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 your 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

Know Where the Trade Show Dollar Goes

Track & Control Exhibit Spending

FREE Exhibit Budgeting & Cost Control Tool spreadsheet available online at the Exhibitor Toolkit under “How to Exhibiting Article Series by Competitive Edge.”
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

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

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

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

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.
  - Develop benchmarks for comparison and improvement.
  - Bigger seat at the budgeting table.
  - Determine level of ___________________________ in a show.
  - Identify program strengths and weaknesses.
  - Determine continued participation in a show.

**So What are Exhibitors Measuring?**

![Metrics Used to Evaluate Outcome of Exhibiting](image-url)
Two Types of Tradeshow Metrics

**Financial Performance**
1. Budget vs Actual
2. Cost Per Interaction (CPI)
3. Cost Per Lead (CPL)
4. Potential Revenue 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

Measure Financial & Exhibit Performance

**FREE Exhibiting & Financial Performance Metrics Tool spreadsheet available online at the Exhibitor Toolkit under “How to Exhibiting Article Series by Competitive Edge”**
### 1. Exhibit Interaction Capacity

<table>
<thead>
<tr>
<th>Example</th>
<th>Participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Exhibiting Hours</td>
<td>7</td>
</tr>
<tr>
<td>Times Full-Time Exhibit Staff</td>
<td>2*</td>
</tr>
<tr>
<td>Equals Total Staff Hours</td>
<td>14</td>
</tr>
<tr>
<td>Times Interactions Per/Hour/Staffer</td>
<td>3-5**</td>
</tr>
<tr>
<td>Exhibit Interaction Capacity</td>
<td>42-70</td>
</tr>
</tbody>
</table>

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

#### 1a. Exhibit Interaction Capacity Utilization

- **Actual # of Exhibit Interactions**: 58  
- **Divide by Exhibit Interaction Capacity**: 70  
- **Exhibit Capacity Utilization**: 83%  
- **Target**: 90 to 100%

#### 2. Exhibit Attraction Efficiency

- **Actual # of Exhibit Interactions**: 58  
- **Divide by Profile Matches in Show Audience**: 483  
- **Exhibit Attraction Efficiency** 12%  
- **Benchmark**: 45% *(Source: Exhibit Surveys)*

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

| Lead Goal | 20 | ________ |
| Total Leads Captured | 16 | ________ |
| Achievement | 80% of goal | ________ |
| % - A Leads | 50% - 8 | ________ |
| % - B Leads | 31% - 5 | ________ |
| % - C Leads | 19% - 3 | ________ |
4. **Cost Per Interaction (CPI)**

<table>
<thead>
<tr>
<th>Example</th>
<th>Participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Show Investment</td>
<td>$7,350</td>
</tr>
<tr>
<td>10x10 Affiliate booth space cost x 3</td>
<td></td>
</tr>
<tr>
<td>Divide by # of Exhibit Interactions</td>
<td>58</td>
</tr>
<tr>
<td>Cost Per Interaction</td>
<td>$127</td>
</tr>
</tbody>
</table>

*Routine Cost of a North America B2B Field Sales Call: $596-$1,114 (Source: CEIR)*

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

<table>
<thead>
<tr>
<th>Example</th>
<th>Participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Show Investment</td>
<td>$7,350</td>
</tr>
<tr>
<td>Divide by Total # Leads</td>
<td>16</td>
</tr>
<tr>
<td>Cost Per Lead</td>
<td>$459</td>
</tr>
</tbody>
</table>

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

*Compare to Average Value of A Customer/Sale Amount*

6. **Potential Revenue Value of Leads**

<table>
<thead>
<tr>
<th>Example</th>
<th>Participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total # (or A/B) Leads</td>
<td>13</td>
</tr>
<tr>
<td>Times Average Sale Amount</td>
<td>$5,000</td>
</tr>
<tr>
<td>Potential Lead Value</td>
<td>$65,000</td>
</tr>
<tr>
<td>Divided by Show Investment</td>
<td>$7,350</td>
</tr>
<tr>
<td>Soft Dollar ROI</td>
<td>$8.84 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></th>
<th>Example</th>
<th>Participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue From At/Post Show Sales</td>
<td>$50,000</td>
<td>$________</td>
</tr>
<tr>
<td>Less Show Investment</td>
<td>- 7,350</td>
<td>$________</td>
</tr>
<tr>
<td>Net Revenue</td>
<td>$42,650</td>
<td>$________</td>
</tr>
<tr>
<td>Divided by Show Investment</td>
<td>$7,350</td>
<td>$________</td>
</tr>
</tbody>
</table>

*Top Line Revenue Return on Investment* $5.80 to $1 $________

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

<table>
<thead>
<tr>
<th></th>
<th>Example</th>
<th>Participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue From At/Post Show Sales</td>
<td>$50,000</td>
<td>$________</td>
</tr>
<tr>
<td>Less Cost of Sales (50% Gross Margin)</td>
<td>- 25,000</td>
<td>$________</td>
</tr>
<tr>
<td>Gross Margin</td>
<td>$25,000</td>
<td>$________</td>
</tr>
<tr>
<td>Less Show Investment</td>
<td>- 7,350</td>
<td>$________</td>
</tr>
<tr>
<td>Net Exhibit Profit</td>
<td>$17,650</td>
<td>$________</td>
</tr>
</tbody>
</table>

Net Exhibit Profit $17,650 $________

Divided by Show Investment $7,350 $________

*Return on Investment* $2.40 to $1 $________

*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 Formula & Example*

<table>
<thead>
<tr>
<th></th>
<th>Example</th>
<th>Participant</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Show Investment</td>
<td>$7,350</td>
<td>$__________</td>
</tr>
<tr>
<td>Divide by # of Exhibit Interactions</td>
<td>58</td>
<td>___________</td>
</tr>
<tr>
<td>Cost Per Interaction</td>
<td>$127</td>
<td>$__________</td>
</tr>
<tr>
<td>Comparative (Field Sales Call)</td>
<td>$596</td>
<td>$__________</td>
</tr>
<tr>
<td>Less Cost Per Interaction</td>
<td>- $127</td>
<td>$__________</td>
</tr>
<tr>
<td>CPI Savings</td>
<td>$469</td>
<td>$__________</td>
</tr>
<tr>
<td>Times # of Interactions</td>
<td>x 58</td>
<td>___________</td>
</tr>
<tr>
<td>Soft Dollar ROI Contribution</td>
<td>$27,202=$3.70 to $1</td>
<td>$__________</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 Revenue 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. ____________________________________________________________

**NAFA Commitment to Exhibitor Value, Knowledge & Success**

- Exhibitor Toolkit:
  - Live and Re-playable Webinars
  - How-to Exhibiting Article Series
  - Exhibiting 101
  - Exhibitor Magazine Resources
  - Ask the Tradeshow Expert Email Q&A

- Bookmark, Share with your team and Access at:
  - [https://nafainstitute.org/Exhibitors/Exhibitor-Toolkit.aspx](https://nafainstitute.org/Exhibitors/Exhibitor-Toolkit.aspx)

**About Your Expert Presenter**

Jefferson Davis, President, Competitive Edge

The Tradeshow Productivity 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.

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

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