

**AAPM 2017**

**Competitive  
Edge**   
*"exhibiting excellence"*

*Present*

# Inside the Exhibiting Numbers

---

**Budgeting, Managing Costs,  
Measuring & Reporting Exhibiting Performance,  
Value and Return on Investment**

## **Webinar Discussion Points**

1. Exhibiting ROI – can it be measured?
2. Budgeting for exhibiting success
3. Where the tradeshow dollar goes
4. Saving money by expense area
5. Easy to apply tradeshow performance metrics
6. Creating an Exhibiting Performance & ROI report

An effective exhibit program should...



- |                                      |                              |                             |                                 |
|--------------------------------------|------------------------------|-----------------------------|---------------------------------|
| 1. Can tradeshow ROI be measured?    | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Unsure |
| 2. Do you measure?                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> Unsure |
| 3. How do you measure?               | _____                        |                             |                                 |
| 4. What factors most limit your ROI? | _____                        |                             |                                 |

## Measuring Exhibiting ROI

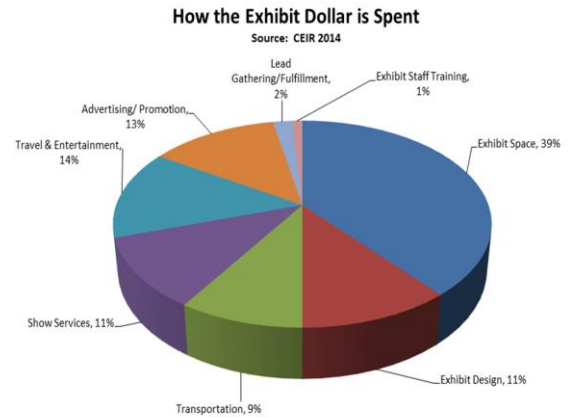
- **Benefits of Measuring**
  - Accountability for and justification of exhibiting investment.
  - Determine continued participation in a show.
  - Determine level of investment in a show.
  - Identify exhibiting program strengths and weaknesses.
  - Develop benchmarks for comparison and improving performance.
  - Measure and report exhibiting value and return on investment.

## Budgeting for Exhibiting Success

- Use zero-based budgeting to justify all expenditures.
- Apply tradeshow budgeting rule of thumb.
  - Floor space cost x \_\_\_\_\_
- Budget more for:
  - \_\_\_\_\_
  - Delivering a quality visitor experience
  - Booth staff training
- 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?”

## Where the Trade Show Dollar Goes

- Average company allocates \_\_\_\_\_% of marketing budget to event/exhibit marketing
- Exhibiting budget is spent on eight (8) major areas



## Track & Control Exhibit Spending

Exhibit Cost Control  
 Calculator.xls

**FREE spreadsheet available  
 online on the Exhibitor  
 Success & ROI Center!**

Item	This Show				This Show		This Year's		Average
	Budget	Actual	Difference	Difference %	Last Year	Actual	Budget As % of Total	Actual As % of Total	
<b>SPACE RENTAL:</b>									
Booth Space	\$ -	\$ -	\$ -	0.0%	\$ -	-	0.0%	0.0%	
Hospitality Suite	-	-	-	0.0%	-	-	0.0%	0.0%	
Meeting Rooms	-	-	-	0.0%	-	-	0.0%	0.0%	
Other	-	-	-	0.0%	-	-	0.0%	0.0%	
Subtotal	-	-	-	0.0%	-	-	0.0%	0.0%	39%
<b>EXHIBIT DESIGN:</b>									
Design	-	-	-	0.0%	-	-	0.0%	0.0%	
Construction	-	-	-	0.0%	-	-	0.0%	0.0%	
Refurbishing	-	-	-	0.0%	-	-	0.0%	0.0%	
Graphics	-	-	-	0.0%	-	-	0.0%	0.0%	
Packing	-	-	-	0.0%	-	-	0.0%	0.0%	
Storage	-	-	-	0.0%	-	-	0.0%	0.0%	
Insurance	-	-	-	0.0%	-	-	0.0%	0.0%	
Display Materials	-	-	-	0.0%	-	-	0.0%	0.0%	
Installation & Dismantle	-	-	-	0.0%	-	-	0.0%	0.0%	
Insurance	-	-	-	0.0%	-	-	0.0%	0.0%	
Other	-	-	-	0.0%	-	-	0.0%	0.0%	
Subtotal	-	-	-	0.0%	-	-	0.0%	0.0%	11%

## Money Saving Tips

### Exhibits

- Consider buying a pre-owned exhibit
- Consider renting an exhibit
- Negotiate a discount with exhibit house for upfront payment
- Shop material options – matte graphics panel vs. high gloss

### Graphics

- Design strategically – strive for 10-20% of show-specific messaging, re-use remaining graphics
- Consider a freelance designer/ animator and stock photos
- Price out graphics to local advertising or sign shops
- Switch to digital signage

### Show Services

- Read the exhibitor service kit. Pay careful attention and meet all deadlines
- Order booth accessories and services in advance
- Look for early-bird registration
- Bring your own supplies, such as electrical tape, surge protectors, cleaning supplies, trash cans, etc.

### Staffing & Travel

- Don't bring too many staffers – rule of thumb is 1 staffer per 50 square feet (or 2 for a 10x10 exhibit)
- Reward frugality – to encourage staffers to spend less, offer a percentage rebate to those who stay under their allotted per diem

### 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



### Promotion

- Take advantage of show advertising packages when available
- Order promotional items and giveaways well in advance to avoid rush fees and expensive shipping costs
- Print all your pre-show and at-show marketing materials at the same time to get quantity discounts
- Promote your participation using low-cost marketing methods, such as social media, your website, submitting press releases

### Installation & Dismantle

- Skip the rigging – talk with your exhibit designer to see if you can use up lighting to illuminate your overhead elements
- Number your crates according to content, attach a diagram and include detailed construction instructions, along with electrical requirements and repacking instructions
- Avoid weekends and overtime- try to negotiate with show management to install your booth on a weekday if possible.

### Transportation

- Switch to models – if you have heavy products, consider a lightweight 3-D model or digital models
- Use double-duty components – some crates can be repurposed as desks/tables
- Store strategically – if you have multiple shows in the same city/region, store some of your properties near that area
- If you do several shows, use the same freight carrier and negotiate volume discounts

## Two Types of Tradeshow 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. Attendees Passing & Entering
3. Exhibit Attraction Efficiency
4. # Interacting with Exhibit Properties & Booth Staff
5. Staff Interaction Rate
6. Visitor Dwell Time
7. Exhibit Interaction Capacity & Utilization
8. Lead Goal/Actual
9. Lead Quantity and Quality
10. Lead Movement Through Sales Cycle
11. Customers Attending/Interacted With

Example Participant

### 1. Exhibit Interaction Capacity

Exhibiting Hours	25.5	
Times Full-Time Exhibit Staff	<u>2*</u>	
Equals Total Staff Hours	51	
Times Interactions per/hr/staffer	<u>3-5**</u>	
<i>Exhibit Interaction Capacity</i>	153-255	

\* 50 sq. feet per staffer

\*\* 3/conservative, 4/moderate, 5/aggressive

### 1a. Exhibit Interaction Capacity Utilization

Actual # of Exhibit Interactions	<u>103</u>	
Divide by Exhibit Interaction Capacity	153	
<i>Exhibit Capacity Utilization</i>	67%	
<i>Target: 80 to 100%</i>		

Example                      Participant

**2. Exhibit Attraction Efficiency**

Actual # of Exhibit Interactions	<u>103</u>	
Divide by Profile Matches in Show Audience	400	
• Company Type – Job Function		
<i>Exhibit Attraction Efficiency</i>	26%	
<i>Benchmark: 45% (Source: Exhibit Surveys)</i>		

**3. Staff Interaction Rate**

# Visitors Physically Engaged by Staffers	<u>103</u>	
Divide by Total # of Booth Visitors	123	
<i>Staff Interaction Rate</i>	84%	

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

Total Show Investment	<u>\$10,000</u>	\$ <u>                    </u>
Divide by # of Exhibit Interactions	103	
<i>Cost Per Interaction</i>	\$97	
<i>Average Cost of a North America B2B Field Sales Call: \$596</i>		
<i>(Source: CEIR, 2009)</i>		

**5. Cost Per Lead (CPL)**

Total Show Investment	<u>\$10,000</u>	\$ <u>                    </u>
Divide by # Leads	50	
<i>Cost Per Lead</i>	\$200	
<i>Average Cost of North America B2B Tradeshow Lead: \$283</i>		
<i>(Source: Exhibit Surveys, 2013)</i>		

	Example	Participant
<b>6. Lead Goal/Actual, Quantity and Quality</b>		
Lead Goal	75	_____
Total Leads Captured	50	_____
Achievement	67% of goal	_____
% - A Leads	50%	_____
% - B Leads	35%	_____
% - C Leads	15%	_____

<b>7. Potential Value of Leads</b>		
Total # (or A/B) Leads	25	_____
Times Average Sale Amount	<u>\$5,000</u>	\$ _____
<i>Potential Lead Value</i>	\$125,000	\$ _____
Divided by Show Investment	\$10,000	\$ _____
Soft Dollar ROI	\$12.5 to \$1	\$ _____

<b>8. Lead Movement Through Sales Cycle</b>		
Leads by Stage of Sales Cycle:		
Initial Contact	5	_____
Need Discovered	10	_____
Solution Presented	20	_____
Proposal Delivered	10	_____
Contract Signed	5	_____

### 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.

### Return on Investment HARD Dollar Top Line Revenue Formula & Example\*

	Example	Participant
Revenue From At/Post Show Sales	\$100,000	\$ _____
Less Show Investment	- 10,000	\$ _____
Net Revenue	\$ 90,000	\$ _____
Divided by Show Investment	\$ 10,000	\$ _____
<i>Top Line Revenue Return on Investment</i>	\$9 to \$1	\$ _____

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

Revenue From At/Post Show Sales	\$100,000	\$ _____
Less Cost of Sales (30% Gross Margin)	- 70,000	\$ _____
Gross Margin	\$ 30,000	\$ _____
Less Show Investment	- 10,000	\$ _____
Net Exhibit Profit	\$ 20,000	\$ _____
Net Exhibit Profit	\$ 20,000	\$ _____
Divided by Show Investment	\$ 10,000	\$ _____
Multiplied by 100	x 100	x 100
<i>Return on Investment</i>	200% ROI	_____ %

**\*These sample calculations are not a promise of a specific ROI, but simply an illustration of a method for calculating exhibiting ROI.**



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

	Example	Participant
Total Show Investment	\$ 10,000	\$ _____
Divide by # of Exhibit Interactions	103	_____
Cost Per Interaction	\$97	\$ _____
Comparative (Field Sales Call)	\$596	\$ _____
Less Cost Per Interaction	- \$97	\$ _____
CPI Savings	\$499	\$ _____
Times # of Interactions	x103	_____
Soft Dollar ROI Contribution	\$51,397=514%SD/ROI	\$ _____

**\*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. \_\_\_\_\_

## AAPM Commitment to Exhibitor Education & Success

- Online Exhibitor Success & ROI Center:
  - New and re-playable webinars
  - FAQs and “How to” exhibiting article series
  - Ask the tradeshow expert email Q&A
- Access at:
  - <http://www.aapm.org/meetings/2017AM/Exhibits/ExhibitorTraining.asp>

The screenshot shows the AAPM 2017 website interface. At the top, it says 'AAPM 2017 JUL 30-AUG 3' and 'CONNECTING OUR PATHWAYS, UNIFYING OUR PROFESSION. 59th ANNUAL MEETING & EXHIBITION | DENVER, CO'. Below this is a navigation menu with items like Home, Attendees, Technical Exhibits, Meeting Program, Association Activities, Virtual Press Room, and Contact Us. The main content area is titled 'Exhibitor Success & ROI Center' and includes a sub-header 'You've Got Exhibiting Questions & Goals... AAPM's Got Expert Answers!'. It features a call to action: 'REGISTER TODAY AND ATTEND THESE COMPLEMENTARY EDUCATIONAL WEBINARS:'. Two webinars are listed: 'Improving Tradeshow Lead Management for Better ROI' (Tuesday, May 30, 2017 2:00pm-2:45pm Eastern) and 'Inside the Exhibiting Numbers: Budgeting, Managing Costs, Measuring & Reporting Exhibiting Performance, Value and ROI' (Thursday, June 29, 2017 2:00pm-2:45pm Eastern). There is also a section for 'ASK A SPECIFIC QUESTION'.

## 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 by 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 18,500 exhibits in action.

Jefferson's corporate clients span almost every industry and have included industry leaders like Alcoa, AMX, Aramco Services Company, Assurant Property Services, BOC Gases, Brivo Systems, Corporate Express, Covidien, Doosan Portable Power, Egemin Automation, Enshu USA, Essilor, Heidelberg, Honeywell, Huber Technologies, Jungheinrich Lift Trucks/MCFA, McLanahan, McQuay International, Merial, Merz Aesthetics, Nestle-Purina, Ocean Mist Farms, Panasonic, Parker-Hannifin, PCCA, Reichert Ophthalmic, Scholle, SteelKing, Tennant Company, Tesco, Trelleborg Life Sciences and Wheel Systems, US Surgical, and many, many more.

**Jefferson is available on a very limited basis 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](http://www.tradeshowturnaround.com)**