

OUTCOMES



Two Key Outcomes Your Exhibit Program Should Deliver

By Jefferson Davis, *Competitive Edge*

According to CEIR research, companies “spend” 40.3% of their annual marketing budget on exhibit/event marketing. Unfortunately, for too many companies, it ends up as exactly that... a big expense.

While there should be no question that tradeshow are an extremely effective marketing, sales, and customer relationship management channel, in my 26 years as a Tradeshow Productivity Consultant, I ask every exhibiting company I come in contact with the following questions:

1. Why do you exhibit?
2. How much do you spend?
3. On a scale of 1 to 10, how satisfied are you are getting for your spend?

All too often the answers to “why do you exhibit?” include things like: “*we’ve exhibited at that show for years*”, “*we’re in the industry, so we’re expected to be there*”, “*what would the market or the competition think if we didn’t exhibit?*” and other vague answers like market presence, visibility and awareness, lead generation, new product introduction, and so on. And amazingly, on the scale of satisfaction question, I’ve never had a company tell me higher than six.

So this raises an interesting question,

Why aren’t companies getting more from the big investment of human and financial capital they make in tradeshow?

I believe it comes down to two simple things: Perspectives and Practices.

- **PERSPECTIVES:** How a company answers the question “why do you exhibit?” reveals a lot about how they “see” tradeshow. Most of the answers above reveal what I call a “necessary evil” perspective. With a necessary evil perspective, companies will unconsciously approach the show with a “get through” the show, versus “get from” the show paradigm.
- **PRACTICES:** The typical exhibitor spends 95% of their pre-show time on managing show logistics and operations. Things like book the space, get the booth, the graphics, the products, ship it, set it up, tear it down, send it home, do all this on time and on budget. And while all this is necessary, the only thing it guarantees is that you show up... it doesn’t guarantee you get anything from the big investment.

To ensure your exhibiting program does not end up as “*expensive appearances*”, there are two very specific outcomes that everybody on your exhibiting team must be aware of and focus their attention and efforts on:

1. Making sure every dollar and every hour invested visibly and directly supports your company's core business objectives.
2. Delivering measurable financial value beyond cost.

How to Make Your Exhibit Program Better Support Core Business Objectives

There are many objectives that can be set for exhibiting. The three most important areas that deliver significant value are marketing, sales and customer relationship management. Start by engaging departmental leaders in these three business areas to determine what specific business objectives they are pursuing. Let them know you are committed to ensuring that the exhibiting program is helping them achieve their departmental objectives. They'll appreciate this effort and you'll probably find it a lot easier to get the support you need from them.

Next, set clear, specific exhibiting goals that visibly and directly support their stated goals. Back these goals up with written action plans. Be sure to communicate the goals and plans to everyone on the exhibiting team. Finally, set specific check points, pre, at, and post show, measure progress and report results to management showing how the program is supporting core business objectives.

How to Make Your Exhibit Program Deliver Measurable Financial Value

The financial value received from a show can be calculated in several ways. Obviously, sales orders written at or after the show are the key to measuring hard dollar Return on Investment.

Financial gain can also be measured in potential revenue value generated and in documented savings:

- For example, let's say your average sale amount is \$5,000 and you generated 50 "A" quality leads at the show. You could report that the exhibiting program generated \$250,000 of "A" level sales opportunities for the company. In this example, if your investment in the show was \$100,000, you have a 2.5 to 1 soft dollar ROI. That's measurable financial value.

Let's look at the savings side of the equation.

- You could use Cost per Interaction compared to the Cost of a Field Sales Call as a metric. Divide your total exhibiting investment by the number of interactions in your exhibit to get CPI. $\$100,000/400$ interactions equals a CPI of \$250. Compare this to the \$596 average cost of a field sales call and you have saved the company \$346 per interaction. Now, multiply 400 interactions by \$346 CPI savings, and you have generated \$138,400 of CPI savings for the company.

Bring together actual sales closed, add potential "A" level sales opportunities created, add Cost Per Interaction savings and now your exhibit program is delivering measurable financial value far beyond cost.

Jefferson Davis, president of Competitive Edge is known as the "*Tradeshow Turnaround Artist*".

Since 1991, his consulting and training services have helped clients improve their tradeshow performance and results to the tune of over \$700M. Mr. Davis can be reached at 704-814-7355 or

Jefferson@tradeshowturnaround.com