

**Creative Strategies for Attendee and Exhibitor Recruitment in a Downturn
By Michelle Bruno, CMP**

Adversity is the mother of invention. With the economic downturn weighing heavily on the minds of exhibition and conference organizers, many are working overtime to develop creative ways to get previous exhibitors and attendees back and entice newcomers. Traditional strategies including discounts and value added benefits have made a comeback with social media tools offering event producers some new alternatives for low-cost, word of mouth recruitment. Even though some events have suffered little if any negative effects from the economy, organizers remain cautious and advocate proactive measures to prevent any potential drop in participation. By rewarding loyal customers, making additional investments in programs and taking risks, leading event organizers are reaping the benefits.

Exhibitors, who have been forced to downsize participation or eliminate shows from their programs due to budget cuts, are placing pressure on event producers. Mona Zemsky, a twenty-year veteran marketing manager turned consultant at M.Source based in Chicago and Southern California, underscores the challenge that organizers face. "The incentive [for exhibitors] must be past the tipping point. It must really mean something. Ten or twenty or even thirty percent may not do it, especially because exhibitors realize that the big cost of exhibiting is not necessarily the booth space, but rather the flights, hotel and food, the shipping of product, the rental of furniture, the wining and dining of customers and more, not to mention the opportunity cost of having people out of the office," she says.

Is a "Blue Light Special" Out of the Question?

Many organizations are offering financial incentives to exhibitors and attendees to encourage them to participate. The Optical Society of America offered potential exhibitors a free hotel room for the 2009 show (the equivalent dollar amount of a three night stay was deducted from their exhibit space fee). The response was positive according to Melissa Russell, deputy senior director, corporate programs. "We decided on this campaign as a result of comments we'd been hearing from prospects who weren't sure they could afford to come to the show given the current economy. They had stated that it wasn't really the cost of the exhibit, but the other costs they incurred - mostly travel related." Russell's organization put a two-week time limit on the offer to accelerate the sales process.

The New York Chapter of the Professional Convention Management Association (NYPCMA) went so far as to introduce a "pay what you can" program for monthly meetings designed to keep members involved even if they have lost their jobs or their organizations have cut back on association support. The chapter Web site lists payment increments and attendees select the level they can afford. NYPCMA instituted a formal "planner subsidy" program in 2009 that paired supplier members with planners whose event admission fees were underwritten by the supplier. NYPCMA's director of programming, Diana Brady is credited with suggesting the "pay what you can" idea for all members "in direct response to the current economic downturn that has impacted the meetings industry," says chapter president Dawn Rockas.

The United Fresh Produce Association developed a contest to increase attendance for their April 2009 exhibition and conference in Las Vegas. Volunteer participants in the "Volunteer Leader Convention/Membership Team Challenge" were given the opportunity to invite friends, customers, suppliers and business colleagues to receive 10 % off any registration including trade show only, the all access convention pass or the co-located Global Conference on Produce Food Safety Standards. Volunteers were organized into groups and given discount codes for the registrants to enter online. Teams were also encouraged to recruit new association members and

report the results to the Member Relations Task Force. Prizes were awarded during the show for the most dollars raised overall and other categories. The top prize included a personal meeting and photo opportunity with the keynote speaker Steve Forbes. "The Promotion has been extremely effective. It got people engaged that would not have otherwise become engaged," says John Toner V of the United Fresh Produce Association.

Value Adds Come on Strong

Event organizers are making a strong effort to include more value added benefits for exhibitors and attendees. Professional speaker and Emmy-winning former Wall Street Journal and NBC Journalist, Kare Anderson recommends "SmartPartnerships" between exhibition organizers and stakeholders. She suggests gift packs containing eBooks from the speakers emailed to conference registrants after the event, signed books and exclusive "meet the author" opportunities for qualified participants (first time attendees or returning exhibitors, for example), and "meet the experts" sessions where keynote speakers lead small group round table discussions for a select audience.

Despite only slight fluctuations in attendee and exhibitor numbers, the Institute of Food Technologists (IFT) is taking measures to safeguard against any potential attrition for the June 2009 event. For the first time, a virtual tradeshow and a Web-based matchmaking system are helping IFT's buyers and sellers connect. Exhibiting companies receive a free 30-minute on-on-one strategy session with "Trade Show Bob" (a.k.a. Bob Milam), to help them define metrics, develop a comprehensive show strategy and learn how to partner with the show organizer for optimum results. The IFT staff and board members mounted an extensive thank you campaign making personal telephone calls to every exhibitor notifying them of the value added benefits that would be further explained in a forthcoming email and rewarding each with two additional priority points for signing up. Every telephone conversation was followed up with a hand-written thank you note.

To address attendee concerns that the show was too large and too crowded to reach every booth of interest, IFT developed *Trend Tours*. By working with its magazine editors, the association identified four major trends affecting the industry and polled exhibitors to see whether any of their products fit into the trend categories. Exhibitors that qualify will be featured in pre-show emails, in the show directory and on the tour map. Eight participating companies will be interviewed for a video segment that will run in conjunction with "Inside IFT," the show daily, which will be offered in an electronic format this year. The video segments will also be available after the show on the association's Web site. Tracy Garcia, exhibits manager, notes that the feedback so far has been very positive. "Our leadership believes that in down times, you need to make an investment to keep the show relevant and moving forward. We are really excited and hope that everyone takes advantage of what we have to offer," she adds.

The Social Media Tsunami

Social media is the newest recruitment tactic for event organizers. As widespread adoption of tools such as Twitter and Facebook reach into the hundreds of millions of users, event organizers are looking to catch the wave. Major credit has been given to the promotional power of Facebook by the organizers of the inaugural Singapore Tattoo Show (2009) who created the group "Tattoo Artistry" to help with attendee recruitment efforts. The online group of tattoo enthusiasts grew from 100 to 1,000 within two weeks and today has over 4,000 members. Show promoters initially looked to Facebook because of a limited promotions budget and the overlapping demographic between Facebook users and tattoo devotees. The Facebook group is said to have helped the event generate 15,000 attendees, more than three times the number expected.

Organizers of the Meeting Technology Online (MTO) Summit learned first hand about the effectiveness of Twitter, the micro-blogging tool. At their recent event in Chicago, keynote speaker David Meerman Scott, author of "The New Rules of Marketing & PR" and "World Wide

Rave," sent a message to his more than 13,000 Twitter followers that he would be speaking at the Summit. A code pertaining to the event was embedded in the message so that respondents could be tracked. According to MTO's CEO, Stephen Nold, five new individuals registered for the Summit within ten minutes of the initial "tweet" sent out on a Friday. Scott tweeted a similar message again the following Monday and three more attendees signed up. "Bringing the attendees in using Twitter cost me nothing. If 9% of my audience came in with no effort, what is the potential for a very large audience? These tools reach beyond the capabilities of our existing set of traditional marketing tools. This experience demonstrates word of mouth marketing and the value of Twitter," says Nold.

What's Old is New Again

Not every idea has to be cutting edge, however. In fact, at the College & University Professional Association for Human Resources (CUPA-HR), a traditional "snail" mailing achieved surprising results. The non-profit organization targeted members who were not exhibiting. They mailed a hard-copy exhibitor prospectus, a cover letter explaining the benefits of exhibiting, several sponsor testimonials and the "Do the Math" letter (extolling the virtues of trade shows) provided by the International Association for Exhibitions and Events (IAEE). CUPA-HR's manager of corporate relations, Laura Gibson explains the motivation behind their campaign. "I think nowadays, we do everything by email, Facebook and social media. We thought that people might like to have something they could feel and touch. Maybe they will sit in Starbucks and page through it while they are waiting for a client. We were pleasantly surprised that we got some exhibitors to sign up as a result."

Key Factors Affecting Show Valuation

By Michelle Bruno, CMP

There are dozens of elements used to calculate what a show is worth. Valuation is not only important in the context of an acquisition or sale; it is also a strong indicator of an exhibition's financial health and future prospects. During an economic downturn, valuations become more challenging, because the most recent financial performance of a trade show may not accurately predict future performance, when the economy strengthens. With revenues dipping in many show sectors, and merger and acquisition (M&A) activity slowed considerably, now is the perfect time for senior trade show company management to analyze revenue streams and growth potential, whether they plan to sell now or not.

Investment banking firms, such as The Jordan, Edmiston Group, Inc. (JEGI), Corporate Solutions, and Berkery Noyes, offer strategic and financial advice to buyers and sellers of trade shows. These firms assist sellers in presenting their trade show properties in the best possible light, so that they command the highest valuation from the marketplace. They also oversee the due diligence process and help find the best buyers for the business. When determining the valuation of a trade show, Richard Mead, managing director of JEGI, looks at a number of key metrics including:

- Show size (revenue)
- Historical and potential growth of the show
- Opportunities for an expanded footprint in an existing facility
- Potential for developing an online presence
- Historical and potential growth of the market served
- Management strength
- Competitive forces

Mead also analyzes the ability of a trade show to leverage its brand in other high growth areas of the event industry, such as online media and technology (i.e., web sites; e-newsletters; virtual tradeshows; etc.), new conference formats, and international expansion. When he speaks with trade show owners, who are thinking about selling their businesses, he asks them about their use of event-related technology (i.e., registration-related technology; data collection; etc.), and whether they are leveraging the web and digital media to extend relationships with their communities beyond traditional events. "I am also focused on the key constituencies of any event such as attendees, exhibitors, and sponsors and would like to understand how the show is creating value for these groups and what else the show could be doing to leverage these important relationships," he says.

Despite the challenges of the downturn, some experts such as Nick Curci, president, Corporate Solutions, believe that now is the best time to acquire a trade show as valuations are considerably lower than in the past 10 years. "The challenge from a buyers perspective is finding quality trade shows to buy while the valuations are low and recent operating levels are down. Would be sellers are waiting to sell until the economy rebounds and their operating margins return to normal levels. The other challenge in today's environment is to finance any deal that any buyer would be fortunate enough to find. Traditional financing for trade show related deals has come to a halt and it will not improve until the overall credit markets open back up and banks start to lend again at normal levels," says Curci.

Private equity firms looking to purchase an ownership stake in a trade show company view valuation from a slightly different vantage point than investment banks. With the principal goal of generating a positive long-term return on investment, their focus is primarily on revenue streams. For Hal Greenberg, partner VSS structured capital funds, of private equity firm Veronis Suhler Stevenson, the value of an exhibition or show portfolio lies in its ability to capitalize on exhibitor, sponsor and attendee revenue. In doing so, Greenberg asks questions such as:

- What is the price per square foot of exhibit space?
- How are sponsorships priced?
- What have been the attendance levels?
- What is the quality of attendees?
- What is the strength of the underlying market served?
- Are the attendees and exhibitors happy with their show experience?
- How is the show promoted?
- What is the growth potential in pricing?
- What is the exhibitor renewal rate?
- What is the quality of the management team?

Trade show technologies, such as badge scanning and data collection techniques, have been pivotal in determining the quality of attendees, an important component in the show valuation analysis says Greenberg.

Paying attention to the metrics and elements of valuation is important for senior –level managers at trade show companies, even if they have no intention of selling now. Having a handle on what the company is worth and where growth opportunities lie enables executives to focus on organic growth, recognize opportunities to launch new shows, acquire complementary events, position their show for change, and leverage their brand against new revenue streams. While valuation experts are reluctant to predict an end to the downturn, smart managers should prepare now for the eventual rebound.

Thought Leadership: Are You Making It or Faking It?

By Fiona Czerniawska

Thought leadership has always been a no-brainer for consulting firms.

Marketing brochures are greeted with howls of derision from cynical clients. Brands are horrendously expensive to build. Looking to raise awareness? Why not knock out a couple of thousand words on your latest assignment, call it a white paper, and send it your clients?

The problem is that this no-brainer has become precisely that: something with (almost) no brain in it. And that's not good enough any more. The market is too crowded; some firms position themselves as "owning" certain markets; they're also investing in better research and writing.

A Crowded Market

If you look at the websites of the world's top forty consulting firms (in terms of revenue), there are almost 3,500 articles and reports positioned as thought leadership—and that's leaving out the tens of thousands of case studies and descriptions of services that don't justify the label.

Around a third of the bona fide material addresses strategy-related issues—studies of new or emerging markets, planning tools, and so on—and another third focuses on more operational topics such as business process efficiency, technology, procurement, and outsourcing. The remaining third is made up from a whole host of topics, from leadership to cost control.

The first thing to strike you about this is how thought leadership "pools". Most material focuses on the same small number of topics, rather than picking up new and emerging ones—in other words, it flows down towards the common areas rather than strikes off by itself.

Take business processes as an example. This is one of the most crowded areas of the market, accounting for more than 500 documents just by itself, yet firms continue to churn out articles on it as if they're the only ones to have any to say on this subject. Thus we have Roland Berger writing "Innovation and Corporate Value," Marakon on "From Breakthrough to Value: Mastering the Art of Profitable Discovery," AT Kearney talking about "The Path to Maximizing Margins," and the Boston Consulting Group on "Making Innovation Pay"—to name but a few.

Even new topics can become crowded very quickly: five years ago, thought leadership on financial management and regulation was thin on the ground, but the amount of material on operational risk has doubled in the last year; that on financial management has gone up six-fold.

Accenture and McKinsey are the most prolific firms on the thought leadership scale, significantly ahead of their nearest rivals: IBM, PA Consulting and PricewaterhouseCoopers. But watch this space: offshore firms, notably Infosys and Wipro.

Staking a Claim

Something else that would have been true five years ago is that consulting firms had a scattergun approach to thought leadership, firing off articles in all directions apparently without much of a plan. Most material was generic: designed to apply equally to every sector.

Today, one of the ways consulting firms are trying to put space between themselves and their competitors is by tailoring their thinking towards the needs of specific sectors. McKinsey is the master of this: using different perspectives from the same research base to generate sector-specific messages. But other firms have found that focusing on highly specialized areas plays to their strengths and experience.

Thus Unisys, not perhaps the first name to spring to mind when you think about thought leadership in the consulting industry, has used its extensive work in the insurance sector as the basis for a small number of articles on technical issues only of interest to insurance companies—precision targeting no less.

Ernst & Young is re-entering the consulting industry having sold its consulting practice to Capgemini in 2000, so its thought leadership output is still limited in comparison to many other firms. But what it does have is more focused: more than half concentrates on corporate governance issues, making it the clear leader in this space, at least in terms of volume.

Quality Control

Quantity is something—how often you get your message out does affect the probability clients will hear it—but it is not everything. Many leading firms have recruited professional writers and journalists to ensure their thinking is readable; some put serious money into carrying out in-depth research.

Clients look for three things from thought leadership. They want something relevant to challenges they face, something new and different, and something that is supported by hard evidence. A single case study or recycling second-hand ideas is not enough.

Bain is not only astute in the way it gets its thinking into newspapers and other media, but also has a knack of picking topical issues and making them appealing. Booz Allen doesn't produce nearly as much material as its immediate rivals, but what it does generate is more distinctive, opinionated and interesting. In an environment where a single client case study is widely regarded as sufficient evidence that an idea or approach works, IBM and McKinsey lead the way in terms of the depth of their research.

And there's one thing clients don't want: too hard a sell. Thought leadership is a fine balance between meeting clients' desire for something relevant, interesting, and well-supported and meeting consulting firms' need to make money.

In this context, a call-to-action—perhaps some benchmarking data for clients to compare themselves to or a tool for evaluating their performance—is more likely to result in consulting work in the long-term because it doesn't try to sell too unsubtly in the short-term. Accenture is particularly astute in how it commercializes its thought leadership.

Lessons Learned

To be successful thought leadership needs to be thought through.

In a crowded market, firms need to see who's saying what before they start publishing material. While you may, indeed, have something new to say, you're going to find it harder to get your point across if clients have already heard an awful lot from your competitors. Look for the topics or angles others haven't spotted—the white space.

Make sure your thought leadership appears relevant to clients. Don't hold forth about business in general when you can show off your specialist expertise by tailoring what you're saying to the needs of a specific sector. Applying thought leadership to a particular industry reduces the level of immediate competition, shows you can apply your thinking, and is more likely to be perceived as relevant by your potential audience.

Finally, think about quality. Pick subjects which are in the news and use the title and first paragraph to introduce them in an unusual, even offbeat way. Make sure there's something to attract people's attention. Be prepared to have strong opinions: much material by consulting firms is bland because consultants don't want to offend anyone. Don't skimp on the research: clients would rather read one article which is supported by hard evidence than a hundred bits of visionary thinking. And find a subtle way to encourage a client to do something, but don't expect to sell something.

Case Study: Virgin Atlantic By David Quainton, 03 March 2009

If a book were to be written (as, indeed, many have been) about successful British brands, then surely the longest chapter would be dedicated to bearded knight Richard Branson's Virgin.

Formed 25 years ago this year, Virgin Atlantic Airways, the infamous red-and-white liveried airline that challenged the hegemony of BA at British airports, must rank as the most successful of the many Virgin brands, and there are more than 40.

It is pleasing then that the airline "believes in events", and considers them even essential to the success of the brand. And with this being its silver anniversary, a year in which it will be hard to avoid seeing glamorous, red-suited air stewardesses, it seems a more than apt time to examine the Virgin's achievements across the event marketplace.

- SPONSORSHIP

- Most of 2009's birthday celebration events are being kept tightly under wraps, with June to be the focal point. Expect plenty of buzz in the media and rivers of champagne at Heathrow airport as Virgin stokes public awareness of its festivities to a raging inferno.

Unlike many brands in the current climate, Virgin won't be holding back. Virgin Atlantic director of communications Paul Charles says the firm will set a balance of "tone and appropriateness" in the credit crunch, but will still make a splash. In fact, the memorable retro advertising campaign currently running, which is a fun look at how the brand made such a splash in the aviation industry, stands as a totem for the rest of the brand's event marketing this year.

- CSR

- Charles spoke to Event upon returning from a Hong Kong sojourn, in which the brand celebrated 15 years of flying to the destination. Typically, it pulled out all the stops, converting a run-down arts centre into a Hong Kong version of Heathrow's Virgin Clubhouse, even replicating the pool table and long bar (apparently the longest in any airport globally).

CSR is a feature of Virgin Atlantic's events. For the launch of its Nairobi service last year the airline took ten frequent flyers - those who had raised the most money for charity - to paint a school in the Kenyan capital. The programme also restored fresh running water and helped 1,000 villagers. Naturally, this also provided a great photo opportunity for Richard Branson and media coverage for the new route.

- SMALLER EVENTS

- Not all events are expensive trips to far-flung new destinations. On the press side, small roadshows can be just as effective. Linking to the aforementioned Virgin Atlantic adverts currently doing the rounds, a group of stewardesses has been sent around the country handing out Virgin-branded diaries to newsrooms and shopping centres. Charles says the firm seeks to mix up its events, keeping them fresh and, above all, memorable.

"I have never worked in such an imaginative team," he says, having been employed by both the BBC and Eurostar. "It's an achievement to produce events that get through the clutter and negativity around at the moment. You should be careful about being too brash or over the top, but you can be positive."

Virgin Atlantic puts together up to 100 different events a year, which means variety is important. Often, small press events or customer-facing events at airports can go relatively unnoticed, but they are always targeted to a group, no matter how small.

STAR ATTRACTIONS

Occasionally, though, Virgin does push the boat out, often mining Richard Branson's black book of contacts and a wealth of goodwill towards the Virgin brand in general, with the result that top celebrities are often roped in for events.

Branson's Virgin Group currently owns 51 per cent of Virgin Atlantic - the other 49 per cent is owned by Singapore Airlines - but it is Branson's baby, and he is still integral to its larger events.

In December 2007, Branson's friends the Spice Girls, with whom he has done many press events over the years, opened Virgin Atlantic's terminal at Heathrow airport.

Thanks to the presence of the once-powerful girl band, thousands of fans attended the opening of the £1bn facility, and a Virgin Atlantic Boeing 747 jumbo jet was renamed Spice One. The combination of a must-see event with a powerful brand message - that the terminal had opened - is a classic Virgin tactic, and one that is set to repeat in the summer when the anniversary events launch.

- SPEND

In general, Virgin Atlantic spends between £500,000 and £1m across its events each year. The biggest of those tend to be the route launches, of which there are two a year on average. Orders for new aircraft and changes within terminals also require events for a brand that is committed to its marketing strategy.

Charles runs a communications team of six, alongside an events team of three that is led by head of events Bill Gosbee. Between the nine of them they run all of Virgin Atlantic's events.

Charles recalls a Virgin event he went to when he worked for the BBC, which was so impressive he "didn't stop talking about it for weeks". The 'talkability' factor is central to Virgin Atlantic's marketing, as it is across all the Virgin brands. To keep strategy consistent across marketing, advertising, press and events, all disciplines sit on the same floor within Virgin's head offices, so the message is rarely lost.

"I was once told that for every member of the public who comes to an event that works, 12,000 people will hear about it through word of mouth," says Charles. "We try to make each event as memorable as possible in order to achieve that target. I think that's a fantastic way to look at it."