

Exhibit Leader Insights 2023

*The state of the expo industry –
The exhibit marketers perspective*



In collaboration with





Introduction



Dear Industry Colleagues,

At Explori, we are in the business of collecting data from all kinds of event professionals: exhibitors, trade show attendees, expo organizers, in-house corporate events teams – you name it.

Many industry reports in recent years have focused, understandably, on the pandemic and its lasting effect on the events world. In this report, which was conducted in partnership with Exhibitor Advocate and Exhibitor magazine, we wanted to turn our gaze to the future of exhibiting – and to understand what new challenges might be on the horizon as the threat of the pandemic recedes.

In particular, we wanted to give a voice to exhibitors working in-house for corporate businesses. Colleagues working in this profession span a range of industries, so it's incredibly important that they have a forum for shared discussion. We hope that this report will empower the exhibitor community to align on shared concerns and find constructive ways to address them.

Yours sincerely,



Mark Brewster
Explori CEO and Founder

Summary



There's much to be optimistic about in this report

Trade shows continue to provide value to exhibitors, both as **marketing** and **sales** channels, and their worth is generally recognized by senior leadership teams – perhaps more so than before the pandemic.

In amongst all this, however, there are some warning signs. **Cost concerns** cast a long shadow over the research. Exhibitors are clearly feeling squeezed by **rising exhibit-related costs**, and they are likely to attribute this to hikes in venue, organizer and contractor fees – rather than factors beyond the industry's control, such as cost-of-living effects and broader economic forces.

All this is happening within a context of significant **internal pressure** – often from senior leadership teams – to **cut back on budget**, meaning that exhibitors are stuck between a rock and a hard place. Demonstrating **exhibit ROI** to senior leadership and other stakeholders came up as a sticking point; while colleagues are, in theory, clear on the value of in-person events, the exact magnitude of that value

is hard to define, making it difficult to advocate for exhibits over other marketing and sales channels that can offer robust evidence of their own ROI.

Ultimately, **exhibit-related costs** take precedence above all other factors influencing an exhibitor's decision to attend a trade show, and it's clear from our research that rising costs will force exhibitors to make some difficult decisions. The vast majority anticipate having to amend their events program in the coming years – typically by cutting back and focusing their efforts more strategically on **high-priority trade shows**.

This could create difficulties for exhibitors and trade show organizers alike. However, there are **solutions** available for those willing to work collaboratively: much could be achieved through the creation of **cost efficiencies** for exhibitors and **better event data provision** to support exhibit ROI-perception among senior leadership teams.



Methodology (& research objectives)

This research was conducted by Explori in partnership with Exhibitor Advocate and Exhibitor Magazine. The survey was sent to exhibitors working currently in a range of industries, with the aim of understanding:

1

The decision-making process for exhibitors when planning their events program

2

How trade shows are perceived – and valued – by exhibitors and their companies

3

How external and internal factors are shaping events programs, both now and in the future

98%

exhibit leaders surveyed had either director decision-making power or advisory influence over the decision to exhibit at trade shows

The responses outlined in this report were collected via a digital survey in January 2023. Respondents – all of whom were working currently as exhibitors – were reached via social media, and the survey was incentivized with a prize draw to win one of six \$100 Amazon vouchers.

Survey respondents came from a range of industries, and exhibited in industries including Manufacturing/Machinery, Medical/Healthcare, Fashion/Apparel and Energy/Utilities. They also represented organizations of all sizes, from those with over 5,000 employees to those with fewer than 25 – and the sample group also included a mix of early-career exhibitors alongside more experienced professionals. These groups will be referenced throughout the report, as in some cases level of experience or organizational background affected the response.

*Research
Themes*

Trade shows continue to offer value



Trade shows are still seen as valuable marketing and sales channels by exhibitors and their stakeholders

Most exhibitors believe that trade shows continue to do the job as marketing and sales channels.



71%

of exhibitors are satisfied with trade shows as a marketing channel

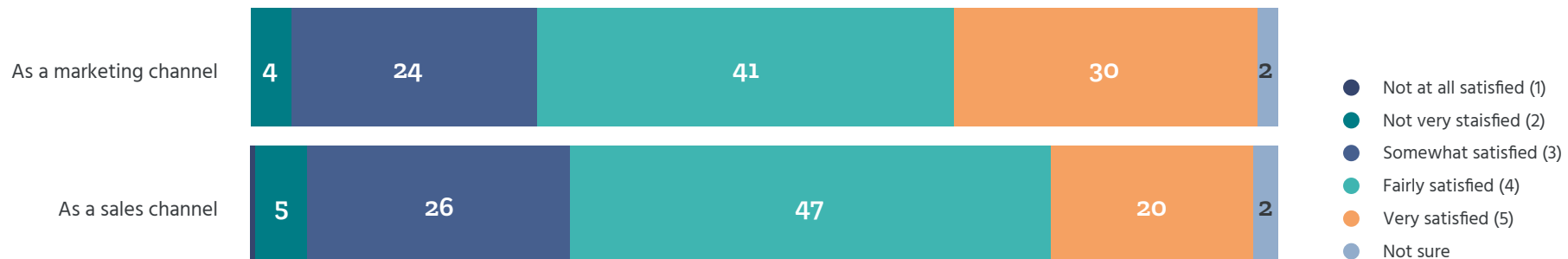


67%

are satisfied with trade shows as a sales channel

Trade show channel satisfaction (%)

How satisfied are you overall with exhibiting at trade shows...



Exhibitors are more convinced of the marketing power of a trade show than they are of its sales power, suggesting that this group sees exhibits as a successful marketing tool first and foremost – but on the whole, satisfaction remains high.

On balance, exhibitors believe that leadership teams value exhibits more than they did pre-pandemic.



7/10

exhibitors agree that their organization's leadership sees exhibits as a 'valuable, irreplaceable part of the marketing mix

Those with a more skeptical leadership team are more likely to be scaling back their in-person exhibiting efforts in future – and tend to cite their inability to prove ROI for trade shows as the primary reason.



The past three years put a spotlight on the importance of meeting in person. Virtual events were a struggle. Our executive team quickly noticed the opportunity that face to face offers."



[Trade shows] improve brand image: if people see you at a show, they think you are reputable. [They help us to] get in front of purchase decision makers and provide a positive impact."

Those with less experience in the industry (<10 years) give lower ratings for exhibits as a marketing channel, and are more worried about exhibit-related costs, and are less likely to feel their organization's leadership sees exhibits as a valuable part of the marketing mix.

Exhibitors are feeling the bite of rising costs



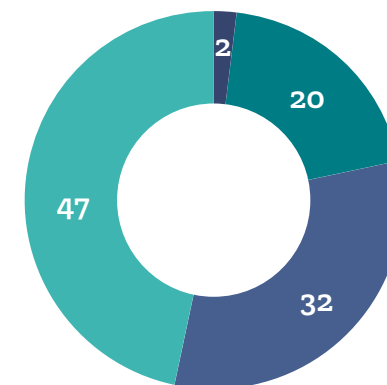
Rising exhibitor costs are having a significant impact on decision to exhibit

Of the exhibitors surveyed, the majority (67%) were either jointly or solely responsible for the decision to exhibit at trade shows – and a further 32% had the ability to advise or make recommendations to decision makers.

For these exhibitors, exhibit-related costs are chief among the factors influencing the decision to exhibit – followed closely by previous experience at the show, and the expected quality of sales and marketing leads.

Level of Influence (%)

What influence do you personally have over the decision whether your company exhibits at trade shows?

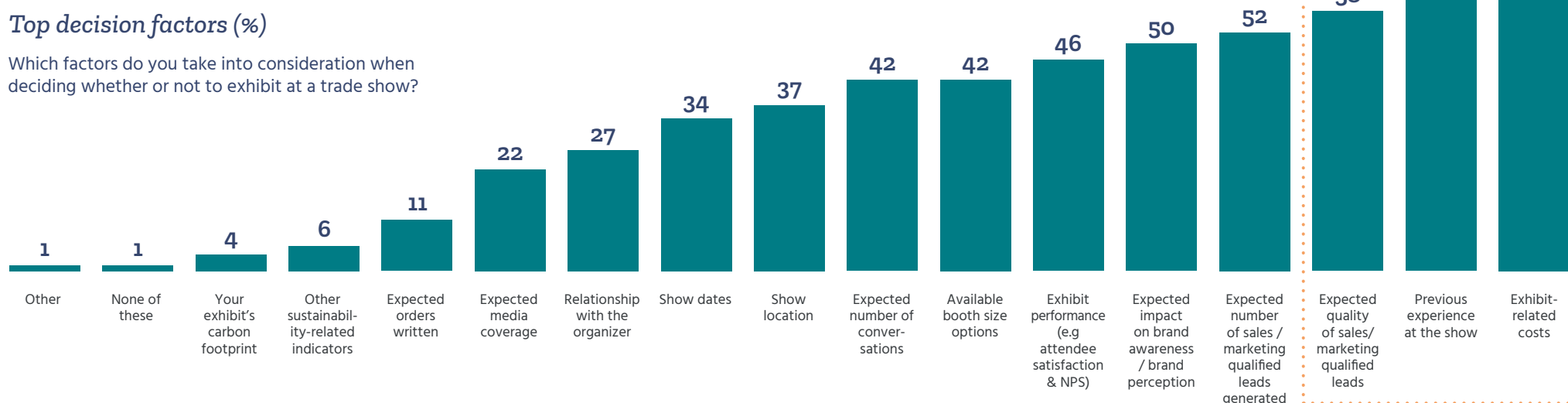


- No influence 2%
- Sole decision maker 20%
- Recommend / advise 32%
- Joint decision maker 47%

82% of those planning to exhibit at fewer in-person shows said exhibit related costs was a factor in their decision

Top decision factors (%)

Which factors do you take into consideration when deciding whether or not to exhibit at a trade show?



Second-tier decision factors include a range of expected outcomes, including impact on brand awareness and the number of sales and marketing leads, followed by logistical considerations including date, location and the provision of suitable booths.

Impact on brand awareness is more important for exhibitors at bigger organizations (5,000+ employees).

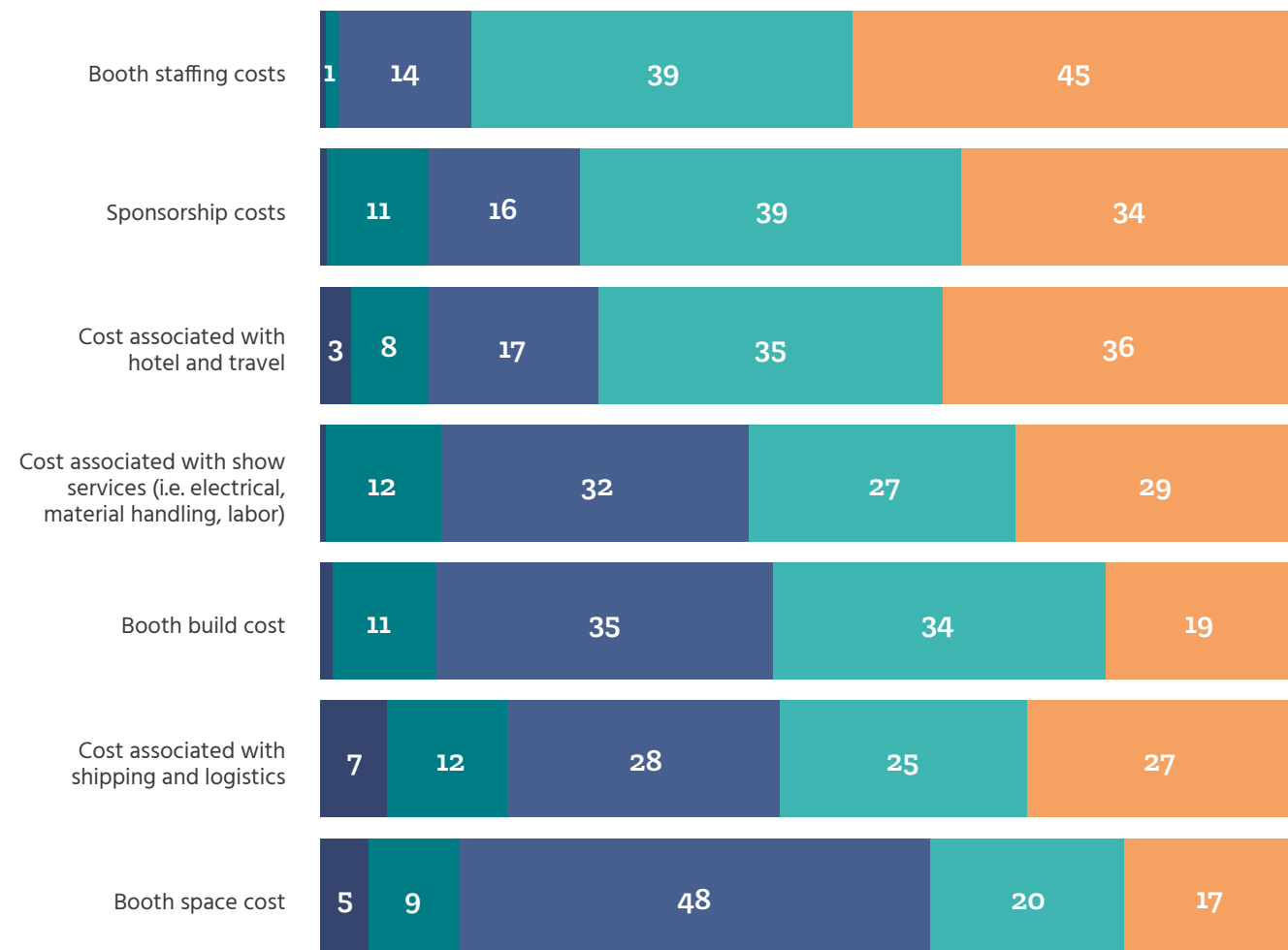
Event data also plays a role, with 46% of exhibitors stating that performance data from previous visits influences their decision.

The sustainability of the event – including carbon footprint considerations – are unlikely to have an impact.

Let's look at these exhibit-related costs in a little more detail. Of all the various costs associated with exhibiting at a trade show, the cost of the booth space is most likely to influence the decision to exhibit. Booth build costs and shipping and logistics costs are also influential – this is particularly true for exhibitors from larger organizations (5,000+ employees), who may have more complicated set-up needs.

Key cost drivers (%)

You mentioned exhibit-related costs are a factor when considering future trade show participation. How important are the following types of costs for your decision?



Those who work within the biggest organisations (5,000+ employees) were the most concerned with costs relating to booth build (4.65), shipping and logistics (4.43), and show services (4.30)

- Not at all important (1)
- Not very important (2)
- Somewhat important (3)
- Fairly important (4)
- Very important (5)

Is the cost-of-living crisis to blame?



Exhibitors believe that trade show organizers are driving price increases, rather than external pressures

We know that cost is a key issue for decision makers, and the exhibitors we spoke to were clear that exhibit-related costs are rising and, moreover, rising faster than other organizational costs – suggesting that cost rises cannot simply be chalked up to inflation or general cost-of-living effects.

Cost comparison (%)

Compared to other costs in your organization, are exhibit-related costs rising...

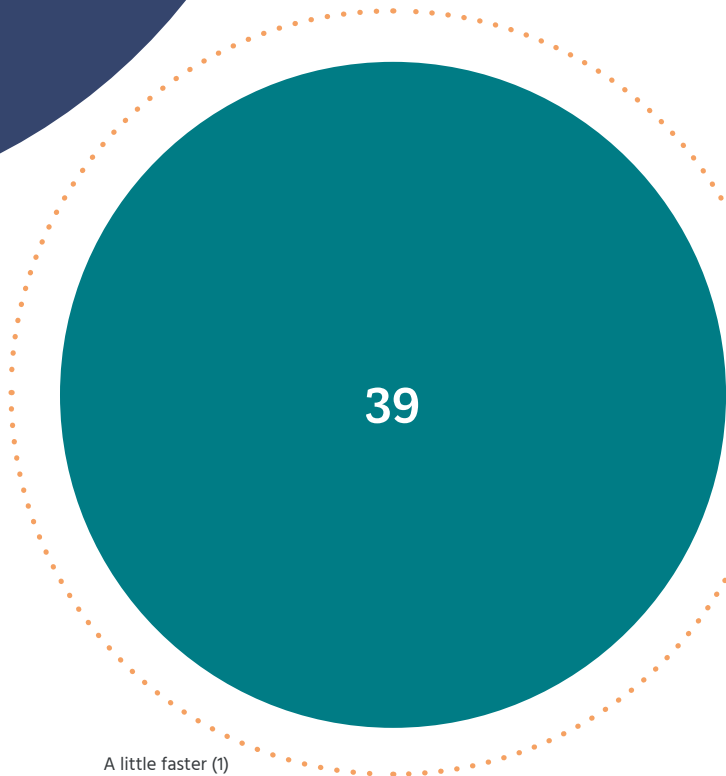
- 2 Not sure
- 1 Much more slowly (-2)



A little more slowly(-1)

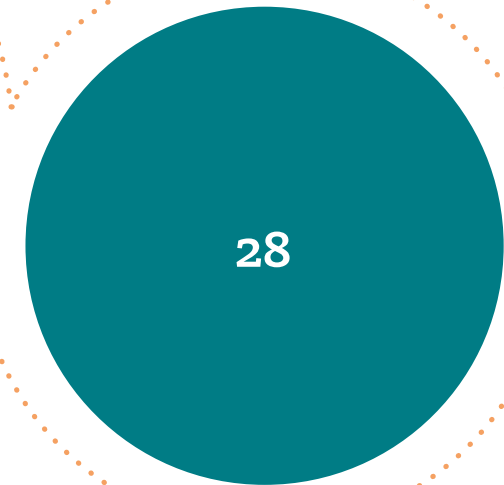


At the same rate (0)



A little faster (1)

Faster
67%



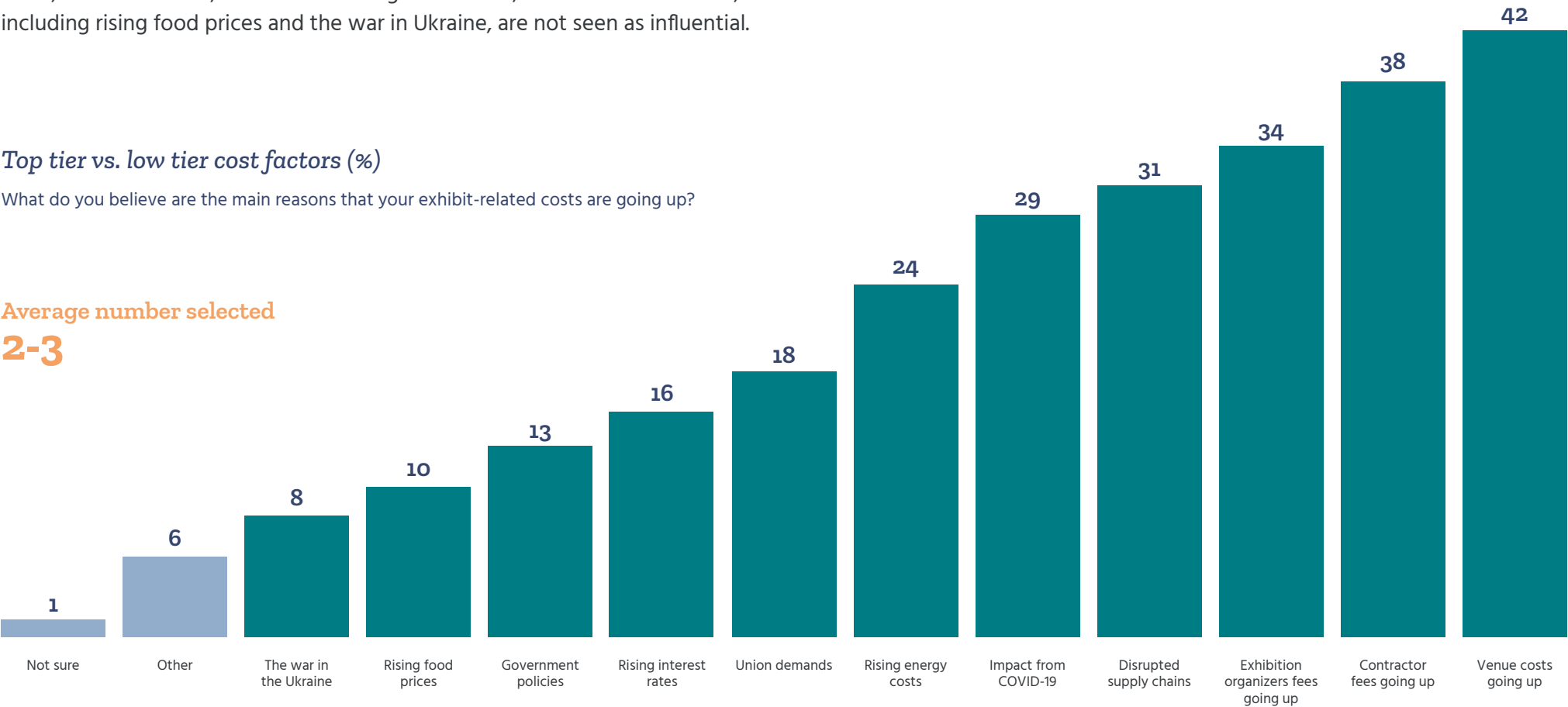
Much faster(2)

Exhibitors reinforced this suggestion in answer to a survey question about the causes underlying the increase in exhibitor-related costs. Cost increases, in the view of these exhibitors, are most likely to be attributed to increasing venue costs, contractor fees, and exhibition organizers fees, while external factors, including rising food prices and the war in Ukraine, are not seen as influential.

Top tier vs. low tier cost factors (%)

What do you believe are the main reasons that your exhibit-related costs are going up?

Average number selected
2-3



Top-down directives are squeezing budgets



Exhibitors are also under pressure to cut budgets from senior leadership



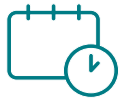
Cost-cutting pressure

3 in 4 exhibitors say that they feel at least some pressure to cut exhibit-related costs – and those who say that they feel ‘strong’ or ‘very strong’ pressure (31%) indicate that it tends to come from senior leadership teams. Marketing and Finance departments, alongside investors, also create pressure on event budgets.



65%

Marketing teams



52%

Event teams



38%

Contractors / suppliers

Cost-cutting solutions

When working to find budget solutions, exhibitors under pressure from above are most likely to say that they work with marketing teams (65%), events teams (52%) and contractors/suppliers (38%).



28%

Exhibition organizers



24%

Senior leadership teams

Relatively few are working directly with exhibition organizers (28%) or their own senior leadership teams (24%) to find solutions – and yet it is these two groups that exhibitors often find themselves caught between when negotiating cost.

What's the outlook for exhibitors?



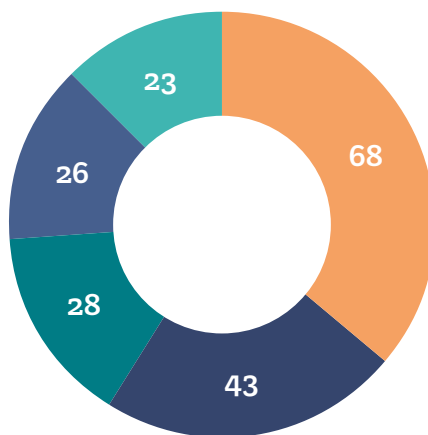
Exhibitors predict significant budget pressure in the next 3 years, alongside other challenges

The key challenges exhibitors expect to come up against in the next three years – both internally and externally – are all cost-related. 68% expect to come up against budget pressure internally, while 66% cite exhibit-related costs as a likely external challenge.

Top 5 challenges internal

What challenges, if any, are you facing over the next three years as an exhibitor within your own organization?

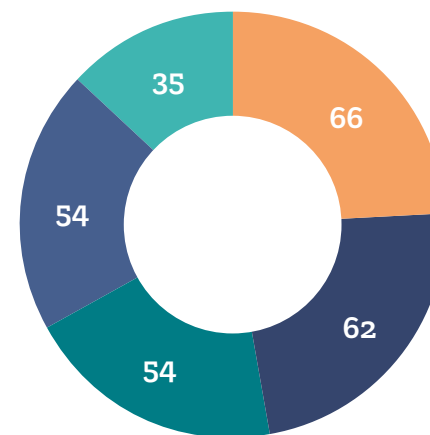
- Budget pressures 68%
- Difficulties demonstrating value / ROI of your exhibits 43%
- Lack of staff 28%
- Short lead times to organize exhibits 26%
- Difficulties collaborating with your internal stakeholders 23%



Top 5 challenges external

And what challenges, if any, are you facing over the next three years outside of your own organization?

- Rising exhibit-related costs 66%
- Costs charged by exhibition organizers 62%
- Cost of travel / hotels 54%
- Costs charged by contractors 54%
- Attendee numbers lower than anticipated 35%



Almost all (94%) of the exhibitors we surveyed expect some level of change to their exhibitor programs in the next three years – and, unsurprisingly, most of these changes focus on spend. Exhibitors anticipate a redistribution of spending across events, spending more on some and less on others; exhibiting at different events;

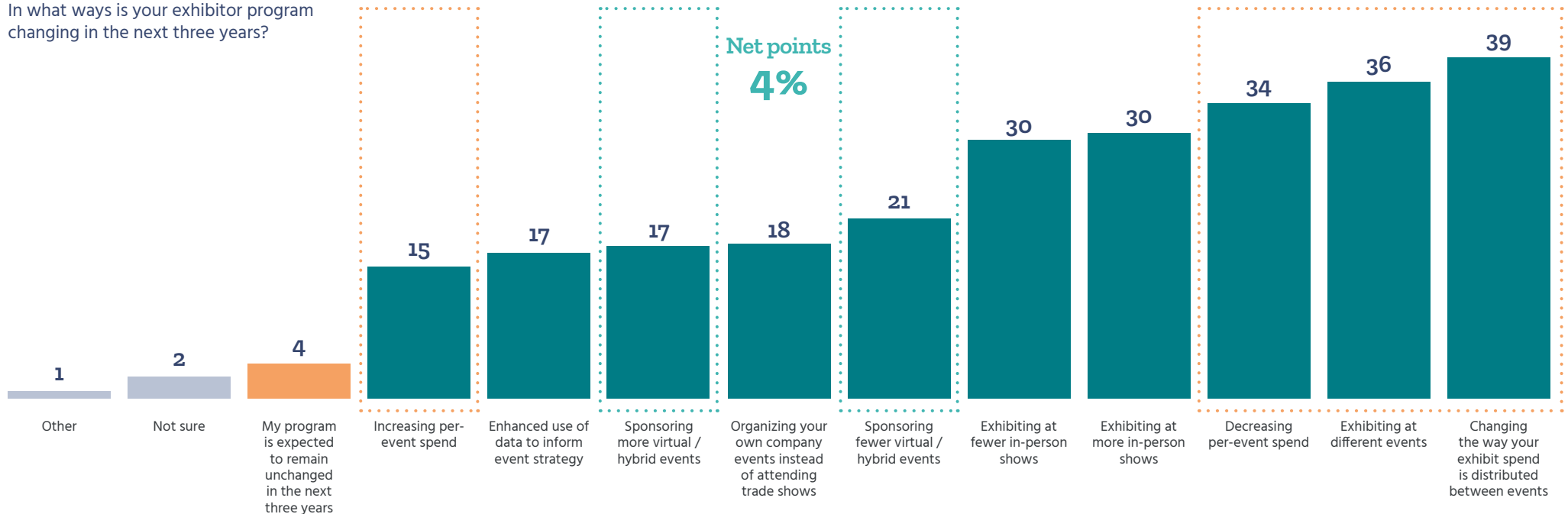
and decreasing per-event spend. This suggests that exhibitors may be reconsidering their events program to prioritize higher-yield events and slim down budgets –

with just 15% saying that they plan to increase per-event spend.

The focus on rethinking which trade shows to exhibit at is notable, given that – as we saw earlier in the report – 61% of exhibitors say that previous experience at a show is a key factor in their decision to exhibit. Clearly, familiarity with an event is a plus – but if exhibitors are unable to prove an event’s worth to senior leadership, they may have to make tough decisions in the face of budget pressure.

Changes to exhibitor program

In what ways is your exhibitor program changing in the next three years?



The value of attendee data



Better events data could help exhibitors to prove ROI to senior leadership

Another challenge, as discussed earlier in the report, is exhibitors' ability to demonstrate event ROI to senior leadership. This is the greatest internal challenge after budget pressures.

Data provision from event organizers is generally felt to be sub-par – the availability of important attendee data such as attendee objectives or profiling information is unlikely to be rated as 'good' or 'excellent' by exhibitors.

Improving attendee data could be a step in the right direction for exhibitors looking to prove a link between exhibiting and eventual sales to higher-ups.



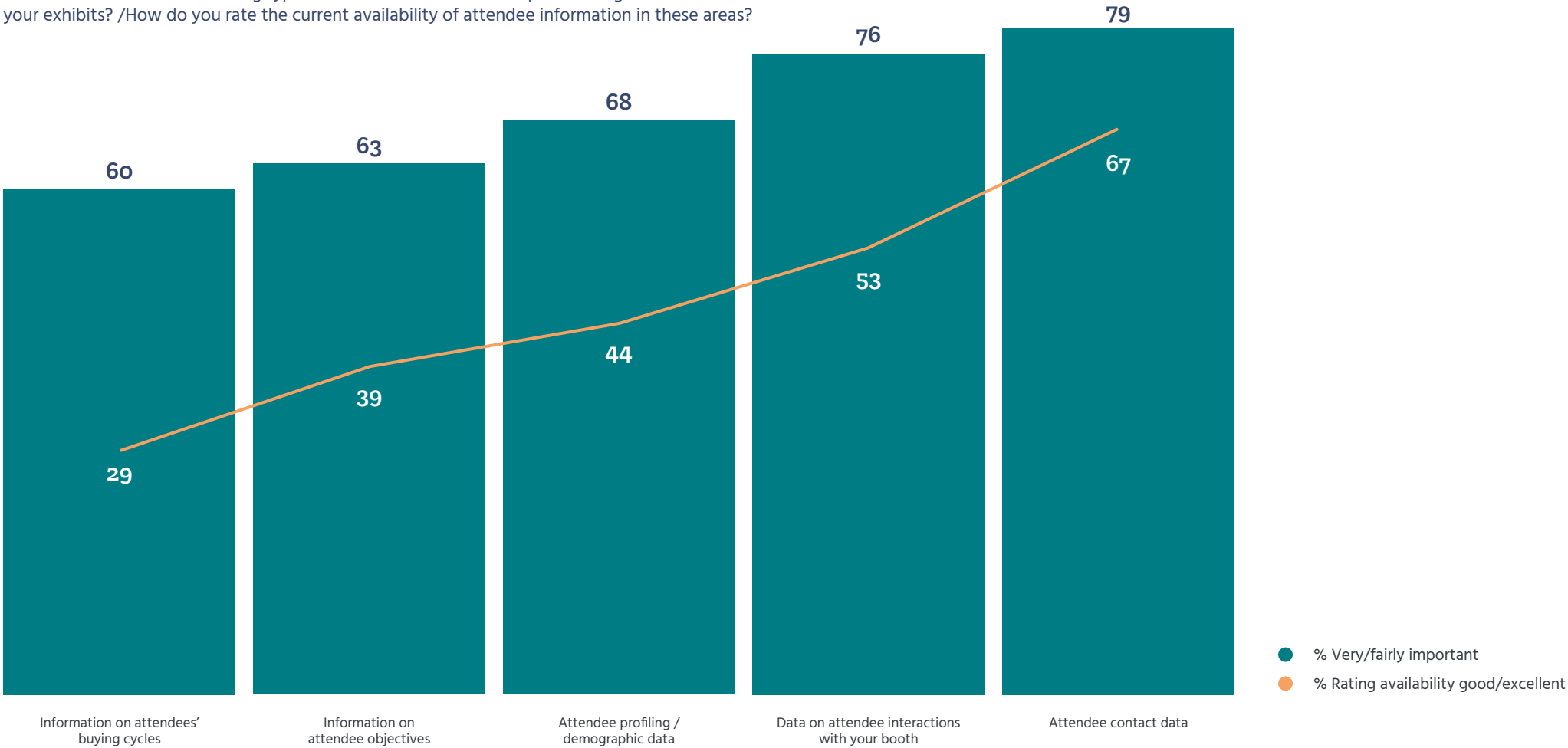
Exhibits are a very high-cost channel and can't easily demonstrate ROI."



We cannot quantify any ROI from exhibits so senior leadership wants to pause the program to save budget."

Importance of information / Rating of availability (%)

To what extent are the following types of attendee information important to get value from your exhibits? /How do you rate the current availability of attendee information in these areas?



Talking Points



On behalf of Explori, Exhibitor Advocate and Exhibitor Magazine, thank you for reading this report. We'd like to leave you with a few of the key talking points from the report. We hope these will spark productive conversations within the industry.

1

Exhibitors are under pressure from rising costs. What is really underpinning rising exhibit-related costs, including venue, organizer and contractor fees?

3

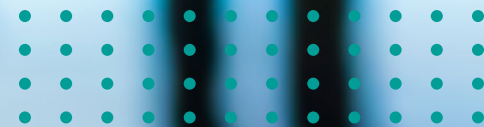
ROI can be tricky to demonstrate. How can the wider events industry support exhibitors to prove exhibit ROI to their seniors – and how can data help?

2

How can organizers, venues and contractors work constructively with exhibitors to align on cost solutions?

4

Early career exhibitors are less likely to see the value of trade shows as a marketing channel. How can the events industry empower those newer to the business to make the most out of their exhibits?







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