



**INTERNATIONAL
BENCHMARKING
PROGRAM**

**Results for
AIPC Member
June 2023**

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HLT Advisory Inc. is a Toronto, Canada-based advisory firm focused on the convention centre/public assembly venue, hospitality, leisure and tourism industries. Additional information at www.hlta.ca

Introduction

We are pleased to present the results of the 2023 comprehensive benchmarking report of financial and operating parameters from leading international convention and congress centres (the “report”). Initiated through AIPC, with participation available to all AIPC members, this benchmarking project assembled data from 41 centres in 20 countries across six continents.

Participating Venues from Six Continents

Africa	2
Asia	4
Europe	15
North America	18
Oceania	1
South America	1
Total	<u>41</u>

This report, built on the consistent participation of over 40 members, confirms the value of data sharing among members. This sharing of data by this consistent group of participants has allowed the report to evolve and adapt over time.

RETURN TO PAST YEAR BENCHMARKING WHILE STILL INCLUDING FORECAST DATA

Given the effect the pandemic had on AIPC members (e.g., building closures, alternate venue uses) the benchmarking report shifted its focus to forecast information for the 2021 and 2022 reports.

With the majority of centres returning to full operations for the 2022 operating year, the benchmarking report returned its focus to a collection of detailed performance data for the past year and a report focusing on the presentation of those operational benchmarks.

In addition to collecting detailed 2022 operating data, the 2023 report also included the collection of some forecast variables to measure the industries projected recovery to pre-pandemic levels. These key recovery variables (including number of events, attendance, revenue generation, and profitability) have once again been profiled in the Aggregate Results section of the report.

This year’s report combines the structure of historical benchmarking reports (detailed benchmarking data provided on last operating year) with the approach taken during the pandemic (usage of forecast data to measure recovery). This allows participants to benchmark their last year’s operation, assess overall industry recovery, and assess how their centre’s performance and recovery compares to other AIPC members.

HLT and AIPC will continue to work with participating members to ensure the benchmarking report structure best provides participants with actionable data. The report structure will remain flexible to ensure that the objective of facilitating data sharing among AIPC’s global membership is achieved.

Methodology and Outputs

The sharing of confidential financial and operating data amongst competitive venues poses a variety of challenges exacerbated by different currencies and data collection standards as well as the need for project management through multiple time zones, languages, and terminology. Additionally, this year and last year, handling forecast data has involved a combination of forecasting methods and the utilization of sensitive forward-looking data. The approach used was revised to provide centres with flexible response timelines and account for differences in this year's report, and included:

- Survey launch and data collection (February-April 2023)
- Data questions and verification with participants (April-May 2023)
- Issuance of the report (June 2023)

Discussions directly with participating centres informed decisions on data collection, content, and timing of this year's report.

Due to the additional sensitivity of forward-looking data collected as part of this year's benchmarking report, this data was only used in the Aggregate Results section of the report, with all detailed benchmarks based on previous year's operating data.

Feedback from this year's report will help inform future decisions related to the benchmarking report, allowing the report to continue to evolve and meet participant needs.

For this year's report participant data was requested in the following areas:

- Building Parameters
- Event Characteristics
- Human Resources
- Capital Expenditures
- Financial Performance

For comparison purposes, some standardization was undertaken, notably:

- Currency—each participating venue was asked to provide financial data in the currency of their home country. For comparison purposes all financial data was converted to either Euros or United States dollars based on the exchange rate as of December 31st of the corresponding year.
- Physical measurements—venues provided data in either square feet or square metres. For the most part, venues outside of North and South America are shown in square metres; North and South American venues are shown in square feet.

Definitions used in the data collection templates are included in the Definitions section on pages 13 - 14 of this report.

Participating Centres

The 41 participating venues, categorized by geography are listed below. Where more than one AIPC member is present in a location, the venue name is provided in brackets.

Participating Centres (41)			
Buildings: 10 Geography: Americas Building Type: Convention/Exhibition Centre (Large)	Buildings: 9 Geography: Americas Building Type: Congress Centre	Buildings: 15 Geography: Europe Building Type: Convention/Exhibition Centre	Buildings: 7 Geography: Asia/Africa/Oceania Building Type: Convention/Exhibition Centre
Boston BCEC	Calgary TELUS	Amsterdam	Addis Ababa
Boston Hynes	Cartagena	Antwerp	Cape Town
Calgary BMO	Edmonton	Barcelona	Kuala Lumpur KLCC
Heredia	Halifax	Basel	Kuala Lumpur MITEC
Montreal	London, ON	Belfast	Kuching
Quebec	Ottawa	Bilbao	Melbourne
Toronto Enercare	Prince George, BC	Budapest	Taipei
Toronto MTCC	Saskatoon	Copenhagen	
Vancouver	Victoria	Edinburgh	
Washington, DC		Helsinki	
		Lausanne	
		Manchester	
		Montreux	
		Prague	
		San Sebastián	

Results were segregated to facilitate comparisons but without compromising the commitment to data confidentiality. The categorization does not limit access to data, rather it is simply a way of displaying the data.

Structure of the Report

Each of the 41 participating venues receives a customized report containing three parts:

- A narrative description of the project, methodology and reporting format. (This description is identical for all participants.)
- An aggregate analysis of repeat participants providing various industry trends derived from the data.
- A customized section showing the participating venue’s data compared with other venues in the same grouping (the “Custom Report”). The Custom Report is further broken into six sections:

Overview of Benchmarking Variables Included					
Space Parameters	Operating Cost Comparison	Centre Profitability	Event Profile	Revenue and Building Utilization	Labour Metrics
<ul style="list-style-type: none"> • Rentable Space Available • Space Ratios 	<ul style="list-style-type: none"> • Capital expenses • Operating costs • Building efficiency metrics 	<ul style="list-style-type: none"> • Event Operating costs as % of revenue • Overhead as % of revenue • Profit/Loss 	<ul style="list-style-type: none"> • Events by event type • Attendees by event type • Conventions by size 	<ul style="list-style-type: none"> • Gross event revenue by event type • Space utilization (occupancy %) 	<ul style="list-style-type: none"> • Full-Time-Equivalents (“FTE’s”) by department • Payroll by department

- A summary report containing anonymous data for all other venues (the “Other Venues” report) using an identical layout to the Custom Report and reflecting the geographic groupings outlined above.

DATA DISCLOSURE

A primary consideration in collecting and reporting data was the protection of the confidential operating results from each venue. As a result, the following procedures were used:

- Each venue completed an input template.
- Completed templates were reviewed by HLT, which queried inconsistent or problem data as appropriate. Verification was received from each centre confirming data accuracy. Each venue agreed to share data anonymously in this report.
- HLT created a series of benchmarks and ratios using the verified data.
- Benchmarks and ratios were grouped into several categories (e.g., event profile, profitability).
- Reporting templates were prepared for each participating venue providing full transparency of their own data against the benchmarks and ratios of other venues in the same grouping (e.g., European centres), but without attributing the data to individual venues.

Each venue has access to their data (as displayed through the benchmarks and ratios in the Custom Report) as well as the ability to compare within their grouping and to venues in other groupings (the Other Venues Report).

Venues that provided only partial data (e.g., a venue that elected not to provide profitability data) do not have access to the benchmarks and ratios derived from these data at other venues.

Aggregate Results

As part of the 2023 benchmarking report, detailed data on the 2022 operating year was collected as well as key forecast data for the 2023 and 2024 operating years. The collection of this actual performance data and key forecast metrics allowed for a trend analysis comparing pre-pandemic performance to actual 2022 results and forecast results for 2023 and 2024.

Of the 41 centres that participated this year, 40 centres have participated in previous benchmarking reports, and the majority of venues have participated historically in the benchmarking report since the report’s inception in 2017. This consistent participation allowed the establishment of a “base year” of pre-pandemic operations for the majority of participants (generally based on 2018 and 2019 operating results). All the results in this section are based on an analysis of a consistent sample of participants (30 centres) with complete trend data, comparing results over the time period analyzed.

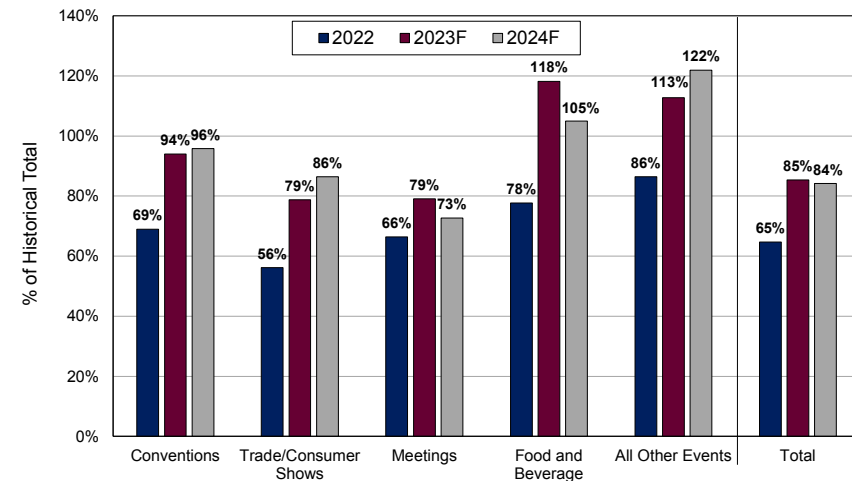
EVENTS BY TYPE RELATIVE TO PRE-PANDEMIC TOTALS

Figure 1 analyzes the events held at venues (2022) and forecasted (2023 and 2024) as a percentage of pre-pandemic (2018/2019) totals.

The 2022 operating results (blue bars) show total events held represented 65% of historical totals. Food and Beverage (e.g., banquet) events and “other events” had the strongest recovery to historical levels (78% and 86% respectively).

Forecast 2023 and 2024 data (burgundy and grey bars) indicates total events hosted are forecast to represent ~85% of pre-pandemic totals. “Conventions” (94% in 2023 and 95% in 2024) as well as “Food and Beverage” and “All Other Events” have the strongest projected recovery. “Trade/Consumer Shows”, and “Meeting” events are projected to be the slowest to recover in terms of total events hosted.

**Figure 1: Actual and Forecast Events Totals
(as a % of pre-pandemic levels)**



ATTENDANCE AND REVENUE BY EVENT TYPE RELATIVE TO PRE-PANDEMIC TOTALS

Figure 2 analyzes the attendance held at events in 2022 and forecasted (2023 and 2024) as a percentage of pre-pandemic (2018/2019) totals.

The 2022 operating results shows overall attendance represented 41% of historical totals. Attendance recovery was modest across all event types, ranging from 40%-54% in 2022.

Forecast 2023 and 2024 data indicate total attendance is forecast to represent 69% (2023) and 78% (2024) of pre-pandemic totals. Convention events have the strongest projected attendance recovery in 2023 (92% of pre-pandemic attendance totals) and in 2024 (105% of pre-pandemic attendance totals).

Figure 2: Actual and Forecast Attendance (as a % of pre-pandemic levels)

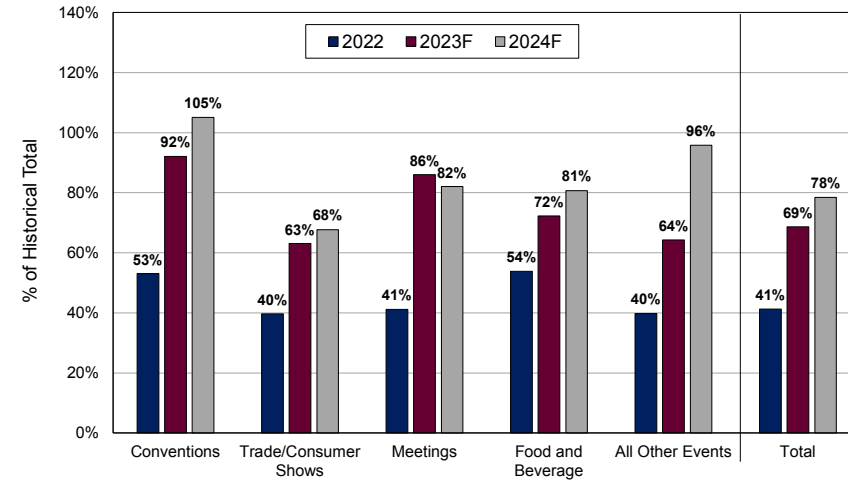


Figure 3: Actual and Forecast Gross Event Revenue (as a % of pre-pandemic levels)

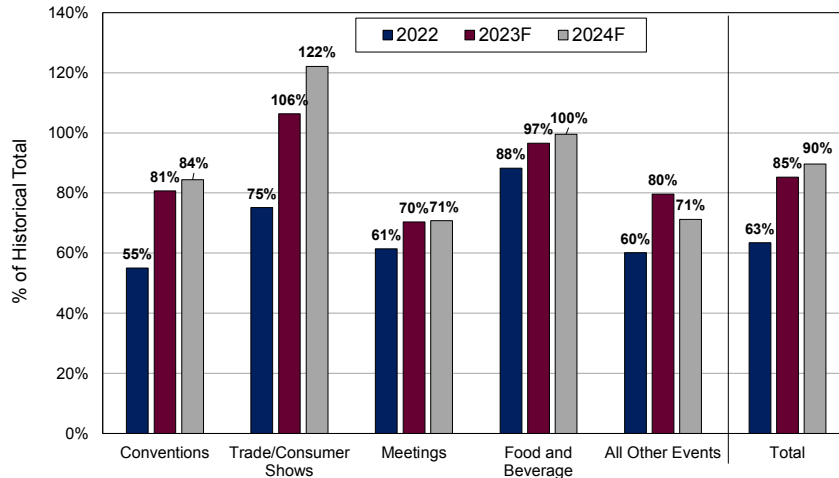


Figure 3 examines the Gross Event Revenue (defined on p.14 of this report) generated by events in 2022 and forecasted events (2023 and 2024) as a percentage of pre-pandemic (2018/2019) totals.

Overall, 2022 events generated 63% of pre-pandemic Gross Event Revenue. Gross Event Revenue is projected to increase to 85% (2023) and 90% (2024) of pre-pandemic levels in future years.

Trade and consumer shows while slower to recover in terms of number of events and attendance, have the strongest forecast recovery in terms of revenue generation (106% of pre-pandemic levels in 2023 and 122% in 2024).

Convention Performance

Figure 4 focuses on actual and forecast performance of convention events by year. It compares number of conventions hosted (blue bars), total convention attendees (burgundy bars) and convention revenue (grey bars) for 2022, 2023 forecast, and 2024 forecast.

In 2022, conventions hosted recovered to 69% of pre-pandemic totals, while attendance (53%) and revenue (55%) were slower to recover. 2023 and 2024 forecast a significant increase in convention events (94% and 96% of pre-pandemic levels) with attendance also reaching or exceeding pre-pandemic levels. Revenue generated by these events is not projected to recover as strongly, indicating potentially some price competition in attracting these conventions.

Figure 4: Conventions - Actual and Forecast Events, Attendance and Gross Event Revenue (as a % of pre-pandemic levels)

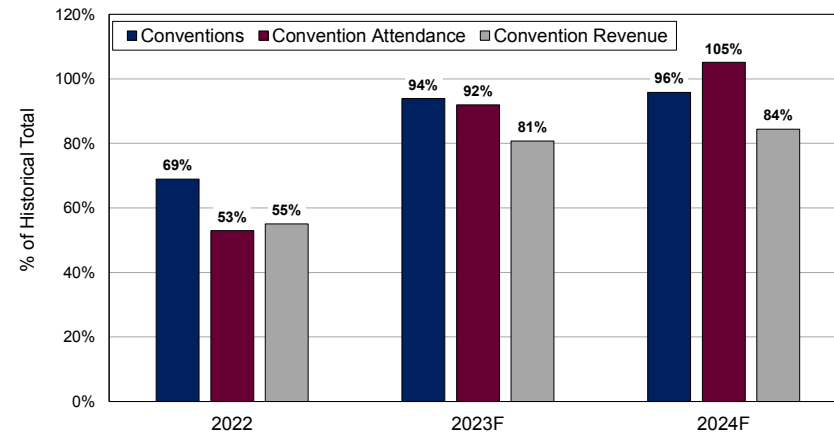


Figure 5: Conventions by Attendee Range

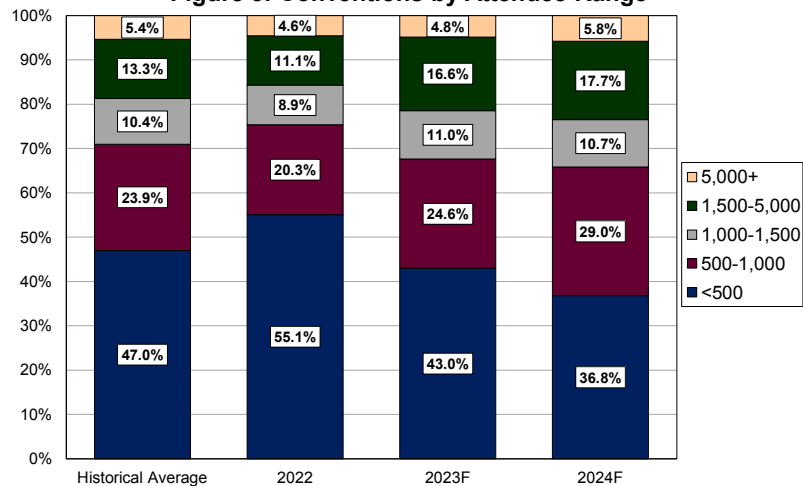


Figure 5 shows the distribution of conventions hosted (and forecasted) by convention size (measured by number of attendees).

When convention demand was lower in 2022 relative to historical totals (69% of pre-pandemic events hosted), convention events were also smaller on average. 55% of conventions had fewer than 500 attendees as compared to 47% pre-pandemic.

With convention events hosted projected to recover in 2023 (94% of historical levels) and 2024 (96% of historical levels), the size of those conventions in terms of attendees is also projected to increase. In 2024, only 37% of conventions are projected to include fewer than 500 delegates, while higher attendee ranges are projected to increase relative to pre-pandemic totals.

Trade and Consumer Show Performance

Figure 6 examines actual and forecast performance of trade and consumer show events by year. It compares number of trade and consumer shows hosted (blue bars), total trade/consumer show attendees (burgundy bars) and trade/consumer show revenue (grey bars) for 2022, 2023 forecast, and 2024 forecast.

Trade and consumer show number of events and attendance are projected to be among the slowest to recover, reaching 86% of pre-pandemic total events in 2024 and only 68% of pre-pandemic attendee levels. Interestingly, revenue generated by these events is forecast to increase significantly, forecast to reach 106% of pre-pandemic levels in 2023 and 122% of pre-pandemic levels in 2024.

Figure 6: Trade and Consumer Shows - Actual and Forecast Events, Attendance and Gross Event Revenue (as a % of pre-pandemic levels)

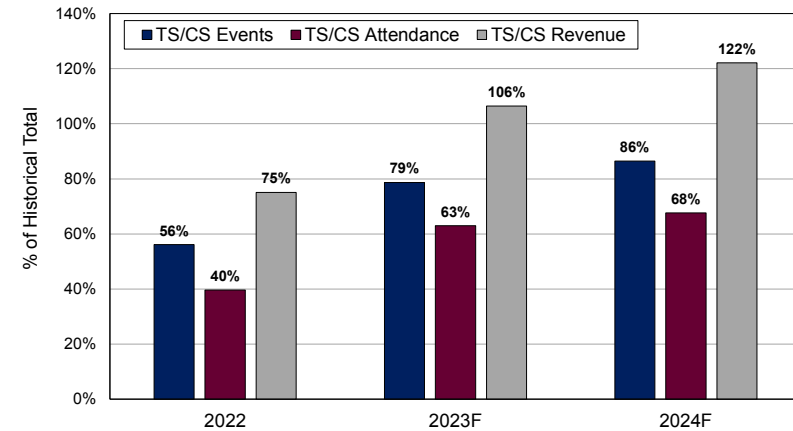
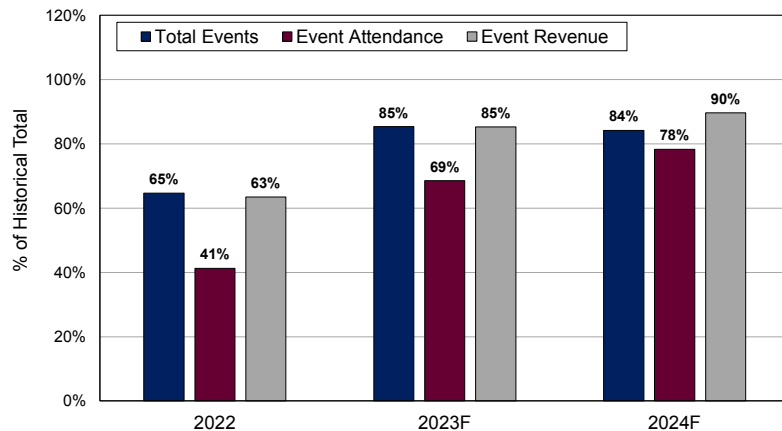


Figure 7: Total Events - Actual and Forecast Events, Attendance and Gross Event Revenue (as a % of pre-pandemic levels)



Total Event Performance

Figure 7 analyzes total events, total attendance, and total gross event revenue as a percentage of pre-pandemic totals.

Events hosted by AIPC members are projected to recover to ~85% of pre-pandemic totals in 2023 and 2024. Attendance totals are projected to lag behind event totals at 69% of pre-pandemic levels in 2023 and 78% of pre-pandemic levels in 2024. Gross Event Revenue is projected to recover at levels consistent with event totals (85% in 2023 and 90% in 2024).

Venue Profitability

Figure 8 shows projected changes in centre operating profit when compared to historical (pre-pandemic) levels.

Given AIPC members have a wide range of operating mandates and profitability expectations, a comparison to past operating profit levels has been used to assess future profitability performance.

Centres’ actual operating profit (2022) and projected operating profit (2023 and 2024) were grouped in the following categories:

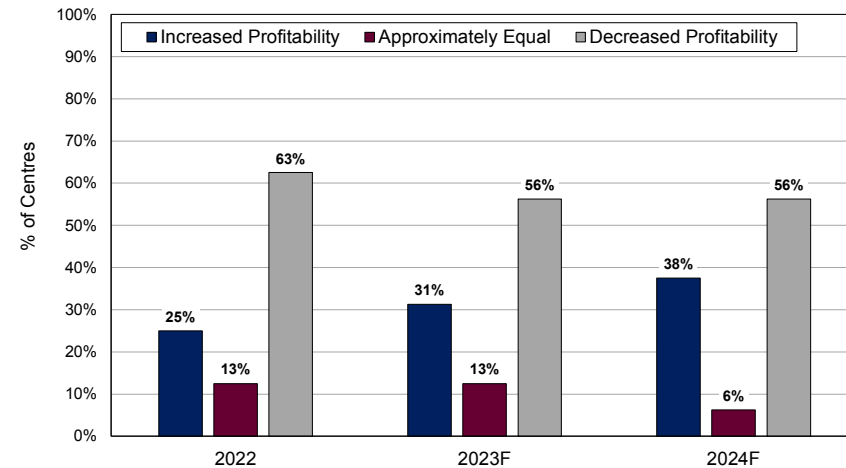
- Increased profitability – centre operating profit increased (or is projected to increase) by greater than €250,000 when compared to historical years (2018-2019 average).
- Approximately Equal Profitability – centre operating profit was within €250,000 of historical years (2018-2019 average).
- Decreased profitability - centre operating profit decreased (or is projected to decrease) by greater than €250,000 when compared to historical years (2018-2019 average).

In 2022, 63% of centres experienced a significant decrease in their operating profit, while 13% of centres generated Approximately Equal Profitability, and 25% of centres improved profitability levels relative to pre-pandemic levels. In 2023, centres experiencing a significant decrease in operating profit are projected to decrease to 56% of centres, while centres projecting a significant increase in profitability are projected to increase to 31%. In 2024, 56% of centres still project operating profit significantly lower than pre-pandemic levels, while 6% project equal profitability and 48% project improved profitability.

SUMMARY

Overall, the number of events hosted, and revenue generated by these events has recovered (and is projected to recover) more quickly than attendance levels. From an attendance perspective, conventions are forecast to improve in attendance relative to pre-pandemic levels, while other event type attendance is slower to recover. Recovery in Gross Event Revenue is strongest in Trade and Consumer Shows, and Food and Beverage events. While Gross Event Revenue is projected to recover to historical levels, overall venue profitability for the majority of centres is projected to remain below pre-pandemic levels

Figure 8: Operating Profit Relative to Historical Levels



Detailed Results

Custom Report

HOW TO READ THE CUSTOM REPORT

The following page contains a sample table from a Custom Report.
The sample includes:

- A: Report name (one of the six reports as outlined on page 4).
The sample report (following) contains the “Event Profile” sub report. Note that the data in the sample report do not correspond to any venues in the sample and are shown for illustrative purposes only.
- B: Geography— Americas, Europe, or Africa/Asia/Oceania.
- C: Building Type— For geographies with enough participants to segment based on space, building types have been differentiated based on total rentable space.
- D: Names of individual benchmarks displayed in the report.
Yearly information headings are bold with detailed benchmarks shown under each heading.
- E: Building name—in a Custom Report this will be the name of the venue for which data is being compared with the remainder of the participating venues.
- F: The other venues in the grouping identified by number for reference but anonymized to prevent attribution to specific venues. The data for specific venues are then noted under the numerical heading.
- G: Currency—either US Dollars or Euros.
- H: Space measurement—either square feet or square metres.

B Geography: Americas
C Building Type: Large Convention/Exhibition Centre
A 'SAMPLE Event Profile **SAMPLE'**
Space Measurement: Square Feet
G Currency: US Dollars
H

D

E

F

# Events	Building "X"	Comp Set Buildings (Sorted by Number of Events)										
		1	2	3	4	5	6	7	8	9	10	11
Conventions/Congresses (with Exhibit)	40	71	30	32	24	26	61	15	24	26	39	49
Conventions/Congresses (without Exhibit)	10	167	-	8	5	15	10	2	26	2	4	2
Total Conventions/Congresses	50	238	30	40	29	41	71	17	50	28	43	51
Trade Shows	20	40	8	27	19	11	6	7	15	13	9	-
Consumer Shows	30	431	16	26	43	30	7	17	8	3	3	10
Meetings	250	29	243	172	83	88	51	66	58	35	40	1
Food and Beverage	50	531	140	38	-	14	5	35	22	23	5	-
All Other Events	75	4	-	27	125	50	18	44	-	34	19	9
Total	475	1,273	437	330	299	234	158	186	153	136	119	71
# Attendees												
Conventions/Congresses (with Exhibit)	200,000	43,299	42,865	99,322	234,414	201,881	531,013	48,917	23,445	228,137	107,620	1,339,850
Conventions/Congresses (without Exhibit)	30,000	101,030	-	11,710	106,000	42,586	23,491	17,178	15,629	2,150	3,105	1,100
Total Conventions/Congresses	230,000	144,329	42,865	111,032	340,414	244,467	554,504	66,095	39,074	230,287	110,725	1,340,950
Trade Shows	150,000	1,275,924	6,394	51,269	96,679	29,029	18,000	4,874	12,766	90,081	16,440	-
Consumer Shows	500,000	550,680	141,500	482,939	855,089	581,611	139,398	167,405	92,968	94,547	31,500	74,659
Meetings	100,000	36,446	41,963	94,095	65,460	41,797	39,774	32,343	22,241	30,202	30,933	1,000
Food and Beverage	100,000	630,425	37,615	27,672	-	19,890	2,227	31,826	14,077	21,687	2,870	-
All Other Events	100,000	-	-	26,637	357,235	204,592	70,373	48,168	-	51,273	54,979	197,250
Total	100,000	2,637,804	270,337	793,644	1,714,877	1,121,386	824,276	350,711	181,126	518,077	247,447	1,613,859
Attendees Proportion												
Conventions/meetings	330.0%	6.9%	31.4%	25.8%	23.7%	25.5%	72.1%	28.1%	33.9%	50.3%	57.2%	83.2%
Trade/Consumer	650.0%	69.2%	54.7%	67.3%	55.5%	54.5%	19.1%	49.1%	58.4%	35.6%	19.4%	4.6%
F&B and Other	200.0%	23.9%	13.9%	6.8%	20.8%	20.0%	8.8%	22.8%	7.8%	14.1%	23.4%	12.2%
Attendees/Event												
Conventions/Congresses (with Exhibit)	5,000	610	1,429	3,104	9,767	7,765	8,705	3,261	977	8,775	2,759	27,344
Conventions/Congresses (without Exhibit)	3,000	605	-	1,464	21,200	2,839	2,349	8,589	601	1,075	776	550
Total Conventions/Congresses	4,600	606	1,429	2,776	11,738	5,963	7,810	3,888	781	8,225	2,575	26,293
Trade Shows	7,500	31,898	799	1,899	5,088	2,639	3,000	696	851	6,929	1,827	-
Consumer Shows	16,667	1,278	8,844	18,575	19,886	19,387	19,914	9,847	11,621	31,516	10,500	7,466
Meetings	400	1,257	173	547	789	475	780	490	383	863	773	1,000
Food and Beverage	2,000	1,187	269	728	-	1,421	445	909	640	943	574	-
All Other Events	1,333	-	-	987	2,858	4,092	3,910	1,095	-	1,508	2,894	21,917
Total	211	2,072	619	2,405	5,735	4,792	5,217	1,886	1,184	3,809	2,079	22,730
Conventions (with and w/o exhibits) by Attendees												
<200	-	194	-	-	1	-	-	-	4	-	-	-
200-500	5	26	11	3	-	1	-	2	10	-	5	1
500-1,000	10	12	10	7	-	3	-	3	25	1	5	2
1,000-1,500	5	-	4	8	3	6	-	2	6	1	10	2
1,500-3,000	10	2	4	10	4	6	-	5	5	1	14	7
3,000-5,000	5	2	-	8	11	10	-	1	-	7	5	7
5,000-10,000	10	1	-	1	5	8	-	2	-	10	3	7
10,000+	5	1	1	3	5	7	-	2	-	8	1	25
Total	50	238	30	40	29	41	-	17	50	28	43	51
% of 5,000+	30.0%	0.8%	3.3%	10.0%	34.5%	36.6%	#DIV/0!	23.5%	0.0%	64.3%	9.3%	62.7%

Definitions

The following definitions were included in the input templates provided to all participants.

Building Size:	Total gross floor area for all levels of the Centre building measured in square feet or square metres.
Rentable Space for Events:	Total floor area available for rent in the Convention Centre building measured in square feet or square metres.
Number of Parking Spaces:	Total number of parking spaces available within the Convention Centre property, if parking revenue and expenditure are reported through the Convention Centre operations.
Conventions/ Congresses	Assemblage of delegates, representatives, and members of an organization convened for a common purpose. A general and formal meeting of a legislative body, social or economic group in order to provide information on a particular situation and in order to establish consent on policies among the participants. Usually of limited duration with set objectives, but no determined frequency. An event where the primary activity of the attendees is to attend educational sessions, participate in meetings/discussions, socialize, or attend other organized events. There is often a secondary exhibit component.
Trade Shows:	Exhibits of products and/or services that are not open to the public and held for members of a common or related industry.
Consumer Shows:	Exhibitions that are open to the public, and usually requiring an entrance fee.
Meetings:	A general term indicating the coming together of a number of people in one place, to confer or carry out a particular activity.
Food and Beverage Events:	A social event involving food and beverage service (such as banquets, weddings, galas, etc.).

All Other Events:	Other events not included above such as concerts, fashion shows, musical, plays, etc.
Gross Event Revenue:	Total amount (before any deductions) generated by an event at the convention centre. Revenue can be generated either by the convention centre or by a supplier (e.g., food & beverage or audio-visual service provider).
Full-Time Equivalents (FTEs):	Total number of full-time employees plus total full-time equivalents of part-time and contract employees. Assume a standard full-time work year of 2,000 hours to estimate the full-time equivalents of part-time and contract employees directly paid by the Convention Centre.