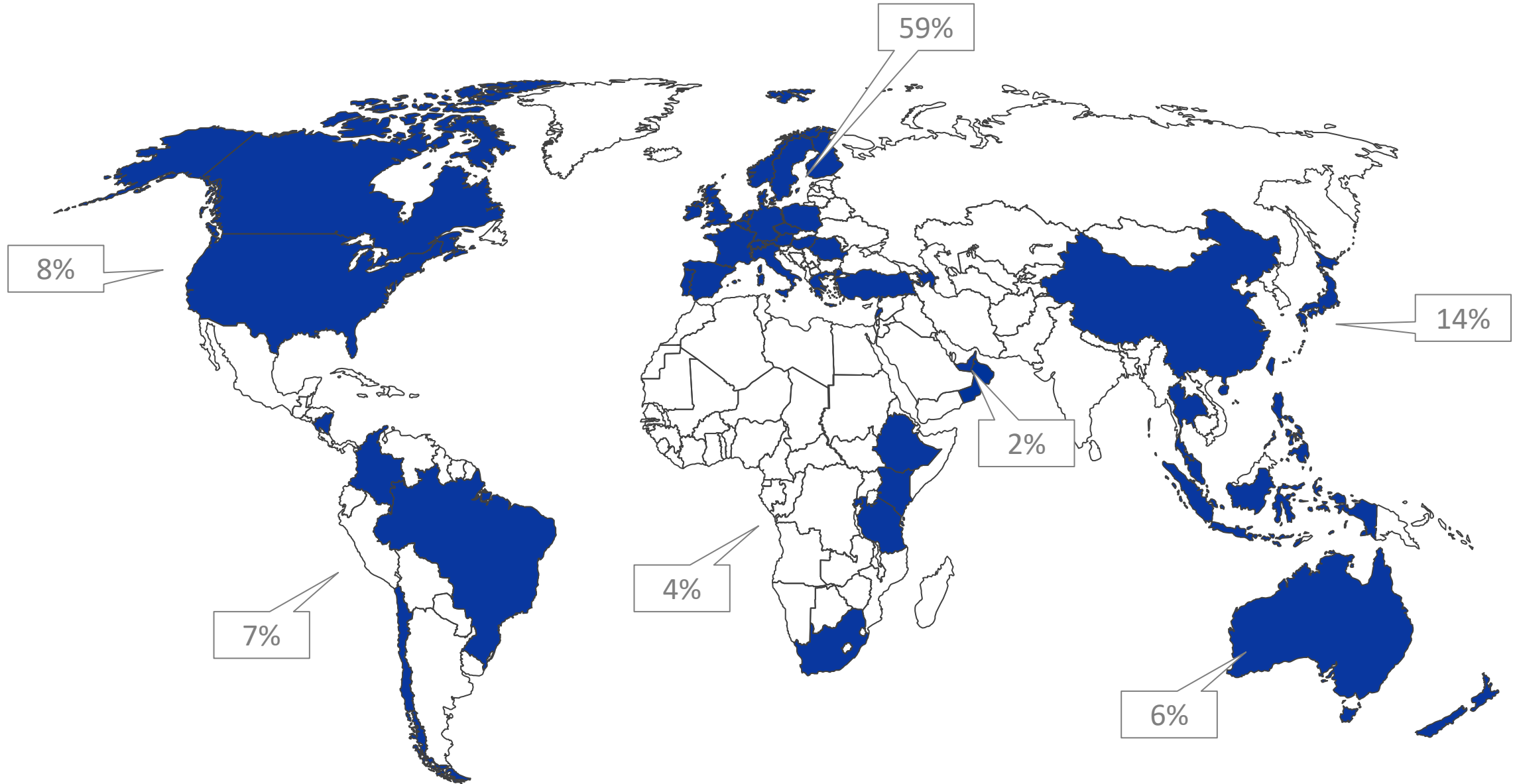


Encourage, support and recognize excellence in  
convention center management





# AIPC | 2023 Membership





# AIPC | Structure

## Members

## General Assembly

## Board of Directors



Greg O'Dell  
OVG360



Taubie Motlhabane  
CTICC



Julianne Jammer  
STCC



Christian Folden Lund  
Bella Center



Gabor Ganczer  
HUNGEXPO



Panittha Buri  
BITEC



Ross Steele  
Te Pae Christchurch

## Management



Sven Bossu  
CEO



Nadège Mullier  
Operations

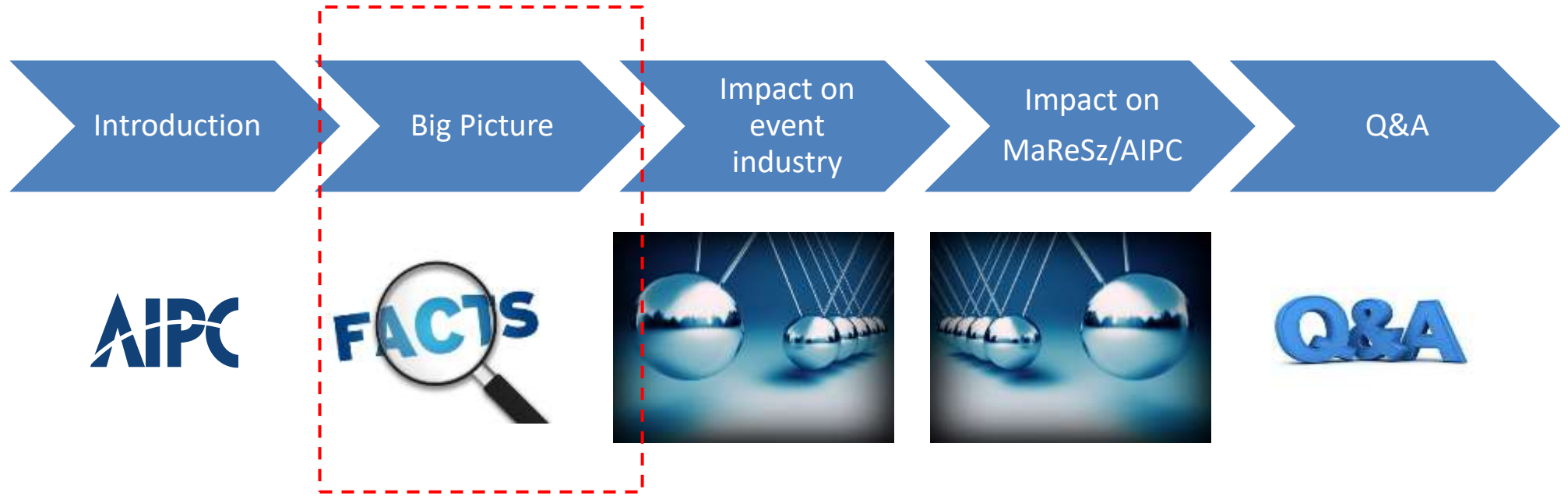


Sara Sorouri  
Governance



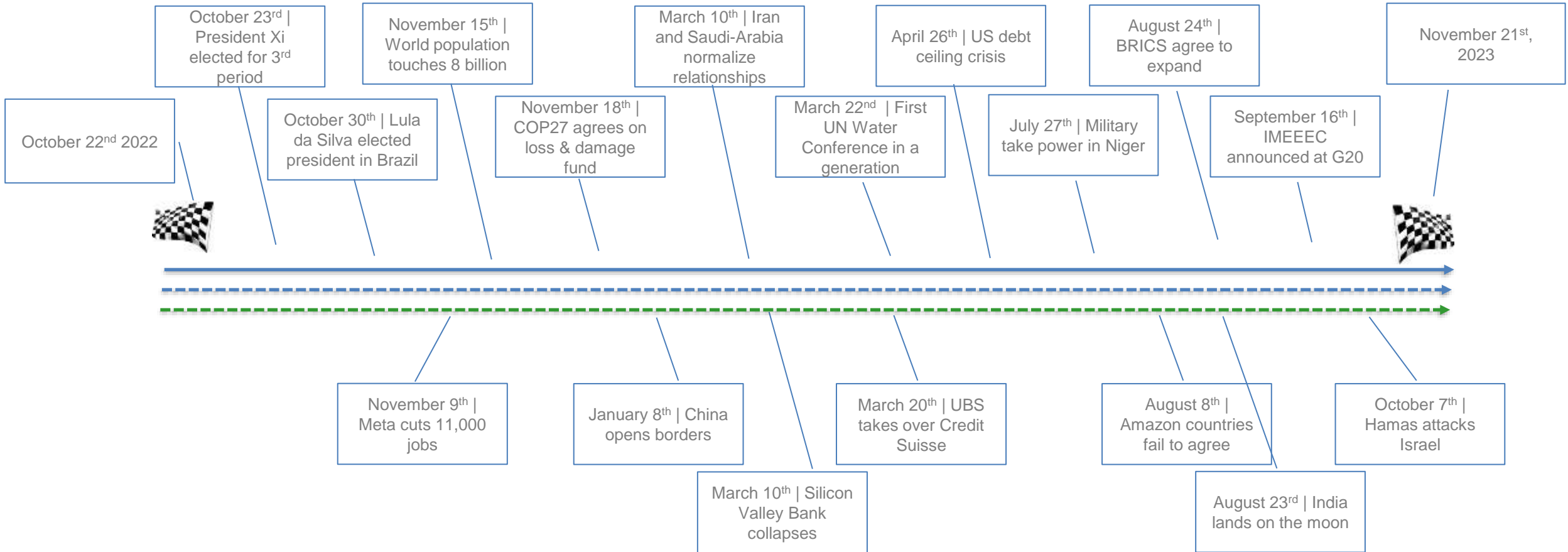


# AIPC Global Perspective | Agenda





# AIPC Global Perspective | 2022-2023 major events (selection)







AIPC Global Perspective | How does the road ahead look like?





## AIPC Global Perspective | Focus areas



Business Development



Leadership



Technology



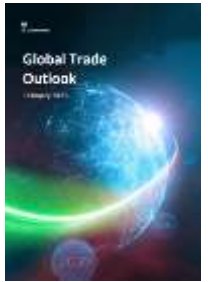
Climate Change



## AIPC Global Perspective | Focus areas



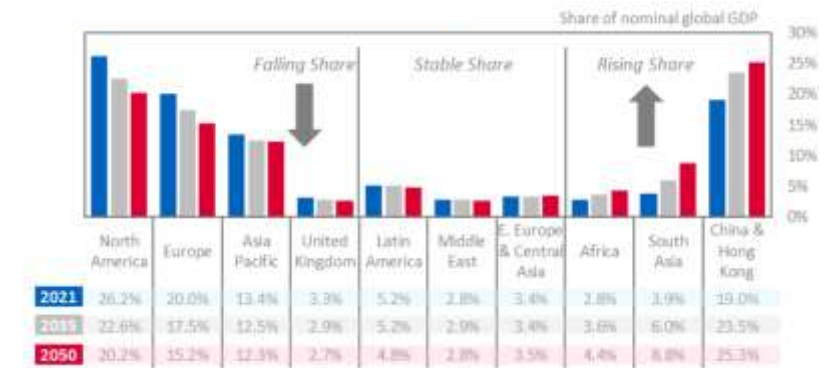
Business Development



- Global GDP will continue to expand over the coming decades, but at a slowing rate. Growth is expected to fall from 2.7% prior pandemic to 1.8% in the 2040, partly as a result of slow population growth and ageing workforce.
- Global trade will grow broadly in line with GDP, meaning that it will double in real terms by 2050.
- Emerging economies are likely to account for a growing share of trade as economic power shifts east. 7 of the largest emerging economies are project to match the G7’s import size by 2050.
- Where GDP becomes increasingly service driven (77% in 2035 against 75% now), trade is goods-driven. Service sectors will account for 28% of global trade by 2035 (compared to 25% pre-pandemic).
- The number of high-income countries will increase from 58 to 90 by 2050 – the number of middle class-consumer will double to 3.5 billion by 2050 (with 90% of growth outside Europe and North-America). These 90 countries will account for 84% of global trade.
- The share of GDP will drop in North-America, Europe and Asia Pacific and increase in Africa, South-Asia and China.

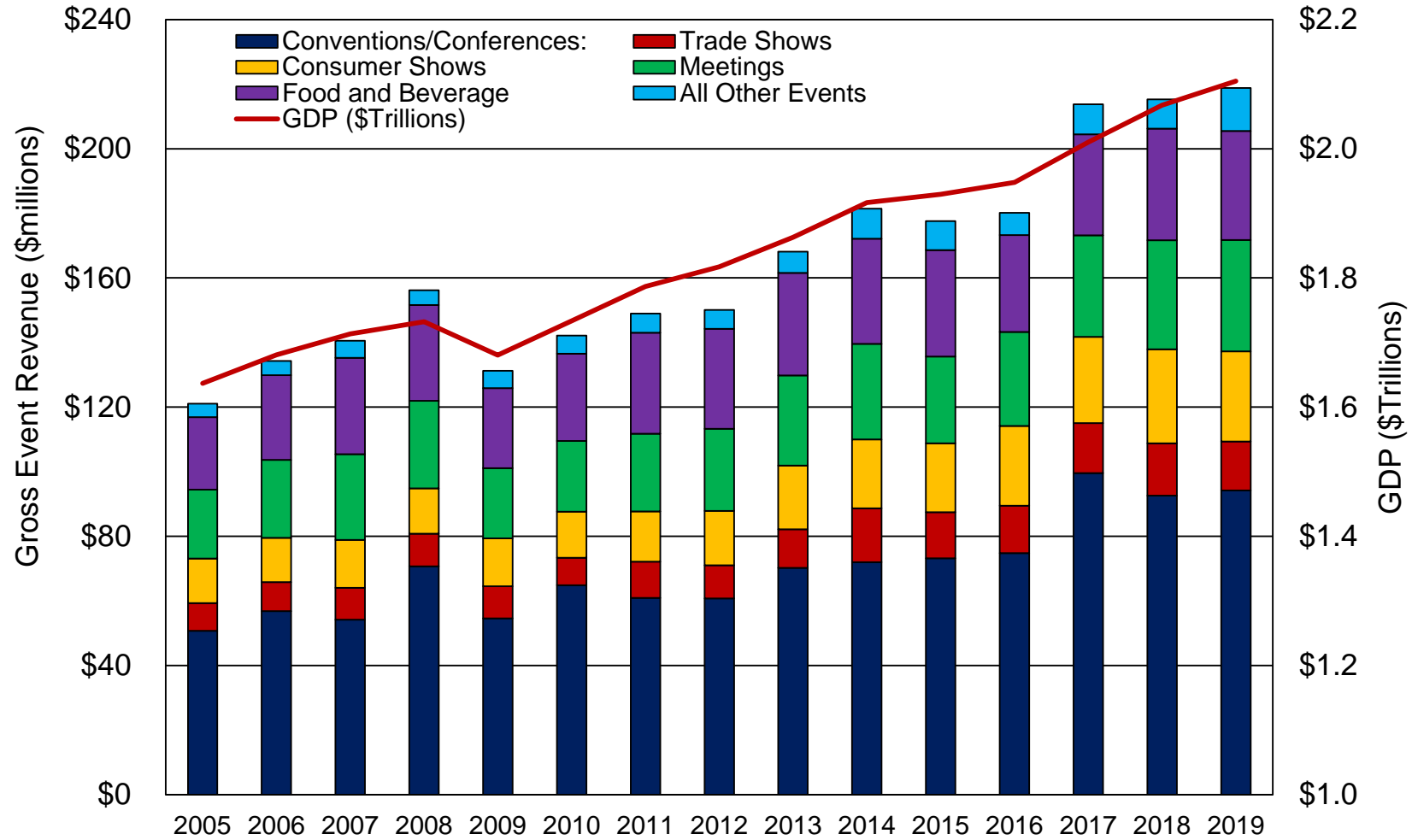


Global economic center of gravity, 2000-2050



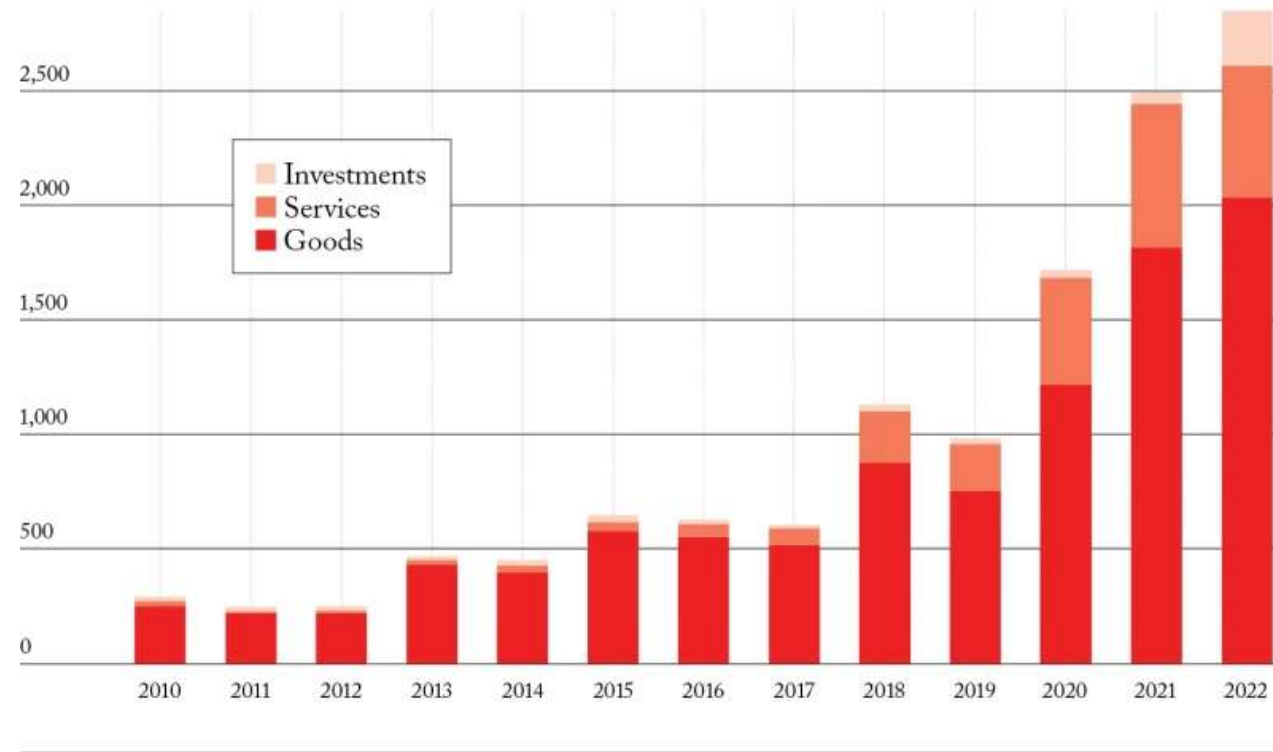
Share of global GDP

### Gross Event Revenue Trend vs. GDP



## WALLED OFF

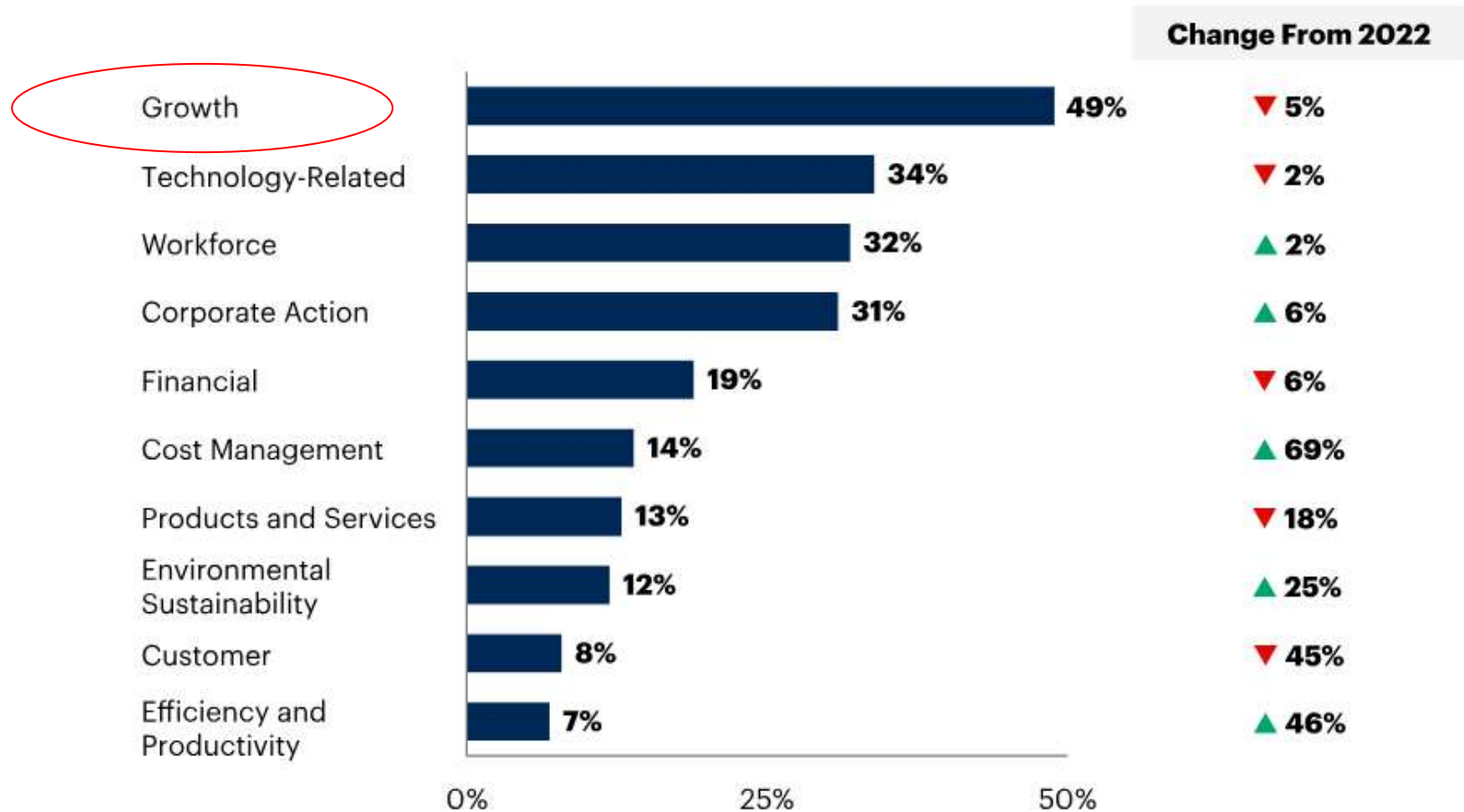
Number of trade restrictions imposed annually worldwide



Sources: Global Trade Alert; IMF staff calculations.

# AIPC Global Perspective | Business Development – Growth remains top priority

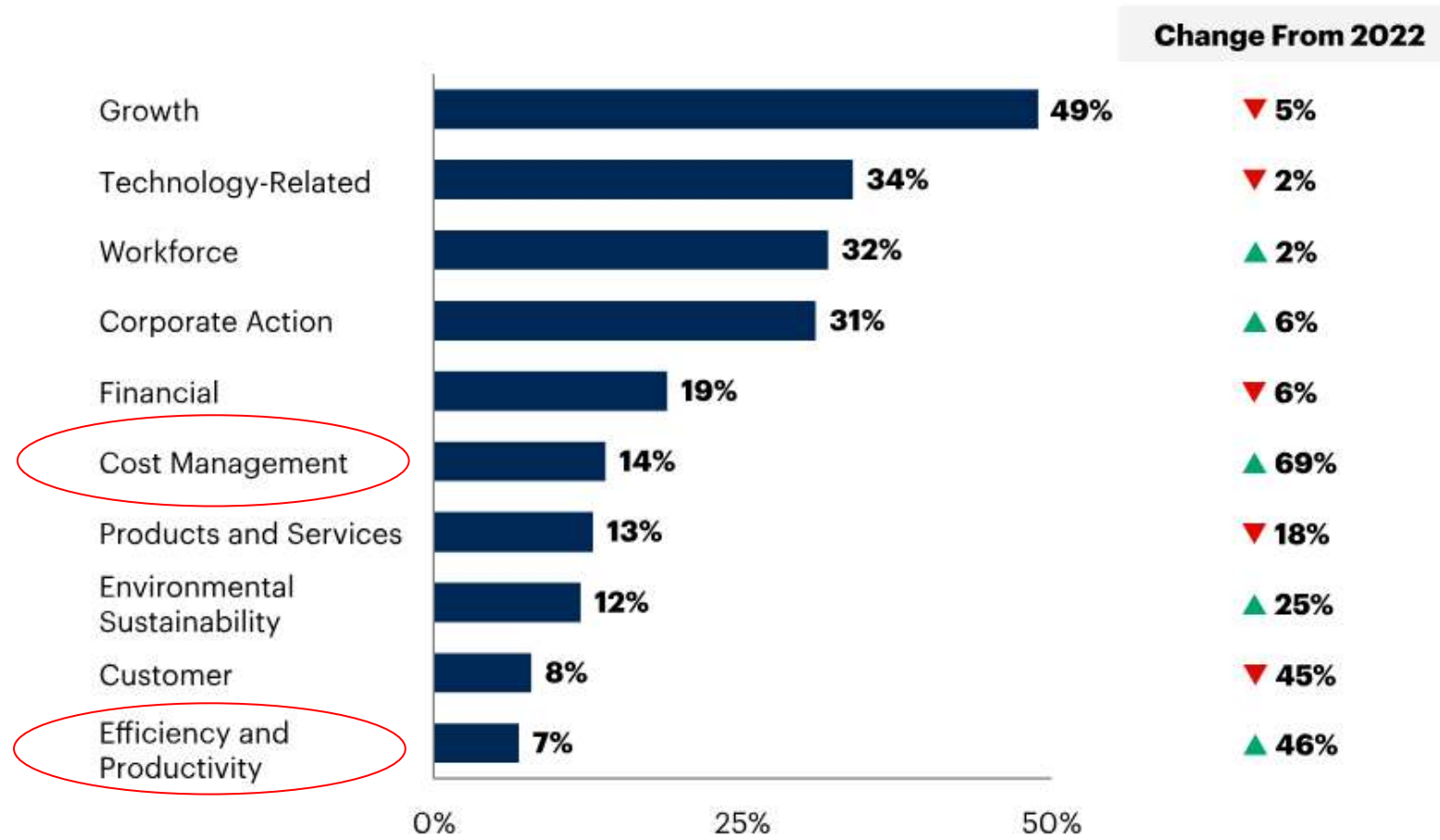
- CEO Strategic Business Priorities for 2023/2024:





# AIPC Global Perspective | Business Development – Shift towards bottom line

- Overview:







# AIPC Global Perspective | Business Development – Sustainable growth

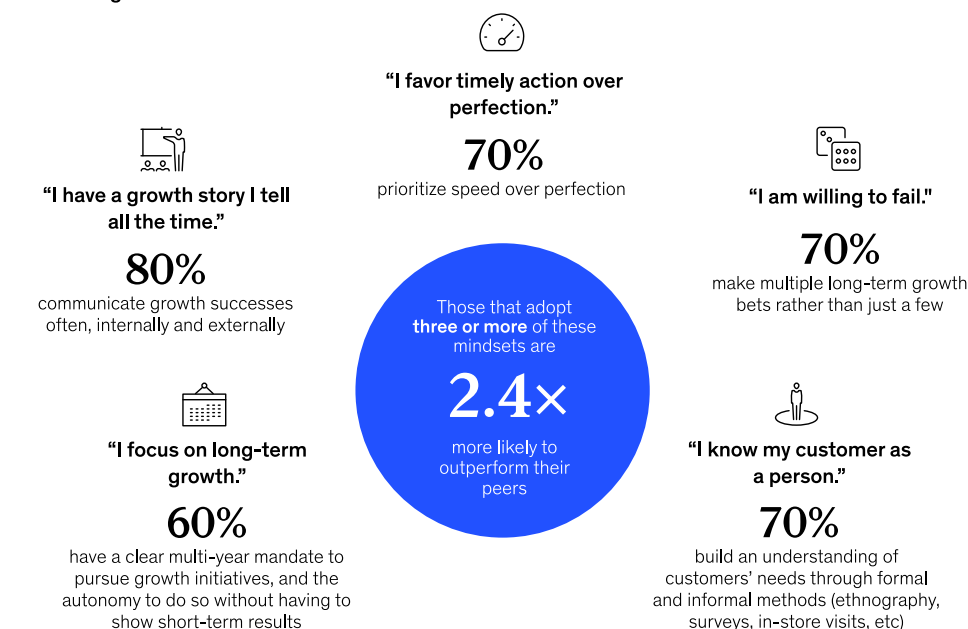
Follow this holistic growth blueprint to achieve sustained profitable growth.

<b>1. Set an aspirational mindset and culture</b>	Foster an inclusive and sustainable mindset, set bold, actionable ambitions, and develop a culture championed by all stakeholders.	<b>2.4x</b> Companies that have successfully adopted growth mindsets are 2.4x more likely to outperform.
<b>2. Activate pathways</b>	<b>Expand the core</b> <b>Innovate into adjacencies</b> <b>Ignite breakout businesses</b>	<b>97%</b> Companies are 97% more likely to outperform when they invest in multiple pathways for growth.
<b>3. Execute with excellence</b>	<b>Lay the foundation</b> (Growth operating model and dynamic resource re-allocation) <b>Programmatically execute on inorganic opportunities</b> (Ecosystems, M&A, alliances/JVs) <b>Develop functional capabilities</b> (eg, marketing, CX, sales & channel, digital, innovation)	<b>3x</b> Having the right growth-oriented operating models and capabilities delivers 3x more TSR than peers.

McKinsey & Company

Growth leaders set, communicate, and commit to growth consistently and with significant resourcing.

Mindsets growth leaders share



McKinsey & Company



## AIPC Global Perspective | Focus areas

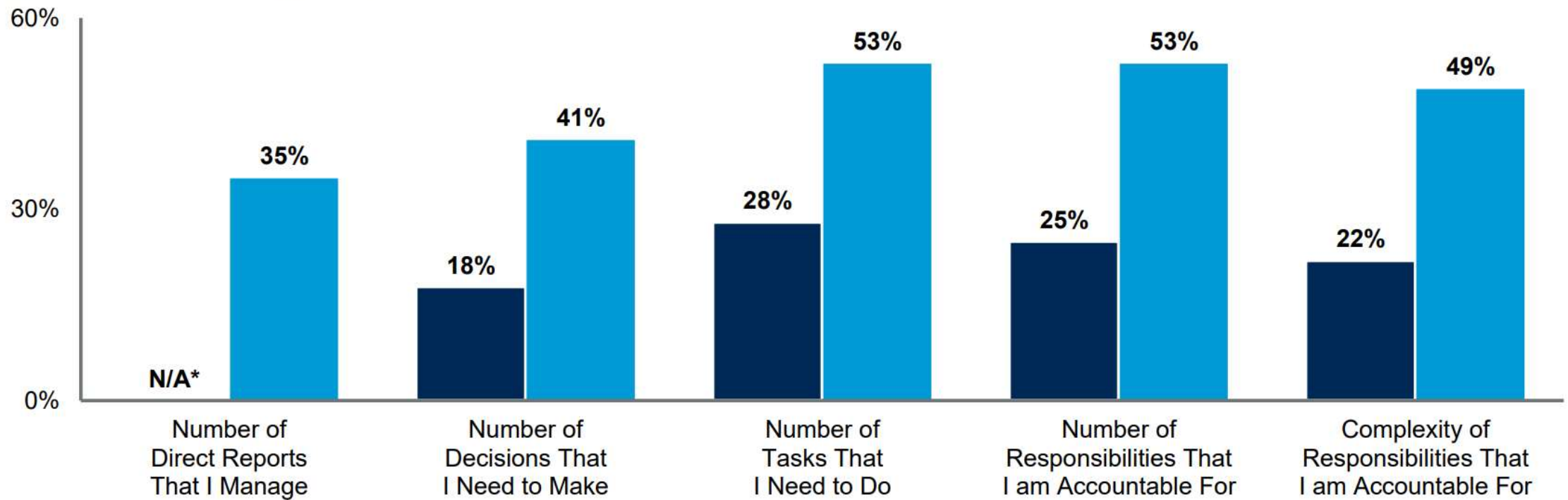


Leadership

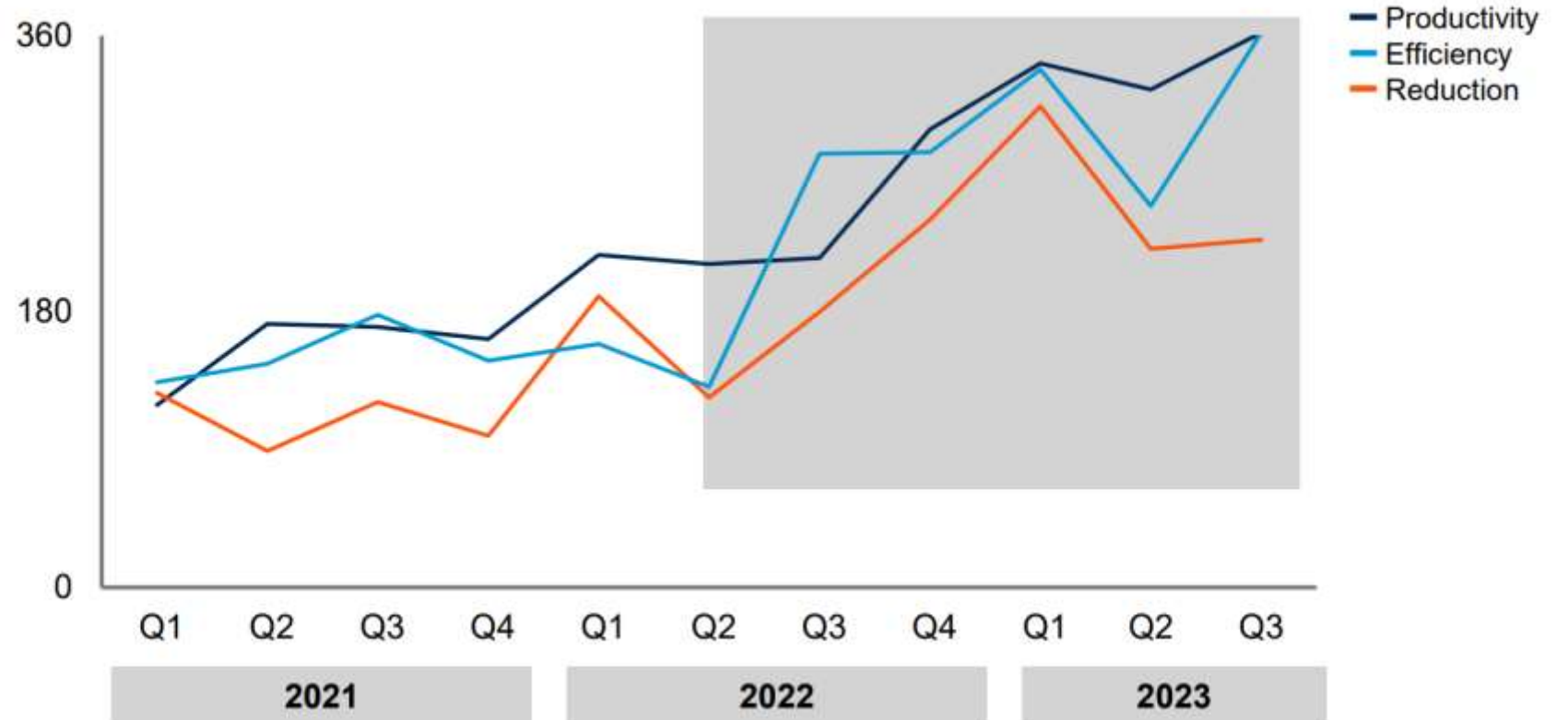
### Increase in Responsibilities, Compared to Before the Pandemic

Percentage of Respondents Reporting an Increase

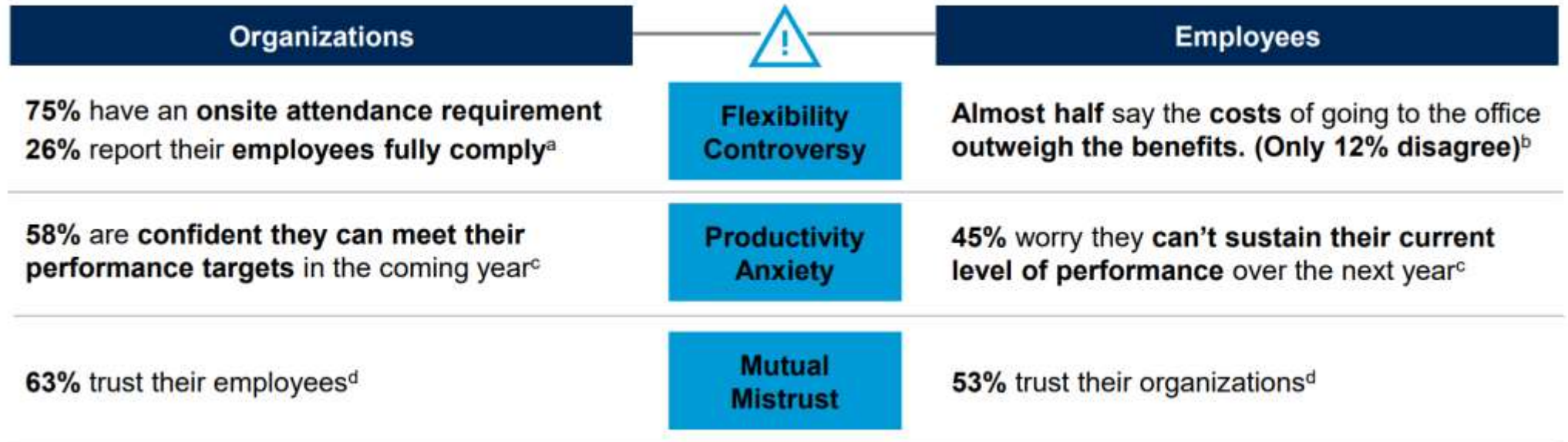
■ Individual Contributors ■ Managers



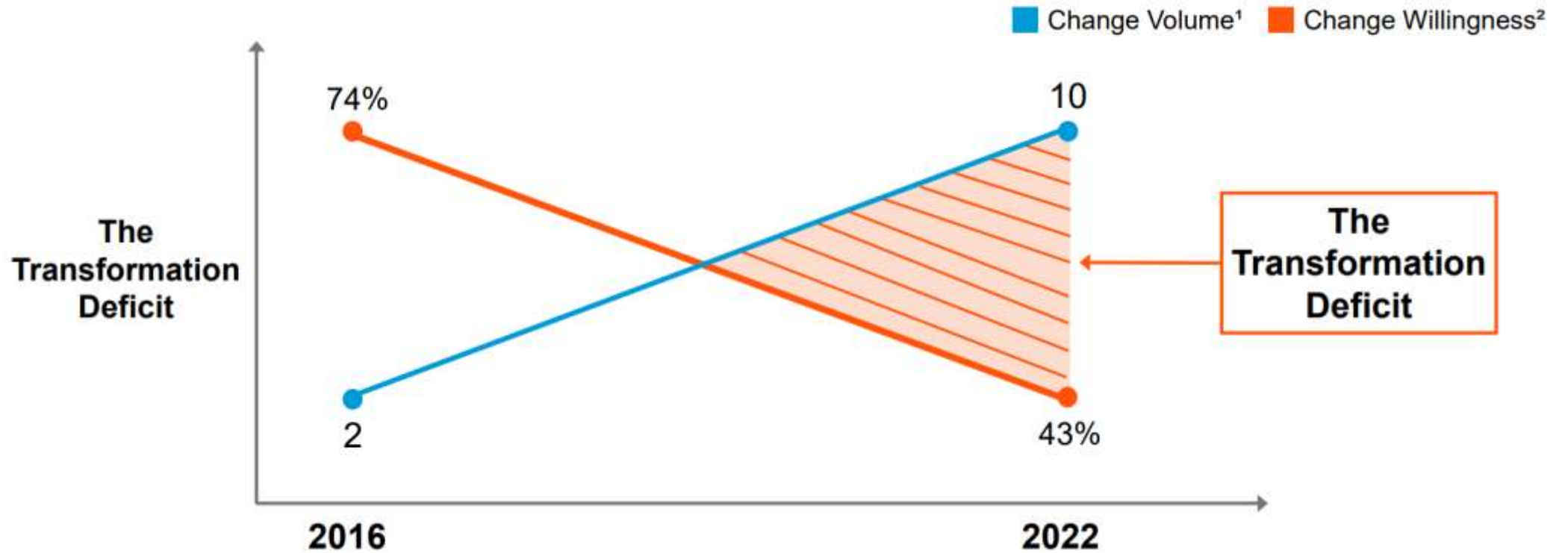
**Prevalence of Efficiency-Related Keywords in S&P 100 Earnings Calls**



# AIPC Global Perspective | Leadership – “Unsettled “ employer/employee relationship



AIPC Global Perspective | Leadership – Change Management (1/2)







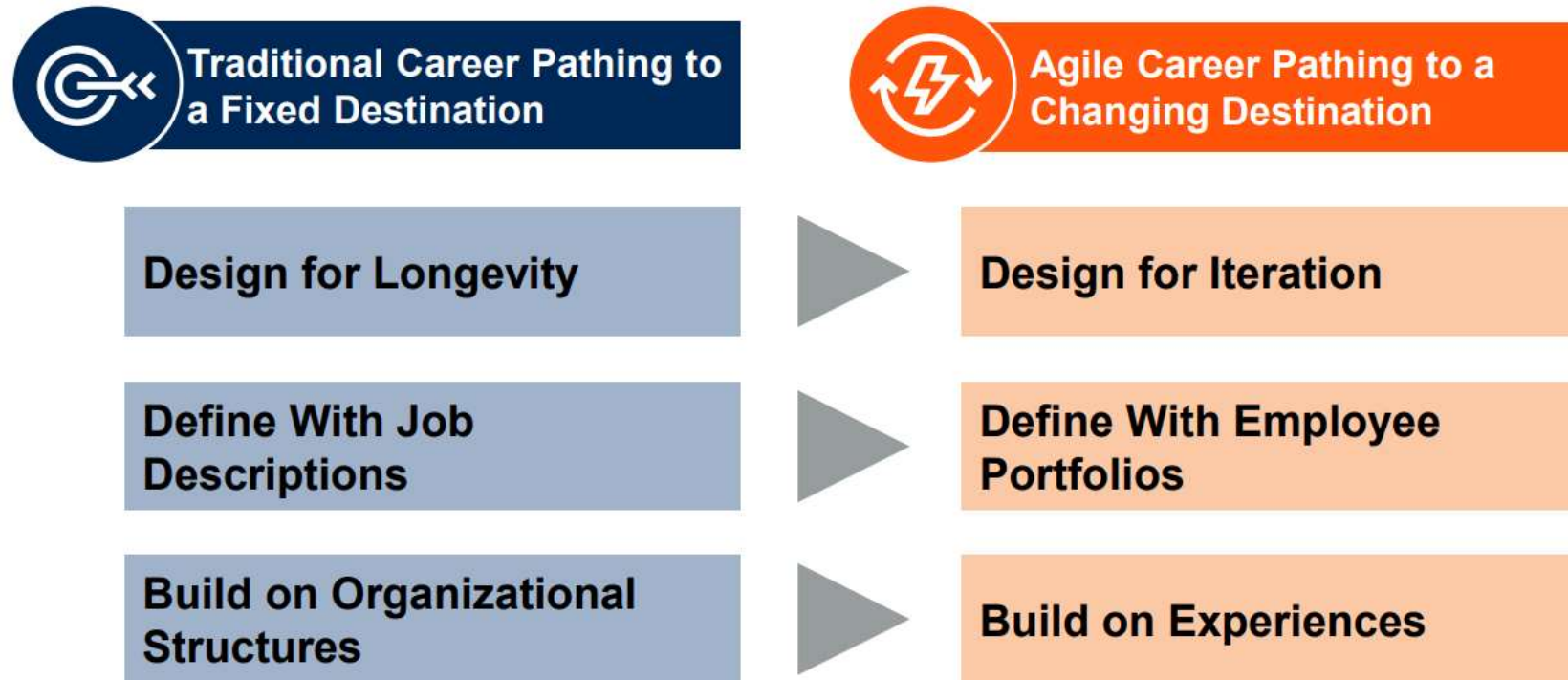
**New Insight:**  
When managers explain the impact of change, employee and team willingness to change can increase up to 73%



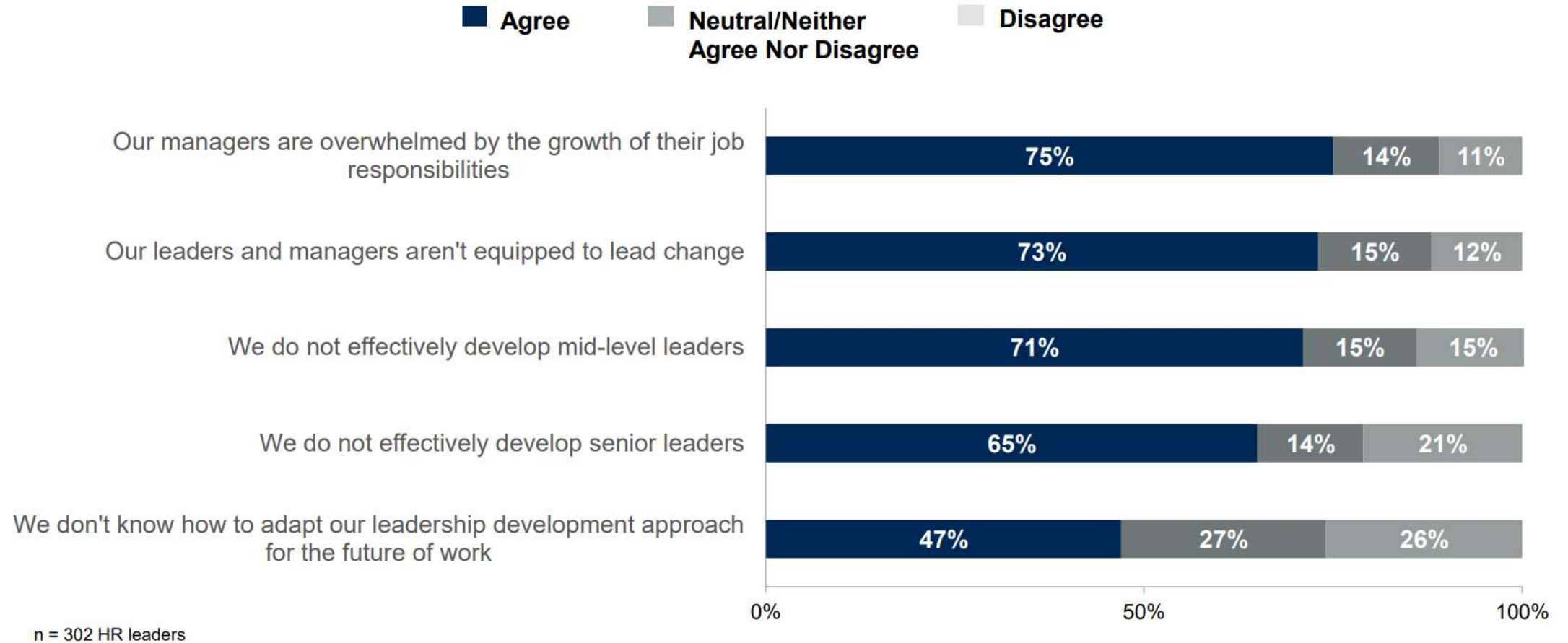
**4 Steps Leaders Should Communicate**

**What Employees Should Take Away**

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<b>Market Context</b> Macrotrends, market risks, customer trends	<b>Organizational Purpose/Goals</b> Company goals/targets, purpose statements	<b>Business Strategy</b> Key strategic priorities, underlying assumptions	<b>Strategy-Aligned Employee Behaviors</b> Key behaviors, values)=
↓	↓	↓	↓
I understand the market challenges and opportunities we face.	I know what our company's aspirations are.	I understand our plan for accomplishing our goals.	I know what this means for me and what I need to do.









- Areas of focus for survival:
  1. Prioritize your mental and physical health
  2. Embrace continuous learning
  3. Cultivate emotional intelligence
  4. Promote diversity and inclusion
  5. Foster innovation and agility
  6. Invest in employee well-being
  7. Prioritize sustainability and CSR
  8. Nurture a robust network
  9. Develop crisis management skills and plan
  10. Be pro-active on social issues



## AIPC Global Perspective | Focus areas



Technology

- Impactful 2024 trends:
  1. Democratization of artificial intelligence (AI)
  2. Cyber threats are getting more advanced
  3. Ambient Computing Enables Nearly Invisible Technologies
  4. Using Low-Code or No-Code AI
  5. Marketing in the Metaverse
  6. Augmented reality goes beyond entertainment
  7. Digital immune systems
  8. Robotic Process Automation (RPA) Adoption Will Continue to Grow
  9. Hyperautomation
  10. Increasing innovation and investment in clean green technologies
  11. The rise of edge and quantum computing
  12. Genomics
  13. Digital twins to bridge the gap between the digital and physical worlds
  14. Datafication of industries



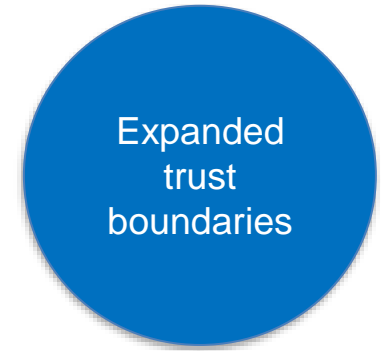
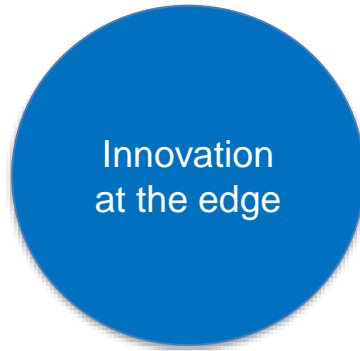
The boost of generative AI to global labor productivity could also be economically significant, and we estimate that AI could eventually increase annual global GDP by 7%.

Although the impact of AI will ultimately depend on its capability and adoption timeline, this estimate highlights the enormous economic potential of generative AI if it delivers on its promise.

**Joseph Briggs, Goldman Sachs**



**Interconnected trends**



**Shifts**

Innovation develops around personal networks of experts at the porous edge of the organization and is supported by capabilities that scale the benefits across the business.

Tech literacy becomes core to every role, requiring learning to be continuous and built at the level of individual skills that are deployed at the point of need.

IT becomes the enabler of product innovation by serving small, interoperable blocks of code.

Trust expands to cover a broader array of stakeholder concerns and become an enterprise-wide responsibility.



## AIPC Global Perspective | Focus areas



Climate Change







- Cost of living dominates global risks in the next two years while climate action failure dominates the next decade.
- Nine out of ten risks are the same for the short and medium term.
- Cost of living crisis is linked with
  - End of low interest and inflationary pressures
  - Energy & food supply crisis
  - Debt distress
- The divergence between rich (countries) and poor (countries) will grow, resulting in the first rollback in human development in decades and social/political unrest
- These crises will impact the ability to act on the environmental challenges, as public-private resources will be used to deal with other crises
- The overall result is a reduced ability to deal with the next global shock.

Global Risks Report 2023



## Top 10 Risks

"Please estimate the likely impact (severity) of the following risks over a 2-year and 10-year period"

2 years



10 years

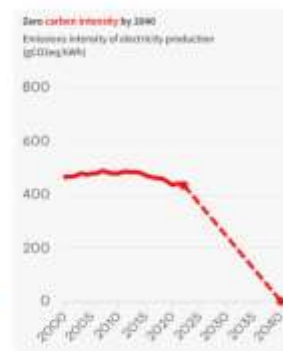
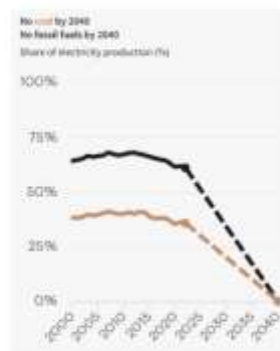
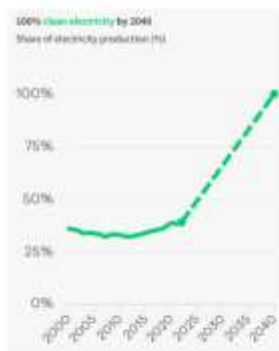
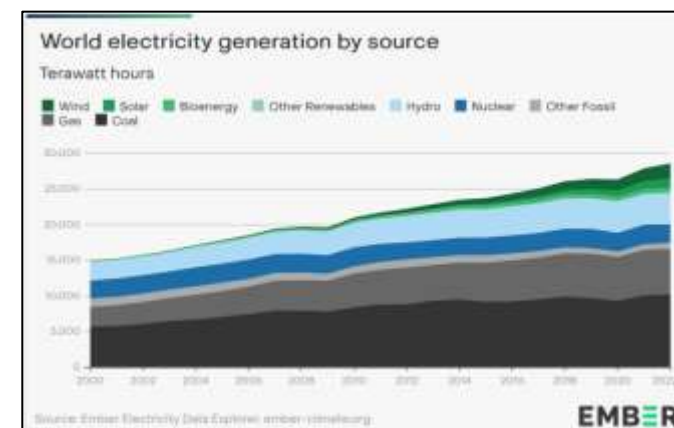
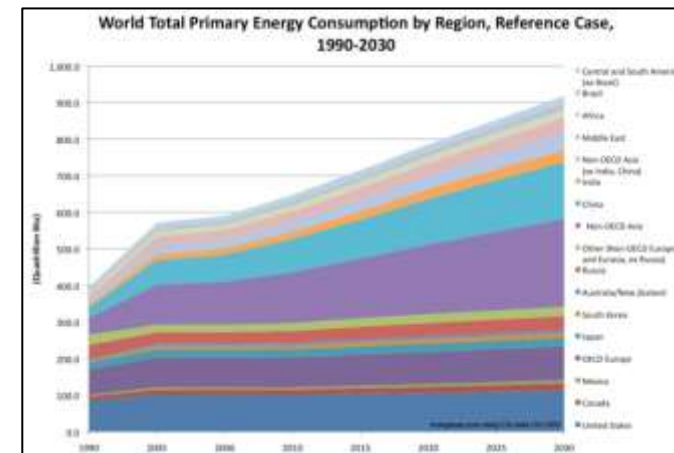


Risk categories



Source: World Economic Forum, Global Risks Perception Survey 2022-2023

- Energy consumption continues to grow (by 5,1% in 2021 alone). This means clean power has to grow to meet new demand before it begins to reduce fossil fuel generation. In 2022, the growth of solar and wind covered 80% of the increase of energy consumption.
- The largest source of electricity is coal (36%), which is single-handedly responsible for a quarter of all energy-related CO2 emissions.
- However, when combined, clean electricity sources now generate 38% of the world’s electricity – including hydro (15%), nuclear (10%), wind (7%) and solar (4%) power.
- Wind and solar – cheap and quick to deploy – will provide most of the growth in electricity generation needed this decade to meet rising electricity demand whilst reducing coal power.
- Clean electricity is beginning to displace fossil fuels, but the transformation is not fast enough to meet the 2040 targets.



- Historian Yuval Noah Harari's analysis, based on the work of scientists and economists, indicates that humanity might avert catastrophe by investing the equivalent of just two percent of global GDP into climate solutions. He makes the case that preventing ecological cataclysm will not require the major global disruptions many fear and explains that we already have the resources we need -- it's just a matter of shifting our priorities.



2% above 2020 levels

=

1,7 trillion USD



3,5 %

2008 banking crisis



10 %

Tax Evasion

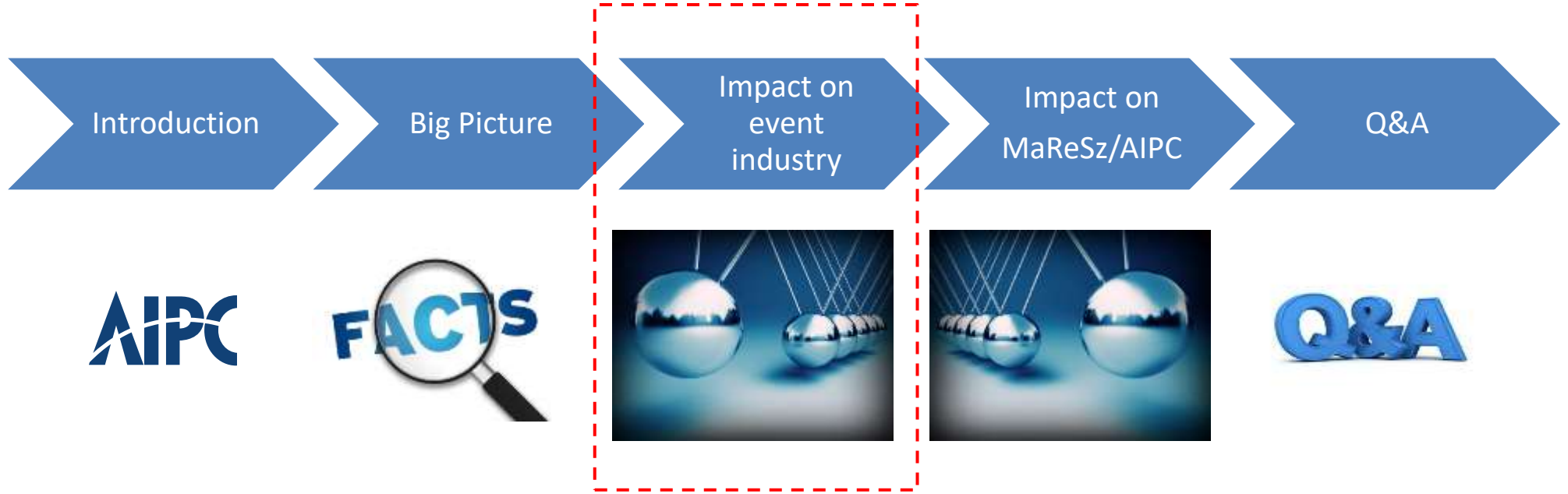


14 %

Covid 19



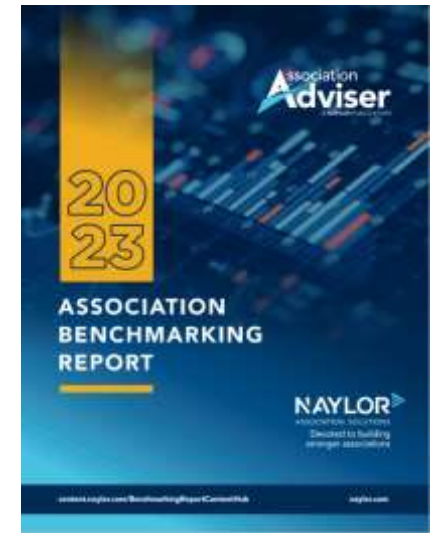
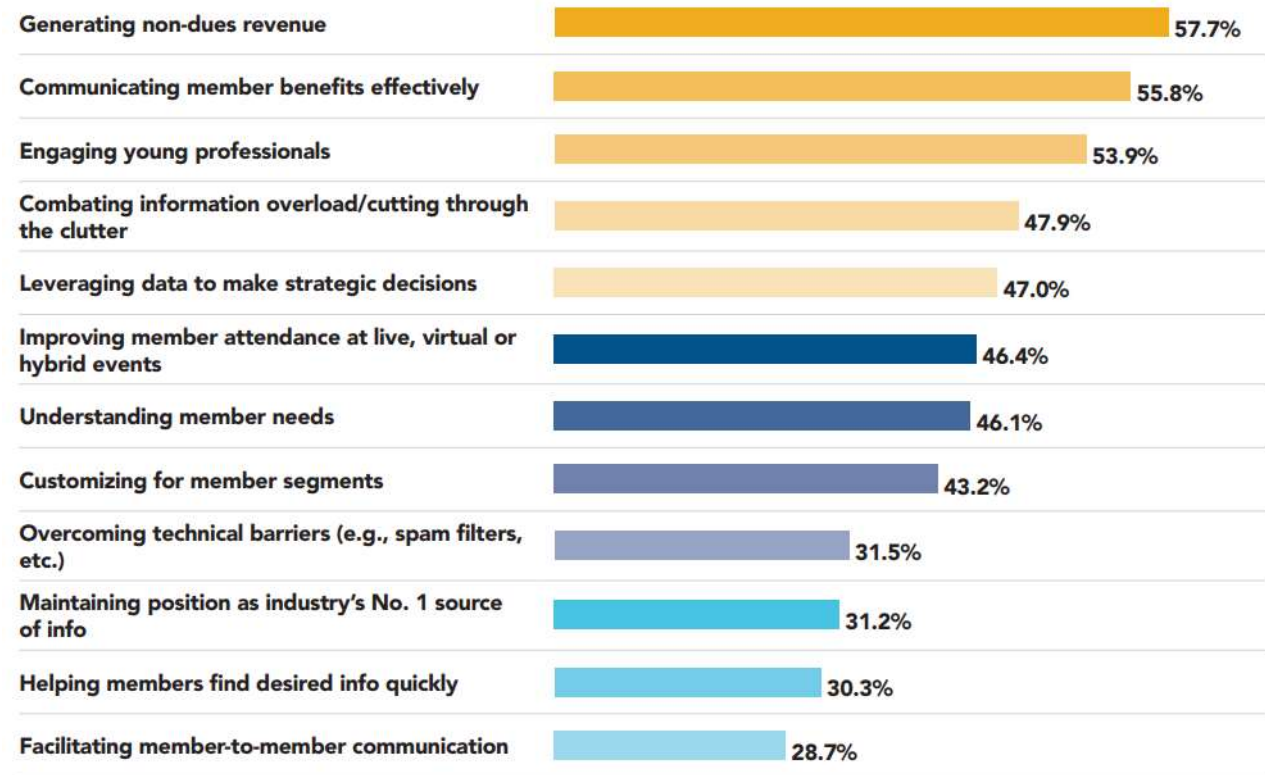
# AIPC Global Perspective | Agenda





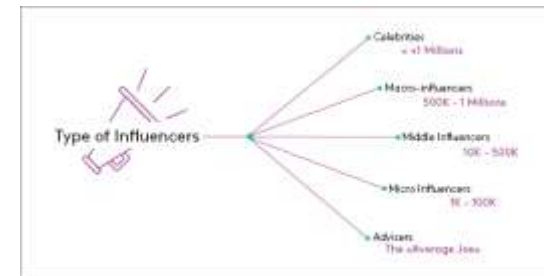
## AIPC Global Perspective | Voice of the Customer - associations

- Events remain number 1 channel of engagement remains conferences/events (91,5% compared to 82% in 2022). Attendance at events remains the most important criterium for assessing member engagement (92% in 2023, compared to 74% in 2022)
- Key challenges:



Where is sustainability?

- Rise of Augmented Reality
  - Facilitate planning
  - Speed up RFP process
  - Cost reduction
  - Cross-selling
- The Power of Personalization
  - Questions to ask:
    - How profitable are each of your customers?
    - What is each of your customers' specific needs?
    - What life stage and demographic groups do your customers belong to?
    - Through which channels are each of your customers interacting and purchasing?
- The Emergence of Micro-Influencers
  - Trusted by customers
  - Extended use of budget
  - Authentic engagement
- The Importance of Employee Advocacy
  - Amplify company messages and promotions, which increases brand awareness
  - Positively share about their experiences and work life, offering an "inside look"
  - Act as an expert and recommend the company's products and services to friends and family
- The Growth of Visual Content



Adoption rate by industry

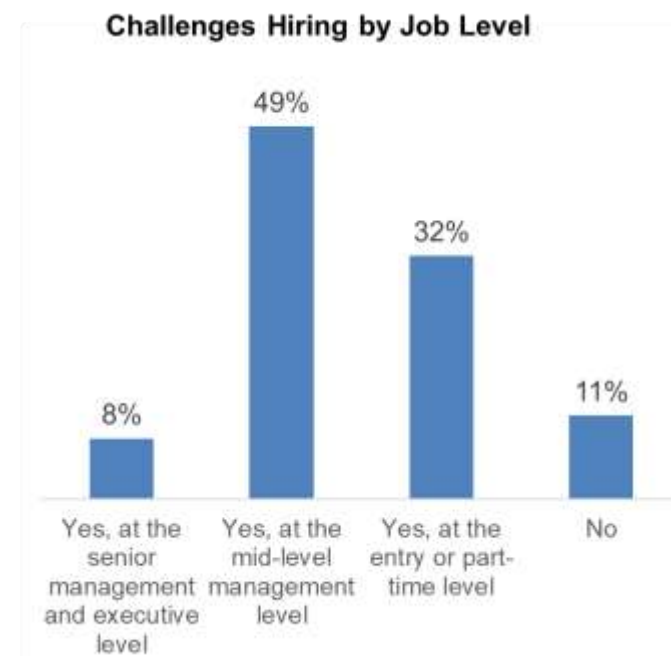
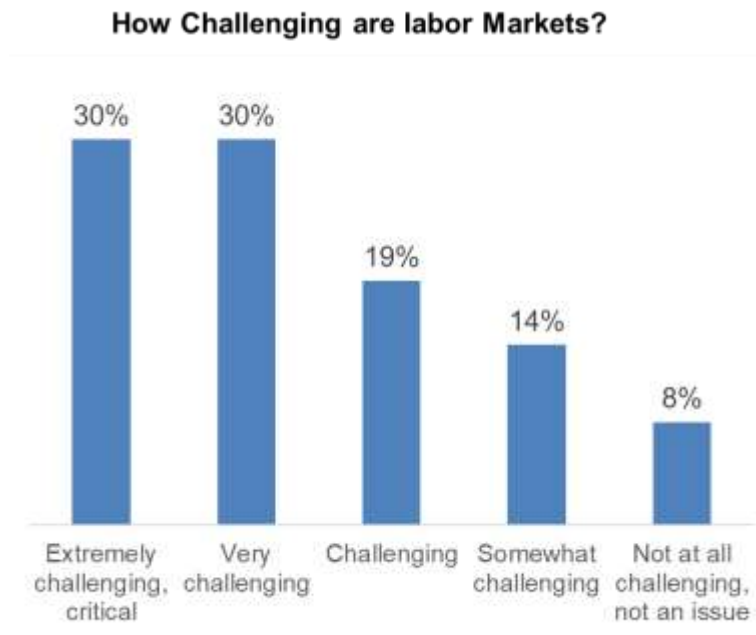




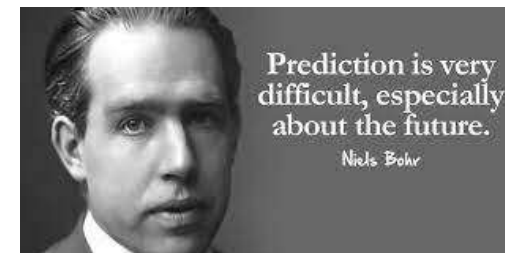


## AIPC Global Perspective | Leadership – Attracting & retaining talent

- Sixty percent of members say recruiting and retaining suitable employees is extremely/very challenging – and it's hardest finding mid-level managers.
- 56% of members have launched special HR initiatives to attract staff



- **Building resilience as an organizational muscle**
  - Resilience = the ability to deal with adversity, to withstand shock, and to adapt fast. The notion of speed is very important, with the goals of winning in the market and of playing defense and offense.
  - Resilient organizations plan in a different way. Instead of basing plans on last year's budget, they think about potential scenarios.
- **Courage as a competitive advantage**
  - Consider whether you're really leveraging the full set of pathways for profitable growth—things you do to expand the core, things you do to step out into adjacencies bravely, new businesses
- **Getting new-business building right**
  - Prioritize new business and get close to the buyers to fully understand their business, allowing to be clear on the unique advantage you want to bring to bear in solving those customer issues.
- **Taking on technology**
  - The challenge or opportunity is to keep up the aspiration and pace of technology transformation but to be clear-eyed about whether that transformation is, in fact, helping deliver growth and margin outcomes.
- **The Net Zero Opportunity**
  - Transitions towards Net Zero can be positive ROI investment opportunities for CEOs
- **Talent in Transformation**
  - Move from “pedigree to potential” and create a selection process that allows skill credentialing to be at the core
  - Get out of a mindset of months or years in roles as the basis for promotion and more into impact delivered, to accelerate the career path of somebody really making a big difference
  - Make the job attractive
  - Allow for two-way apprenticeship & self-authorship



### Technology - *survey finding*

89% of the companies are involved in a digital transformation

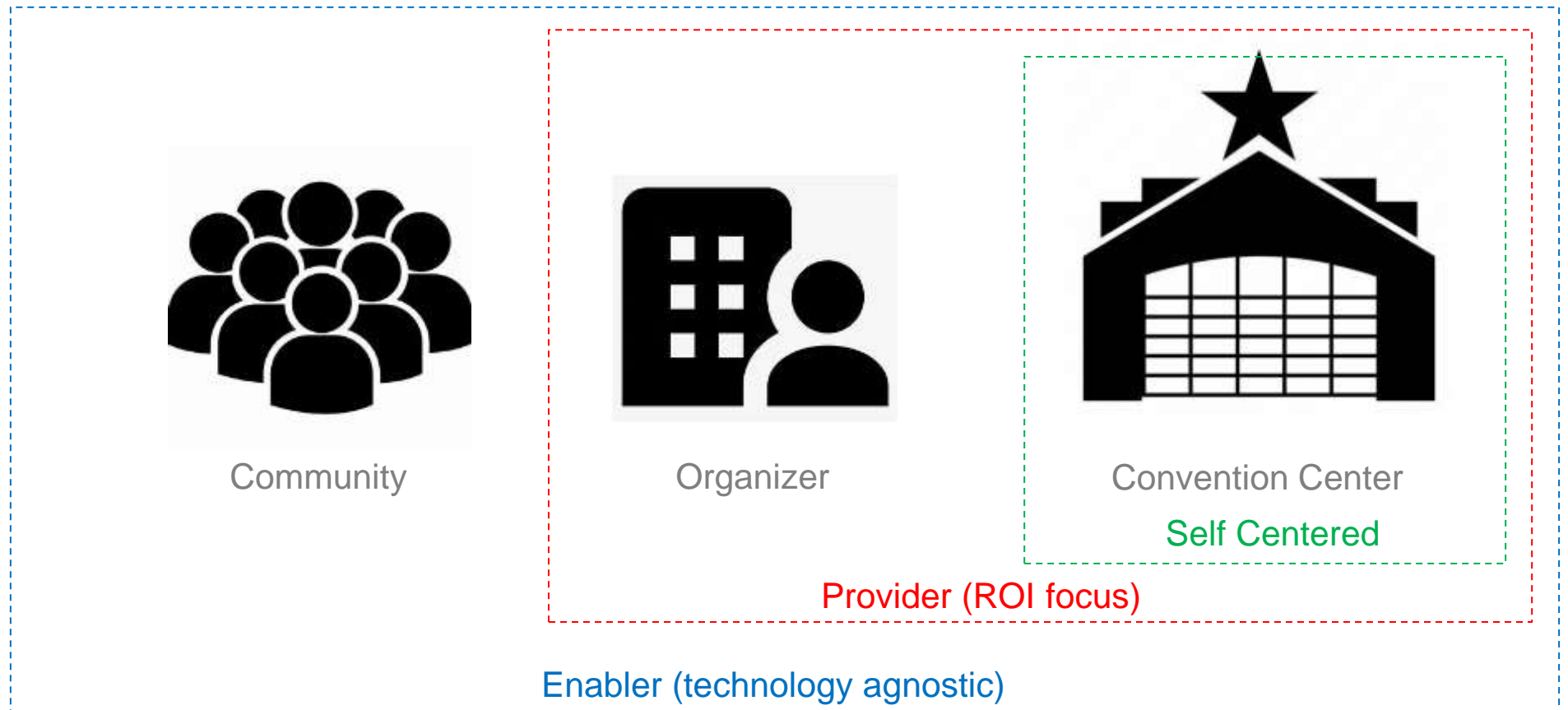
33% are getting the financial value they anticipated at the start

### Questions to ask

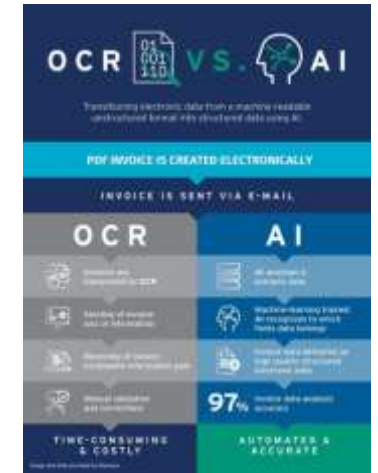
- What is the value created?
- Do I have the core technical architecture and the tooling and data management necessary to deliver on the assumptions in the road map?



- Productization of technology



- Self-centered
  - Yield management
  - Invoicing
  - Client portal
  - Support
  - Operations
  - Monitoring
  - ...
  
- Provider
  - Heat maps
  - Room access monitoring
  - Waste management
  - Benchmarking
  - Energy usage
  - ...



Venue Metrics: Energy and Water	
Electricity	Indicate total average (kWh) of energy usage for total covered area of venue for all event dates.
Gas	Indicate total gas (MMBtu) usage for total covered area of venue for all event dates.
Water	Indicate total water consumption (gallons) for total covered area of venue for all event dates.
Renewable Energy	Specify the amount of renewable energy or distribution-related energy consumed (in percentage) of total energy used for the event.
Venue Metrics: Waste Management	
Landfill	Please indicate the amount of waste sent to landfill for the event (in pounds) and specify the type of waste. Please include in notes (2000g = 2 metric tons).
Recycled	Please indicate the amount of waste sent to recycling for the event (in pounds) and specify the type of waste. Please include in notes (2000g = 2 metric tons).
Reused	Please indicate the amount of waste reused for the event (in pounds) and specify the type of waste. Please include in notes (2000g = 2 metric tons).
Venue Sustainability Efforts	
Event page against the GreenChecklist.com rating of	
Event website against environmental certification (e.g. ISO 14001, ISO 26000, etc.)	
Please describe any sustainability efforts that the venue currently has in place for the duration of the event on our event page.	





## AIPC Global Perspective | Sustainability (1/2)

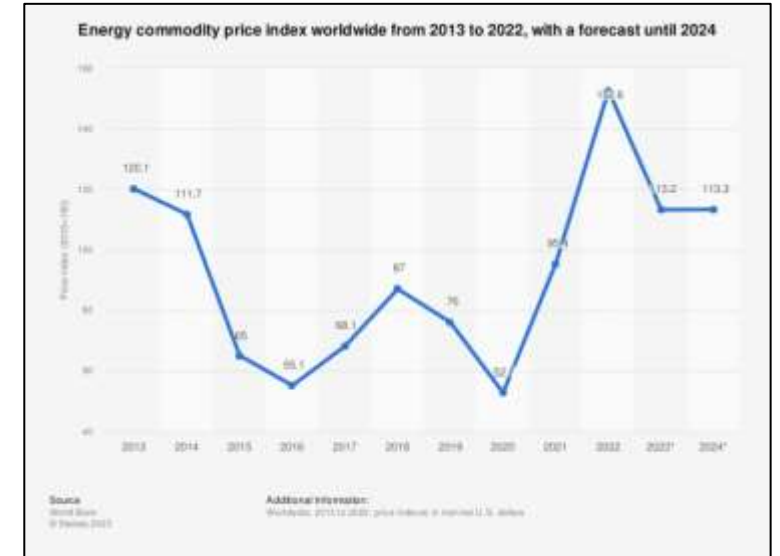
- Go virtual
- Go hybrid
- Select green event venues
- Select sustainable event vendors
- Consider accessible venues
- Incentivize public transportation and carpooling
- Use surveys to understand how people travel to your event
- Choose a venue with LED lighting
- Recycling
- Composting
- Minimize single-use products
- Organize essential waste management
- Sustainable catering
- Provide more vegan and vegetarian options
- Donate leftover food
- Eco-friendly swag options
- Have prizes and giveaways contribute to environmental causes or charities
- Measure carbon footprint with free apps
- Use an end-to-end technology platform
- Capitalize on features in your event app instead of printed material
- Add a carbon offset fee to your registration process
- Include sustainability requirements in the RFPs and contracts you negotiate
- Vet your event sponsors
- Don't be shy about letting attendees know about your sustainability goals!





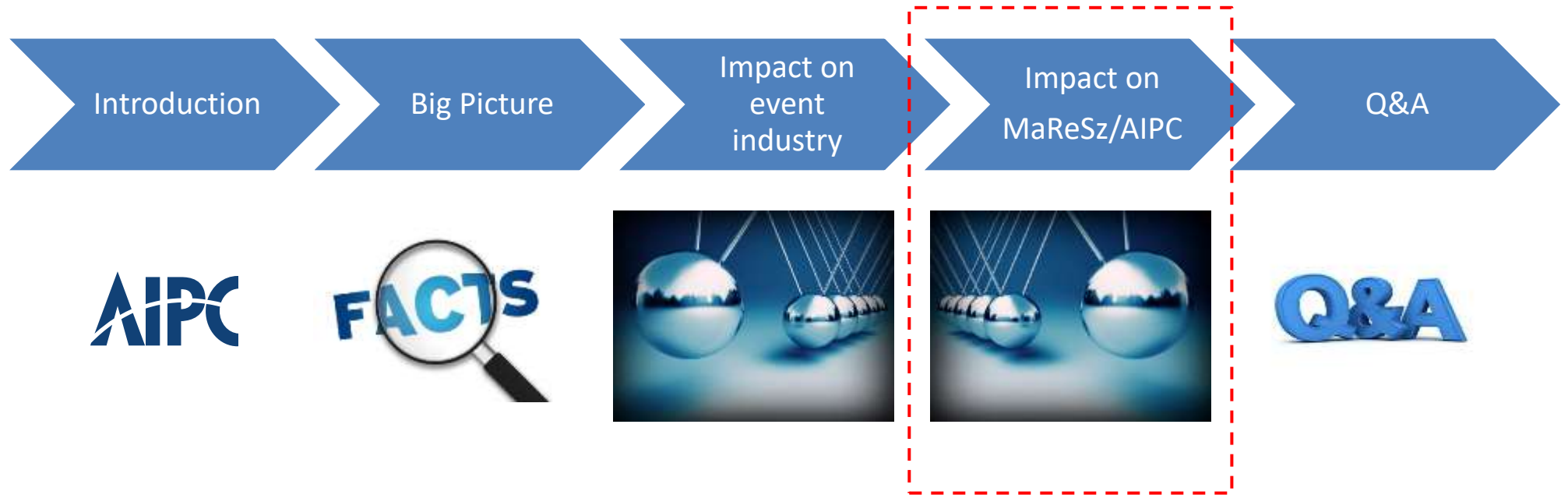
## AIPC Global Perspective | Sustainability (2/2)

- Key driver for increased sustainability will be finance, as sustainability measures will allow to:
  - Reduce or stabilize costs
  - Increase productivity
  - Allow for higher margins
  - Attract customers
- Energy
  - Move away from fossil
  - LED
  - Light sensors
  - Sustainable IT
  - ...
- Food
  - Reduce/remove meat & fish
  - Local sourcing
  - Seasonal food
  - Waste reduction
  - ...
- Key Success Factor: **data collection/tracking**





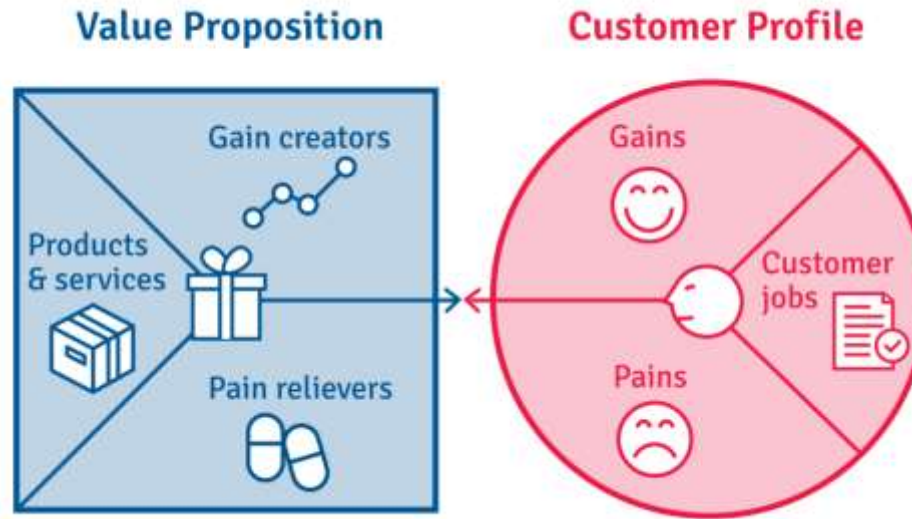
# AIPC Global Perspective | Agenda







# AIPC Global Perspective | Purpose remains, value proposal changes



Encourage, support and recognize excellence in convention center management





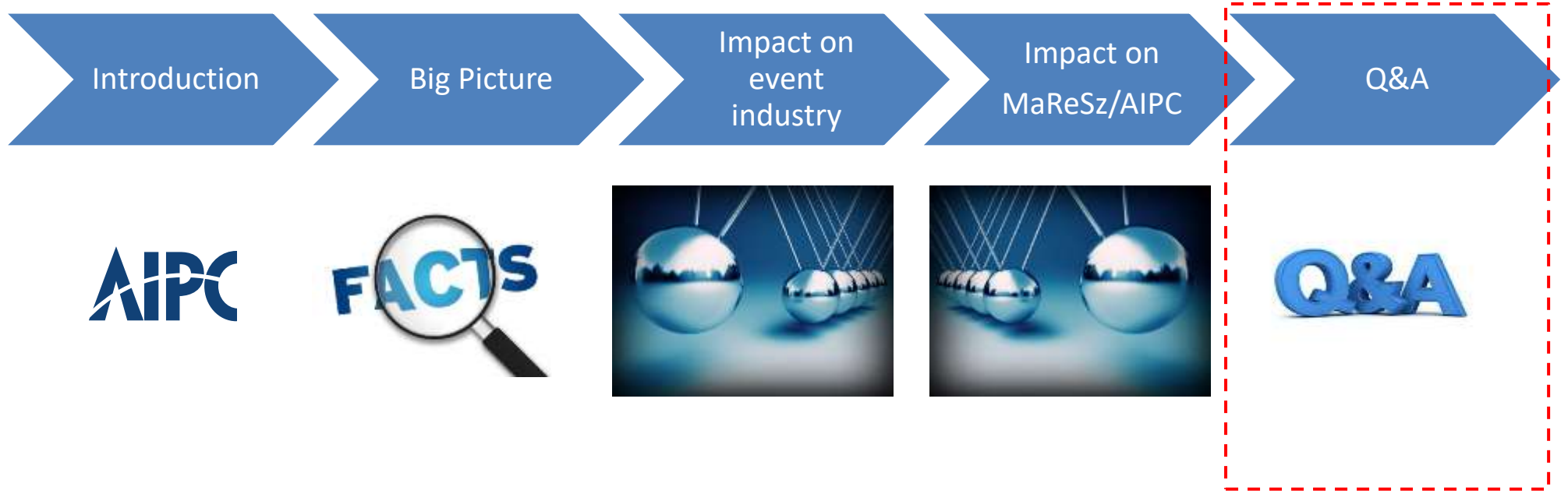


AIPC Global Perspective | Partnerships make the difference





# AIPC Global Perspective | Agenda





"Don't worry, I welcome stupid questions because I have plenty of stupid answers."

Thank you