

Press release

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Music China to reunite and revive the musical instruments industry

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Following a challenging year, exhibitors are keenly looking ahead to Music China – a place where they can reconnect face to face with industry peers, showcase their instruments and explore new business opportunities. Many renowned brands have confirmed their participation at the fair, which takes place from 28 to 31 October at the Shanghai New International Expo Centre. More than a dozen German companies already confirmed their participation as part of a German pavilion supported by the German Federal Ministry for Economic Affairs and Energy, while numerous Italian companies are among an international contingent that have shown high intention to exhibit at this year's show.

In the eyes of many, Music China is the perfect platform to unify the entire industry. Since a previous announcement in June, the 2020 show has attracted even more leading brands such as C. Bechstein, ESI and Roland. This adds to an already impressive list that includes the likes of Casio, Hsinghai, Kawai, Pearl River, Samick, Schimmel, Seiko, Steinway, Taylor, Yamaha and many more.

German pavilion exhibitors benefit from increased government support while Italian exhibitors also receive assistance

Amid a gradual relaxation of anti-pandemic measures, many industry players are planning to grow their businesses by participating in trade fairs, which have been good marketing investments in the past. At the same time, governments and various associations are providing different forms of support and financial assistance to the commercial sector. Acknowledging the importance of trade shows for business and economic recovery, the German Ministry for Economic Affairs and Energy has pledged to increase their support significantly for German companies, especially for SMEs wanting to exhibit abroad as part of the German Pavilion programme.

Similarly, many Italian exhibitors are receiving assistance from business organisations. In fact, with the support of the Cremona Chamber of Commerce, numerous Italian companies will exhibit if the circumstances allow in the form of a country pavilion at this year's Music China, helping

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brands expand into new markets and enhance their competitiveness. Planning to exhibit with a new company at this year's show is Zero Sette Accordion Factory, one of the leading "made in Italy" Castelfidardo accordion producers since 1945. Mr Alessio Gerundini, the company's Brand and Sales Manager and Sales Manager of Eurasia Trade (UAE) shares his views on sales strategy during the pandemic. "We don't know how the situation will develop in the months ahead, the only clearly positive signals come from Asian markets in general, specifically from China. In general, the quarantine has helped people get back to music and there has again been interest in musical instruments. We have seen little direct benefit because a new instrument is an investment and in these times of uncertainty people are more careful with their investment decisions. But in a few countries like China, there was an immediate increase in sales as soon as the quarantine was eased. People started to buy goods including musical instruments in a sort of 'revenge spending'."

When it comes to doing business, trade fairs have undoubtedly become a vital marketing tool. After all, personal contact with clients is necessary because there is no online tool that can replace the unique feeling of playing an instrument:

"Because of the pandemic situation, we have already adapted our marketing and sales strategy, including making more information available online and through social media, but an instrument is one of the products that need to be tested, so direct interaction with the final customer is essential. Music China will be the first chance to meet and interact with industry players directly and have an objective 'feel' of where the musical instruments market is going. It will be the first big show to demonstrate that things will get back to normal or maybe to a 'new normal'," adds Mr Gerundini.

Unsurprisingly, recent statistics support his opinions on the Chinese market, the world's second largest economy. China's economy bounced back to growth in the second quarter of 2020 as the country gradually resumed work and production, with GDP expanding 3.2 percent year-on-year in the second quarter, according to data from the National Bureau of Statistics (NBS) of China¹.

Cremona Violin Store & Workshop Srl, another Italian company specialising in premium violins, also sees Music China as a place to revitalise business in 2020. The company's owner Mr Ettore Nordio remarks: "The Covid-19 pandemic has badly affected my business, which almost had to stop during the lockdown. Music China has played a big role for the musical instruments industry especially during this challenging time, even though the impact may be quite severe as many people are not able to fly overseas. Besides the trade fair in Italy, Music China will be the only event for musical instruments this year, so I would like to join the show when circumstances allow."

Music China
Shanghai, 28 – 31 October 2020

¹ "National Bureau of Statistics of China",
http://www.stats.gov.cn/english/PressRelease/202007/t20200716_1776211.html, retrieved 16 July 2020

Industry players remain positive about market prospects

Despite various headwinds caused by world events, many industry players remain optimistic about the market. Taking pianos as an example, a recent survey conducted by the Global Industry Analyst revealed that even amid the pandemic, slight growth is expected for the market. The global market for pianos, estimated at USD 2.5 billion in the year 2020, is projected to reach a revised size of USD 2.9 billion by 2027, growing at a CAGR of 2.1% over the period 2020-2027. Likewise, the acoustic segment is projected to grow at a 2.2% CAGR to reach USD 1.9 billion².

Just as encouragingly, some industry players have observed that demand for certain instruments has increased due to consumers being housebound during quarantine.

“It’s been very encouraging to see so many people turning to music during this crisis, and sales have been good in some product categories. We noticed that acoustic guitars, ukuleles and home recording were very strong during lockdown while other categories have slowed down,” notes Mr Chris Meikle, Sales, Marketing and Product Senior Vice President of St Louis Music, one of the largest general distributors of musical instruments and accessories in North America.

He concludes: “Music China is a great show and important to us. We see Music China as one of the main shows we need to visit each year. We value the show highly, it’s always good to meet suppliers but we have to balance that with the reality of travel at the moment and the safety of our team. I think the musical industry will be fine, some product categories may suffer, but musical instruments and accessories will remain in high demand.”

Also noting a similar phenomenon is Mr Claus Riethmueller, Managing Director, ESI Audiotechnik GmbH which offers professional audio hardware for music studios. “I know a lot of professional musicians and especially the event industry as a whole are facing a tough time at the moment, but at the same time based on our customers and the feedback from the large online retailers in Europe or in the USA, a lot of hobby and home musicians are purchasing more than before. Generally, I believe that our industry is a bit more resilient compared to others when it comes to the global economic situation.”

Music China is organised by Messe Frankfurt (HK) Ltd, the China Musical Instruments Association and Shanghai Intex Exhibition Co Ltd. For more details, visit www.musikmesse-china.com or email the show’s organisers at music@hongkong.messefrankfurt.com. More press information and photographic material can be found here: <https://music-china.hk.messefrankfurt.com/shanghai/en/press/press-releases.html>.

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²“ReportLinker”, https://www.reportlinker.com/p04246029/Global-Pianos-Industry.html?utm_source=GNW.

Other shows under the Musikmesse brand include:

NAMM Musikmesse Russia

16 – 18 September 2021, Moscow

Musikmesse

22 – 24 October 2021, Frankfurt

Background information on Messe Frankfurt (as of June 2020)

Messe Frankfurt is the world's largest trade fair, congress and event organiser with its own exhibition grounds. With about 2,600 employees at 29 locations, the company generates annual sales of around €736 million. We have close ties with our industry sectors and serve our customers' business interests efficiently within the framework of our Fairs & Events, Locations and Services business fields. One of the Group's key USPs is its closely knit global sales network, which extends throughout the world. Our comprehensive range of services – both onsite and online – ensures that customers worldwide enjoy consistently high quality and flexibility when planning, organising and running their events. The wide range of services includes renting exhibition grounds, trade fair construction and marketing, personnel and food services. Headquartered in Frankfurt am Main, the company is owned by the City of Frankfurt (60 percent) and the State of Hesse (40 percent). For more information, please visit our website at: www.messefrankfurt.com

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