

Convention Statistics Berlin 2016

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1. Berlin's MICE Market: Factors driving its success and milestones in its impressive growth

*"Berlin has become the leading international meeting place. Whether healthcare, mobility, IT, and many other highly innovative industries, all roads lead to Berlin at some point. This also benefits Berlin's role as a location for trade fairs and conventions, allowing the city to offer its visitors an ideal environment for doing business. Behind this are many years of constant work and effort for which I wish to express my gratitude to all those involved in this success. Berlin has put its efforts to developing this aspect of its economy with consistency and our long-term, future-orientated policies are paying off."*¹

Michael Müller, Governing Mayor of Berlin

A success story: Berlin's MICE market and the Berlin Convention Office since 2001

- Since 2001, Berlin's MICE market has developed very dynamically, indeed clinching the top ICCA ranking for the first time in 2015. The impressive growth in Berlin's meetings and conventions market is evident when comparing key statistics from last year and 16 years ago:

	2001	2016	Change
Events	91,000	137,500	+51%
Participants	4.2 million	11.6 million	+176%
Overnight stays	2.27 million	7.70 million	+239%
Total revenues	€0.920 billion	€2.419 billion	+163%
Jobs	17,000	41,500	+144%

- The *visitBerlin* Berlin Convention Office (BCO) has played a decisive role in this growth since 2001. The BCO has brought more than a thousand European and worldwide conventions to the German capital.

Berlin: international hotbed for start-ups

- For years, Berlin has been one of the main international centres for start-up companies. Berlin is undisputedly the top city for start-ups in Germany in terms of investment volume and venture capital invested in start-up companies and the capital stands shoulder-to-shoulder alongside other European centres such as London, Stockholm, and Paris.

Berlin: leading location for first-class medicine and international health tourism

- Medicine and the related disciplines of science and research are one of the most important sectors in Berlin's meetings market.

¹ Source: Press Release BCO 2016: "Berlin takes top spot for international conventions"

- Berlin's success as a healthcare destination reflects its 300 years' history as a centre for health and science. More than a dozen Nobel Prize laureates have been based in Berlin, including researchers like Rudolf Virchow and Robert Koch.
- The city's 80 hospitals and approx. 8,700 physicians serve some 814,000 patients a year. The number of international visitors coming to Berlin for medical treatment continues to grow. In 2014, 11,036 "healthcare tourists" were treated in Berlin's seven major international hospitals that joined forces in 2012 to create a benchmark group.

Berlin: top international destination for tourism, culture and media

- The success in the MICE market is not least due to the uncommon dynamism and constant change with which Berlin is constantly "reinventing" itself as a tourist, cultural and media destination, attracting visitors from all over the world.
- The attractiveness of Berlin as a destination is reflected, for example, in the Berlinale, one of the most popular film festivals in Europe, which marked its 66th anniversary in 2016. As one of the top media events in the film industry, it attracts around 20,000 trade visitors and journalists from 80 countries each year.
- Visitors can choose from some 1,500 events held in the German capital each day. With world renowned museums and avant-garde galleries, virtuoso orchestras and electro beats, prominent theatres and open-air acts, every day in Berlin is itself a unique event, even for those attending conferences and meetings. And 2017 has been major events on offer such as the IGA Berlin garden show, the national assembly of the German Protestant Church, and the International German Gymnastics Festival.

Berlin: continuous boom in new hotel construction

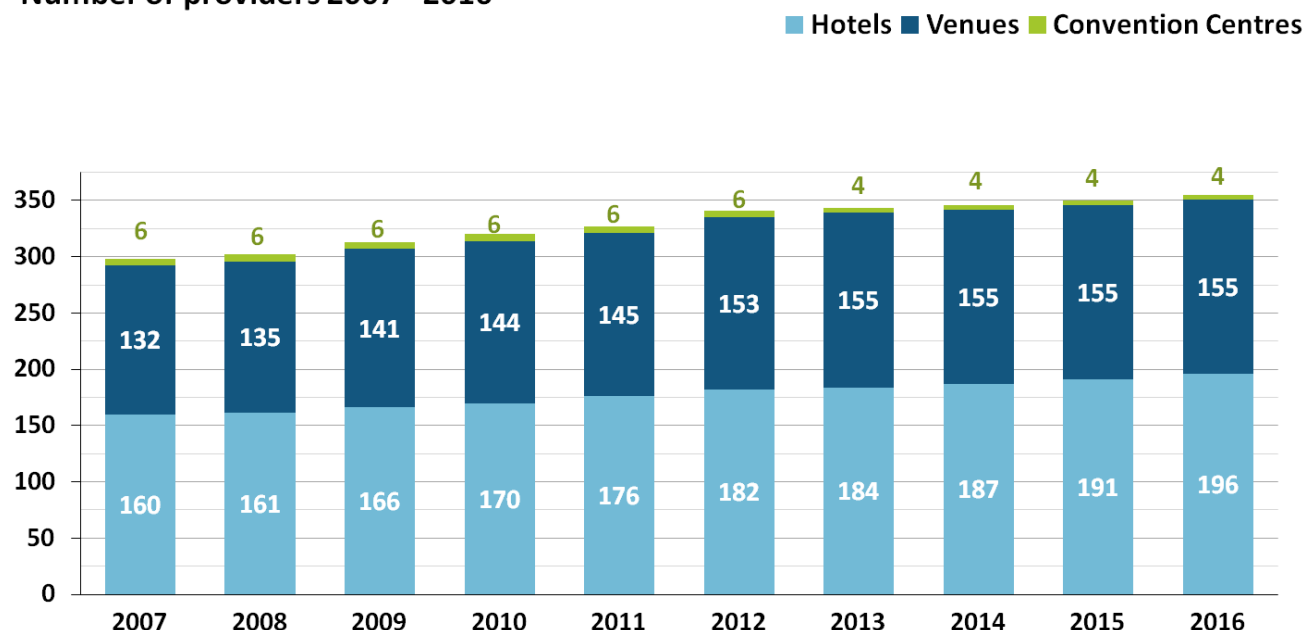
- Also, the hotel boom in the capital appears to be unabated: new hotel projects have been announced for 2017-2020 that will add another 3,900 rooms to the city's inventory.
- The Hotel Estrel, currently offering 1,125 rooms, will be adding 814 more rooms as construction of the 46-storey Estrel Tower is completed. The new tower will stand 175 m tall, about two and a half times higher than the current Estrel Hotel, and will thus become the tallest high-rise hotel in Germany. Construction will start in 2017 and the new tower is scheduled to open in 2020.
- Other exciting projects, for example, are those directly adjacent to the East Side Gallery. This former industrial area will become a new neighbourhood with the Music Box event space, a cinema, a bowling alley, and several restaurants and bars. The new Mercedes Platz will be home to the boutique Indigo Berlin City - East Side Hotel with 119 rooms and the Hampton by Hilton Berlin City East with 254 rooms. They are both expected to open in late 2017 or early 2018.

2. Executive Summary: Key Statistics and Growth in 2016

- Since data began to be collected about the Berlin MICE market in 2002, the meetings and convention business in Berlin has seen very dynamic growth. The number of providers has increased from 245 in 2002 to 355 in 2016, representing an increase of 45%.

Steady growth in providers in Berlin: number of hotels, convention centres, and locations

Number of providers 2007 - 2016



Source: ghh consult 2017 per congress-berlin.net

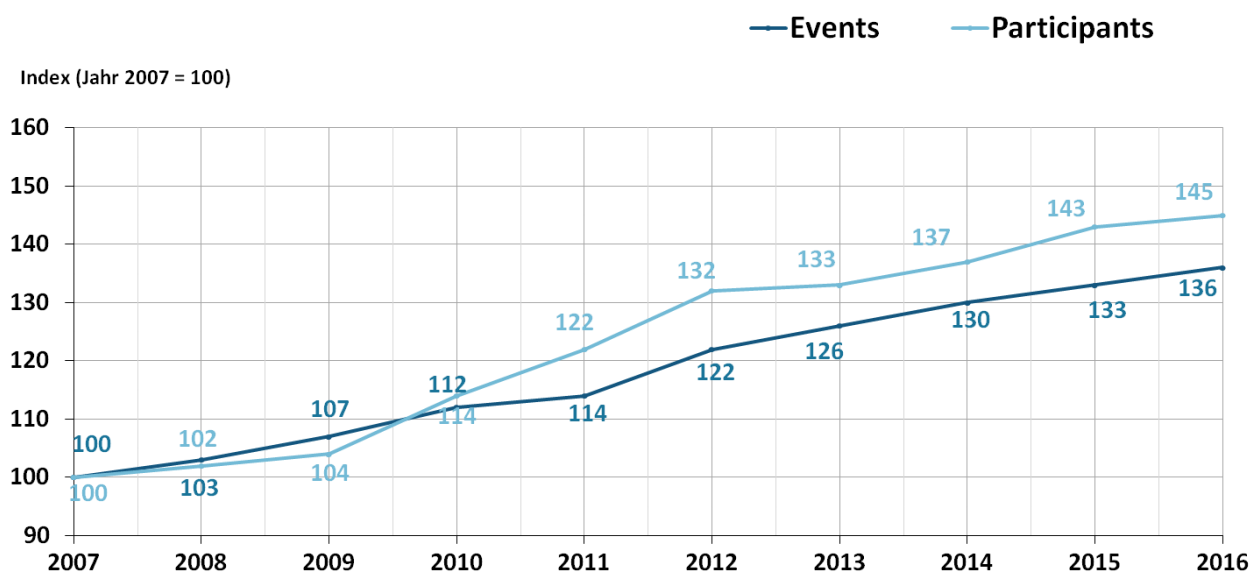
* Note: from 2013, two providers previously listed as convention centres are now classified as locations.

- The 355 providers counted in 2016 offer meeting space totalling approx. 502,000 m².
- The largest number of providers is made up by the 196 hotels on the list (equalling 55% of providers), that together offer about 140,000 m² of meeting space (28% of the total available space).
- The largest amount of space, however, is offered by the 155 unusual venues or locations (representing 44 % of the providers) with 311,000 m² of meeting space (62 % of the total).
- The four convention centres make up 1% of the providers, but provide around 51,000 m² (10%) of the available meeting space and are thus important pillars of the city's MICE sector.
- More than a third (36%) of the conference hotels and all of the convention centres participated in congress.net in 2016. They represent some 69% of the total space offered by Berlin venues of this type. As the number of participating locations remained constant from the previous year, but the total amount of event space increased in the city, the proportion of event space represented in these statistics dropped from the 2015 levels to 69% in 2016.
- Among other locations, 36 participated in congress.net, representing 55,000 m² of meeting space. This corresponds to 18 % of the total area in this category.

- In 2016, approximately 137,500 events (+1.8%) were held, with approximately 11.6 million participants (+1.8%).
- The number of events has risen by 36% over the last 10 years, while the number of participants has risen by 45%.

Strong growth in event and participant indexes

Growth 2007 - 2016



Source: ghh consult 2017 per congress-berlin.net

- Berlin's conference hotels play a defining role in these statistics:
120,400 events (+2.0% compared to 2015) hosting some 7.05 million participants (+3.5%).
- The city's convention centres hosted about 2,250 events (+9.2%) in 2016, with approximately 1.12 million attendees (+4.6%), an impressive year-over-year growth for the convention centres. This once again clearly indicates the need for a new, large convention centre in Berlin. The existing venues have reached their limited capacities. New capacity is needed in order to win new, large meetings for the German capital.
- The approx. 14,800 events (-1.6%) at other locations in 2016 welcomed about 3.41 million participants (-2.2%). This slight decline actually reflects a consolidation of the market at an already high level.
- **Overall, it can be said that the convention market has once again seen strong growth in 2016.** The consistent marketing activities of the BCO in the relevant markets, the attractiveness of Berlin as a MICE destination, and the good economic situation here were crucial drivers.
- The structure of the events by size (number of participants per event) remained largely constant in 2016.
 - In 2016, the proportion of events with fewer than 100 participants was 84.7%, slightly higher than the previous year (84.6%).

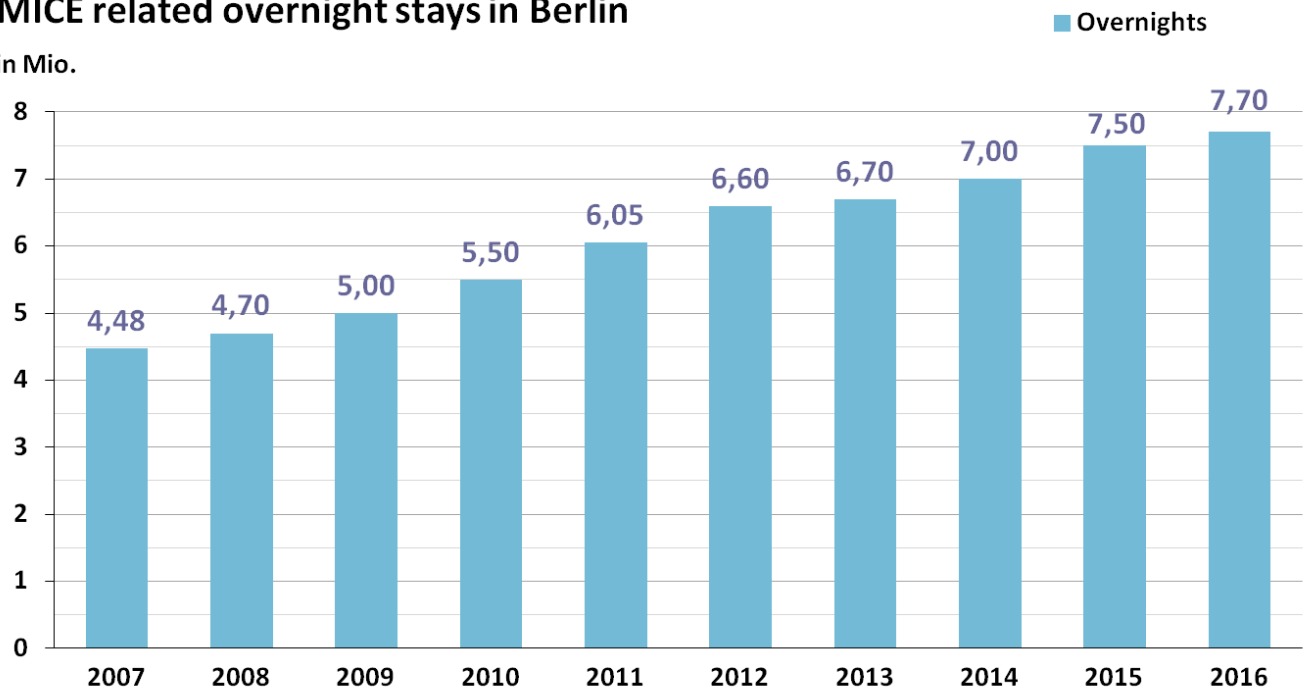
- The proportion of events with more than 1,000 participants in 2016 was 0.5%, the same as the year before.
- In 2016, the average number of participants per event in Berlin remained constant at 84.
- On average, events lasted 2.0 days in 2016, unchanged from the year before. For events held at hotels, the average length was 2.1 days in 2014, while convention centre events lasted 1.7 days on average and events at other locations only 1.3 days on average. Again, there was no change over the previous year's figures. Berlin remains attractive as a site for multi-day conventions and meetings.
- One-day events made up 60% of the events held in 2016, a drop from the previous year (61%); multi-day events, however, grew slightly in 2016 (40% compared to 39% in the previous year).
- Conferences and meetings continue to dominate the MICE market in Berlin, with such events accounting for 48% of the events in 2016 (slightly down from 49% in 2015). There was a slight shift in favour of the conventions segment in 2016 (making up 9% of the events vs. 8% in the previous year).
- The private sector once again took the lead in organising events in Berlin, organising 70% of all events. This reflects Berlin's position of Berlin as an international hotspot for start-ups and the large number of meetings and events held in Berlin that related to digitalisation and IT. The pharmaceuticals and science segments are especially benefitting from this trend. National and international associations and organisations organised more than one-fifth (22%) of the events in Berlin in 2016, a slight drop from the previous year (23%). Events organised by public institutions accounted for 7% of the total in both 2016 and 2015. Berlin's role as the nation's capital continues to drive its relatively strong position in this market.
- No changes in terms of who booked events were recorded: as in the previous year, 90% of all events in 2016 were directly booked, 9% were booked by PCOs, with the remainder booked by "other".
- Berlin was able to expand its already strong position with events in the fields of medicine, science, and research. The participants in meetings for this sector represented 18% of the total who came to Berlin in 2016 (up from 16% in 2015). The fields of IT, electronics, communication and politics and public institutions also both posted gains in 2016 (each making up 13% of participants in 2016, up from 12% each in 2015). Other fields strongly represented at meetings this year were trade, banks, and insurance companies (10%) and chemicals, pharmaceuticals, cosmetics (9%), unchanged from 2015.
- As in the year before, about 20% of 2016 events in Berlin had an international dimension. About 2.4 participants came from abroad in 2016, representing almost one-fifth of the total.
- As the capital of Germany, Berlin is home to the headquarters of the most important associations and organisations in Germany. This accounts for the high proportion of participants from the German market. The proportion of participants from the local region dropped slightly to 39%, with participants from the rest of Germany making up 41% of attendees. The share of participants from the UK rose one point to 5%, while the proportion of participants from the rest of Europe dropped slightly to 11% (12% in 2015). The number of participants from the USA and Canada remained constant at 3%. The *visitBerlin* Berlin Convention Office with its representatives and corresponding marketing activities has thus had a successful year in its key markets.

- Berlin's meetings and convention market generated about 7.7 million overnight stays in 2016. This is an increase of approx. 2.7% over the previous year and growth of 72% over the past ten years. This underlines the importance of the meetings sector for Berlin hotel industry.

More than 72% growth in number of nights from the meeting and convention market

MICE related overnight stays in Berlin

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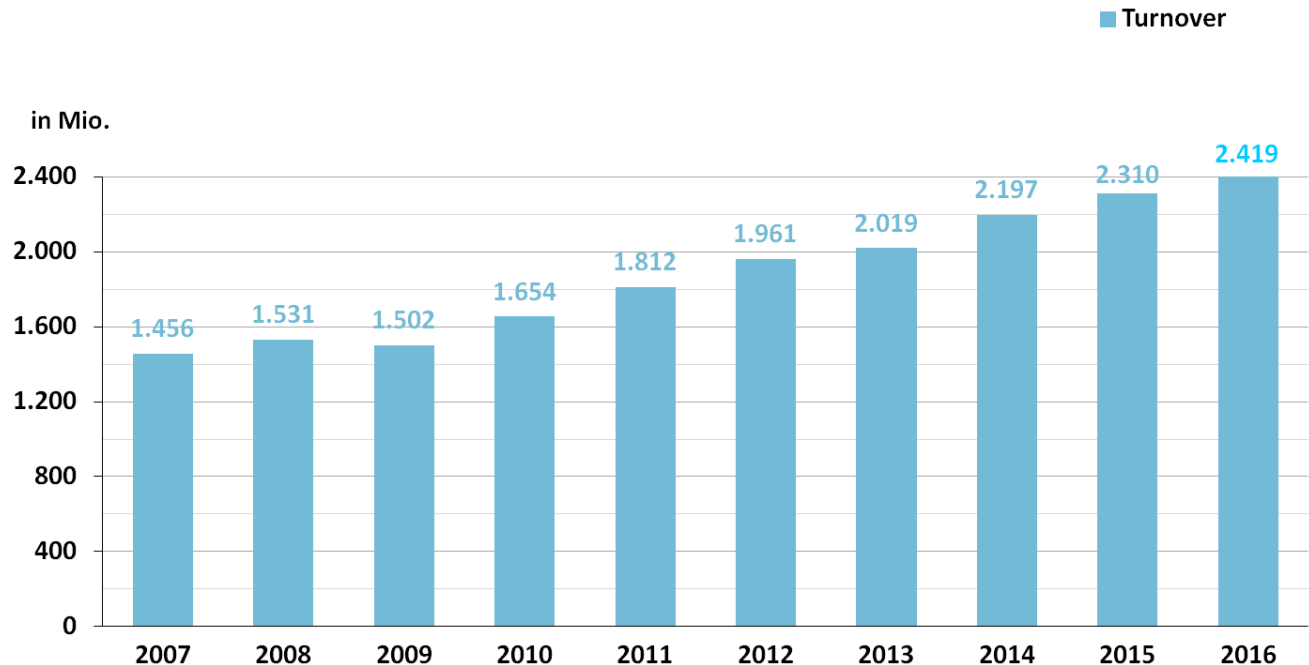


Source: ghh consult 2017 per congress-berlin.net

- The economic implications for Berlin are considerable. The revenues generated by people attending meetings and conventions equalled €2.419 billion in 2016, representing 4.7% year-on-year growth (2015: €2.310 billion)
- In the past 10 years, the revenues generated by Berlin's MICE market have risen by approx. 66%.

More than 66% growth in revenues from the MICE market in the past 10 years

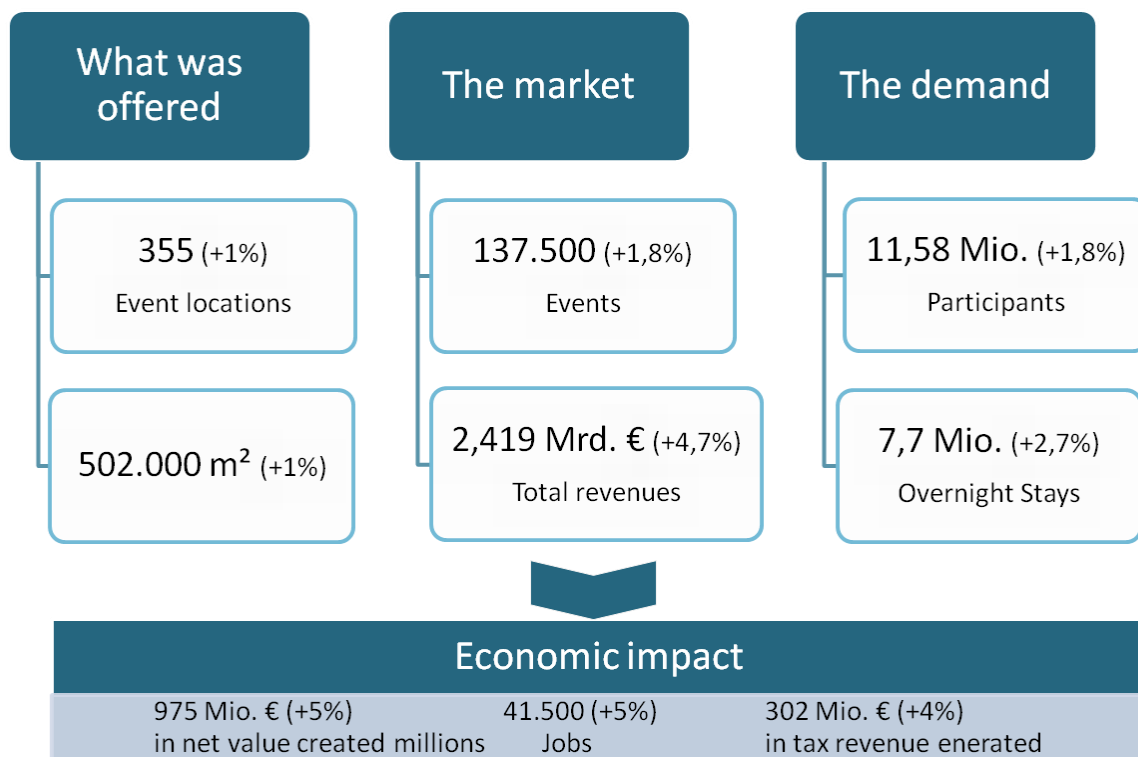
Revenues from the MICE market 2007 – 2016 in € million



Source: ghh consult 2017 per congress-berlin.net

- The average amount spent in the city by a guest staying overnight in 2016 was **€237 per day**. Those who came to the city only for the day spent an average of €84 per day. This resulted in **average expenditure per meeting participant per day of €209** in 2016, higher than the previous year (€203).
- The number of full-time jobs attributable to the MICE sector in Berlin rose from 39,500 in 2015 to around 41,500 in 2016, representing an increase of approximately 5%.

Key figures for the Berlin conference and convention market in 2016



Source: ghh consult 2017 per congress-berlin.net



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