



COMPETITION AND CONSUMER PROTECTION COMMISSION

**PROPOSED SECTOR-WIDE INQUIRY INTO AUDIO-VISUAL (AV) SERVICE
AGREEMENTS IN THE HOSPITALITY SECTOR IN ZAMBIA**

JUNE 2026

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Introduction and Background

- 1.1 The audio-visual (AV) services market forms an important supporting component of Zambia's hospitality, tourism, and business events ecosystem. AV services encompass the provision, installation, operation, and management of technologies used to support meetings, conferences, exhibitions, corporate events, training programmes, product launches, weddings, and other functions. These services typically include sound reinforcement systems, microphones, projectors, LED screens, video conferencing equipment, lighting systems, simultaneous interpretation equipment, live-streaming solutions, recording services, and event production technologies (Kansakar et al., 2017).
- 1.2 Within the hospitality sector, AV services are generally supplied through three models. First, some hotels own and operate their own AV equipment and provide such services directly to clients. Second, hotels may enter into preferred-provider arrangements with specialised AV firms that are granted privileged access to venue facilities. Third, clients may independently engage external AV service providers to support events hosted at hotels and conference venues. The interaction between hospitality establishments and AV service providers therefore creates a distinct market ecosystem in which venue access is often a critical input for effective competition.
- 1.3 The importance of AV services has increased significantly over the past decade as Zambia has sought to position itself as a regional destination for Meetings, Incentives, Conferences and Exhibitions (MICE) tourism. The Government of Zambia has identified MICE tourism as a strategic growth area capable of diversifying the tourism sector, attracting high-spending business travellers, stimulating investment, and creating employment opportunities (Ministry of Tourism, 2025). In 2025, the Ministry of Tourism and the Zambia Institute for Policy Analysis and Research (ZIPAR) launched a dedicated study on harnessing MICE tourism as a driver of economic growth, reflecting the growing importance of business events within the national economy (Mpandamwike & Emmanuel, 2025).
- 1.4 The growth of Zambia's conference and events industry has resulted in increasing demand for professional AV services. Major hotels and conference facilities across the country have expanded conferencing capacity and integrated sophisticated AV infrastructure into their operations. For example, the Mulungushi International Conference Centre (MICC), one of the country's largest conferencing facilities, is capable of hosting thousands of delegates and relies extensively on AV technologies to support conferences, exhibitions, and international events (Mulungushi International Conference Centre, n.d.). Similarly, leading hospitality establishments such as InterContinental Lusaka, Radisson Blu Hotel Lusaka, Protea Hotel Lusaka, Southern Sun Ridgeway, Taj Pamodzi Hotel, and numerous other conference-oriented

venues actively market integrated conferencing and audio-visual services as part of their hospitality offerings (InterContinental Hotels Group, n.d.; Marriott International, n.d.).

1.5 The sector comprises a diverse range of participants. On the supply side, there are specialised AV service providers offering event production, conferencing technology, equipment rental, installation, and technical support services. These include both large firms capable of servicing major international conferences and smaller independent operators serving corporate meetings, workshops, government events, and private functions. Notable participants include Puzzle Pie Event Technology Zambia Limited, Congress Network Zambia, Posh Media, and numerous small and medium-sized event technology firms operating across Lusaka, Livingstone, Ndola, and Kitwe. On the demand side, customers include government institutions, development partners, conference organisers, corporate entities, professional associations, non-governmental organisations, and private consumers.

1.6 Although reliable statistics on the size of Zambia's AV services market remain limited, available evidence suggests that the sector is growing alongside the broader hospitality, tourism, and business events industries. Growth in conference tourism, increased corporate demand for hybrid meetings, and the expansion of digital communication technologies have contributed to increased demand for AV solutions both globally and within Zambia (AVIXA, 2025). Industry forecasts indicate that the global professional AV market will continue expanding through 2030, driven by increasing adoption of conferencing, collaboration, and event technologies (AVIXA, 2025).

1.7 Several factors suggest that demand for AV services in Zambia is likely to continue growing. These include increased investment in conference infrastructure, growth in regional and international conferences hosted within Zambia, adoption of hybrid and virtual meeting technologies, expansion of corporate events, implementation of the African Continental Free Trade Area (AfCFTA), and increased public and private sector investment in business tourism (Ministry of Tourism, 2025; Mpandamwike & Emmanuel, 2025). As the hospitality sector becomes increasingly dependent on specialised AV services to attract conferences and events, the commercial relationships between hotels and AV providers assume greater importance in determining market outcomes.

1.8 Against this backdrop, concerns have emerged regarding the nature of contractual arrangements between hospitality venues and AV service providers. In particular, preferred-provider agreements, exclusivity arrangements, venue access fees, and other contractual mechanisms may influence supplier choice and competitive conditions within the sector. These developments necessitate a broader assessment of whether the structure and conduct of the market may be creating barriers to entry, restricting consumer choice, foreclosing competitors, or otherwise distorting competition within Zambia's growing AV services ecosystem.

Problem Statement

- 2.1 The provision of audio-visual (AV) services has become an increasingly important component of Zambia's hospitality, conferencing, and business events sectors. As demand for meetings, conferences, exhibitions, and other corporate events continues to grow, hotels and conference venues have increasingly entered into commercial arrangements with AV service providers to facilitate the delivery of these services. While such arrangements may generate efficiencies and improve service coordination, concerns have emerged regarding their potential impact on competition and consumer choice.
- 2.2 The Commission recently investigated allegations of restrictive business practices involving contractual arrangements between a hospitality establishment and an AV service provider. Although the preliminary assessment did not establish sufficient grounds for enforcement action in respect of the specific conduct under investigation, the investigation revealed market features and commercial practices that may warrant broader examination. In particular, the Commission observed the increasing use of preferred-provider arrangements, venue access charges, discretionary fee structures, supplier accreditation requirements, and other contractual mechanisms that may influence the ability of AV service providers to compete for business opportunities at hospitality venues. These concerns raise questions regarding the extent to which venue-linked arrangements may influence supplier choice, increase the cost of participation for competing providers, create barriers to entry or expansion, and potentially reduce competition within the market.
- 2.3 In addition, the AV services market exhibits characteristics that may increase the significance of such arrangements. Hospitality venues often serve as important gateways through which AV providers access customers, particularly for conferences, conventions, exhibitions, and large-scale corporate events. Where access to such venues is influenced by exclusive agreements, preferential treatment, financial incentives, or other commercial arrangements, there is a risk that competing suppliers may be disadvantaged irrespective of their price, quality, or ability to innovate.
- 2.4 The Commission is therefore concerned that certain structural and behavioural features of the market may have the effect of preventing, restricting, or distorting competition, resulting in reduced consumer choice, diminished opportunities for competing suppliers, higher costs, lower innovation, or other adverse market outcomes. However, the extent, prevalence, and competitive effects of these arrangements remain unclear.

- 2.5 Accordingly, there are reasonable grounds to undertake a market inquiry to assess the structure, conduct, and performance of the AV services market within Zambia's hospitality sector and to determine whether any market features, contractual arrangements, or industry practices are adversely affecting competition, market efficiency, or consumer welfare.

Legal Basis and Rationale for the Inquiry

- 3.1 The Audio-Visual (AV) Services Market Inquiry is initiated in accordance with Part V of the Competition and Consumer Protection Act, 2010 as amended by Act No. 21 of 2023 ("the Act") and Part III of the Competition and Consumer Protection (General) Regulations and is undertaken in furtherance of the objectives, purpose, and functions of the Competition and Consumer Protection Commission ("the Commission") as set out in the Act.
- 3.2 Pursuant to Regulation 4(1)(a)-(e), the Commission may initiate a market inquiry based on complaints received from enterprises, consumers, or representative bodies; studies conducted by relevant institutions regarding a particular sector; the Commission's own research; its experience in regulating restrictive business practices and anti-competitive conduct; or representations made by Government concerning a particular sector, market, or type of agreement.
- 3.3 The present inquiry has been necessitated by complaints received from audio-visual (AV) service providers, findings arising from the Commission's investigations and market intelligence activities, and the Commission's experience in reviewing restrictive business practices and contractual arrangements within the hospitality and events sectors. In particular, the Commission has observed the emergence of preferred-provider arrangements, exclusivity-linked agreements, venue access charges, and discretionary fee structures governing the provision of AV services at hotels and conference facilities. The inquiry will therefore focus on the structure and functioning of the market, the relationships between hospitality venues and AV service providers, and any arrangements that may prevent, restrict, or distort competition or adversely affect consumer welfare.
- 3.4 The Commission has reason to believe that certain features of the AV services market within the hospitality sector may have the effect of preventing, distorting, or restricting competition. These features may include, but are not limited to, exclusive dealing arrangements, preferred-provider agreements, venue-imposed access fees, information asymmetries, and the dependence of AV service providers on access to conference and event venues. Such arrangements may potentially foreclose competing suppliers, raise barriers to entry and expansion, limit consumer choice, and influence pricing and service quality outcomes in the market.
- 3.5 Section 5 of the Act mandates the Commission, among other functions, to review the operation of markets in Zambia and the conditions of competition

within those markets; review trading practices pursued by enterprises doing business in Zambia; act as the primary advocate for competition and effective consumer protection; advise Government on laws and policies affecting competition and consumer welfare; and undertake all acts necessary, incidental, or conducive to the effective discharge of its statutory mandate.

- 3.6 Accordingly, this market inquiry constitutes a broad-based assessment of the AV services ecosystem within Zambia's hospitality sector, including its market structure, market conduct, market outcomes, and the relevant contractual, commercial, policy, and regulatory arrangements. The inquiry is not intended to constitute a narrow investigation into the conduct of any specific undertaking but rather seeks to assess whether systemic market features are adversely affecting competition and consumer welfare.

Objectives of the Inquiry

- 4.1 The primary objectives of the inquiry are to:

- i. Analyse the structure of the AV services market within Zambia's hospitality and conferencing sector, including the relationships between hotels, conference venues, AV service providers, event organisers, and consumers.
- ii. Examine the nature and prevalence of contractual arrangements between hospitality establishments and AV service providers, including exclusive agreements, preferred-provider arrangements, venue access requirements, and fee structures.
- iii. Assess the ownership structures, commercial relationships, affiliations, and contractual arrangements that may influence competition in the provision of AV services at hospitality venues.
- iv. Assess whether existing market practices, contractual arrangements, and venue procurement policies create barriers to entry, expansion, or effective competition for independent AV service providers.
- v. Evaluate the extent to which hospitality venues influence or determine supplier selection and the competitive implications of such influence.
- vi. Assess how legal, regulatory, commercial, and industry practices affect competition and consumer welfare in the sector and identify any policy, regulatory, or enforcement interventions that may be necessary to promote competitive and efficient market outcomes.
- vii. Examine regional and international practices relating to the provision of AV services within hospitality and conference venues and identify lessons relevant to the Zambian market.

Scope of the Inquiry

Product Scope

- 5.1 The inquiry will focus on the supply of audio-visual services used in connection with conferences, meetings, exhibitions, conventions, corporate

events, training programmes, and other functions hosted at hotels, conference centres, and similar hospitality venues.

For purposes of this inquiry, AV services may include:

- Sound reinforcement systems and audio equipment;
- Projection and display technologies;
- LED screens and digital signage;
- Video conferencing and hybrid meeting technologies;
- Interpretation and translation equipment;
- Event lighting systems;
- Live streaming and recording services;
- Event production and technical support services; and
- Related equipment rental, installation, operation, and maintenance services.

- 5.2 The Commission may distinguish between different categories of AV services where competitive conditions differ materially across products or services.

Market Participants

- 5.3 The inquiry shall examine the activities, conduct, and relationships of:

- Hotels offering conference and event facilities;
- Conference centres and convention venues;
- Independent AV service providers;
- Preferred or contracted AV service providers;
- Event organisers and event management firms;
- Corporate and institutional customers procuring AV services;
- Government institutions and cooperating partners procuring conferencing services;
- Industry associations and representative bodies; and
- Any other entities participating in or influencing the supply of AV services within hospitality venues.

Conduct and Market Features to be Examined

- 5.4 Without limiting the scope of the inquiry, the Commission shall examine:

- Exclusive dealing arrangements;
- Preferred-provider agreements;
- Venue access requirements and restrictions;
- Venue-imposed access fees or commissions;
- Revenue-sharing arrangements between venues and AV providers;
- Supplier accreditation requirements;
- Procurement and tendering practices;
- Customer referral and recommendation practices;
- Bundling or tying of venue and AV services;
- Information disclosure practices affecting supplier selection;

- Pricing structures and fee arrangements;
- Market concentration and supplier dependence on key venues;
- Vertical relationships between venues and AV providers; and
- Any other conduct or market features capable of affecting competition or consumer welfare.

Competition and Consumer Issues

5.5 The inquiry shall assess whether market conduct or market structures give rise to:

- Foreclosure of competing AV service providers;
- Barriers to entry, expansion, or market access;
- Reduced consumer choice;
- Excessive or discriminatory pricing;
- Reduced innovation or service quality;
- Distortions in supplier selection processes;
- Unfair trading practices;
- Unequal treatment of competing service providers; and
- Other adverse effects on competition, efficiency, or consumer welfare.

Geographic Scope

5.6 The inquiry shall cover the Republic of Zambia and shall include, but not be limited to, hospitality and conference facilities located in Lusaka, Livingstone, Ndola, Kitwe, and other commercial centres where conferencing and event activities occur.

5.7 Where necessary, the Commission may undertake regional and international benchmarking to assess comparable market practices and competition concerns in other jurisdictions.

Exclusions

5.8 The inquiry is not intended to assess the technical quality, safety, or engineering standards applicable to AV equipment except where such matters have a direct bearing on competition, market access, supplier selection, or consumer welfare.

Key Theories of Harm to be Tested

5.1 The inquiry will assess whether specific market features, contractual arrangements, or commercial practices within the AV-hospitality ecosystem may adversely affect competition, consumer welfare, or market efficiency. In particular, the Commission will test the following theories of harm:

Demand-Side Foreclosure

- 5.2 The inquiry will examine whether preferred-provider arrangements, exclusive agreements, venue recommendations, or other commercial practices have the effect of directing customers towards specific AV providers and away from competing suppliers.
- 5.3 The Commission will assess whether hotels and conference venues possess sufficient influence over customer purchasing decisions such that competing AV providers are denied effective access to demand, thereby reducing their ability to compete for business opportunities.

Key questions include:

- Whether customers are free to select their preferred AV provider;
- The extent to which venue recommendations influence customer decisions;
- Whether customers are provided with complete information regarding alternative suppliers;
- Whether independent AV providers face difficulties accessing potential customers.

Raising Rivals' Costs

- 5.4 The inquiry will examine whether access fees, venue charges, administrative requirements, accreditation fees, technical restrictions, or other conditions imposed on external AV providers increase their operating costs and place them at a competitive disadvantage relative to preferred providers.
- 5.5 The Commission will assess whether such costs are objectively justified or whether they have the effect of discouraging entry, expansion, or effective competition.

Key questions include:

- Whether access fees are applied consistently and transparently;
- Whether such fees reflect legitimate operational costs;
- Whether preferred providers receive preferential treatment;
- Whether fee structures affect the competitiveness of rival suppliers.

Exclusive Dealing and Supplier Foreclosure

- 5.6 The inquiry will assess whether contractual arrangements between venues and AV service providers restrict the ability of competing suppliers to access customers or provide services at hospitality venues.

- 5.7 The Commission will examine whether exclusivity provisions, long-term agreements, or de facto exclusivity arrangements foreclose a substantial portion of the market and reduce opportunities for rival firms to compete.

Key questions include:

- The prevalence of exclusive or preferred-provider agreements;
- The duration and scope of such arrangements;
- The proportion of conference venues covered by such agreements;
- The effect of such arrangements on market access.

Customer Steering and Choice Restriction

- 5.8 The inquiry will examine whether venue operators engage in practices that steer customers towards particular AV providers through recommendations, bundled offerings, information asymmetries, or commercial incentives.
- 5.9 The Commission will assess whether such practices limit customer choice or distort competition by influencing procurement decisions in favour of certain providers.

Key questions include:

- How customers receive information about AV suppliers;
- Whether venues disclose commercial relationships with providers;
- Whether customers perceive themselves as free to choose alternative suppliers;
- Whether venue practices influence supplier selection outcomes.

Tying and Bundling of Venue and AV Services

- 5.10 The inquiry will assess whether conference facilities bundle venue hire and AV services in a manner that restricts customers' ability to procure these services separately.
- 5.11 The Commission will examine whether customers are required, explicitly or implicitly, to purchase AV services from designated providers as a condition for accessing conference facilities.

Key questions include:

- Whether AV services are offered separately from venue hire;
- Whether customers face additional costs when using alternative providers;
- Whether bundled arrangements reduce competition among AV suppliers.

Barriers to Entry and Expansion

- 5.12 The inquiry will assess whether structural or behavioural features of the market create barriers to entry or expansion for new and smaller AV service providers.
- 5.13 Such barriers may include access restrictions, exclusive arrangements, accreditation requirements, reputational advantages linked to venue partnerships, customer acquisition difficulties, or economies of scale enjoyed by incumbent providers.

Key questions include:

- The ease with which new providers can access hospitality venues;
- The costs associated with entering or expanding in the market;
- Whether smaller firms face disadvantages relative to established providers;
- The extent to which venue relationships influence competitive success.

Market Power Through Control of Essential Commercial Access Points

- 5.14 The inquiry will examine whether certain hotels, conference centres, or venue operators act as important gateways through which AV providers must access customers and whether control of such access points confers market power capable of influencing competition.
- 5.15 The Commission will assess whether the commercial significance of major conference venues allows venue operators or their preferred suppliers to influence market outcomes beyond what would occur under competitive conditions.

Key questions include:

- The degree of dependence of AV providers on major venues;
- Whether alternative venues provide effective competitive constraints;
- The importance of venue access for winning business opportunities;
- Whether venue policies materially affect competition between AV providers.

Consumer Welfare Effects

- 5.16 The inquiry will assess whether the identified market features result in adverse outcomes for consumers, including event organisers, corporate customers, government institutions, development partners, and other users of conferencing services.

5.17 Potential consumer harms may include:

- Higher prices;
- Reduced supplier choice;
- Lower service quality;
- Reduced innovation;
- Limited access to specialised services; and
- Reduced transparency in procurement decisions.

5.18 The inquiry will evaluate whether any observed restrictions are outweighed by efficiencies, operational benefits, quality improvements, security considerations, or other legitimate business justifications advanced by market participants.

Methodology

6.1 The inquiry will adopt a mixed-methods approach combining legal, economic, and market analysis techniques. The methodology is designed to enable the Commission to comprehensively assess market structure, market conduct, contractual arrangements, and market outcomes within the AV services ecosystem in the hospitality sector.

Phase I: Inception and Scoping

6.2 The Commission will undertake a preliminary market assessment to refine the scope of the inquiry, identify key stakeholders, develop data collection instruments, and establish the analytical framework for the inquiry.

Activities will include:

- Development of the Inquiry Framework;
- Stakeholder mapping;
- Identification of key market participants;
- Preparation of Requests for Information (RFIs);
- Development of questionnaires and interview guides;
- Identification of relevant contracts and agreements for review;
- Development of competition assessment indicators.

Outputs

- Inception Report;
- Stakeholder Register;
- Information Request Templates;
- Detailed Work Plan.

Phase II: Information Gathering and Data Collection

6.3 The Commission will collect qualitative and quantitative information from market participants and other relevant stakeholders.

(a) Requests for Information (RFIs)

RFIs will be issued to:

- Hotels and hospitality establishments;
- Conference centres and convention facilities;
- AV service providers;
- Event organisers;
- Government institutions;
- Industry associations;
- Corporate consumers of conferencing services.

Information requested may include:

- Contracts and agreements;
- Pricing schedules;
- Revenue-sharing arrangements;
- Venue access requirements;
- Procurement policies;
- Supplier accreditation requirements;
- Customer usage patterns;
- Market share information.

(b) Surveys

Structured surveys may be administered to:

- Event organisers;
- Conference clients;
- Government procuring entities;
- Corporate customers.

The surveys will seek information on:

- Supplier choice;
- Purchasing behaviour;
- Consumer experiences;
- Perceptions of competition;
- Switching behaviour.

(c) Stakeholder Interviews

The Commission will conduct interviews with:

- Hotel management;
- Conference venue operators;
- AV service providers;
- Industry experts;
- Procurement specialists;

- Consumer representatives.

(d) Site Visits

- 6.4 The Commission may conduct inspections and site visits to selected hotels, conference centres, and event venues to better understand operational arrangements and market dynamics.

Outputs

- Data Collection Report;
- Stakeholder Consultation Report;
- Contract Review Database.

Phase III: Market Analysis

- 7 6.5 The Commission will analyse the information collected using legal, economic, and competition assessment tools.

The analysis will include:

(a) Market Structure Assessment

- Market definition;
- Market concentration analysis;
- Identification of major suppliers;
- Assessment of buyer and supplier power.

(b) Contractual and Behavioural Assessment

- Exclusive dealing arrangements;
- Preferred-provider agreements;
- Venue access restrictions;
- Supplier accreditation schemes;
- Revenue-sharing arrangements.

(c) Competition Assessment

The Commission will assess whether identified market features may result in:

- Demand-side foreclosure;
- Raising rivals' costs;
- Customer steering;
- Tying and bundling;
- Barriers to entry and expansion;
- Reduced consumer choice.

(d) Consumer Welfare Assessment

The Commission will evaluate:

- Pricing outcomes;
- Service quality;
- Innovation;
- Supplier diversity;
- Customer choice.

(e) Benchmarking

- 6.5 Comparative assessments may be undertaken against regional and international practices in hospitality-related AV services.

Outputs

- Market Assessment Report;
- Competition Analysis Report;
- Preliminary Findings Paper.

Phase IV: Final Analysis and Reporting

The Commission will consider stakeholder submissions, undertake further analysis where necessary, and prepare the final report.

The final report will contain:

- Findings;
- Competition assessment;
- Consumer welfare assessment;
- Policy recommendations;
- Regulatory recommendations;
- Advocacy recommendations;
- Enforcement recommendations where appropriate.

Outputs

- Final Market Inquiry Report;
- Executive Summary;

Indicative Timeline

Phase	Activity	Duration
Phase I	Inception, stakeholder mapping and development of inquiry tools	Month 1
Phase II	RFIs, surveys, interviews and site visits	Months 2–4
Phase III	Data analysis, market assessment and competition analysis	Months 5–6
Phase IV	Publication of provisional findings and stakeholder consultations	Month 7
Phase V	Review of submissions and final analysis	Month 8
Phase VI	Preparation and publication of final report	Month 9

Detailed Timeline

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