

**Jacobs Jenner & Kent**  
Marketing and Research Consulting

*P.O. Box 44047  
Baltimore, Maryland 21236  
(410) 256-2206*

# **ECEF PULSE™ - 2009 Pre Event Study of Registered ECEF Attendees June 2009**

## **1.0 Introduction**

On behalf of ECEF, Jacobs Jenner & Kent Market Research (JJ&K) conducted an Internet study among 136 association and independent event decision-makers registered to attend the Exhibition and Convention Executives Forum (ECEF) on Thursday June 11, 2009. Eighty-four (84) 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

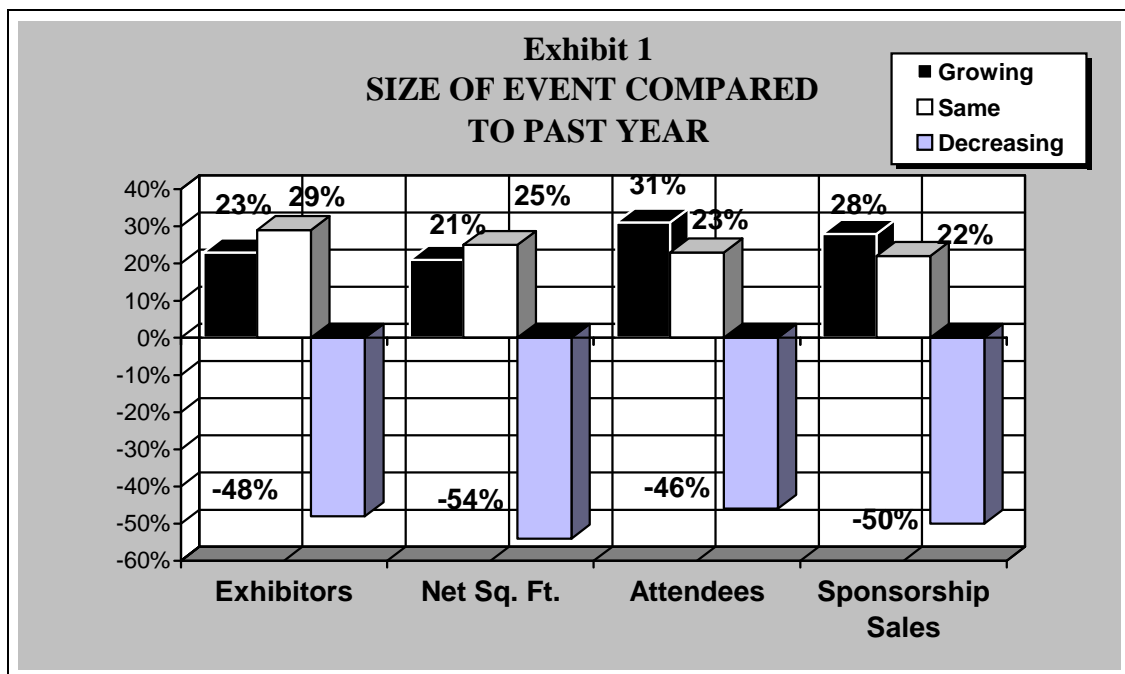
Draft 2: 6/5/09

Independent Event Producers	32%
Association Event Producers	68%

## 2.0 Study Results

### 2.1 Show Growth

A snapshot of ECEF attendee events indicates the majority have seen a decline in their most important event in exhibitors, net square feet, attendees and sponsorship sales. Forty-eight percent see exhibitor decline, 54% have seen a decrease in the net square feet being sold and 46% indicate the number of attendees has decreased. However, some do indicate increases. For the first time sponsorship sales was measured, with half reported decreased sales from the previous year. These numbers track very closely with the findings of the annual AttendTrend® report of attendance marketing within the trade show industry (501 telephone interviews among trade show producers).



In Exhibit 2, comparing the measurements reported in the 2007 and 2008 ECEF Pulse studies, the extent of the decline is evident.

<b>Exhibit 2</b>			
<b>CHANGES IN SIZE OF EVENT</b>			
<b>Three Year Comparison</b>			
<b>(All Respondents)</b>			
	<b>2007</b>	<b>2008</b>	<b>2009</b>
	<b>Total</b>	<b>Total</b>	<b>Total</b>
<b>Number of exhibiting companies</b>			
Growing	65%	66%	<b>23%</b>
Staying the same	21%	31%	<b>29%</b>
Declining	14%	3%	<b>48%</b>
<b>Net square feet sold</b>			
Growing	75%	60%	<b>21%</b>
Staying the same	16%	37%	<b>25%</b>
Declining	9%	3%	<b>54%</b>
<b>Number of attendees</b>			
Growing	75%	45%	<b>31%</b>
Staying the same	18%	41%	<b>23%</b>
Declining	7%	14%	<b>46%</b>
<b>Sponsorship sales</b>			
Growing	-	-	<b>28%</b>
Staying the same	-	-	<b>22%</b>
Decline	-	-	<b>50%</b>

## 2.2 Attendee Marketing and Promotion

Overall, organizers have decreased their marketing and promotion budgets in the past year. Sixty-nine percent (69%) indicate less spending. Most of this decrease in spending is between 6% and 10%. (Ref: Exhibit 3a)

<b>Exhibit 3a</b>			
<b>ATTENDEE MARKETING AND PROMOTION SPENDING</b>			
<b>Three Year Comparison</b>			
<b>(All Respondents)</b>			
	<b>2007</b>	<b>2008</b>	<b>2009</b>
	<b>Total</b>	<b>Total</b>	<b>Total</b>
<b>Spending changes since last event</b>			
Growing	71%	52%	-
Staying the same	22%	41%	<b>31%</b>
Declining	7%	7%	<b>69%</b>
<b>Amount of decrease</b>			
5% or less	25%	20%	<b>26%</b>
6%-10%	75%	-	<b>30%</b>
11%- 15%	-	51%	<b>7%</b>
More than 15%	-	19%	<b>6%</b>
No answer	-	10%	-
<b>Amount of increase</b>			
Less than 5%	14%	21%	-
6 – 10%	39%	26%	-
11% - 15%	36%	21%	-
More than 15%	11%	16%	-
No answer	-	16%	-

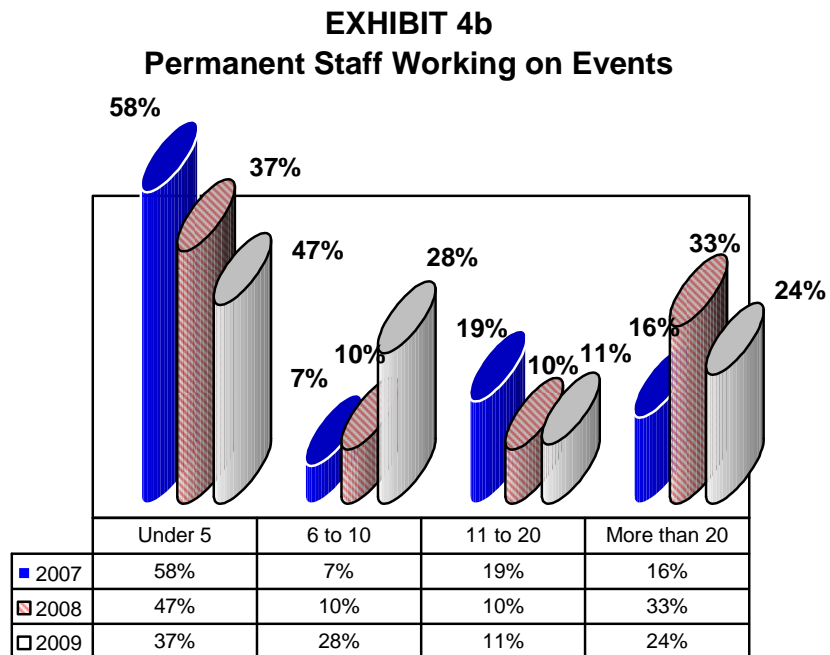
Most organizers have kept their spending for exhibit space and sponsorship sales the same (63%). The amount those indicating a decrease in this spending, report to be in the 5% or less range.

<b>Exhibit 3b</b>	
<b>Spending For Exhibit and Sponsorship Sales</b>	
<b>One Year Comparison Reported</b>	
<b>(All Respondents)</b>	
	<b>2009</b>
	<b>Total</b>
<b>Spending changes since last event</b>	
Growing	-
Staying the same	63%
Declining	37%
<b>Amount of decrease</b>	
5% or less	20%
6%-10%	9%
11%- 15%	-
More than 15%	8%
No answer	
<b>Amount of increase</b>	
Less than 5%	-
6 – 10%	-
11%- 15%	-
More than 15%	-
No answer	-

Overall, it appears that organizations have kept their permanent staff working full time on events about the same as in the past year (47%), until it is compared to the actual figures reported in the 2008 measurement. Thirty-three percent (33%) more organizations report a decrease in staff.

EXHIBIT 4A 2009 CHANGE IN SIZE OF PERMANENT STAFF		
Increased	Stay the Same	Decreased
16%	47%	36%
2008 CHANGE IN SIZE OF PERMANENT STAFF		
Increased	Stay the Same	Decreased
40%	57%	3%

The average staff size is 5 or less (37%). (Ref: Exhibit 4b)



Most organizers (61%) indicate they are using specific strategies to target senior level attendees. Typically, organizers are using multiple strategies rather than relying on one.

<b>Exhibit 5</b>	
<b>Investing In Innovative Strategies To Attract Senior Level Attendees</b>	
<b>Yes</b>	<b>61%</b>
<b>No</b>	<b>39%</b>
<b>Strategies</b>	
• Broader reach geographically, narrower reach to type of attendees	
• Invited them to speak at the conference	
• Segmented marketing, more measurement	
• Continuing more testing for target attendees & trying lists that work	
• Redevelopment of conferencing program, focus on innovative technologies	
• Social media	
• Targeted, segmented marketing efforts directed toward areas of specialization	
• Manufacturers asked us to invite their top customers	
• Lots more electronic communications and social network strategies	
• Increased education programs and special VIP programs	
• Special invitation from Chairman of the Board; private reception for these individuals	
• More focus on value of meeting	
• Complimentary co-located buyer meetings onsite	
• Make calls direct to the audience asking them attend the event. Sending invitations to particular events vs. a brochure	
• Senior level education programs: building partnerships between government and private industry	
• VIP program including subsidizing travel expense	
• Personalized phone outreach and appointment match-making	
• Targeted marketing to specific channels such as Twitter, Facebook, Web exhibit or and attendee education	
• Tailored programs to meet their specific requirements	
• More international mailings and more email blasts that speak to the direct benefits of exhibiting and attending	

**2.3 Co-location**

The likelihood of shows to continue co-locating in 2009 is slightly more than in 2008. Forty-five percent (45%) plan to continue their co-location efforts. In addition, 14% indicate they intend to initiate new co-location efforts within the next 3 years, down by 15% from the 2008 Pulse. A large number (38%) are undecided about who they may partner with.

<b>Exhibit 6 INTENT TO CO-LOCATE Three Year Comparison (All Respondents)</b>			
	<b>2007</b>	<b>2008</b>	<b>2009</b>
	<b>Total</b>	<b>Total</b>	<b>Total</b>
<b>Likelihood to continue current co-locating over the next 3 years</b>			
Very	46%	40%	<b>45%</b>
Somewhat	15%	30%	<b>18%</b>
Undecided	8%	10%	<b>3%</b>
Not very	8%	10%	<b>3%</b>
Not at all	23%	10%	<b>31%</b>
No Answer	-	-	-
<b>Likelihood to institute (new) co-locating in next 3 years</b>			
Very	15%	29%	<b>14%</b>
Somewhat	21%	25%	<b>24%</b>
Undecided	26%	8%	<b>20%</b>
Not very	24%	21%	<b>14%</b>
Not at all	15%	17%	<b>28%</b>
No Answer	-	-	-
<b>Who you might co-locate with</b>			
Independent events	30%	25%	<b>21%</b>
Association events	70%	35%	<b>41%</b>
Undecided	-	40%	<b>38%</b>

## 2.4 Perceived Threats to Event

The greatest threat being faced by event organizers is no surprise, being global economic recession (4.06 mean in 2009). This is followed by exhibitors downsizing booths (3.92) and exhibitors downsizing sponsorships (3.53). Other new areas emerge in this 2009 measurement, exhibitors canceling booths in event (3.46), exhibitors canceling sponsorships (3.08), and threat of swine flu (1.96). (Ref: Exhibit 7)

<b>Exhibit 7</b>			
<b>PERCEIVED THREATS OR CHALLENGES TO YOUR EVENT</b>			
<b>(Means Calculations: 5 high - All Respondents)</b>			
	<b>2007</b>	<b>2008</b>	<b>2009</b>
<b>Global economic recession</b>	n/a	n/a	<b>4.06</b>
<b>Exhibitors downsizing booths</b>	3.07	3.76	<b>3.92</b>
<b>Exhibitors downsizing sponsorships</b>	n/a	n/a	<b>3.53</b>
<b>Exhibitors cancel booths in event</b>	n/a	n/a	<b>3.46</b>
<b>Perceived reduced value of exhibitions and conventions by attendees</b>	2.72	2.86	<b>3.15</b>
<b>Perceived reduced value of face-to-face marketing by exhibitors</b>	2.84	2.83	<b>3.08</b>
<b>Exhibitors canceling sponsorships</b>	n/a	n/a	<b>3.08</b>
<b>Mergers &amp; acquisitions reducing attendee and exhibitor base</b>	3.23	3.79	<b>2.98</b>
<b>Most important attendees not attending</b>	3.02	3.07	<b>2.89</b>
<b>Attendees spending less time at event</b>	2.98	2.93	<b>2.87</b>
<b>Competing events</b>	3.14	3.17	<b>2.80</b>
<b>Exhibitors having their own private events</b>	2.95	3.14	<b>2.79</b>
<b>International attendees/exhibitors unable to get into the U.S.</b>	2.90	3.18	<b>2.47</b>
<b>Health threats (e.g. swine flu)</b>	n/a	n/a	<b>1.96</b>
<b>A future terrorist attack</b>	2.59	2.61	<b>1.89</b>

## **2.5 Most Difficult Challenges**

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

- Economy
- Contracting services too expensive for exhibitors
- Rising cost to exhibit at a venue, costs that are not in line with industry profitability
- Industry forces pushing for consolidation of shows
- Travel freezes preventing people from attending.
- Sponsorships perceived as a luxury
- Using enough sleeping rooms to get good space at desired venues
- Attracting new subsets of attendees---new niche markets
- Financial instability of general exhibitor base
- Mergers and acquisitions, both exhibiting companies and buyer companies
- A new event to bring together exhibitors and attendees in an educational atmosphere
- Drawing a younger audience to the show
- Swine flu or similar health threats
- Finding and maintaining qualified staff

## **2.6 Opportunities**

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

- Economic rebound.
- Online expansion of community & charging the seminar content
- International expansion
- Attracting new niche markets to attend
- Emerging market opportunities
- New technologies bring opportunities for growth in targeted areas.
- Draw a younger audience
- Educational opportunities
- New product development
- Virtual events

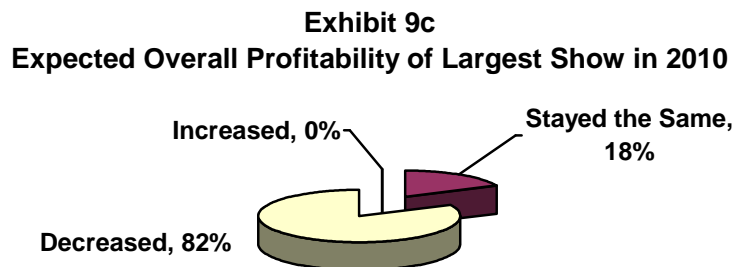
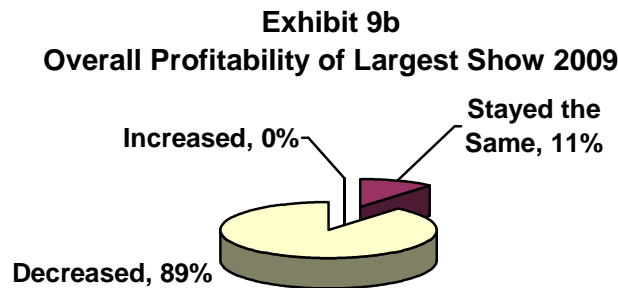
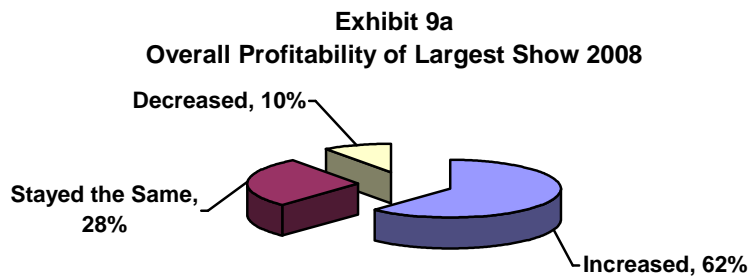
## 2.7 Greatest Internal Operations Obstacles to Success

Organizational chart contributing to silos that reduce effectiveness (49%) is the greatest internal operation problem identified by organizers. Staff's level of commitment to organization's goals shows the greatest degree of improvement since 2008.

<b>Exhibit 8</b>		
<b>Internal Operations Obstacles</b>		
<b>(All Respondents)</b>		
	<b>2008</b>	<b>2009</b>
<b>Organizational chart contributes to silos that reduce effectiveness</b>	30%	<b>49%</b>
<b>Not enough staff to provide quality service</b>	30%	<b>40%</b>
<b>Staff does not have the tools and experience commiserate with responsibilities</b>	15%	<b>20%</b>
<b>Lack of creativity among staff</b>	12%	<b>13%</b>
<b>High rate of staff turnover</b>	3%	<b>7%</b>
<b>Staff's level of commitment to organization's goals</b>	18%	<b>4%</b>

**2.8 Overall Profitability**

The greatest number of registered ECEF attendees (89%) indicates their profitability has decreased in the past year, a significant drop from 2008's reported 10%. Looking ahead, profitability in the next year is also anticipated to decrease by 82% of organizers.



## 2.9 Plans to Create an Event in China

Over half of organizers reporting are not planning an event in China. Twenty-seven percent already have an event in China.

<b>Exhibit 10</b>	
<b>Plans or Interest in Creating an Event in China</b>	
<b>(All Respondents)</b>	
	<b>2009</b>
	<b>Total</b>
Already have an event in China	<b>27%</b>
Investigating an event	<b>13%</b>
Launch an event in the next year	<b>-</b>
Launch an event in next 3 years	<b>4%</b>
Not planning an event in China	<b>56%</b>

## 2.10 ECEF 2009 Firmographics

<b>ECEF 2009 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
15%	21%	17%	13%	34%
<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
23%	20%	19%	26%	12%

### **3.0 Highlights**

1. The exhibition industry has experienced dramatic down-turns in the past year, in all areas, i.e. number of exhibitors (-48%), net sq. ft. (-54%), attendance (-46%) and sponsorship sales (-50%).
2. Declines from the previous year averaged 41% for the number of exhibitors and net sq. ft. and 14% for the number of attendees.
3. Spending on attendee marketing has also declined in the past year among 69% of ECEF participating show organizers, generally by as much as 10%. No organizations reported an increase in attendee marketing spending.
4. Spending for exhibitor and sponsorship sales has also declined among 37% of organizers.
5. Thirty-three percent (33%) more organizations report a decrease in permanent staff working full time on events this year, than last.
6. 61% of organizers are targeting senior level attendees with multiple innovative strategies to attract them to their events.
7. Forty-five percent (45%) of organizers plan to continue their co-location efforts, but future plans have decreased from 29% to 14%.
8. The key threat to events is seen as the global economic recession, triggering the downsizing of exhibitors, net sq. ft. and sponsorships.
9. The economy is also the organizer's paramount challenger given the high cost of contracting services in relationship to industry profitability.
10. Organizational inefficiencies and insufficient quality staff are the greatest operational obstacles. However, staff's level of commitment to organizational goals has had great improvement since the previous study (+14%).
11. 89% of organizers indicate decreased profitability for most important event. 82% see this trend continuing into 2010.