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# MIXED MESSAGES FROM EUROPE

German convention centres are making the boldest price hikes for next year. But many other European venues are not so confident. **Angela Antrobus** reports

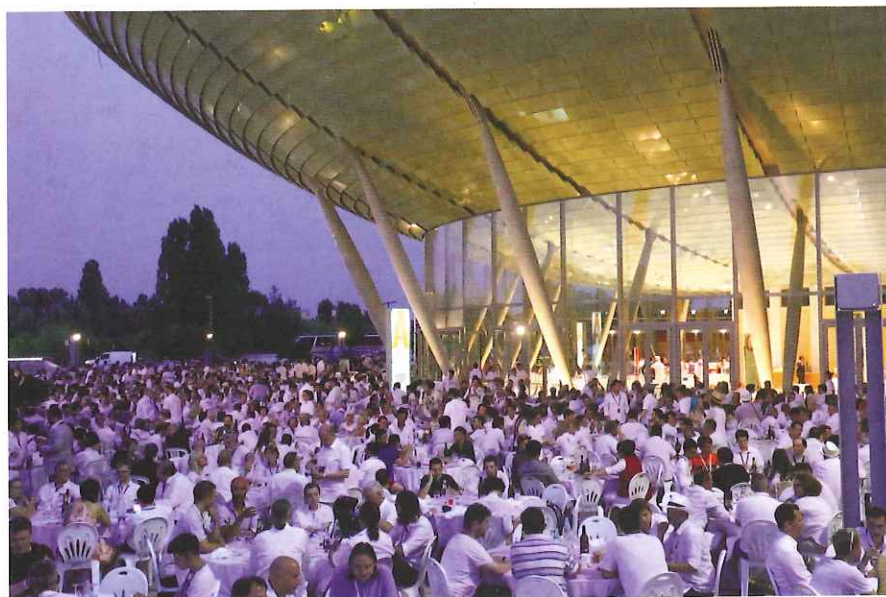
## THE BRIEF

**Duration:** One day **Date:** October 2017

**Meeting room requirements:** 500 people seated theatre-style/1,000 people seated theatre-style

**Equipment:** PowerPoint presentation facility

**Food and beverage:** Morning and afternoon tea and coffee breaks, two-course buffet lunch with mineral water and soft drinks. No alcohol required



Evening function outside Palacongressi di Rimini



Left: BCC Berlin Above: Sava Centar, Belgrade

Average quotes in our annual European Convention Price Centre survey have risen by as much as €1,100 – but elsewhere quotes have been slashed to tempt price-sensitive organisers.

Half of the venues in the survey have raised their prices, two fewer than last year, as the average quote for both fictional briefs, for 500 and 1,000 delegates, has increased, by €1,192 and €660 respectively. And the span between the highest and lowest prices for both has narrowed slightly, by €7,887 and by €6,692.

Notably, centres in Germany, Europe's most successful business events destination, have posted the biggest increases. Despite low inflation, they say costs and supplier charges are still rising.

ICS Stuttgart's rate for 500 delegates has leapt 28 per cent and by 10.65 per cent for 1,000 delegates. "This is due to normal price inflation and higher costs," says Mirjam Hägele, project manager, sales.

Prices are 16 per cent higher at the Maritim Dresden Congress Centre where Tina Oehler explains, "Our prices have increased, as since last year a minimum wage for employees is required by law in Germany which affects our prices and the prices passed on by our suppliers."

More reasonable rises were found at bcc Berliner Congress Centre, where rates depend on date, day of the week and participant numbers. And Kap Europa in Frankfurt is actually posting a lower rate for 500 delegates than for 2016, and a small rise for 1,000 delegates. "Slight adaptations have been made for inflation but our list of services has not changed," says the venue's Rowina Gower-Becker.

Exchange rates with the euro affect prices in centres in non-EU countries. Swiss venues, hard hit in recent years, have become more creative in their packages and made some double-digit reductions to their quotes. Montreux 2m2c is discounting spaces assigned to F&B functions, for example, and it reports 'a good level of association bookings for the next two years'.

## 500 pax All prices ex VAT

Centre	Free wifi	Free wifi in public areas	Wifi an extra charge	2017 (€)	2016 (€)	Price difference (%)
Montreux Music & Convention Centre (2m2c)	•			36,509	43,930	- 16.89
ICS International Congress Center Stuttgart		•		34,917	27,279	28.00
Centro Cultural de Belém, Lisbon	•			34,030	30,330	12.20
Convenciones y Congresos IFEMA-Feria de Madrid		•		33,385	33,385	0
bcc Berliner Congress Center	•			32,750	31,800	2.99
Haliç Congress Center, Istanbul		•		30,675	30,675	0
Messukeskus Helsinki, Expo & Convention Centre	•			30,290	Na	na
Kap Europa, Frankfurt	•			29,384	29,950	- 1.89
RAI Amsterdam	•			29,290	28,660	2.20
Congress Center Basel	•			28,545	35,300	- 19.14
Convention Centre, Dublin	•			28,428	27,871	2.00
MiCo: Milano Congressi	•			26,784	26,784	0
Austria Center Vienna	•			25,499	24,731	3.11
Maritim Dresden Congress Centre		•		25,113	21,534	16.62
Lisboa Congress Centre	•			25,025	25,025	0
Prague Congress Centre	•			22,539	22,539	0
Palac congressi di Rimini	•			21,800	20,150	8.19
Oslo Congress Centre	•			21,504	23,225	- 7.41
Poznan Congress Center	•			21,425	21,005	2.00
Estoril Congress Center	•			20,450	20,450	0
Sava Centar, Belgrade	•			14,310	13,844	3.37

## 1000 pax All prices ex VAT

Centre	Free wifi	Free wifi in public areas	Wifi an extra charge	2017 (€)	2016 (€)	Price difference (%)
Montreux Music & Convention Centre (2m2c)	•			72,073	77,915	- 7.50
ICS International Congress Center Stuttgart		•		65,795	59,464	10.65
Convenciones y Congresos IFEMA-Feria de Madrid		•		64,238	64,238	0
Congress Center Basel	•			58,545	65,200	-10.21
bcc Berliner Congress Center	•			58,350	56,650	3.00
Haliç Congress Center, Istanbul		•		58,100	58,100	0
Messukeskus Helsinki, Expo & Convention Centre	•			55,940	Na	na
Centro Cultural de Belém, Lisbon	•			54,930	47,530	15.57
RAI Amsterdam	•			53,365	55,047	- 3.06
Maritim Dresden Congress Centre		•		49,777	42,899	16.03
Austria Center Vienna	•			49,412	47,739	3.50
MiCo: Milano Congressi	•			48,096	48,096	0
Convention Centre, Dublin	•			48,064	47,122	2.00
Lisboa Congress Centre	•			46,785	46,785	0
Estoril Congress Center	•			45,680	45,680	0
Kap Europa, Frankfurt	•			44,968	43,910	2.41
Oslo Congress Centre	•			41,315	44,485	- 7.13
Prague Congress Centre	•			40,622	40,622	0
Palac congressi di Rimini	•			39,600	36,600	8.20
Poznan Congress Center	•			36,959	36,234	2.00
Sava Centar, Belgrade	•			29,170	28,320	3.00

## UNDER PRESSURE

Centres still feel pressurised by the demands of clients with higher expectations than ever despite tighter budgets. They say clients are even more price sensitive, look for package deals which guarantee fixed costs at an early stage, give centres less time to make offers, assume RFPs are highly negotiable, expect requests to be met more quickly and yet are still after that elusive wow factor for their event.

At the same time, the centres themselves are under pressure to make a profit. But, as negotiating absolutely everything seems here to stay, they're going to have to continue working with clients to find compromises.

## MORE FREE WI-FI

Four more centres now offer at least basic Wi-Fi free throughout. Of those which don't, Madrid's IFEMA's take is that each budget is made to measure and Wi-Fi requirements are taken into account.

ICS Stuttgart does not provide free Wi-Fi, "mainly due to administrative reasons (liability)" according to Mirjam Hägele. And in Maritim Dresden Congress Centre the cost is €5.50 euros per person per day but free for delegates staying in the adjacent Maritim Hotel.

CC Basel has introduced free Wi-Fi throughout the building in the past year. And at the Sava Centar, the decision was made last December to offer free 2Mb/s Wi-Fi services in all areas. A step in the right direction but the centre suggests clients opt for a dedicated network if a high number of devices are expected.

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Left top: Foodfest at Oslo CC Left: Amsterdam's RAI Above: ICS Stuttgart

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In an effort to remain competitive, Congress Center Basel has developed AV packages whereby clients benefit from more attractive prices overall.

Oslo CC says its quotes in Norwegian Krone are actually up on last year's. But convert these to euros and international clients win handsomely, as exchange rates turned even more in their favour in March.

Serbia's Sava Centar still languishes at the bottom of the tables. The rates have increased because of higher fixed costs but, says Rade Hinić, director of the congress department, the local market is still very slow due to economic turbulence.

While Turkey still hopes to join the EU, Istanbul's Haliç Congress Center is finding this a tough year because of national and international economic effects and therefore is not increasing its rates.

Five other centres, all in EU member countries, believe their rates are appropriate for the market in its current state and not changed them. They include Lisboa and Estoril in Portugal, where the economy is fragile.

The third Portuguese centre included in the survey,

Centro Cultural de Belém in Lisbon, has posted sharp increases because a new chef has introduced innovative banquetting options, at a cost. "We are optimistic for the next few years," says Sofia Sousa Ferreira. "We have four major events this year and hope to increase the number in the future."

Palacongressi di Rimini says constant investment in technology accounts for its eight per cent hikes. Poznan CC and Austria Center Vienna blame inflation and rising costs for their modest increases. Convention Centre Dublin justifies two per cent rises due to higher wage costs and an increased catering offer but includes some value add-ons. RAI Amsterdam tends to favour low annual increments but, facing tough client negotiation and feedback, is offering a more attractive package for the larger number of delegates.

Business Solutions Disneyland Paris is absent this time, the new director's strategy is to customise each event to be more client-centric and not to announce any standardised prices or packages. But Messukeskus Helsinki makes a welcome return following recent organisational changes. ■

## THE PCO

**Caroline Mackenzie,**  
director, association  
services, Zibrant



It's always interesting to review the annual survey pricing

points across many European conference centres. Europe offers a wide range of venues that meet the budgetary scope but it's important to recognise that venues will have differing pricing models which may impact on what appear to be significant variances. What is included and what are the other add-ons for organisers and attendees?

The eye is always drawn to the percentage fluctuation changes year on year. With current inflation rates in Europe still pretty much flat lined, it isn't a great surprise to see that in both briefs nearly 75 per cent of venues are showing a less than four per cent increase or in some cases a reduction.

The four venues showing significantly higher than inflationary increases are hard to rationalise except for Rimini - it's already in the lower quartile so any price increase is going to seem magnified in percentage terms. Presumably the demand the others enjoy can justify this seemingly out of alignment increase.

In the case of the Swiss venues which have made reductions, I can only assume that with a client base in the Eurozone they are making commercial decisions based on a need to remain competitive.

A positive thing to note is the number of venues with some level of Wi-Fi included within the rental rates. I think most would agree that connectivity is no longer a 'nice to have' but an essential requirement for organisers and attendees alike.



Lisboa CC