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White Paper

Market Insights to Help Maintain and Grow Your Business-to-Business Exhibitions

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'Timing is everything,' as the adage goes. Diversified Communications had been a wonderful employer for over a decade, where I managed the market research function. However I got the entrepreneurial bug. Despite an historic economic downturn one month after opening shop in September 2008, Drapeau Research Services is alive and well today. I feel privileged to have worked with a broad range of clients in different industries and especially having had the honor to execute the CEIR study, *"The Spend Decision: Analyzing How Exhibits Fit into the Overall Marketing Budget."*

This national study polled executives involved in marketing decisions, including whether to exhibit at organizations with annual revenues of \$10 million+ and working at businesses across industry sectors.

After conducting this study for CEIR, I feel even more strongly that the power of exhibitions is alive and well. And at the same time, results suggest the importance of assuring that exhibition organizers keep a pulse on why companies exhibit at their events. Corporate objectives are evolving. The economic downturn has increased pressure to demonstrate ROI. Marketers are innovating, striving to achieve objectives cost effectively. These forces are creating a more sophisticated and discriminating exhibitor.

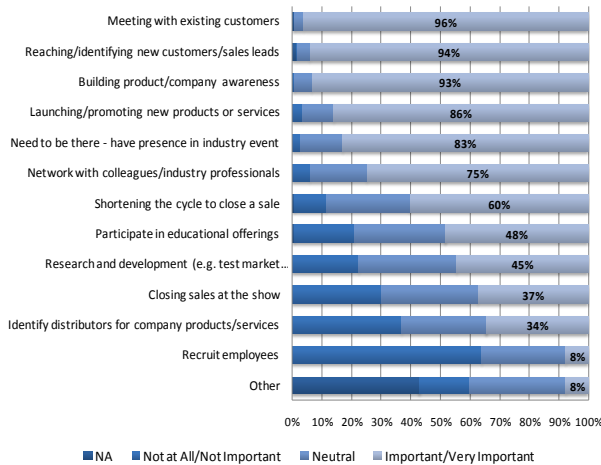
Provided on the follow pages are a few key insights drawn from the CEIR report *"The Spend Decision: Analyzing How Exhibits Fit into the Overall Marketing Budget"* that are useful for event organizers to keep in mind as they plan for future editions of their events. I am also interjecting insights based on research I have done in the past year for other trade event organizers.

I encourage readers to download the full report from the CEIR site, www.ceir.org. It is free to IAEE/CEIR members.

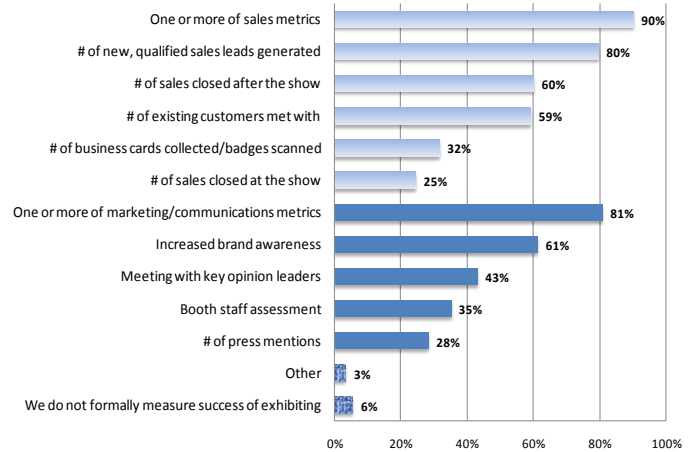
- The most prevalent, important objectives and success measures for exhibiting are sales focused. For 78% of surveyed executives, the single-most important performance metric is related to sales.

Importance Rankings of Objectives for Exhibiting

Source: 2009



Success Metrics for Exhibiting



CEIR Study, "The Spend Decision: Analyzing How Exhibits Fit into the Overall Marketing Budget"

- One in five surveyed companies allocates more than half of their marketing budget to business-to-business exhibitions. Among this **'hard core' exhibitor group**, allocation of funds to exhibiting remained at an average of 60% in 2008 and 2009.
 - **Questions for event organizers:** What percentage of your exhibitor-base are 'hard core?' Treat them well, business-to-business exhibitions is their primary marketing vehicle. Learn what their objectives are and who they want to reach, strive to continue to deliver results. These companies are most apt to be your long-term customers, if you meet their needs. They may also be your best targets for new services and revenue generation. Once you know their profile, can you find other like companies? Targeting new exhibition sales to this niche of prospects is more apt to secure repeat customers.
- Four out of five exhibiting companies surveyed spent an average of 26.9% on business-to-business exhibitions in 2008, which unfortunately declined to 21.8% in 2009. It is this group of exhibitors that indicates a willingness to migrate marketing dollars to other marketing vehicles – which include digital and other traditional media (e.g. print, smaller, more intimate in-person marketing, whether one-on-one meetings, seminars, conferences, etc.).
 - **Questions for event organizers:** How committed are your exhibitors to your event as a vehicle for achieving their marketing goals? What is your competition – is it other exhibitions that are perceived to deliver stronger ROI, or is exhibitor marketing shifting to other channels – digital, other in-person marketing vehicles, etc.? How can you make competing media your friend as opposed to a foe? Can you extend your ancillary sales offers to incorporate complementary marketing options?

The chart below provides a 'cheat sheet' for organizers to use to assess the health of their events. This chart is derived from commentary exhibitors provided on reasons for continuing to exhibit at events or reasons for pulling out or reducing their exhibit space.

Cheat Sheet on Assessing the Health of Your Event



Weak Exhibition Characteristics	Strong Exhibition Characteristics
<ul style="list-style-type: none"> • Not the top-ranked event in a market (whether national, regional, etc.) ; • Not mentioned as a 'must attend' event; • ROI perceived as wanting among many exhibitors (e.g. weak volume or quality of attendance, inadequate lead generation; inability to fulfill company objectives); • Exhibitor activities not clearly linked to driving the sales process (e.g. purely brand promotions oriented without an underlying connection to how it drives sales); • Alternative marketing vehicles are credible alternatives to the exhibition. 	<ul style="list-style-type: none"> • Top ranked event in its niche (whether national, regional, etc.); • Considered a 'must attend' event - where companies must participate to maintain an image of credibility and to ward off the competition; • Identified as 'the meeting place' of a given industry, where 'everyone is under one roof'; • A venue valued for: <ul style="list-style-type: none"> ○ Launching new products/services; ○ Testing the waters for market entry by new companies or companies looking to extend product lines or expand to new regional markets. • Strong ROI – driving the sales process (whether in generating new leads, retaining/expanding sales with existing customers, helping move the sales process forward). • Is an effective vehicle for fulfilling a company's corporate objectives.

Don't Forget Attendees!

- Keeping in close touch with one's exhibitors is only half the equation of maintaining and growing an event. It is equally important to keep in touch with attendees to remain current on their wants and needs. This general statement is obvious to most readers. All the same, the level of assessment of an event's performance from an attendee perspective may vary and thus the following questions are offered for consideration.
 - **Questions for those readers who are event organizers :**
 - What do your attendees seek to achieve at the event and did your event meet their expectations?
 - Which type of attendee, especially buyers – by company size, business sector and region, has the strongest connection to your events?
 - Are attendee product and service interests in alignment with what your event delivers or is there a disconnect? Where there is a disconnect, do gaps present opportunities, a chance to expand your exhibitor base?
 - What other information sources do they rely upon? Are these alternative information sources complementary marketing vehicles or competitive threats to your event? Are there opportunities implied in the alternative information sources relied upon for ancillary sales?
- As with exhibitors, trade event organizers must know their attendees and keep pace with their evolving wants and needs. In these transformational times, what and how information sources were used last year may indeed be different today....



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