Present

Inside YOUR Exhibiting Numbers

Budgeting, Managing Costs, Measuring & Reporting Exhibiting Performance, Value and ROI

Webinar Discussion Points

1. 3 major questions executives ask about tradeshows
2. Budgeting for exhibiting success
3. Where the tradeshow dollar goes
4. Saving money by expense area
5. Exhibiting ROI – can it be measured?
6. Easy to apply tradeshow performance metrics
7. Creating an Exhibiting Performance & ROI report
3 MAJOR Questions Executives Ask About Tradeshows

1. Was the show a success?
2. What ________ did the show have?
3. What was the show ROI?

An effective exhibit program should…
Budgeting for Exhibiting Success

- Apply tradeshow budgeting rule of thumb.
  - Floor space cost x _____________
- Track & Benchmark where the dollars go
- Budget more for:
  - _____________
  - Delivering a quality visitor experience
  - Booth staff training
- Use zero-based budgeting to justify all expenditures.
- Look at each line item and ask:
  - “Is this really necessary?”
  - “How can we do this at a lower cost and get the same or higher value?”
- Avoid cutting costs in customer facing areas

Where the Trade Show Dollar Goes

FREE Exhibiting Cost Control Tool spreadsheet available online at Exhibitor Success & ROI Center web page.
# Money Saving Tips

<table>
<thead>
<tr>
<th>Exhibits</th>
<th>Graphics</th>
<th>Show Services</th>
<th>Staffing &amp; Travel</th>
<th>Audit Invoices!</th>
<th>Installation &amp; Dismantle</th>
<th>Transportation</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Consider buying a pre-owned exhibit&lt;br&gt;- Consider renting an exhibit&lt;br&gt;- Negotiate a discount with exhibit house for upfront payment&lt;br&gt;- Shop material options – matte graphics panel vs. high gloss</td>
<td>- Design strategically – strive for 10-20% of show-specific messaging, re-use remaining graphics&lt;br&gt;- Consider a freelance designer/animator and stock photos&lt;br&gt;- Price out graphics to local advertising or sign shops&lt;br&gt;- Switch to digital signage</td>
<td>- Read the exhibitor service kit. Pay careful attention and meet all deadlines&lt;br&gt;- Order booth accessories and services in advance&lt;br&gt;- Look for early-bird registration&lt;br&gt;- Bring your own supplies, such as electrical tape, surge protectors, cleaning supplies, trash cans, etc.</td>
<td>- Don’t bring too many staffers – rule of thumb is 1 staffer per 50 square feet (or 2 for a 10x10 exhibit)&lt;br&gt;- Reward frugality – to encourage staffers to spend less, offer a percentage rebate to those who stay under their allotted per diem</td>
<td>- Missed early bird discounts&lt;br&gt;- Incorrect multipliers, such as rate per hour for electrical, or straight vs. overtime rates for labor, or incorrect square footage of your exhibit&lt;br&gt;- Charges for supplies you brought yourself.</td>
<td>- Skip the rigging – talk with your exhibit designer to see if you can use up lighting to illuminate your overhead elements&lt;br&gt;- Number your crates according to content, attach a diagram and include detailed construction instructions, along with electrical requirements and repacking instructions&lt;br&gt;- Avoid weekends and overtime- try to negotiate with show management to install your booth on a weekday if possible.</td>
<td>- Switch to models – if you have heavy products, consider a lightweight 3-D model or digital models&lt;br&gt;- Use double-duty components – some crates can be repurposed as desks/tables&lt;br&gt;- Store strategically – if you have multiple shows in the same city/region, store some of your properties near that area&lt;br&gt;- If you do several shows, use the same freight carrier and negotiate volume discounts</td>
</tr>
</tbody>
</table>

**Audit Invoices!**

Common errors:
- Missed early bird discounts
- Incorrect multipliers, such as rate per hour for electrical, or straight vs. overtime rates for labor, or incorrect square footage of your exhibit
- Charges for supplies you brought yourself.

Additional Sources: Exhibitor Magazine, CEIR Industry Insights Series, and Trade-Show-Adviser.com
1. Can tradeshow ROI be measured?  □ Yes  □ No  □ Unsure
2. Do you measure?  □ Yes  □ No  □ Unsure
3. What/How do you measure?  __________________________________________
4. What factors most limit your ROI?  ______________________________________

Measuring Exhibiting Value & ROI

- Benefits of Measuring
  - Accountability for and justification of exhibiting investment.
  - Determine continued participation in a show.
  - Determine level of ______________________ in a show.
  - Identify program strengths and weaknesses.
  - Develop benchmarks for comparison and improving performance.

So What are Exhibitors Measuring?

![Diagram showing metrics used to evaluate outcome of exhibiting](image)
Two Types of Tradeshows Metrics

Financial Performance

1. Budget vs Actual
2. Cost Per Interaction (CPI)
3. Cost Per Lead (CPL)
4. Potential Value of Leads
5. Soft Dollar ROI
6. Hard Dollar ROI

Exhibit Performance

1. Exhibiting Goals & Results
2. Exhibit Interaction Capacity & Utilization
3. Exhibit Attraction Efficiency
4. Staff Interaction Rate
5. Lead Goal/Actual
6. Lead Quantity and Quality
7. Brand Awareness Impact
8. Attendees Passing & Entering
9. Exhibit Property Interaction
10. Visitor Dwell Time
11. Customers Attending/Met With
12. Prospects Attending/Met With

Example

1. Exhibit Interaction Capacity

   Exhibiting Hours 15 __________
   Times Full-Time Exhibit Staff 2* __________
   Equals Total Staff Hours 30 __________
   Times Interactions Per/Hour/Staffer 3** __________
   Exhibit Interaction Capacity 90 __________

* 50 sq. feet per staffers
** 3/conservative, 4/moderate, 5/aggressive

1a. Exhibit Interaction Capacity Utilization

   Actual # of Exhibit Interactions 64 __________
   Divide by Exhibit Interaction Capacity 90 __________
   Exhibit Capacity Utilization 71% __________
   Target: 80 to 100%
2. **Exhibit Attraction Efficiency**

   Example: 64
   Participant: ___________

   Actual # of Exhibit Interactions
   Divide by Profile Matches in Show Audience
   • Specialty – Location – Other?

   **Exhibit Attraction Efficiency** 6.5%
   *Benchmark: 45% (Source: Exhibit Surveys)*

3. **Lead Goal/Actual, Quantity and Quality**

   Example: 40
   Participant: ___________

   Lead Goal
   Total Leads Captured
   Achievement 85% of goal
   % - A Leads 50% - 17
   % - B Leads 35% - 12
   % - C Leads 15% - 5

4. **Cost Per Interaction (CPI)**

   Example: $13,500
   Participant: $__________

   Total Show Investment $13,500
   • Booth space x 3
   Divide by # of Exhibit Interactions 64

   **Cost Per Interaction** $211
   *Average Cost of a North America B2B Field Sales Call: $596-$1,114 (Source: CEIR)*
5. **Cost Per Lead (CPL)**

<table>
<thead>
<tr>
<th>Example</th>
<th>Participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Show Investment</td>
<td>$13,500</td>
</tr>
<tr>
<td>Divide by # Leads</td>
<td>34</td>
</tr>
<tr>
<td><em>Cost Per Lead</em></td>
<td>$397</td>
</tr>
</tbody>
</table>

*Average Cost of North America B2B Tradeshow Lead: $283
(Source: Exhibit Surveys)*

6. **Potential Value of Leads**

<table>
<thead>
<tr>
<th>Example</th>
<th>Participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total # (or A/B) Leads</td>
<td>29</td>
</tr>
<tr>
<td>Times Average Sale Amount</td>
<td>$5,000</td>
</tr>
<tr>
<td><em>Potential Lead Value</em></td>
<td>$145,000</td>
</tr>
<tr>
<td>Divided by Show Investment</td>
<td>$13,500</td>
</tr>
<tr>
<td>Soft Dollar ROI</td>
<td>$10.74 to $1</td>
</tr>
</tbody>
</table>

**Setting Exhibiting ROI Targets**

GOOD: 1-1 payback or 100% ROI
BETTER: 3-5 payback or 300-500% ROI
BEST: As high as you can go!

**Two Types of ROI**

**Hard Dollar ROI:** ________________ received that can be credited in full or in part to the show, typically in the form of at-show and/or post-show sales.

- Can be measured in top line revenue or gross margin.

**Soft Dollar ROI:** ________________ received that can be quantified/expressed in numeric terms, typically in the form of money saved or opportunities created.
**Return on Investment HARD Dollar Top Line Revenue Formula & Example**

<table>
<thead>
<tr>
<th>Formula</th>
<th>Example</th>
<th>Participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue From At/Post Show Sales</td>
<td>$100,000</td>
<td>$________</td>
</tr>
<tr>
<td>Less Show Investment</td>
<td>- 13,500</td>
<td>$________</td>
</tr>
<tr>
<td>Net Revenue</td>
<td>$86,500</td>
<td>$________</td>
</tr>
<tr>
<td>Divided by Show Investment</td>
<td>$13,500</td>
<td>$________</td>
</tr>
<tr>
<td><strong>Top Line Revenue Return on Investment</strong></td>
<td>$6.41 to $1</td>
<td>$________</td>
</tr>
</tbody>
</table>

**Return on Investment HARD Dollar Gross Margin Formula & Example**

<table>
<thead>
<tr>
<th>Formula</th>
<th>Example</th>
<th>Participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue From At/Post Show Sales</td>
<td>$100,000</td>
<td>$________</td>
</tr>
<tr>
<td>Less Cost of Sales (30% Gross Margin)</td>
<td>- 70,000</td>
<td>$________</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>$30,000</td>
<td>$________</td>
</tr>
<tr>
<td>Less Show Investment</td>
<td>- 13,500</td>
<td>$________</td>
</tr>
<tr>
<td>Net Exhibit Profit</td>
<td>$16,500</td>
<td>$________</td>
</tr>
<tr>
<td>Net Exhibit Profit</td>
<td>$16,500</td>
<td>$________</td>
</tr>
<tr>
<td>Divided by Show Investment</td>
<td>$13,500</td>
<td>$________</td>
</tr>
<tr>
<td>Multiplied by 100</td>
<td>x 100</td>
<td>x 100</td>
</tr>
<tr>
<td><strong>Return on Investment</strong></td>
<td>122% ROI</td>
<td>__________%</td>
</tr>
</tbody>
</table>

**Cost Per Interaction Soft Dollar ROI Contribution Formula & Example**

<table>
<thead>
<tr>
<th>Formula</th>
<th>Example</th>
<th>Participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Show Investment</td>
<td>$13,500</td>
<td>$________</td>
</tr>
<tr>
<td>Divide by # of Exhibit Interactions</td>
<td>64</td>
<td>__________</td>
</tr>
<tr>
<td>Cost Per Interaction</td>
<td>$211</td>
<td>$________</td>
</tr>
<tr>
<td>Comparative (Field Sales Call)</td>
<td>$596</td>
<td>$________</td>
</tr>
<tr>
<td>Less Cost Per Interaction</td>
<td>- $211</td>
<td>$________</td>
</tr>
<tr>
<td>CPI Savings</td>
<td>$352</td>
<td>$________</td>
</tr>
<tr>
<td>Times # of Interactions</td>
<td>x 64</td>
<td>__________</td>
</tr>
<tr>
<td>Soft Dollar ROI Contribution</td>
<td>$22,528=167%SD/ROI</td>
<td>$________</td>
</tr>
</tbody>
</table>

*These sample calculations are not a promise of a specific ROI, but simply an illustration of a method for calculating exhibiting ROI.
Sections to Include In Your Exhibiting Performance & ROI Report

1. Executive Summary
2. Show Information
3. Exhibiting Objectives Set and Progress Made Toward
4. Exhibit Interaction Capacity/Utilization - Cost Per Interaction
5. Leads: Goal/Actual, Cost Per Lead, Potential Value of Leads
6. Pre & At-Show Marketing: Media, Reach/Response and Effectiveness
7. Public Relations and Media Exposure
8. Exhibit Design and Effectiveness
9. Demonstrations/Presentations
10. Hospitality and Sponsored Events
11. Key Customers and VIPs Met
12. Competitive Summary
13. Show Budget vs Actual w/Benchmarks and R.O.I.
14. Lessons Learned & Recommendations for Next Show

What were the three most important ideas you learned in this webinar?

1. __________________________________________________________________________
2. __________________________________________________________________________
3. __________________________________________________________________________

ATS Commitment to Exhibitor Education & Success

- Online Exhibitor Success & ROI Center:
  - New & Re-Playable Webinars
  - “How to” Exhibiting Article Series
  - Downloadable Tools
  - Strategic Planning Exercises
  - “Ask the Tradeshow Expert” Email Q&A
- New Exhibitor On-Boarding
- Bookmark, Share and Access at:
About Your Expert Presenter

Jefferson Davis, President, Competitive Edge
The Tradeshow Turnaround Expert™

Jefferson is President of Competitive Edge, a highly-specialized consulting and training firm on a mission to *inspire, lead and direct* businesses on how to more effectively use exhibiting to visibly support core business objectives and generate measurable financial value, far beyond cost.

His mission is achieved by challenging companies to re-evaluate limiting perspectives about exhibiting and getting them focused on precision execution of five critical exhibiting success factors.

Jefferson is a results-focused, process-based, passionate visionary and creator of game changing exposition industry programs including: the acclaimed Tradeshow Turnaround Program, E3 Exhibiting Effectiveness Evaluation program, Exhibitor Success & ROI Center program.

His Tradeshow Turnaround philosophy and practices are the exposition industry's definitive guide to quickly turning tradeshows from “expensive appearances” to “productive, profitable investments.”

Over the course of 30 years of on the floor exhibiting experience, he’s identified a clear set of empowering results-focused perspectives, and backed them up with specific, process-based strategic practices, his training and consulting services have helped clients generate over $750,000,000 in combined results.

**No other tradeshow consulting or training firm can speak to results like this.**

Jefferson’s client list read like a “who’s, who” list in the exposition industry. Since 1991, he’s been selected as the tradeshow expert of choice by over 270 Association and for-profit show organizers. He’s a faculty member of EXHIBITOR Show. He’s delivered over 500 live seminars and workshops, over 700 webinars reaching over 250,000 exhibitors, and his E3 team has evaluated over 20,000 exhibits in action.


Jefferson is available to personally help companies implement the Tradeshow Turnaround philosophy and practices. Call 800-700-6174 in the US or 704-814-7355 and visit www.tradeshowturnaround.com