

Berlin *aktuell*

The importance of trade fair, exhibition and convention organisers
for Berlin as a centre for business

December 2015

The importance of trade fair and convention organisers for Berlin as a centre for business

**Editorial by the Chairman of the Board
of Investitionsbank Berlin**



Dr. Jürgen Allerkamp

Trade fairs are rightly considered to be the flagship of a city's economy. They are the parlour where trade partners come to find out about the latest developments in their sector. Exhibitors can show customers what they have to offer and, of course, check out competitors. Visitors to the trade fair come to be inspired by new goods and services and to compare the various offers. Finally, a trade fair thrives on the enthusiasm it triggers among its visitors. Berlin plays host to a series of trade fairs that are also open to the public and hence ideally suited to the German capital: be it IFA, the global consumer electronics trade fair, ITB Berlin or International Green Week, all of which regularly attract hundreds of thousands of trade fair guests to the capital city region.

A trade fair always addresses a vast range of economic dimensions. First and foremost, it is of economic relevance for the companies who as exhibitors are the source of the goods and services on show. These companies have their sights on new orders and contracts to secure their future sales. But it is not just exhibitors and customers who benefit from a trade fair. The venue itself also basks in the glow of the fair. It is hence hardly surprising that the capital city of Berlin benefits from the trade fairs and conventions organised, for instance, by Messe Berlin GmbH in Berlin.

Many areas of the economy benefit directly from the visitors who travel to Berlin. These are primarily areas that come into contact with trade fair visitors, such as hotels, restaurants and transport companies. From an economic perspective, one euro spent by a trade fair visitor at a hotel can still go a long way. Those companies who generate sales directly from money spent by trade fair and convention visitors pay salaries and invoices to their staff and suppliers. These payments lead to further economic activities in many areas and ultimately to additional tax revenues for Berlin. Using a regional econometric model, economic experts at Investitionsbank Berlin have calculated that in the same year as the trade fair one euro spent by a trade fair guest will lead to EUR 1.20 in gross added value thanks to multiplicative spending and employment effects.

Berlin will continue to be an important city for trade fairs, the most important city in Germany. A state-of-the-art, strong trade fair landscape is essential for the national and international profile of Berlin as a growing city. I sincerely hope that the results of this IBB survey can add some up-to-date feasibility results to today's lively debate regarding Berlin's standing as a trade fair venue and help stakeholders in their decision-making.

A handwritten signature in black ink, appearing to read 'J. Allerkamp', written in a cursive style.

*Dr. Jürgen Allerkamp
Chairman of the Board
Investitionsbank Berlin*

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Summary

Berlin with its numerous leading trade fairs will continue to set international standards as a venue for trade fairs and conventions. Trade fairs are already now an enormous economic factor for Germany's capital city. According to official statistics, 864 Berlin-based companies operate as trade fair, exhibition and convention organisers in Berlin. These companies employ around 3,700 people in close to 3,000 regular jobs and around 700 marginal part-time jobs. In 2013, the companies working in this sector generated sales amounting to EUR 586m (more recent official figures have not yet been published).

After deducting goods and services procured from other regions and excluding subsidies, the trade fair, exhibition and convention organiser sector generated gross added value of approx. EUR 222m in 2013 in the capital city. Totalling 0.2% of overall gross added value in Berlin (EUR 105bn), this sector's contribution to the economy as a whole as shown in official statistics can be seen to be relatively small.

However, the economic importance of trade shows cannot be solely measured on the basis of official key figures recorded for this sector. The real impact of trade fairs and conventions must be seen in a much broader context. Trade fair and convention guests spend money on accommodation, food and transport. After visiting the trade fair, they go shopping and visit many of the city's cultural and recreational facilities. This spending, especially outside the trade fair, leads to high sales in many different areas of the economy.

In 2014, Messe Berlin GmbH alone hosted 74 events, including 50 trade fairs and 24 conventions even though the year 2014 was a short financial year due to the closure of the ICC and the opening of City Cube in May. In total, around 1.9 million people visited the trade fairs (1.84m) and

conventions (104,000). This benefits not just Berlin's trade fair sector, but also its restaurants and hotel sector. All in all, visitors to the various trade shows and conventions organised by Messe Berlin GmbH spent EUR 887m on consumption in Berlin. On top of that, the around 28,700 trade fair exhibitors in 2014 spent around EUR 490m on transport companies, skilled craftsmen and security companies in Berlin.

Using IBB's simulation model, these additional sales effects generated by both trade fair visitors and exhibitors can be converted to added value, employment and public revenues for Berlin's economy:

- Consumption by guests of Messe Berlin GmbH along with spending by exhibitors totalling EUR 1.4bn
- Additional gross domestic product (GDP) for Berlin over the next five years amounting to EUR 2.1bn. The biggest share was already recorded in 2014, i.e. EUR 1.6bn.
- Moreover, 6,500 new jobs a year will already be created or secured, some of which will be of a temporary nature.
- Due to additional added value effects, public revenues will increase by EUR 63m.

Berlin is one of the world's most important venues for trade fairs and conventions. Messe Berlin GmbH and its lighthouse trade fairs have a key role to play here. And this benefits Berlin too.

A trade fair venue with history

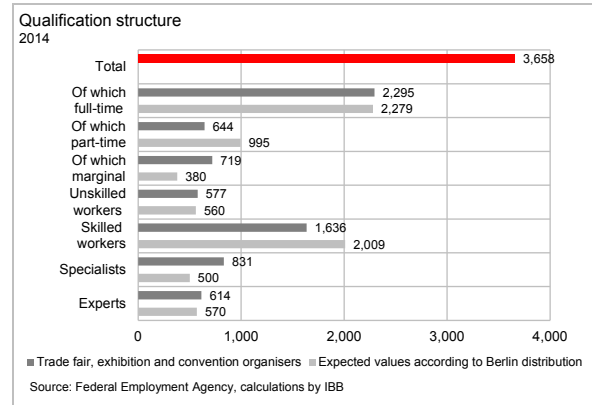
Germany is without doubt the world's leading venue for trade fairs and conventions. This is due, on the one hand, to the broad industrial orientation of Germany's economy and to the country's central location in Europe on the other. This survey is to focus on trade fair activities, particularly in Germany's capital city where the economy has grown at an extremely rapid pace since 2005. Many

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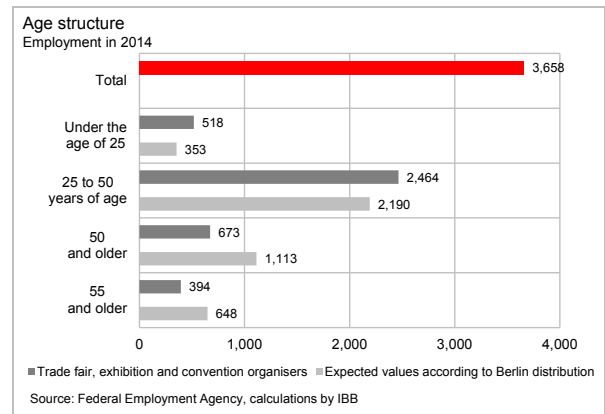
new companies have moved to Berlin or have been established there. When it comes to tourism, Berlin is a very attractive destination, offering a host of cultural highlights. On top of all that, Berlin is also one of Germany's most important venues for trade fairs and conventions. Berlin has a long-standing tradition with trade fairs and has managed to survive, even at a time when the city was divided. IFA, the international trade fair for consumer electronics and one of Germany's oldest industrial trade fairs, was held for the first time in Berlin in the 1920s. The International Aviation Exhibition also has a long tradition in Berlin and was held in the city for the first time in 1928.

A sector with a fresh face

According to official Berlin-Brandenburg statistics, 864 companies are currently operating in Berlin alone in the trade fair, exhibition and convention organiser sector. The main focus of companies working in this sector is on organising and managing events, such as trade fairs, conventions and conferences. In 2014, around 3,700 people were employed by these companies, 3,000 in regular jobs and around 700 in marginal part-time jobs. When compared with the distribution of the qualification structure in Berlin's economy as a whole, it becomes clear that the trade fair sector employs a particularly high number of specialists (16.8%; Berlin's economy in total: 15.6%) but also more people in marginal part-time jobs (19.7%; Berlin: 10.4%) than in the overall economy in Berlin. On the other hand, the share of skilled workers, i.e. 44.7%, is slightly lower (Berlin: 54.9%). Unlike unskilled workers, skilled workers carry out much more complex and more skilled tasks. Specialists perform additional planning and supervision activities. Experts, on the other hand, frequently perform highly complex tasks, including development, management and leadership tasks.



In a comparison with the economy as a whole, the age structure among trade fair employees is remarkably young. In Berlin, only 59.7% of employees are between the age of 25 and 50, whilst this figure is as high as 67.4% in the trade fair sector. The fact that this sector persistently employs young people is demonstrated by the share of people under the age of 25. 14.2% of the people working in this sector are under the age of 25, compared to the rate of 9.7% recorded for Berlin as a whole.

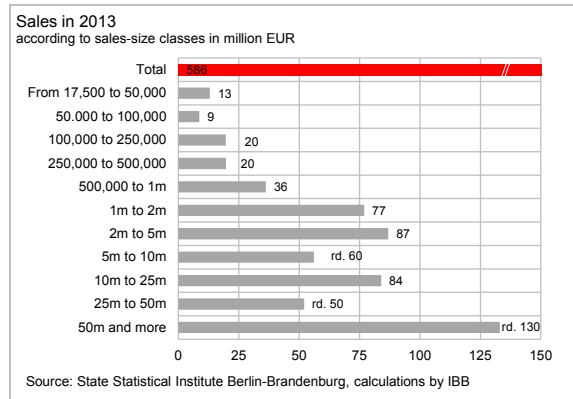


Trade fairs every two years

According to official Berlin-Brandenburg statistics, companies working in the trade fair sector¹ generated sales of EUR 586m in 2013.

¹ Companies recording sales of more than EUR 17,500

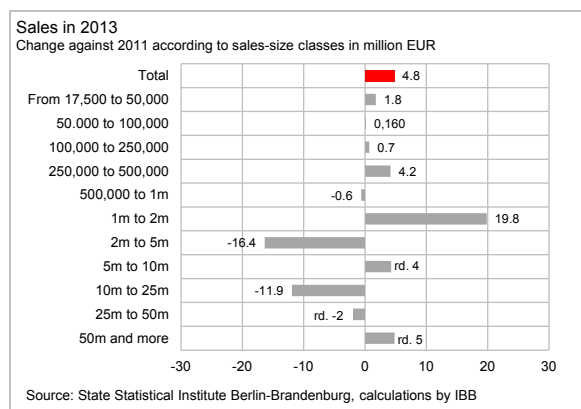
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Over the course of time we can see that Berlin's trade fair industry regularly records lower sales in years with odd numbers. This is partially due to the two-year cycle used for some of the leading international trade fairs. InnoTrans, for instance, an international trade fair for traffic systems, and ILA, an exhibition for all areas of the aerospace industry, are only held in years with even numbers. This means that any comparison with the previous year's figures does not make sense. Therefore, if we compare the sales figures for 2011 (uneven year) with the most recent data available, i.e. 2013, we see that sales increased by EUR 4.7m (+7.7%) to EUR 586m.

After deducting goods and services previously procured from other regions and excluding subsidies, the trade fair, exhibition and convention organiser sector generated gross added value of approx. EUR 222m in 2013 in the capital city. Totalling only 0.2%, this is only a tiny fraction of overall gross added value in Berlin (EUR 105bn). Personnel expenditure in this sector totals 17.4% in relation to sales, while material expenses total 67.9%. In 2013, gross investment in equipment and buildings totalled only EUR 22m, that's only about 10% in terms of gross added value. Compare this with the figure of nearly 20% recently recorded for Berlin's economy as a whole.

Activities in Berlin's trade fair industry are dominated by a few major companies. Only 19 companies are able to record sales of more than EUR 5m annually. These companies together, who account for only around 2% of all companies working in the trade fair, exhibition and convention organiser sector, generated sales of EUR 325m or 55% of totals sales for the sector. For Berlin as a whole, companies with sales of more than EUR 5m already account of 80% of all sales. Around 98% of companies (845) in the trade fair, exhibition and convention organiser sector hence belong to the category with sales of less than EUR 5m a year. These companies together generate EUR 261m, accounting for 45% of total sales.



All in all, the contribution by this sector to the economy that can be expressed in official statistics is hence rather low. However, the economic importance of this sector should not be measured merely on the basis of the official indicators recorded. The real economic impact of a trade fair must be seen in much broader a context,

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because a trade fair has an extremely efficient catalytic effect on many different sectors and segments and triggers exponential sales and ultimately gross added value.

Enormous economic impact

Trade fair and convention guests spend money on accommodation, food and transport. After visiting the trade show, they go shopping and visit many of the capital city's cultural and recreational facilities. Visitors to trade fairs and conventions generally spend much more than visitors to B2C events. This spending, especially outside the trade fair, leads to high sales in many different areas of Berlin's economy. This means that hotels and restaurants, but also the services sector, such as transport, retail and other freelance service providers, as well as translation services, culture and leisure facilities in the city, all benefit directly from spending by trade fair visitors. In different areas of the economy, an infrastructure has now developed around trade fair, exhibition and convention organisers. This infrastructure is made up of other companies who focus on trade fair and convention visitors and who are largely dependent on spending by these visitors.

In economic terms, this means that spending by trade fair and convention visitors generates sales for many companies in Berlin. After deducting preliminary services from other regions, these companies and the services they perform in Berlin contribute to the city's gross domestic product. But the chain of impact of one euro spent in conjunction with a trade fair doesn't stop there. That's because companies whose sales benefit directly from spending by trade fair and convention visitors have staff and suppliers whose salaries and invoices have to be paid. These payments that depend indirectly on spending by trade fair visitors lead to further economic activities, for instance, through consumer spending by employees, as well as new jobs and investments by companies that are

suppliers to the trade fair companies. Although the companies generate real economic impact, their figures are not included in the official statistics for trade fair companies. This is where econometric models come into play which are capable of calculating these so-called multiplier effects.

This multiplier effect generated by trade fair organisers will now be calculated based on the example of the work carried out by Messe Berlin GmbH and using Investitionsbank Berlin's econometric regional model. Since Messe Berlin GmbH itself organises a large number of trade shows and conventions while also offering trade show space for external organisers, the company is responsible for an important part of the sales generated by this industry and also for the many high paying trade fair and convention participants from Germany and abroad coming to Berlin.

Events by Messe Berlin GmbH

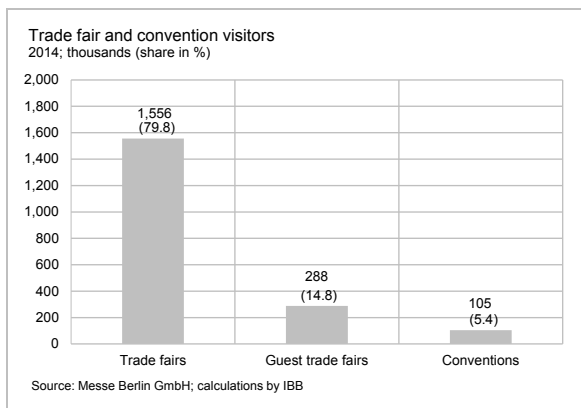
In 2014, 74 events were organised under the auspices of Messe Berlin GmbH, including 50 trade shows and 24 conventions. However, 2014 was an exception because normally Messe Berlin GmbH manages around 40 conventions in a normal year. 16 of the 50 trade shows were organised by Messe Berlin GmbH itself. These included major fairs, such as International Green Week (411,000 visitors), IFA (240,000), ILOA (227,000) and ITB Berlin (172,000). These events organised by Messe Berlin GmbH itself attracted a total of 1.5 million people to the capital city, including 795,000 trade visitors.

Another 34 trade fairs that were not organised by Messe Berlin GmbH took place as guest events organised by external companies on Messe Berlin's grounds. The biggest trade fairs included KiJu (50,000 visitors), Venus (29,000), Einstieg (21,000) and Cosmetica (20,000). A total of 288,000 people came to these

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34 guest trade fairs in 2014. A total of close to 105,000 visitors were counted at the 24 conventions which made use of the grounds of Messe Berlin GmbH in 2014. Around 70% of convention guests came specifically to Berlin to attend the event.

Every guest in Berlin brings additional buying power into the city. According to surveys by Berlin Tourismus & Kongress GmbH, this totals around EUR 64 per person, per day, across all visitor groups. While a day visitor (no overnight stay) spends just EUR 32 per day in Berlin, a tourist staying at a hotel spends around EUR 205. With a view to trade fair and convention guests who have higher expectations where accommodation and their stay are concerned, spending can be assumed to be much higher than for the average Berlin tourist. According to calculations by IBB economists, trade fair visitors to a trade fair spent around EUR 243 per day in 2014 in Berlin. This spending included money spent on accommodation costs (primarily in a hotel), meals, transport, shopping as well as leisure and culture. Day visitors to a trade fair can still be assumed to spend an average of EUR 83 per day, per visitor.

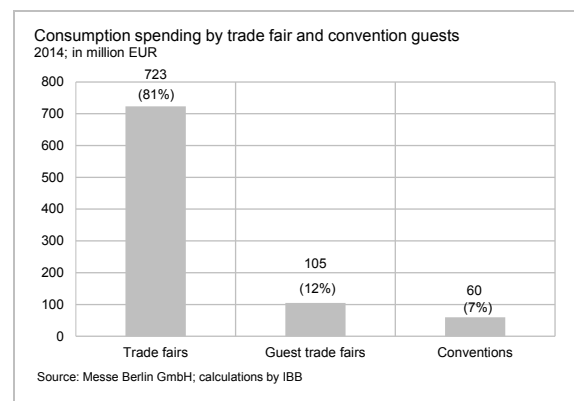


All in all, around 1.9 million people came to Berlin in 2014 to attend trade fairs (1.84m) and conventions (104,000) organised by Messe Berlin GmbH. Consumer spending by these visitors in 2014 totalled EUR 887 million in Berlin. This spending was due to events which Messe Berlin GmbH either hosted or for

which it made its space available for use by external trade fair organisers. Spending by visitors to other trade fairs and conventions, for instance, held at hotels, are not included in this figure. The lion's share, i.e. EUR 515m, was spent in Berlin's hospitality sector (hotels and restaurants). The retail sector picked up around EUR 71m and EUR 53m was spent on culture and leisure. Another EUR 248m was spent on transport and rent.

Trade fair business is mass business

Trade fair visitors account for the largest share of consumer spending, i.e. EUR 828m, with Messe Berlin GmbH's own trade fairs alone accounting for EUR 723m.



A trade fair is usually an event where products and services are presented to business visitors and/or the general public at a dedicated trade fair venue. Due to the considerable time and money involved in setting up and dismantling trade fair booths, trade fairs are by nature events that last several days. This means that trade fair exhibitors and business visitors can be expected to stay near the venue for a longer period of time and to spend more than the general public attending the same trade show. In 2014 alone, a total of 1.84 million people came to the trade fairs and guest fairs of Messe Berlin GmbH. Around 50% of these visitors (795,000) were trade visitors according to Messe Berlin GmbH. This visitor group is not only assumed to

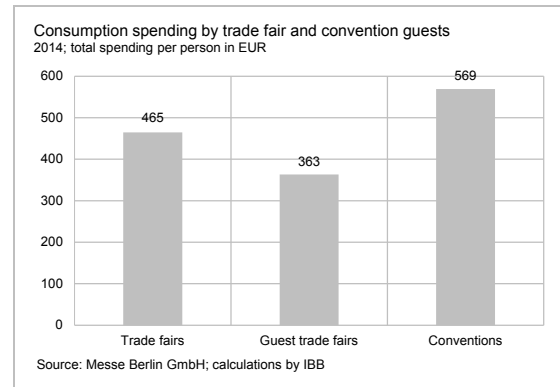
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spend more per day, but also to stay longer. The duration of stay varies from one trade fair to the next, however, based on all trade fairs, a trade visitor stays an average of around 4.3 days in the capital city while attending a trade fair. Thanks to their high spending rates and their long stays, trade visitors contribute the most, i.e. EUR 740m, to buying power and ultimately consumption effects.

And even though the general public tends to spend just one day visiting a trade fair lasting several days, this kind of visit can be reason to come back to the capital city and perhaps spend a couple of days visiting friends and family and taking in the many cultural highlights and sights the city has to offer. If we include the more than 100 million day visitors per year to Berlin in the stay, the average stay of a person visiting Berlin is then statistically only around 1.3 days. This figure can also be used for a trade fair visitor who is not a trade visitor. If we assume average spending of EUR 83 for non-trade day visitors to trade fairs, this spending then amounts to EUR 89m.

Convention guests spend the most money

A convention is a gathering where people come together to work on a special subject and to find out about the state of the art or the latest developments. Unlike a trade fair, it can be assumed that convention attendees will be present for the entire duration of the event. According to Messe Berlin GmbH, in 2014 around 105,000 people attended conventions at Messeplatz Berlin. These so-called B2B guests can be expected to have particularly high daily spending rates of at least EUR 244 per person. For their trip to Berlin, they spend around EUR 100 on accommodation, EUR 55 on meals and around EUR 89 on transport, shopping and culture. In 2014, expenditure by convention guests totalled EUR 60m.



Although consumer spending by convention attendees accounts for only around 7% of overall expenditure in Berlin triggered by the work performed by Messe Berlin GmbH, due to their higher spending and longer stays, convention attendees in fact spend the most in total in Berlin, totalling an average of EUR 569 per person, per stay. Guests working in the so-called B2C trade fair business spend much less (on average EUR 465) during their stay in Berlin.

The magnitude of the spending rates which form the basis for this report are confirmed in an analysis by market analyst Fairmas Gesellschaft für Marktanalyse. Their hotel report from May 2015 calculates on the basis of data from Berlin's hotel industry the sales generated by the hotels during selected conventions. Following this, a corresponding reference period without the event is used to compare both results with each other. According to these calculations, the 18,000 visitors to an individual convention in 2012 spent around EUR 16m in Berlin, corresponding to around EUR 890 per person. The latest calculations by IBB's economists for this selected four-day convention in 2014 show average spending of EUR 958 per person, per stay in Berlin.

Exhibitors also spend money

The around 28,700 exhibitors who were recorded in 2014 in the statistics of Messe Berlin GmbH also spent money in Germany's capital city. In a survey by ifo

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Institut from 2011, exhibitors each spend on average EUR 28,430 on preparing the trade fair booth, on transporting trade fair items, on personnel and on accommodation. Almost 60% of this figure is spent in Berlin and 40% in other regions. In total, exhibitors hence spent EUR 490m in Berlin alone and this figure is included in the calculation of trade fair effects for Berlin.

General economic effects of trade fairs

Based on this near-real yet conservatively selected buying power premises and taking multiplicative spending/employment effects into account along with the primary impact of spending by trade visitors and public visitors to trade fairs and conventions, Investitionsbank Berlin's econometric simulation model can be used to calculate the additional added value, employment and revenue effects for Berlin's regional economy and for the city. The basis for the model calculation is spending by visitors to events hosted by Messe Berlin GmbH and spending by trade fair exhibitors on site in Berlin. In total, visitors of Messe Berlin GmbH spent around EUR 867m in the city in 2014.

- The lion's share of this figure, i.e. EUR 723m, resulted from Messe Berlin GmbH's own events.
- Guest trade fairs hosted by Messe Berlin GmbH account for around EUR 105m of this spending.
- Conventions account for EUR 60m.

The model calculation also considers the remaining EUR 490m in spending by trade fair exhibitors.

The sales effects of trade fair visitors and exhibitors can be expressed in added value, employment and public revenues. The primary sales and employment effects in tourism for their part lead to additional indirect employment effects in the upstream and downstream sectors due to regional income and advance multipliers, hence once again creating income in a

number of different sectors in Berlin and not just in the hospitality and retail sectors. Spending by trade visitors and public visitors is hence on the other hand income for companies in Berlin who use this income to spend money that in turn leads to sales and jobs for their suppliers. The sales generated by trade fair visitors hence lead to additional revenues and investments that have direct and indirect effects on other economic parameters, such as growth and employment, and this takes place over an extended period of time. In addition to economic growth and new jobs in Berlin, the impact on public revenues is also particularly interesting. In addition to benefiting from higher tax and social insurance revenues, the burden on public funds is lessened by fewer social welfare recipients. Based on realistic model assumptions, the additional sales effects of trade fair guests mentioned above are examined with a view to their long-term impact on Berlin's overall economy.

One trade fair euro leads to EUR 5.20 in buying power in Berlin

Due to the high multiplier effect, additional consumption by Messe Berlin's guests and spending by exhibitors (totalling together EUR 1.38bn) in total already leads to an increase in Berlin's overall economic output of EUR 1.6bn in the year in which the trade fair is held. Another EUR 0.5bn from follow-up economic effects will not be felt by Berlin's economy until between 2015 and 2018 because some of the newly created jobs will also continue in the following years. The full economic impact, especially of the investments made in the year of the trade fair, will not be felt until the following years. This means that money spent in the year of the trade fair will continue to lead to economic growth in the following years, however, with a rapid decline in strength. From 2014 to 2018, spending by guests of Messe Berlin GmbH will hence lead to an increase in gross added value amounting to EUR 2.1bn.

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Based on sales revenues in 2014 for the Messe Berlin Group amounting to EUR 269.3m, we can calculate that every single euro in trade fair and event sales triggers buying power of around EUR 5.10 in Berlin. One euro in buying power, on the other hand, which is the basis for sales at many Berlin-based companies, already leads to gross added value of EUR 1.20 in 2014 taking multiplicative spending/employment effects into account. A single guest of Messe Berlin GmbH additionally accounts for average economic output of EUR 1,090. Visitors to trade fairs and guest trade fairs account for average economic output of EUR 1,100.

Convention guests managed by Messe Berlin GmbH can only be allocated a low economic output due to their low spending calculated in absolute terms; they are only responsible for around 7% of additional economic output (i.e. EUR 142m) by Messe Berlin in the years from 2014 to 2018. That being said, however, if this figure is broken down to a single convention guest, spending by the convention guest leads to a higher economic output in Berlin of as much as EUR 1,360 on average due to the longer time spent in Berlin.

Apart from the increase in economic output due to higher sales, spending by trade fair guests also helps to create new jobs. That's because higher sales typically lead to higher staff numbers, especially in labour intensive areas like restaurants, hotels, retail and other service areas. New jobs are created here or existing jobs can be secured. In the year in which the trade fair is actually held, IBB's economists have calculated that 6,500 new jobs can be traced back either directly or indirectly to spending by guests of Messe Berlin GmbH. However, any statements regarding quantity must be restricted, not, however, regarding the quality and design of the jobs created. It must be assumed, for instance, that some of the newly created jobs are of a temporary nature. This applies primarily to work that is only needed during the trade fair as well as

work that calls for a low level of qualification.

But trade fair business also pays off for Berlin's households. That's because public revenues in the year of the trade fair will rise by around EUR 65 million due to the additional added value effects.

In addition to this growth in added value, income and employment, which can be measured in economic terms, there is also a kind of "non-monetary" benefit that is difficult to measure but which also impacts the economy. This includes, first and foremost, Berlin's improved image as a modern destination for trade fairs and conventions. National and international media coverage of trade fair events is also extremely important in this context. A trade fair is ultimately excellent advertising for Germany's capital city. Many trade fair visitors take home with them a good impression of the German capital, talk about the city or come back again.

Not to mention the many business contacts that can be made at trade fairs in Berlin. Their benefits will only unfold in the years to come in the form of new orders for the respective companies. And as soon as these are companies based in Berlin, these additional sales will also lead to further economic growth in Berlin.

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Conclusion

Since 2005, it is not just Berlin's economic output, but also tourism as well as convention and trade fair business that have developed better than the rest of Germany as a whole and many other cities. This report shows that the economic importance of trade fair, exhibition and convention organisers cannot be measured solely on the basis of the official statistics recorded for Berlin. The funds used to run trade fairs have paid off several times over for the city, a fact that is demonstrated by Messe Berlin GmbH. Every trade fair euro in sales generates EUR 5.10 in additional buying power in the city. The buying power of guests of Messe Berlin GmbH in the years 2014 to 2018 will lead to an increase in gross added value in the order of EUR 1.2bn.

This means that Messe Berlin GmbH is an important economic factor in Germany's capital city. The beneficiaries here are first and foremost the hospitality industry, booth builders, logistics and event companies, personnel and hostess services, local transport along with a host of other businesses from industry, skilled trades and services in Berlin.

But it is not just the major events by Messe Berlin GmbH that have become an important economic factor for Berlin in this field. The two Fashion Weeks held in January and July have already significantly boosted Berlin's gross added value and mean more taxes and revenues for Berlin's coffers. The highly popular Berlinale held every February is another major event in Berlin that should not go unmentioned.

One precondition for a functioning trade fair venue is a trade fair infrastructure that is designed to meet needs. And where that's concerned, things look good for Berlin in the medium term. Although the International Congress Centre (ICC) built in 1979 was closed in April 2014, consideration is now being given to refurbishing and revamping parts of the ICC by 2022. CityCube Berlin, a multi-

functional trade fair and convention hall that opened in May 2014, can host events for up to 11,000 participants. 22,000 square meters of exhibition space has been built for this purpose. Together with the surrounding, also multi-functional trade fair halls, conventions of all sizes can be held on the grounds of Messe Berlin.

On the other hand, the private operator of the Estrel Hotel has just expanded its convention capacity significantly. A clear sign that planning and construction is underway both in the public and private sector. This is extremely good news for Berlin because in the medium term investments in trade fair and convention space will be worth while for the city. That's why investing in Berlin as a trade fair location should be seen to be important. Berlin has what it takes to assume a leading role in this context, also in the years to come. Especially now that tourists and once again entrepreneurs and companies are keen to come to Berlin.

That being said, Berlin will have to continue developing as a venue for trade fairs. Just like markets and trends are changing, the function and appearance of trade fairs will also have to develop further. Today, information about products and services is available all over the world via the Internet and can be easily compared. On the other hand, this means that the event character must be emphasized more. On top of that, digital technologies will also have a more important role to play in Berlin's trade fair business, not just on the trade fair grounds, but also when it comes to preparing, accompanying and following up on trade fairs on the Internet. The successful trade fairs of tomorrow will be so much more than today. They will have a regional and global focus and will be designed for multinational companies, medium-sized companies and start-ups. They will be more personalised while at the same time being networked and geared to results and experience. With the right mix of reality and virtuality, Berlin's trade fair industry will be able to get fit for 2020.

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