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# **ECEF PULSE™ - 2008**

## **Pre Event Study of Registered ECEF Attendees**

**June 2008**

## 1.0 Introduction

On behalf of ECEF, Jacobs Jenner & Kent Market Research (JJ&K) conducted an Internet study among 101 association and independent event decision-makers registered to attend the Exhibition and Convention Executives Forum (ECEF) on Thursday June 19, 2008. Eighty-six registrants responded to the survey by the study cut off date. The questionnaire, developed by JJ&K and ECEF, was posted on JJ&K's Internet research web site, [webinterviewing.com](http://webinterviewing.com), and registered attendees were e-mailed an invitation to participate. Project development, Internet posting, data collection and data processing were accomplished in 72 hours. The resulting data set includes:

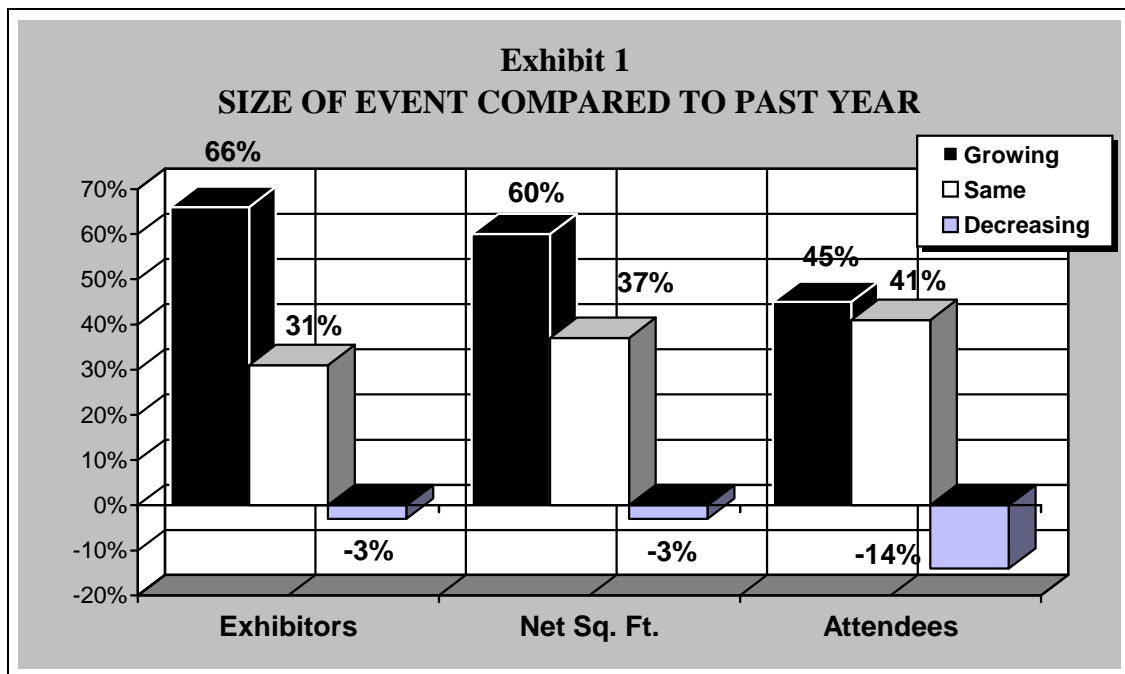
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Independent Event Attendees	34%
Association Event Attendees	66%

## 2.0 Study Results

### 2.1 Show Growth

A snapshot of ECEF attendee's events indicates the majority are growing in exhibitors, attendees and net square feet. Sixty-six percent see exhibitor growth, 60% see an increase in the net square feet being sold and 45% indicate the number of attendees has grown. Conversely, 3% say the number of exhibitors has decreased, 3% have sold less square footage and 14% see a reduction in attendance. In contrast, the AttendTrend® annual report of marketing within the trade show industry (450 interviews among trade show producers) reported attendance figures at the end of 2007 as: 62% increase, 33% same, 5% decrease.



Comparing the measurements reported from past ECEF attendees, statistically the same level increase in the number of exhibitors (66% versus 65% in 2007) is evident. Net square feet (60% versus 75% in 2007) and the number of attendees (45% versus 75% in 2007) are indicating growth in the current measurement, but demonstrate a decline from the previous years growth.

<b>Exhibit 2</b>			
<b>CHANGES IN SIZE OF EVENT</b>			
<b>Three Year Comparison</b>			
<b>(All Respondents)</b>			
	<b>2006</b>	<b>2007</b>	<b>2008</b>
	<b>Total</b>	<b>Total</b>	<b>Total</b>
<b>Number of exhibiting companies</b>			
Growing	81%	65%	<b>66%</b>
Staying the same	12%	21%	<b>31%</b>
Declining	7%	14%	<b>3%</b>
<b>Net square feet sold</b>			
Growing	72%	75%	<b>60%</b>
Staying the same	14%	16%	<b>37%</b>
Declining	14%	9%	<b>3%</b>
<b>Number of attendees</b>			
Growing	51%	75%	<b>45%</b>
Staying the same	31%	18%	<b>41%</b>
Declining	18%	7%	<b>14%</b>

## 2.2 Attendee Marketing and Promotion

Overall, organizers have increased their marketing and promotion budgets in the past year. However, this number has decreased slightly since the 2007 measurements. Fifty-two percent (52%) indicate greater spending. Most of this decrease in spending is between 6% and 10%. (Ref: Exhibit 3)

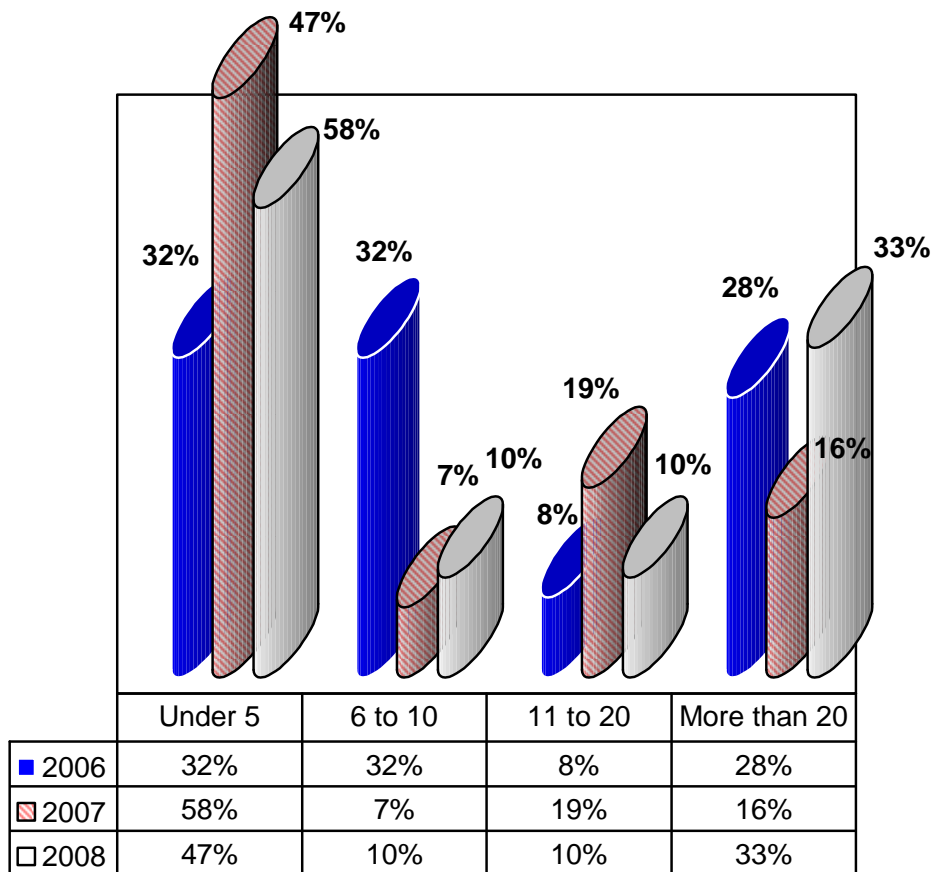
<b>Exhibit 3</b>			
<b>ATTENDEE MARKETING AND PROMOTION SPENDING</b>			
<b>Three Year Comparison</b>			
<b>(All Respondents)</b>			
	<b>2006</b>	<b>2007</b>	<b>2008</b>
	<b>Total</b>	<b>Total</b>	<b>Total</b>
<b>Spending changes since last event</b>			
Growing	75%	71%	<b>52%</b>
Staying the same	23%	22%	<b>41%</b>
Declining	2%	7%	<b>7%</b>
<b>Amount of Decrease</b>			
5% or less	-	25%	<b>20%</b>
6%-10%	-	75%	<b>-</b>
11% - 15%	-	-	<b>51%</b>
More than 15%	100%	-	<b>19%</b>
No answer	-	-	<b>10%</b>
<b>Amount of increase</b>			
Less than 5%	25%	14%	<b>21%</b>
6 – 10%	32%	39%	<b>26%</b>
11% - 15%	7%	36%	<b>21%</b>
More than 15%	11%	11%	<b>16%</b>
No answer	25%	-	<b>16%</b>

Overall, the number of permanent staff working full time on events has remained the same since the 2007 measurement.

CHANGE IN SIZE OF PERMANENT STAFF		
Increased	Stay the Same	Decreased
40%	57%	3%

The typical staff size is 5 or less (47%). (Ref: Exhibit 4)

**EXHIBIT 4  
Permanent Staff Working on Events**



Most organizers (64%) indicate they are using specific strategies to target senior level and first-time attendees. Typically, organizers are using multiple strategies rather than rely on one.

<b>Exhibit 5</b>	
<b>Investing In Innovative Strategies</b>	
<b>To Attract Senior Level &amp; First-Time Attendees</b>	
<b>Yes</b>	<b>64%</b>
<b>No</b>	<b>36%</b>
<b>Strategies</b>	
• New web strategies and electronic tools	
• Peer to peer invitations	
• VIP Buyer Program	
• Special services to VIP's (Concierge, hotels, transportation, etc.)	
• Telemarketing and face to face visits with attendee prospects	
• Personal attention of senior staff	
• Tailored events to identified needs, customized events	
• Matchmaking key buyer programs	
• Segment marketing to attendees job category	
• Special show hours for VIP's	
• Moving event to new markets, venues, or co-location	
• Creating new approaches to promoting the event	
• Personal phone calls by senior staff	
• Discounts	
• Refer a friend or colleague programs	
• Buyer relations programs	
• Emerging technology center	
• Investigating unique ways to target audiences	
• More web based outreach	
• More certification programs	

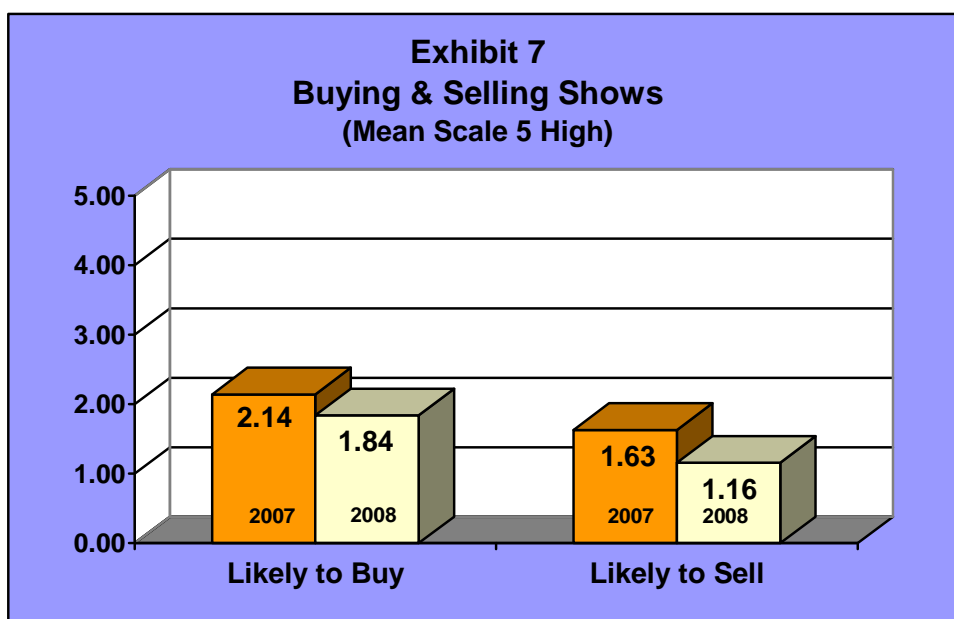
### 2.3 Co-location

The likelihood of shows to continue co-locating in 2008 is slightly less than in 2007. Forty percent (40%) plan to continue their co-location efforts. In addition, 29% indicate they intend to initiate new co-location efforts within the next 3 years. The co-location partner decision is mostly undecided.

<b>Exhibit 6 INTENT TO CO-LOCATE Three Year Comparison (All Respondents)</b>			
	<b>2006</b>	<b>2007</b>	<b>2008</b>
	<b>Total</b>	<b>Total</b>	<b>Total</b>
<b>Likelihood to continue current co-locating over the next 3 years</b>			
Very	48%	46%	<b>40%</b>
Somewhat	17%	15%	<b>30%</b>
Undecided	10%	8%	<b>10%</b>
Not very	10%	8%	<b>10%</b>
Not at all	15%	23%	<b>10%</b>
No Answer	-	-	-
<b>Likelihood to institute (new) co-locating in next 3 years</b>			
Very	23%	15%	<b>29%</b>
Somewhat	20%	21%	<b>25%</b>
Undecided	14%	26%	<b>8%</b>
Not very	26%	24%	<b>21%</b>
Not at all	17%	15%	<b>17%</b>
No Answer	-	-	-
<b>Who you might co-locate with</b>			
Independent events	29%	30%	<b>25%</b>
Association events	71%	70%	<b>35%</b>
Undecided	-	-	<b>40%</b>

## 2.4 Acquisition or Sale of a Show

The likelihood of buying a show or selling a show has decreased since the 2007 measurement. In the next two years, the likelihood of buying a show is seen as low (1.84 mean on a 5-point scale). The likelihood of selling a show is seen as even lower (1.16 mean).



## 2.5 Perceived Threats to Event

The greatest threat being faced by event organizers is rising fuel costs (3.86 mean in 2008). This issue impacting automotive, freight and aviation fuels. This is followed by mergers and acquisitions (3.79) and exhibitors downsizing booths/sponsorships (3.79). Two new areas emerge in this 2008 measurement, the economic downturn in the U.S. (3.36) and the challenge in selecting the correct communication methods among today's complex and shifting methods available (3.23). (Ref: Exhibit 8)

<b>Exhibit 8</b>			
<b>PERCEIVED THREATS TO EVENT</b>			
<b>(Means Calculations: 5 high - All Respondents)</b>			
	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>Rising cost of fuel</b>	3.42	2.61	<b>3.86</b>
<b>Mergers &amp; acquisitions reducing attendee and exhibitor base</b>	2.86	3.23	<b>3.79</b>
<b>Exhibitors downsizing booths/sponsorships</b>	2.93	3.07	<b>3.76</b>
<b>Economic downturn/Shrinking dollar</b>	n/a	n/a	<b>3.36</b>
<b>Today's shifting communications methods</b>	n/a	n/a	<b>3.23</b>
<b>International buyers/exhibitors unable to get into the U.S.</b>	3.37	2.90	<b>3.18</b>
<b>Competing events</b>	2.95	3.14	<b>3.17</b>
<b>Exhibitors having their own private events</b>	3.30	2.95	<b>3.14</b>
<b>Most important attendees not attending</b>	2.98	3.02	<b>3.07</b>
<b>Attendees spending less time at event</b>	2.84	2.98	<b>2.93</b>
<b>Perceived reduced value of exhibitions and conventions by attendees and buyers</b>	2.98	2.72	<b>2.86</b>
<b>Registered attendees not showing</b>	3.09	2.59	<b>2.86</b>
<b>Perceived reduced value of face-to-face marketing by exhibitors</b>	3.07	2.84	<b>2.83</b>
<b>A future terrorist attack</b>	3.56	2.59	<b>2.61</b>

## **2.6 Most Difficult Challenges**

Top challenges faced by organizers. (Open-end responses in order of mention)

- Deciding on a marketing approach
- Creating a brand for new events
- Rising fuel costs
- Impact on attendance and booth space of slowing U.S. economy
- Exhibitors reducing space
- Private events
- Attracting the new audiences replacing retirees
- Insuring exhibitors a quality and dense audience
- Making unified, timely strategic decisions among all partners and involved organizations
- International competition
- Data management
- Competition from non-tradeshow formats – internet, advertising, social networking sites
- Showing value of regional events to exhibitors

## **2.7 Opportunities**

Key opportunities (Open-end responses in order of mention)

- International markets
- Regional markets
- Visibility of top tier executives
- Ability to leverage brands
- International audience growth due to weak dollar
- Increasing sponsorships
- The green message
- Younger people entering the industry
- Web-based applications available
- Partnerships

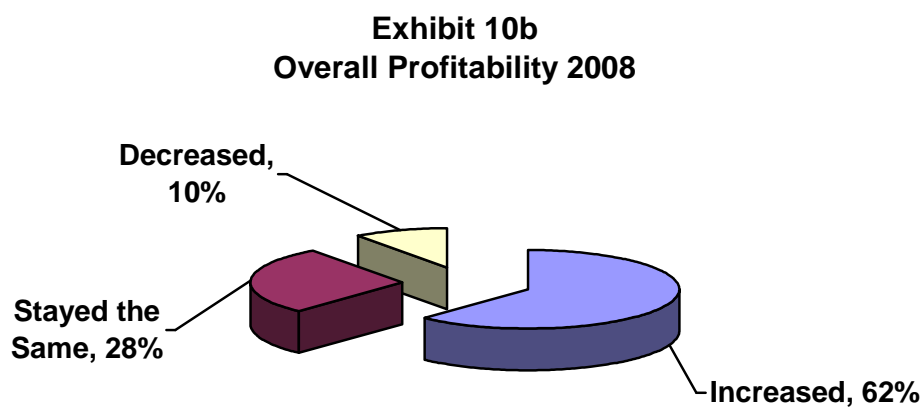
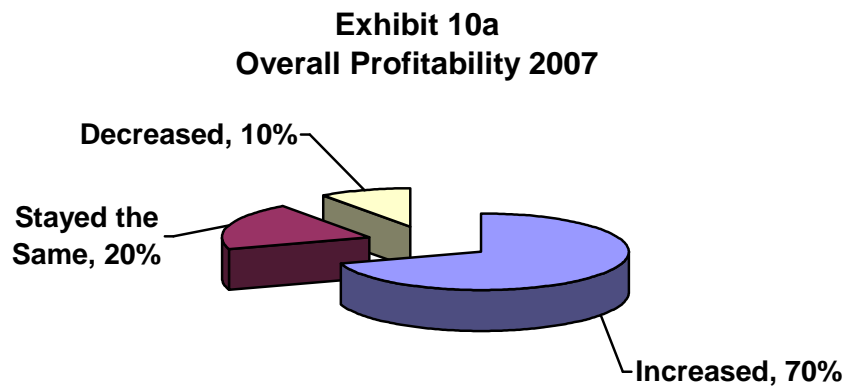
## 2.8 Greatest Internal Operations Obstacles to Success

Companies not having enough staff to provide quality service (30%) and organizational chart contributes to silos that reduce effectiveness (30%) are the greatest internal operation problem identified by organizers, each of which shows improvement since 2007. Lack of creativity among staff shows the greatest degree of improvement since 2007.

<b>Exhibit 9</b>		
<b>Internal Operations Obstacles</b>		
<b>(All Respondents)</b>		
	<b>2007</b>	<b>2008</b>
<b>Not enough staff to provide quality service</b>	38%	<b>30%</b>
<b>Organizational chart contributes to silos that reduce effectiveness</b>	31%	<b>30%</b>
<b>Staff's level of commitment to organization's goals</b>	8%	<b>18%</b>
<b>Staff does not have the tools and experience commiserate with responsibilities</b>	1%	<b>15%</b>
<b>Lack of creativity among staff</b>	36%	<b>12%</b>
<b>High rate of staff turnover</b>	15%	<b>3%</b>
<b>Integration of all systems</b>	-	<b>3%</b>
<b>Lack of staff accountability</b>	-	<b>3%</b>

**2.9 Overall Profitability (of largest event) For the Past Year**

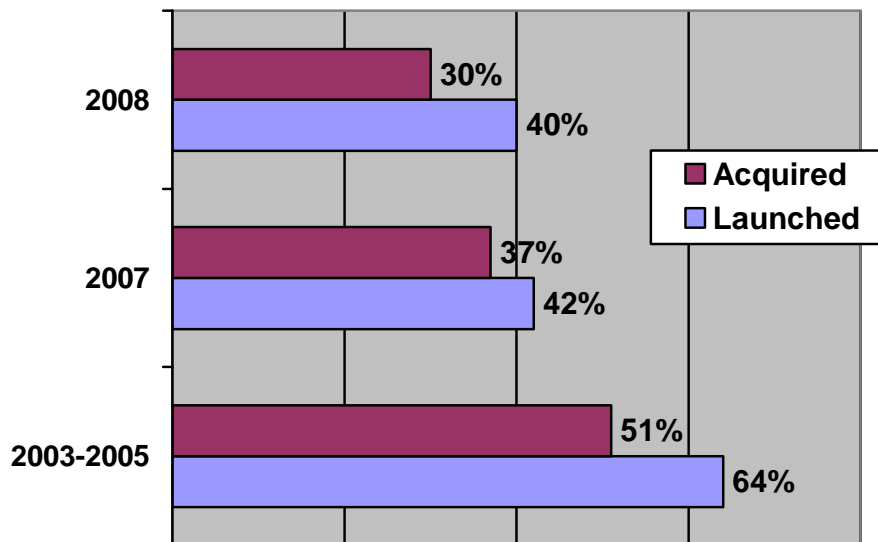
The greatest number of registered ECEF attendees indicates their profitability has increased (62%) in 2008, which is a slight decrease from 2007 (70%).



**2.10 New Events**

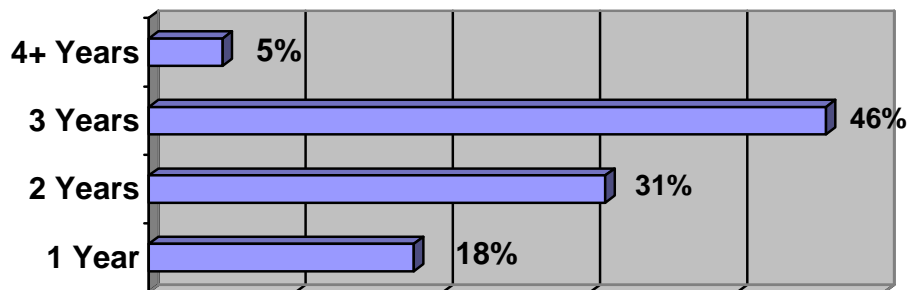
ECEF attendees indicate that they have launched new events and acquired new events each year since 2003 with the number decreasing in 2008 as of the time of this study. (Ref. Exhibit 11).

**Exhibit 11  
ECEF Attendee Organizations  
Acquiring or Launching New Events**

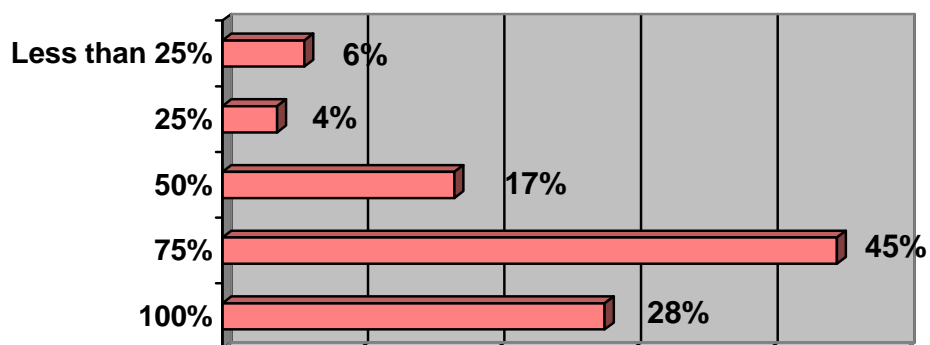


Considering new launches, most organizers indicate that they embark on these efforts anticipating a breakeven/profit within 3 years. Additionally, most organizers indicate that 75% of new launches are successful. (Ref. Exhibits 12 & 13)

**Exhibit 12  
New Launch Breakeven/Profit**



**Exhibit 13  
Number of New Launch Successes**



**2.11 ECEF 2008 Firmographics**

<b>ECEF 2008 Attendee Representation</b>				
<b>Net Square Feet of Largest Event</b>				
Under 50,000	50,000 + but under 100,000	100,000 + but under 250,000	250,000 + but under 400,000	400,000 and over
11%	14%	21%	25%	29%
<b>Total Attendance of Largest Event (Attendees &amp; Exhibitors)</b>				
Under 5,000	5,000 + but under 10,000	10,000 + but under 20,000	20,000 + but under 40,000	40,000 and over
21%	14%	21%	28%	16%

**3.0 Highlights**

1. ECEF attendees represent organizations which continue to show growth in the number of exhibitors, number of attendees and net square feet. However the number of events indicating increased attendance and exhibit space has decreased.
2. Marketing and proportional spending increased in the past year, but shows an overall slight decline compared to the previous two year. This decrease is between 11% and 15%.
3. The overall number of permanent staff working full time on events has stayed the same since the 2007 measurement.
4. 64% of organizers are targeting senior level and first time attendees with multiple innovative strategies to attract them to their events.
5. Organizers plan slightly less co-location efforts than in the previous two measurements.
6. Organizations are less likely to buy a show in the next two years (1.84 Mean scale 5 high) than in 2007. And they are also less likely to sell a show (1.16 Mean).
7. The key threat to events in the first half of 2008 is the rising cost of automotive, freight carrier and aviation fuel.
8. Deciding on communications channels is the major challenge of organizers.
9. Companies not having enough staff to provide quality service is the greatest internal operation problem identified by organizers, even while most organizers indicate their staffing has remained the same since 2007.
10. 62% of organizers indicate increased profitability for their events.
11. Most organizers now anticipate 3 years for a new launches to breakeven/turn a profit, and most indicate that 75% of new launches are successful.