

Exhibitions: misunderstood and undervalued

By  Danette Breitenbach

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Exhibitions add R66.5 billion to South Africa's GDP, contributing R3 billion to national taxes and 135,100 sustainable jobs. In 2015 of the five million visitors to exhibitions, tourists accounted for 1 million of these. The industry contributed R23 billion to the tourism sector and sustained 47,000 jobs. The direct impact to the tourism sector is R7.6 billion.



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The exhibition industry's impact on tourism is huge says Carol Weaving, chairperson of the Association of African Exhibition Organisers (AAXO) and MD of Thebe Reed Exhibitions in South Africa. "That is why we have to ensure that business understands the importance of exhibitions."

Weaving was talking at the presentation of the Grant Thornton Report on the Economic Impact of the Exhibition Industry in South Africa. "This is the first time in over a decade that market research has been undertaken in this sector," she adds.

The research findings were presented by Gillian Saunders, deputy CEO of Grant Thornton, who explains that the research was undertaken in 2015 and finished in 2016. "Exhibitor organisers, exhibitors and visitors to exhibitions were interviewed."

Saunders emphasises that because the research had been conducted in 2015, it reflects economic changes and challenges from this period. “Ebola was an issue in that year and as a result travel to South Africa and Africa dropped significantly.”

The total visitor spend for consumer exhibitions is R1,160,214, with the average spend R886 for the day visitor, and R1,483 for the non-local day visitor. Trade exhibitions generate a total spend of R4,950,086, with the day visitor spending an average of R1,972 and the non-local day visitor, R1,505.

Bigger is not always better

While the total number of exhibitions in South Africa have increased from 120 in 2006 to 180 in 2015 and the number of exhibitors have gone up, the number of visitors have declined. This is due to the trend of smaller exhibitions, she explains.

“Overall the industry has grown, but because of the impact of economic changes and other challenges, this growth varies from exhibition to exhibition, depending on which industry they function in. For example, mining exhibitions are smaller because of the commodities downturn.”

This has also led to the rise of niche and targeted exhibitions, especially for trade. “As society becomes more complex, exhibitions have to provide more detail on more topics. The result is that bigger is not always better. We have seen larger exhibitions splitting into multiple combined exhibitions,” she says.

Technology is a major trend, especially when it comes to visitor-exhibitor relationships. She says, “Exhibitions cannot afford to be only physical; they have to build technology into their shows. If they are not, then they will end up behind the curve.”

Together with this, it is critical for exhibitions to leverage content and experiential content in an innovative way. “This is especially so in the consumer lifestyle exhibition space, as they compete with multiple other environments for the consumers’ leisure time. This is a very competitive space.”

The need for exhibitions to be professional is important. “Marketing executives are looking where the best space is to promote their product, and the choices are endless. Therefore, exhibitions must show that they are a great way to do this.”

Key challenges in the local industry are a lack of venues, with many venues having to be booked years in advance. Venues are also able to charge more because of the lack of supply and the high demand. Another big challenge is exhibitor education. “Exhibitions provide a great platform but exhibitors do not always leverage them to their potential. To get exhibitors to understand how to do this is a key objective of AAXO,” says Weaving.

Exhibitions are no longer a static medium. “Exhibitions are the key to the future, but they must combine digital ways of connecting with the format for it to work in the future. Matchmaking—easy to do in the digital world—is essential to exhibitions and every exhibition should have one.”

ABOUT DANETTE BREITENBACH

Danette Breitenbach is a marketing & media editor at Bizcommunity.com. Previously she freelanced in the marketing and media sector, including for Bizcommunity. She was editor and publisher of AdVantage, the publication that served the marketing, media and advertising industry in southern Africa. She has worked extensively in print media, mainly B2B. She has a Masters in Financial Journalism from Wits.

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