Press Release

28 June 2022

Explosion of cost puts a strain on event industry

**The current meta study by fwd: Bundesvereinigung Veranstaltungswirtschaft demonstrates the sector’s hardships caused by the current increase in prices, and the pandemic.**

fwd: conducted the study „COST INFLATION TRENDS EVENTS / EXHIBITIONS / TRADE FAIRS 2022“ together with the R.I.F.E.L. Research Institute for Exhibition and Live-Communication. It does not only illustrate the price trends from 2019 to 2022. The survey also points to reasons and effects of this increase in prices.

**Critical price trends**

“The survey shows that the entire industry is affected disproportionately by increases in price. The price for events with up to 250 people has increased by 58% compared to 2019, for events with 600 people by 55% and for events with a maximum of 1,500 people by 46%. To make matters worse, sales have decreased by -68.4% in 2022. Furthermore, there is only about half the number of skilled workers compared to 2019. Due to this, countless projects cannot be implemented and valuable revenue is lost”, Alexander Ostermaier, CEO of fwd: Bundesvereinigung Veranstaltungswirtschaft, registers with some concern.

**Multidimensional reasons for increase in costs**

Causes of the drastic price trends are manifold. The demand for live fairs and events may be increasing strongly. Especially to build new customer relations as the current R.I.F.E.L.-Auslastungsindex (capacity utilization index) shows. But this increasing demand meets fewer suppliers and less market capacities than before the pandemic. Furthermore, there have been massive general cost increases – from raw materials to transportation costs. At the same time, the shortage of skilled labour is a particular problem since the loss of workers is at -54.5% year-on-year. The need for workers remains and causes a painful bottleneck that also led to an increase in labour cost. Finally, event organisers and industry need to plan with new event restrictions for the winter which might shorten the live event year from twelve to six to nine months. The hygiene requirements linked to these restrictions also cause additional costs.

**Effects of the increases on the industry**

Hosts and commissioning companies will have to expect further cost increases. Thus, live events will be used more selectively in the future and will be equipped with more generous budgets. At the same time, the stricter requirements regarding sustainability and hygiene will become an inherent part of all fair and event concepts. There will also be changes in lead-in times and order deadlines both of which will increase due to suppliers’ workload. Building materials, AV technology and rented furniture will also register longer delivery times than in 2019.

The entire study “COST INFLATION TRENDS EVENTS / EXHIBITIONS / TRADE FAIRS 2022” can be found at: [COST INFLATION TRENDS EVENTS / EXHIBITIONS / TRADE FAIRS 2022](http://rifel-institut.de/fileadmin/Rifel_upload/3.0_Forschung/ENG_JBE_220602_Kostenentwicklung_Event_Messe.pdf)

**Imagery**



Alexander Ostermaier is CEO of fwd: Bundesvereinigung Veranstaltungswirtschaft. Photographer: Gesa Niessen, m4fcc.de. [Download here](https://forward.live/wp-content/uploads/2022/06/Alex-Ostermaier-gesa-niessen-m4fcc-14.jpg)

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