

Rollercoaster ride

Our survey had revealed some surprising hikes from unexpected quarters in 2019. Since then, the coronavirus pandemic has put venues in flux. **Angela Antrobus reports.**



Lisbon Convention Centre.

While the majority of venues we surveyed have bumped up their quotes for our two briefs to some extent, others have posted some remarkably high increases. The result is that the average price for each brief is more than 3,000 euros higher than it was last year.

The biggest shock comes from Prague CC. Its rates have shot up by around 35 per cent, having been frozen since 2016 and before then any rises were always very modest. Room rental has not changed but both AV and catering costs have increased a lot, it seems, pushing it up our tables.

At the top is IFEMA Madrid, with 15 per cent rises. Association sales manager Itziar Benguria points out that its space rates are between 1.5 and 2 per cent higher but 17 catering companies are officially licensed to work at the centre, all with different price structures, and the firm they asked to quote for our survey was one of the pricier ones. Due to the current situation, more reasonable deals should be available.

Austria Center Vienna has also posted unprecedented double-digit rises. Rising costs and inflation are blamed while the centre strives to give clients good value for their money and be flexible both in the negotiation process and execution.

The good news is that four centres are freezing their rates, Messukeskus Helsinki is doing so for the second year running. Congress manager Paula Blomster explains, "For international clients we try to find the best possible offer as we know we are still considered an exotic destination."

MiCo Milan and the Dresden Maritim

CC haven't changed their rates, nor has Montreux 2m2c. After unfavourable exchange rates ramped up its prices a few years ago, the latter devised creative solutions by granting some reductions in order to be more competitive.

Oslo CC has to contend with exchange rates from Norwegian kroner to euros but they're to the client's advantage just now as once again its prices come out lower than

last time, despite no changes to its charges outside normal annual adjustments.

Lisboa CC cites inflation, although its 7.33 per cent rise for 500-delegate events doesn't equate with 0.57 per cent for the 1,000-delegate congress.

The Sava Centar, Belgrade, once again at the bottom of our tables, is experiencing higher electricity and heating costs while reporting that business is still rather slow.

TRENDS

More clients are asking about sustainable practices and events, according to the centres we surveyed. Austria Center Vienna, for example, is responding to the demand by offering Green Meetings and officially certifying them.

RAI Amsterdam is witnessing more agencies than ever before involved with events and clients demanding more varied catering options than just a vegetarian and a meat choice.

Fabrizio Conte at MiCo Milan has noticed non-European clients increasingly using event management software such as Cvent. Dublin CCD's Adrienne Clarke says clients are looking for more networking opportunities and longer breaks.

As ever, clients are negotiating harder than ever. But Berliner CC finds that many prefer all-in packages as a way to protect them from unexpected supplements and add-ons. Lisboa CC says clients tend to postpone confirmations and delay payments if possible.

"I think we should all work on the same side for the success of the event," says Messukeskus' Paula Blomster. "With good and honest discussion you reach a result that helps both parties."



THE BRIEF

Duration: One day

Date: October 2021

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



THE CLIENT

Sabrina Nielebock
Events coordinator
European Association
for International Education

In view of the prices and the steep price curves for events of 500-1,000 participants, it's quite hard for these medium-size events to find ground if they are not hosted by commercial entities. For associations unrelated to the medical world, these prices are quite undoable. I also find it interesting that from 500 to 1,000 participants the price simply doubles in most cases, even though the basic costs should be the same. A room for 1,000 people is not often twice the price, neither are AV costs.

Another surprise is that the cost increases are not based on the average inflation rate at all but seem to be rather random. Are these venues which have gained hugely in popularity over the last couple of years and believe their increases are affordable or have they stagnated for far too long and have some catching up to do to stay in the game?

This is quite different from 2018/2019 when venues shyly were clinging to inflation rates – not daring to increase too much. The venues on this list seem to be very confident about what they are doing.

Wi-Fi finally seems to be part of the standard package as just a couple of venues do not have it as standard, which is surprising as Wi-Fi is as important as the air the participants breath.



THE PCO

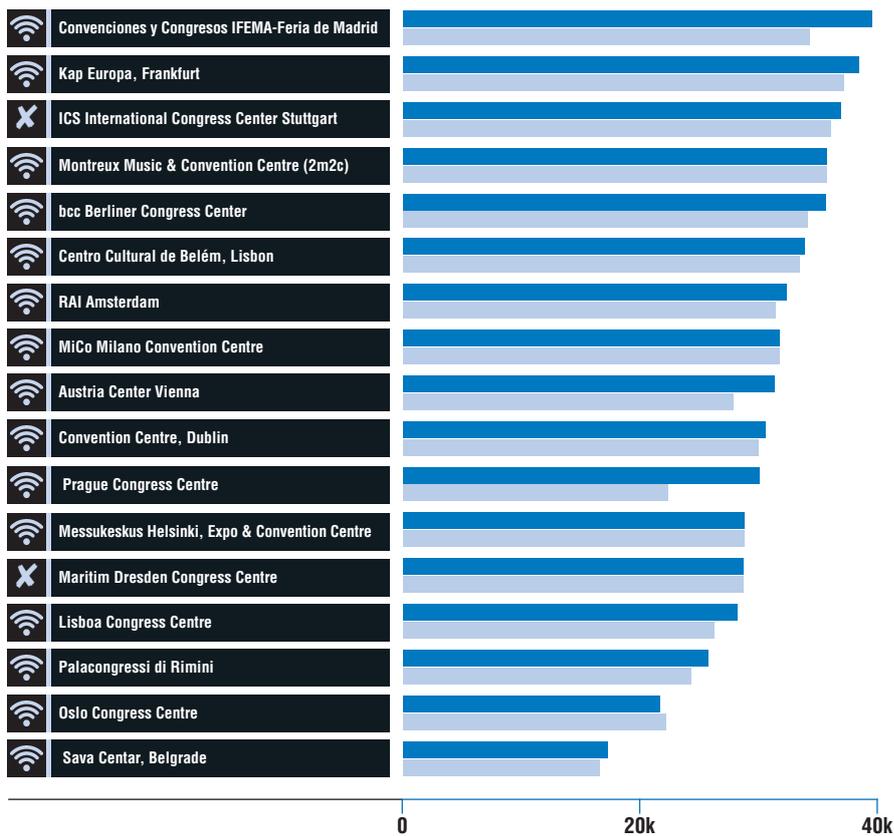
Marica Motta
Sales operations
coordinator
AIM Group International

Looking at the tables, we can notice that some venues have applied a significant increase, especially for congresses for 500 participants. This happens especially in the case of congress centres that have renovated their spaces and invested in state-of-the-art technology equipment in order to compete on equal terms in the European market. Rates are aligned and there are not so many discrepancies among the different centres around Europe, compared with the rates for 2020.

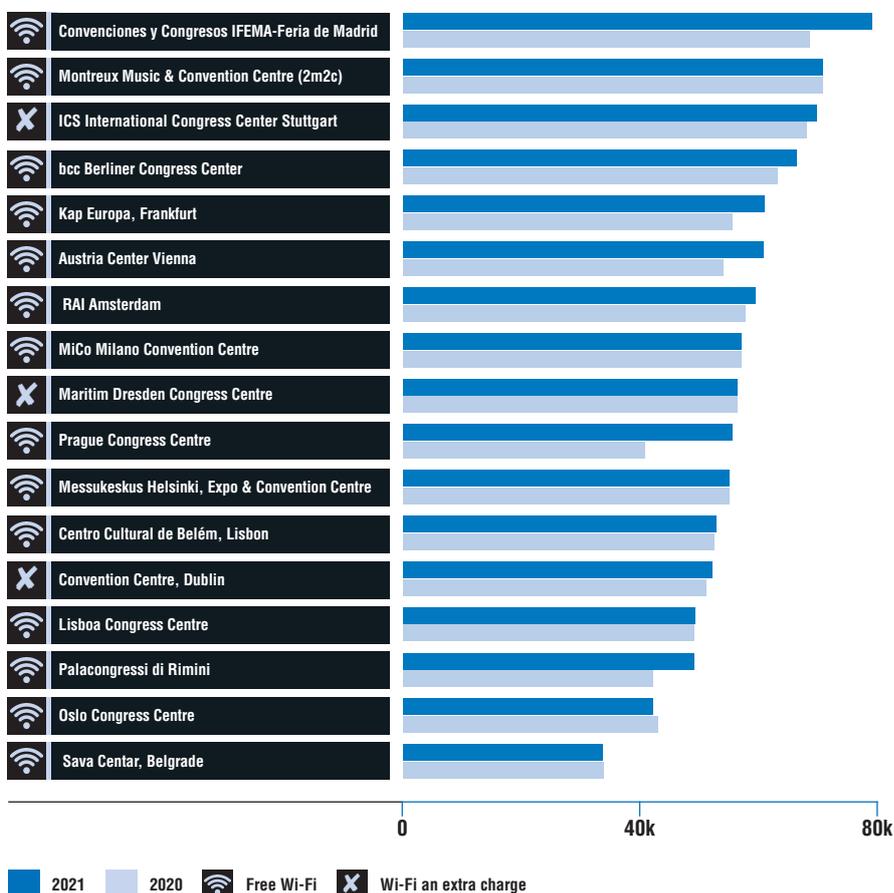
Generally speaking, venues' rates are holding steady or increasing but clients are negotiating more or asking for discounts, incentives and added-value services. Meetings are changing formats and clients are looking for innovative and sustainable partners. Congress centres are asked to be more flexible and reduce their environmental footprint.

They need to create new models in order to improve the attendee networking activity and delegate experience. Therefore the real competition among the different centres is based on how a venue is able to provide added value and renew its offer according to the new meetings industry trends: more digitalisation including digital branding opportunities, powerful and free Wi-Fi systems, flexible spaces with the latest technical equipment and an efficient sustainability policy. ■

500 pax All prices quoted in euros, ex-VAT



1,000 pax All prices quoted in euros, ex-VAT



■ 2021 ■ 2020 📶 Free Wi-Fi ✗ Wi-Fi an extra charge

All prices correct at time of going to press. Visit mitmagazine.co.uk for latest updates.