

AVIXA™, the Audiovisual and Integrated Experience Association, has published the monthly Pro-AV Business Index since September 2016, gauging sales and employment indicators for the pro-AV industry. The Index is calculated from a monthly survey tracking trends. Two diffusion indexes are created using this data, the AV Sales Index (AVI-S) and AV Employment Index (AVI-E). The diffusion index is calculated based on the positive response frequency from those who indicated their business had 5 percent or more increases in billings/sales from the prior month plus half of the neutral response (an index of 50 indicates firms saw no increase or decline in the business activity; an index over 50 indicates an increase, while an index under 50 indicates a decline).

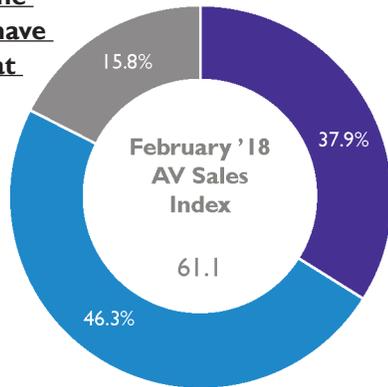
Pro-AV Sales & Employment Indexes Rising

Highlights:

- The AV sales index rose above 60, indicating continued industry growth and a robust start to the year for professional AV providers. The AVI-S reached 61.1 in February, up versus the same period last year and consistent with the prior month. This indicates a strong launch of projects early in the year as end users kick off their cap-ex spending. Corporate tax savings are also a plausible contributing factor to the strong beginning.
- Construction spending data for the first part of 2018 has followed suit, providing a strong foundation for continued growth. According to construction spending data from the U.S. Census Bureau, commercial construction is showing a preliminary year-to-year growth of 2.4 percent for January. Within this, some noted sectors are growing even more rapidly. Lodging and healthcare increased 10.5 percent and 11.7 percent from the same time a year ago. The public safety sector and transportation jumped 33.5 percent and 20.2 percent, even without the possible growth that may come from the proposed infrastructure bill.
- The robust labor market showed another solid hiring month in February, adding 313,000 to the U.S. payroll. The Pro-AV Employment Index charted in the same direction, increasing another 2.2 points to 60.8, an indication of further hiring expansions in pro AV. The strong labor market has been viewed in both positive and negative terms, since it highlights expanding business and increasing competition for employees. The same is true in pro AV.

Compared with the previous month, have the billings/sales at your location...

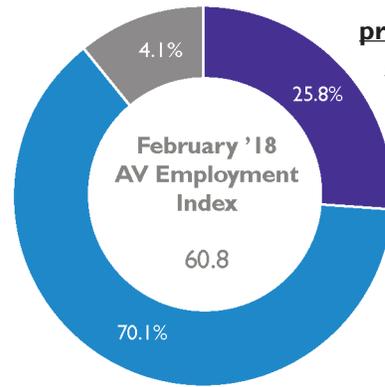
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- Sales increased significantly (5% or more)
- Sales remained unchanged
- Sales decreased significantly (5% or more)

Compared with the previous month, is the overall employment at your location...

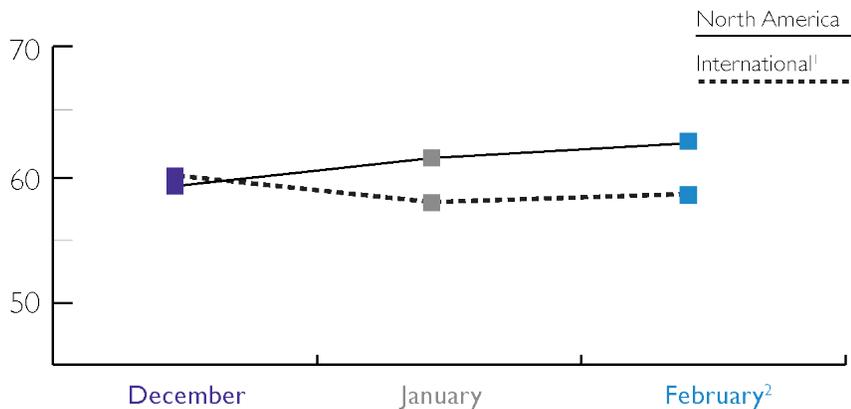
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- Employment increased significantly (5% or more)
- Employment remained unchanged
- Employment decreased significantly (5% or more)

International Outlook

The February International and North American preliminary² Pro-AV Sales Indexes remain in a growth period with the overall global economy. The preliminary February 2018 North American Pro-AV Sales Index continues to expand and increased an additional 1.5 points to 63.3 from January. The International Pro-AV Sales Index continues to prosper as well, expanding with a score of 58.2.



¹ Global regions include Europe, Latin America, Middle East/Africa, Asia-Pacific

² Due to the small sample, the North American and International indexes are based on a 3-month moving average. February 2018 index is preliminary, based on the average of January 2018 and February 2018 and will be final with March 2018 data in the next report.

Global regional indexes are three-month moving averages (based on prior, forward and current months) due to relative small sample size.

Pro-AV Business Index, Historical Data (Previous 3 Months)

	December 2017	January 2018	February 2018
Pro-AV Sales Index*	58.3	61.9	61.1
Pro-AV Employment Index*	57.8	57.6	60.8

* For more data starting September 2016, please see past reports or join the panel to get the monthly report and data emailed to you directly.

Methodology

The survey behind the AVIXA Pro-AV Business Index was fielded to 692 members of the AVIXA AV Intelligence Panel (AVIP), March 1-11, 2018. A total of 161 AVIP members completed the survey. Only respondents who are service providers and said they were “moderately” to “extremely” familiar with their companies’ business conditions were factored in Index calculations. The AV Sales and AV Employment Indexes are computed as a diffusion index, with the monthly score calculated as the percentage of firms reporting a significant increase, plus half the percentage of firms reporting no change. Comparisons are always made to the previous month. Diffusion indexes, typically centered at a score of 50, are used frequently to measure change in economic activity. If an equal share of firms reports an increase as reports a decrease, the score for that month will be 50. A score above 50 indicates that firms in aggregate are reporting an increase in activity that month compared to the previous month, while a score below 50 indicates a decrease in activity. Any score above 50 indicates an increase in sales/billings.

About the AVIXA AV Intelligence Panel

The AVIXA AV Intelligence Panel (AVIP) is a research community of industry volunteers willing to share their insights on a regular basis to create actionable information. Members of the panel are asked to participate in a short, two-to-three-minute monthly survey designed to gauge business sentiment and trends in the AV industry. Surveys may be taken via your phone or computer.

In return for their time and effort, AVIXA AV Intelligence Panel members will be eligible to:

- Earn points toward Amazon online gift cards
- Include select questions of their own in panel surveys

The AVIXA AV Intelligence Panel is designed to be a global community, representative of the entire commercial AV value chain. AVIXA invites AV integrators, consultants, manufacturers, distributors, resellers, live events professionals, and AV technology managers to get involved. If you would like to join the panel, enjoy benefits, and share your insights with the AV industry, please apply at avixa.org/insight/marketintel/AVIP.