

Validated and Meaningful Event Metrics: Best Practice Guide (v 4.0)

Introduction and Background

Currently, there are industry practices that may impede the value exhibitors gain from face-to-face marketing events -- specifically conventions and trade shows. This *Best Practice Guide* outlines such current practices and suggests “best practices” to overcome the challenges created in this otherwise productive and effective sales and marketing environment.

Exhibiting companies need meaningful, independent, third-party validated marketing data to guide them as they make decisions about which events have the potential to provide a sufficient ROI/ROO to their marketing plan. In order to select appropriate events which support needed marketing outcomes, and to determine the appropriate investment level for those events that are selected, exhibitors need objective marketing data that is comparable, within industry segments, from one event to another. This data helps exhibitors make informed marketing decisions while selecting the event and also informs them of anticipated outcomes based upon investment levels.

The purpose of this *Best Practice Guide* is:

- To increase exhibitor value and improve the effectiveness of face-to-face tradeshow and convention marketing efforts, a vital component of exhibiting companies’ marketing mix.
- To advocate for the provision of meaningful and validated event metrics which will aid in the exhibitor’s event selection and/or event investment decisions.
- To advocate for the establishment of a standard measurement index (or indices) that will enable an exhibitor to compare the prospective marketing value of one event to another.
- To ultimately guide the industry in making adjustments that will guarantee its financial future and continued place in the marketing mix.

Below is a summary of the topic areas being addressed, along with the “best practice” recommendation, for the provision of event metrics.

1. The Current Event Selection / Investment Model:

Explore changing the current event selection model to provide exhibitors with meaningful, independent, third-party validated data to guide their trade show investments.

2. Events vs. Other Marketing Media:

Our industry does not operate in a vacuum and must compete for marketing dollars with other media by providing meaningful and independent, third-party validated metrics.

3. Open Source Data Collection / Reporting

Attendee demographic information should be collected and reported in an open source format to reduce costs and to facilitate exhibitor lead tracking and follow up

4. Standard Event Measurement Indices

A standard measurement index will align trade shows and events with other marketing media and will inform the exhibitor’s investment decisions with data provided by show management prior to event commitment.

The standard infrastructure for providing accurate, third-party verified demographic and attendance data to the trade show industry exists through the Exhibition and Event Industry Audit Commission (EEIAC). This infrastructure is key to providing accurate data for the proposed common event measurement indices.

5. Show Organizer Responsibility:

Show organizers have the responsibility to provide exhibitors with meaningful and validated show attendance and demographic data, preferably independent, third party audited data, to aid their show commitment and investment decisions.

6. General Contractor Responsibility:

General contractors servicing show organizers on strategic marketing aspects of event production should advise their show clients that event success is predicated on exhibitor success. And, an important step to creating exhibitor success is to provide meaningful and independent, third-party validated show attendance and demographic data.

General contractors that service exhibitors, like exhibit houses, on strategic marketing aspects of event participation should advise their exhibitor clients to request meaningful and independent, third-party validated show attendance and demographic data prior to making commitment and investment decisions.

7. Exhibit House and Third Party Contractor Responsibility:

Exhibit houses and third party contractors servicing exhibitors on strategic marketing aspects of event participation should advise their exhibitor clients to request meaningful and independent, third-party validated show attendance and demographic data prior to making commitment and investment decisions.

8. Exhibitor Responsibility:

Exhibitors should request meaningful and independent, third-party validated show attendance and demographic data prior to making commitment and investment decisions.

Exhibitors should then validate their event marketing outcomes by establishing clearly defined and measurable event goals with the intent these goals will be reviewed and managed as closely as they do with their show budgets.

Definitions

Marketing ROI / ROO

Return on Investment (ROI). Measurement of benefit an exhibiting company receives for participation at an exhibition by comparing total event participation with total event sales and marketing outcomes.

Return on Objectives (ROO). Measurement of benefit an exhibiting company receives for participation at an exhibition by company pre-set objectives to show success.

Open Source Data

Open source data is a philosophy and practice requiring event demographic data be freely available to all exhibitors, without restrictions from copyrights, patents, or other mechanisms of control.

Standard Metrics

A standard metric in trade show and event marketing would provide for a common “yardstick” by which potential marketing outcomes could be established, evaluated and compared one event to another.

Total Professional Attendees

An independent, third-party validated attendance and demographics report showing total professional attendance, excluding exhibitors and other non-qualified attendees.

Note: This number can be broken down further, if desired, by producing this number by attendance category.

1: The Current Event Selection / Investment Model

Explore changing the current event selection model to provide exhibitors with independent, third-party validated data to guide their trade show investments.

The event selection model employed by most show organizers currently requires an exhibitor reserve space at next year's show during the current year's event. While this process creates efficiencies for the organizer its timing may preclude the exhibitor's opportunity to make fully informed decisions on event commitment and investment levels. Some suggestions for other event commitment models include:

- Provide independent, third-party validated demographics and/or event marketing index data on current show at same time as space selection process.
- Provide all knowable cost of opportunity information for the next event – particularly those costs varying more than 5% from the current year event.
Ex. A preliminary show kit for the following year event.
- Strategic marketing assistance so the exhibitor can obtain feedback on the current year exhibiting effort as compared with overall event marketing objectives.
- Strategic marketing assistance so the exhibitor can right-size their event investment strategy in concert with overall event marketing objectives.

Rationale:

While the current common model for event selection provides significant efficiencies for the event organizer, it does not give exhibitors the opportunity to fully evaluate results from this year's event prior to making next year's event commitment. Understanding show organizers will continue to take advantage of the existing space selection process, exhibitors can improve their ability to make more fully informed decisions about their event investment levels if they are provided with more meaningful marketing and cost data during this process.

2: Events vs. Other Marketing Media

Our industry does not operate in a vacuum and must compete for marketing dollars with other media by providing meaningful, independent, third-party validated event metrics.

If you Google "trade show rating system" you won't be surprised to find a complete lack of information. One would think in this multi-billion dollar industry there would be some objective third party information to inform and assist its customers on which shows to choose. Unfortunately this is currently not the case. Currently less than 1% of all trade shows in the US (0% in Canada) are

providing audited data. Organizers are not proactive in providing audited data and exhibitors are not actively asking for it. However, this is not the case in other countries.

Germany is the best example of providing audited data to their exhibition industry. AUMA, the leading German research association, archives all audited trade show data in Europe, mostly from German organizers. The audited data reported is attendance, demographics and net square meters. The data is available for all stakeholders' use and especially in determining exhibition investment by brand marketers. The US is considerably behind Europe, Asia/Pacific, the Middle East and Australia.

The blogosphere and social media discussions related to "rating" and "trade shows" seems to focus on the rating of leads and lead systems. While this is a noble pursuit, it skips an important step – the development and receipt of objective third-party data from show organizers helps distinguish which events to invest in to generate those leads in the first place.

Much of the consternation among exhibitors recently seems to be about their frustrations with the ability to predict and/or control costs. We would submit those frustrations would be greatly abated if there were clear data on the prospective outcomes of the investment. In other words, the heightened concerns about cost are greatly exacerbated by the lack of market data. Exhibitors seek to control costs because they don't have any other verifiable data that can be reviewed, analyzed and acted upon. And, to be fair, they are not asking the right question of show organizers to start the process which is, "Can I have independent third-party validated show data so I can justify my show investment recommendations to my management team?"

A standard rating system for trade shows shouldn't be such a novel idea.

Consider the other places customers routinely access rating data to aid their buying decisions:

- In traditional media outlets advertisers are very accustomed to data provided by BPA for print advertising, by Arbitron for radio advertising, and by Nielsen for TV advertising.

But that's not all. There are even rating systems for new technology marketing modes like:

- Email rating systems – there are any number of systems bulk emailers use to rate bulk email supplier products and services.
- Web ad rating system – there are numerous web ad rating systems by web advertisers to rate the effectiveness of web ads based upon click-throughs, relevancy, etc.

The trade show industry is currently the only media platform of the big three – print, broadcast and face-to-face – that does not have independent, third-party data to rely on for sales or investment.

Rationale:

The conversation about show ratings is not a new one in our industry. For years there are those that have called for "show audits." Independent third-party audited attendance and demographic data is the first step toward creating this standard rating system. Simply put, the data upon which the system is based needs to be accurate and provide "total verified" figures rather than "total registrants" figures currently used by most show organizers as final exhibition data.

Show management should measure not only what they produce in terms of the audience, but also how they price that opportunity. In that way, the trade show and event industry as a whole, and individual event organizers would be able to make much more compelling argument about the value of events in the marketing mix.

Some of the reasons corporate marketers exhibit are to create awareness, to create relationships, to learn what customers think or feel about a product, to obtain, customer/user feedback and R&D insights, to learn more about how products are used, or to generate sales with those in attendance. Therefore, attendance demographic information is critical in meeting these needs.

3: Open Source Data Collection / Reporting

Attendee demographic information should be collected and reported in an open source format to reduce costs and to facilitate exhibitor lead tracking and follow up

The collection of attendee demographics is a standard part of trade show and event production, but the manner in which data is collected and formatted varies widely. The inconsistency inherent in the “event registration” systems is a source of frustration and consternation for the event exhibitors, particularly those who seek to save on the rental of badge readers by investing in the purchase of their own badge reading systems.

Exhibitor frustration is compounded when electronic attendee demographic files are encrypted and prevent them from realizing the full value of the leads taken.

Rationale:

Exhibitors have an expectation that the price of booth space includes reasonable access to audience demographics for attendees visiting their booth. The encryption of this data, or otherwise making it unavailable to exhibitors unless they purchase additional reports from the event registration company serves only to jeopardize the event’s relationship with the exhibitor and their perception of value received, and delays exhibitor follow up with attendees.

In order for associations to provide a complete picture of overall floor traffic in the exhibitor prospectus, companies with proprietary lead retrieval systems are encouraged to provide reasonable access to data collected in their booth, with regard to lead capture, within a reasonable amount of time. Additionally, associations must guarantee any data shared be compiled and shared in aggregate, not provided by individual exhibitors.

4: Standard Event Measurement Indices

A standard measurement index will align trade shows and events with other marketing media and will inform the exhibitor's investment decisions with data provided by show management prior to event commitment.

Event measurement discussions are often confused with discussions about exhibitor ROI / ROO which are measurements made by exhibitors at the conclusion of events. This confusion can lead to opinions that there is no "one size fits all" metric for show performance. We believe one of the main reasons exhibitors have widely varying objectives for their exhibit's performance is because of the lack of validated historical information about the show's performance. Subsequently, exhibitors use their own yardsticks to find ways to evaluate a show.

There is precedent for the establishment of such indices in our industry.

CEIR publishes an index that enables show organizers to compare their show to competitors in their market by analyzing factors such as space sales and attendance. There are even standards for post-event reports to benefit hotels and convention centers booking procedures and policies, established by the Convention Industry Council as part of their APEX project. The drawback to this index is that the data given to CEIR is provided by show organizers – 99% of which don't audit the data.

The standard infrastructure for providing accurate, third-party verified demographic and attendance data to the trade show industry exists through the Exhibition and Event Industry Audit Commission (EEIAC). This infrastructure is key to providing accurate data for the proposed common event measurement indices.

It's time for our industry to create an event performance index to benefit our mutual customers, the exhibitor.

Show management can measure what they produce in terms of the audience, and how they price that opportunity and present information in a standard format as part of a show performance metric. While by no means intended to be the end all of this investigation, some suggested metrics are:

1. Marketing Index:

This index would give exhibitors a broad-based rule of thumb demonstrating the general marketing reach of show participation. This number would be relatively easy to generate.

Marketing Index = Total Professional Attendees / Net Square Footage (for the exhibit hall)

2. Exhibit Hall Traffic Index

This index would give exhibitors very specific information on the value of exhibiting based upon the total attendance in the exhibit hall and potential reach.

$$\text{Exhibit Hall Traffic Index} = \text{Total Professional Attendance} / \text{Total Exhibit Hall Traffic} \\ (\% \text{ by US and International Countries})$$

Rationale:

In the perfect scenario, show management would produce both indices on their show prospectus so every exhibitor could weigh the total buyer value (Marketing Index) and the total purchasing power opportunity value (Purchasing Power Index) against total exclusive costs. How great would it be for show management to change their booth sales appeal from the worn out “you’ll be conspicuous by your absence” to something more compelling like “how would like to gain access to the \$50 million in purchasing power present in your product category at our show each year?”

5: Show Organizer Responsibility

Show organizers have the responsibility to provide exhibitors with meaningful and validated show attendance and demographic data, preferably independent, third party audited data, to aid their show commitment and investment decisions.

Show organizers have overall control over their trade show, convention, or congress location as well as the data generated from event registration. Organizers would benefit, along with their exhibitors, if they routinely produced show performance data enabling them to compare event results from one year to the next, or against their competition. For it is a long standing tome in the world of business that “whatever one measures will improve”.

Again, to reiterate, the face-to-face media platform is the only one lacking in the provision of independent third-party validated platform data. This would include verified (proven) attendance figures and demographics reported through the registration process.

Note: Registration vendors have a vested interest in the registration outcomes and are therefore not considered independent third-parties, by governing US audit standards body, The Exhibition and Events Industry Audit Commission (EEIAC).

Rationale:

This ensures exhibitors gain access to vital data enabling them to accurately measure the value of show participation and the return on their objectives and investments. It would also allow brand marketers to make informed decisions about trade show participation and event investment levels

6: General Contractor Responsibility

General contractors that service show organizers on strategic marketing aspects of event production should advise their show clients that event success is predicated on exhibitor success. And, an important step to creating exhibitor success is to provide meaningful and independent, third-party validated show attendance and demographic data.

General contractors servicing exhibitors, like exhibit houses, on strategic marketing aspects of event participation should advise their exhibitor clients to request meaningful and independent third-party validated show attendance and demographics prior to making commitment and investment decisions.

General contractors service every exhibitor at their shows. That puts them in a pivotal position to educate and inform exhibitors on how to generate value from trade show participation. This is of particular importance when the general contractor is also providing physical exhibits and exhibit marketing services to their customers. Using their trade show expertise, general contractors can improve their exhibitor customer's success at trade shows by advising them to start the show selection process with a request for meaningful and independent third-party validated show attendance and demographic data from their show organizer clients.

Similarly, general contractors provide highly valued strategic information to their show management clients. They should use their standing and influence to advise their show organizer clients by providing independent third-party validated show performance measures they greatly increase the prospects for the show's success.

Rationale:

This ensures exhibitors are educated on how to get the best value from trade show participation and how to accurately forecast a return on their investments.

7: Exhibit House and Third Party Contractor Responsibility

Exhibit houses and third party contractors servicing exhibitors on strategic marketing aspects of event participation should advise their exhibitor clients to request meaningful and independent third-party validated show attendance and demographic data prior to making commitment and investment decisions.

Exhibit Houses and Third Party Contractors are well positioned to educate and inform exhibitors on how to generate value from trade show participation. Using their trade show expertise, exhibit houses and third party contractors can improve their exhibitor customer's success at trade shows by advising them to start the show selection process with a request for validated show demographics.

Rationale:

This ensures exhibitors are educated on how to get the best value from trade show participation and how to accurately forecast a return on their investments.

8: Exhibitor Responsibility

Exhibitors should request meaningful and independent third-party validated show attendance and demographic data prior to making commitment and investment decisions.

Exhibitors should then validate their event marketing outcomes by establishing clearly defined and measurable event goals with the intent these goals will be reviewed and managed as closely as they do with their show budgets.

It is the exhibitor's responsibility to obtain validated show performance data prior to endorsing show space contracts. Based upon current results (1% of all shows provide audited show data), it is clear exhibitors will need to drive the development of independent third-party validated show measurement data as a standard practice in the US trade show industry. Those organizers not providing independent third-party validated data routinely state they will not provide this type of verified and validated data unless exhibitors explicitly ask for it. That can and will change when exhibitors insist on information prior to signing space contracts.

It is also the exhibitor's responsibility to effectively measure the outcomes of their event marketing efforts. Clear and measurable goals for each event need to be established and effectively communicated to all personnel involved in the project – both internal and external. The lead gathering, lead evaluating, and lead tracking process should be reviewed and managed as closely as show budgets. If an exhibitor doesn't have the internal expertise, or bandwidth to effectively manage the measurement of show outcomes then external resources should be engaged to assist with this effort, just as external resources are utilized for booth design, production and servicing.

Rationale:

The exhibitor needs to request the same type of independent, third-party demographic and performance data for trade shows that their company expects and demands of other media outlets. Doing so validates the importance of trade show participation, and the exhibit manager's role in managing this channel of the corporate marketing mix.

Exhibitor's must also take a more active role in validating their own show outcomes by ensuring lead tracking programs are as sophisticated, or more sophisticated, than their exhibit management programs.