

Life After ROI

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-- Carol Wilkie --

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By Carol Wilkie

What did your company get in return for the thousands of dollars you spent to exhibit at your last show? It's a simple-sounding question, but one exhibit managers have come to dread. They get fired for not knowing the answer.

This is the age of stockholder power. Wall Street whistles, and management jumps. Profitability rules, and accountability is the watchword of the day. Have our noses ever been held to the bottom line so relentlessly? Nowadays, if you spend corporate dollars, you'd damn well better know what you're getting in return.

Exhibit managers have come to think of return on investment as a synonym for "save your job," and they pursue it in the most literal sense: "We spent X dollars to exhibit at the show, we garnered Y new leads and those leads produced Z dollars in sales. There's your ROI."

On the surface it makes sense. Management says, "Show me the money," so you show 'em the money. There are just two little problems. One, life isn't really that clear cut, and management knows it. Two, measuring your performance in those terms alone tells you nothing about how to improve it; you get zero strategic information that will help you do better at future shows.

The answer isn't to stop measuring ROI, it's to broaden your perspective—and try to broaden management's. Think in terms of return on objectives (ROO), not just return on investment.

Before we move ahead, though, we need to look at the problems with ROI.

MANAGEMENT DOESN'T BELIEVE YOU

For at least a decade, "integrated marketing" has been the exhibit manager's mantra. Any half-bright professional will tell you that a trade show campaign must work together with print and TV advertising, direct mail, billboards, the company's Web site and everything the sales force is doing. These activities shouldn't exist as independent, unrelated pieces. They need to reinforce one another. They have to intertwine.

But when it comes to isolating a trade show's contribu-

tion to sales dollars that roll in weeks or months down the road, the problem is that those efforts do intertwine, regardless of whether the words "integrated marketing" have ever passed a corporate lip.

No matter how religiously you track leads and follow their outcomes, can the show be solely credited for generating, say, \$200,000 in sales? Usually not. And the bean counter in the corner office knows that.

"Today's CFO will quickly detect flaws in calculating ROI by measuring sales from leads," says market-research expert Skip Cox, president of Exhibit Surveys Inc. in Red Bank, NJ. There are simply too many variables that influence a buyer—and too many people in the company vying to take credit as the variable that mattered.

If it's any consolation, the same dilemma confronts everyone else in the marketing mix. In advertising, for instance, the quest to pin down ROI with academic precision has such a long history of futility that most people in the business have given it up as pointless. As one scholarly review of the accumulated research put it in 1991, "the relentless pursuit of an exact measurement of the advertising-sales relationship is...a waste of effort."

Exhibit managers everywhere are looking for leads that originated at a trade show—leads that didn't exist anywhere in the company's database before—in an effort to take sole credit for the eventual sale. "I don't have a problem with that," Cox says, "but it isn't really a final answer." It still fails to take into account the overall effect of advertising, direct mail and other factors that may influence the sale.

YOU DON'T GET SMARTER

Even if tracing leads to sales were a reliable way to persuade management that you did a great job at the last show, it still would tell you nothing about how to do a better job at the next one. Lead tracking doesn't give you information you can use to improve your performance.

What happens if you don't get an acceptable amount of leads or sales from a show? Should you drop the show from next year's schedule? Should you train your staff better? Should you display different products next time? You won't

find any answers in the leads you counted and tracked. And if all you have are guesses, the bean counters are likely to proceed straight to the bottom line and cut the show.

Thinking of measurement in terms of “justification” alone is a trap, Cox says. In your preoccupation with covering your butt, you can cut your throat. Sure, you need to justify yourself, and that means looking backwards to see how you did at the last show. But if you’re ever going to get better at what you do, you also need to look ahead by gathering information that will let you make smarter tactical and strategic decisions about future shows.

BEYOND ROI

A true ROI measurement involves a direct link between dollars spent and sales received. You can and should gather evidence of such a link. As we’ve seen, however, proving it beyond a reasonable doubt is extremely difficult, and efforts to do so may be a waste of energy.

Before you can truly understand the value of your exhibit program, yet alone fight for it, you need to gather data that evaluates your effort at many levels: show selection, exhibit efficiency, customer perception, brand strengthening and more. The idea is to measure not just ROI but return on objectives—ROO.

“The real task for exhibit managers becomes how to design a show program that includes clear and significant objectives that can be measured to demonstrate progress,” says Doug MacLean, president of MacLean Marketing in Columbia, SC.

The process begins internally. First, you have to understand your company’s overall marketing objectives. Everything else will stem from there. Next, you need information—data about your audience that will allow you to develop a comprehensive program with measurement as its foundation.

How do you move from classic, cover-your-butt lead tracking to long-term strategic planning? There are six steps, Cox says: 1) select the right shows, 2) develop sound

objectives, 3) continuously improve your program, 4) measure your return, 5) learn from past performances and 6) monitor trends. Each of these steps demands specific actions (see “Strategic Exhibiting”).

Here’s the longhand version of those actions.

1. IDENTIFY THE SIZE AND MARKET POTENTIAL OF THE TARGET AUDIENCE.

This is the first step toward picking the right shows. A lot of the information you need will be available from show management, but responsibility also lies with the exhibitor. If your company uses specific criteria to identify prospective markets, you’ll need to investigate that on your own. “Defining the size and quality of your potential audience is the most important element,” Cox says. Audience quality should drive the decision to enter a show and all subsequent decisions, including how much money to spend. Every objective you have will hinge on reaching this target audience.

2. UNDERSTAND THAT TARGET AUDIENCE’S PROFILE.

You have to know who the attendees are to give them what they want. Research their backgrounds, interests, needs and motivations for attending the show. No, they won’t be a single, homogenous herd. You’ll probably identify several major groups of prospective customers. Plan your attack accordingly.

3. IDENTIFY STRENGTHS AND WEAKNESSES OF THE EXHIBIT.

This is what continuous improvement is all about. Analyze every facet of your exhibit. Does it serve the needs of the target audience? Does it help communicate the company’s objectives and the show objectives? Look at tactical aspects (pre-show promotion, theater presentations, demonstrations, etc.) as well as functional aspects (traffic flow, layout, graphics, booth size and ease of finding products and information).

STRATEGIC EXHIBITING Getting the information you need

TASK	ACTION
Select the right shows.	Identify size and buying power of target audience.
Develop sound, measurable objectives.	Understand profile of target audience.
Ensure continuous improvement.	Identify strengths and weaknesses of the exhibit.
Measure return.	Monitor exhibit performance against relevant objectives.
Monitor trends.	Track basic metrics consistently from show to show.
Learn from past history and from competitors.	Benchmark results against past years’ performances and competitors’ results.

4. SET MEASURABLE OBJECTIVES.

To measure your performance accurately, you must set realistic, specific and measurable objectives. We've all heard it before, but only 29 percent of exhibitors take this step, according to the Center for Exhibition Industry Research in Chicago.

Most companies settle for watery objectives, Cox says. Statements like "Increase awareness of our company and products" are neither specific nor measurable. A better goal would be: "Make 25 percent of our target audience aware of our product." There's something you can measure. (We'll see how in a moment.)

5. BENCHMARK RESULTS AGAINST PAST YEARS' PERFORMANCE AND AGAINST COMPETITORS.

Are you getting better from year to year? And are you gaining or losing ground vs. your competition?

6. CONSISTENTLY TRACK RESULTS FROM SHOW TO SHOW AND YEAR TO YEAR.

An extension of the previous step, this lets you monitor and graph trends. Certainly, your specific objectives will change from show to show, but it's important to keep the basic questions consistent. Those are your performance-improvement benchmarks.

SETTING GOOD OBJECTIVES

In the ROO model, everything depends on the quality of your objectives. They need to be not only measurable but also relevant to corporate marketing goals and to the target audience. If they aren't, none of this will be useful to you—and management probably won't buy it anyway.

"You must understand what's motivating the visitor to attend," Cox says. Then you can set objectives for attracting that visitor. Use "gut feel" first, then back up your theories by collecting data.

There are two types of objectives. Sales-related objectives cover things like entering new markets, generating leads and taking orders. Communication-related objectives might include promoting corporate image or awareness, introducing new products and public relations.

Both types can be written in measurable terms, but they are rarely expressed that way. Most often, show goals sound like this:

- "We've got to get better leads."
- "We've got to do a better job of understanding our prospects' needs."
- "We've got to figure out why our competitors are doing so well."

As MacLean puts it, "You might as well say, 'I want you to run faster.' My response would be, 'How much

COMPAQ'S MINISTER OF METRICS

Call him the Billy Graham of trade show measurement. For more than five years, self-proclaimed numbers evangelist Rob Aston, director of worldwide corporate trade shows for Compaq Computer Corp., has been preaching measurement as the way both to justify and to improve a trade show program.

In the gospel according to Aston, the keys to the kingdom can be found in a careful blend of consistency, well-defined objectives and clear communication with management.

"The trick to measuring 'return' is to define it before you leave for the show," he says. Refusing to write obscure or politically motivated objectives, Aston meets with Compaq management before each show to clarify expectations. At right, his list of the "returns" that a show can be expected to deliver (note that "closing sales" isn't on it).

Aston calls his approach the "four-bucket theory." Rather than just counting leads, he divides reports of his show performance into four "buckets:" sales, audience, brand image and media.

"When I write objectives, I write for each of those four buckets," he says. "When I report the return on objectives, I report it in those

four buckets again."

For the *sales* bucket, Aston measures the number of qualified leads (based on staffer ratings); purchase intent, including dollar volume (gathered from in-booth surveys and post-show sales conversion surveys); and cost per lead (total cost of the show divided by number of qualified leads).

The *audience* bucket contains measures of visitor demographics and qualifications. Were visitors to the exhibit decision makers? Did they have the budgets to qualify as real buyers? What opportunities did they present? The information is gathered through surveys in the booth and before the show.

The *brand image* bucket measures how effectively the messages within the exhibit communicated corporate objectives. Also measured are attendees' impressions, awareness and familiarity with Compaq and its brand. Aston uses in-booth and post-show surveys to gather the data.

The *media* bucket measures press coverage as a result of the show. Aston uses an outside service to search the Internet and find all press coverage (for both Compaq and its competitors) surrounding each show. The service reports how many articles appeared,

NINE OBJECTIVES FOR TRADE SHOWS

- Validate corporate strategy for customers, analysts and press.
- Build brand awareness, familiarity and consideration.
- Find qualified, targeted leads.
- Influence buying intentions.
- Nurture relationships at all levels.
- Gather customer, prospect and partner information.
- Demonstrate products and services.
- Improve press relations.
- Accelerate sales cycle.

faster, and in what direction?’ Objectives that can’t be measured are useless.” (See “Setting Measurable Objectives.”)

Achieving your objectives begins with attracting the right prospects to your exhibit. You do this through the size of your exhibit, pre- and at-show promotion, attention getters in the booth, exploiting existing marketplace awareness, displaying products effectively and designing exhibit materials and graphics in line with your mission.

TIME TO MEASURE

This brings us to the heart of ROO: measuring performance against the objectives you set.

No single measurement tool is suitable for all objectives. The “Setting Measurable Objectives” chart offers a quick reference for matching different tools to the objective you want to measure. Here’s a look at some of the tools that belong in your kit.

LEAD ANALYSIS

Simply put, this involves counting the leads you gather and analyzing attendees’ desires from the information they give you on the lead cards. A well-designed lead card also will give you demographic information about attendees and their industries. MacLean suggests that analyzing how thoroughly the cards are filled out also can help you evaluate your staff’s performance.

GOOD FOR:

- New product introductions. Check to see who asked for more information or demos on your new gadget.
- Lead counting. Obviously, if one of your objectives is to gather as many leads as possible, you’ll count them to measure your success.
- Tracking eventual sales. Generating sales is at the top of most objectives lists. Counting and tracking leads gives you evidence that you at least played an important role in making those sales.
- Entry into new markets. Trying to break into a new market? Well, how many people from particular industries entered your booth and asked for information?

NOT GOOD FOR:

- Counting leads doesn’t help you measure communication-related objectives, such as image building, branding or increasing awareness, because there is no method for recording audience perception.

IN-BOOTH VISITOR SURVEYS

These usually are conducted by personal interviews as the visitor leaves the exhibit. Ask simple questions, such as: Did you find our staff helpful? Which product demonstrations did you find particularly suited to your needs? Did you receive a demonstration of our new XYZ model?

placement of those articles within the publications, their tone (positive or negative) and the circulation of each publication.

IN THE BOOTH

All of Aston’s in-booth surveys are conducted electronically. He uses four or five kiosks set around the exhibit and offers an incentive to visitors to complete the survey. The visitor swipes his card, confirms his identity and answers four questions regarding his interest in the product, budget, time frame and purchasing role. From there, the visitor can either sign off or complete a longer survey that covers image, brand awareness and staffer ratings.

About 50 percent of kiosk visitors opt to complete the entire survey. The paperless system automatically tallies and saves the information. You don’t have the budget for electronic kiosks? That’s no excuse, Aston says. A paper survey works, too.

USE THE NUMBERS

Three to four weeks after the show, Aston reviews his results with management. From data recorded in Microsoft Access, he creates an executive summary (organized into those “buckets”) with a one-paragraph explanation underneath each heading.

His strategy is to use the numbers proactively instead of waiting



for management to ask about results. “Typically measurement is used as something to put on the shelf and pull off only if somebody asks for it,” Aston says.

Aston’s numbers don’t have much time to sit idle. After management has reviewed the condensed results, he uses the raw data to improve his telemarketing efforts, event promotion, exhibit messaging and audience-acquisition tactics. “We’ve significantly changed the way we do shows based on feedback from our customers,” he says.

And when he’s not improving his own program, he’s preaching his measurement sermon to whoever will listen. He teaches measurement techniques to all of Compaq’s product divisions and conducts a seminar on the topic at the Exhibitor Shows. “It’s like God’s work,” he says. “I keep preaching because a lot of people are out there sinning.”

GOOD FOR:

- Analyzing specific aspects of the exhibit, such as demonstrations, theater presentations and staff performance.
- New product introductions.

NOT GOOD FOR:

- Image or brand building, since the survey is conducted while the attendee is still in the exhibit.

POST-SHOW ATTENDEE SURVEYS

These usually are conducted by mail or online. They should measure a random sampling of all show attendees, not just visitors to your exhibit; this helps you establish the size of your potential audience. Post-show surveys can be conducted by the exhibitor to measure staff performance, exhibit logistics or promotional techniques. Or, they can be

conducted by an independent party to measure awareness levels and recall.

GOOD FOR:

- Gathering demographic information about attendees that can help with future show selection.
- Measuring customer perceptions of the exhibit and the show.

NOT GOOD FOR:

- Sales-related objectives, which are better measured through lead analysis and sales conversion surveys.

PRE- & POST-SHOW SURVEYS

These are two-part surveys, one conducted just prior to the show to establish benchmarks of awareness, the other con-

SETTING MEASURABLE OBJECTIVES

TYPICAL GOAL	QUANTIFIABLE OBJECTIVE	MEASUREMENT METHODS
Introduce a new product.	Give product demo on XYZ model to 50 percent of target audience.	<ul style="list-style-type: none"> • Send a targeted pre-show mailer to customers and measure overall response. • Document on lead forms when product demos were given to new or existing customers. • Analyze the results of post-show surveys conducted independently on audience sample and internally through fax-back surveys. • Monitor press coverage received.
Get better leads.	Using the lead card, gather specific information on 100 percent of visitors entering booth. Include full contact information, industry, buying cycle, brand of current equipment, satisfaction level with current equipment and production levels.	<ul style="list-style-type: none"> • Record all demographic information gathered from custom-designed lead cards. • Make appointments with prospects for Internet registration. Ask for specific information. • Offer a drawing or premium to visitors for completing lead forms, and analyze results.
Gather competitive information.	Learn current product emphasis and market focus of three key competitors (name them).	<ul style="list-style-type: none"> • Use custom-designed competitive-information forms. Record and analyze the data gathered by booth staffers. • Use sales-conversion survey to find out why customers bought from the competition.
Enhance your image as an industry leader.	Deliver brand message to 85 percent of your target audience.	<ul style="list-style-type: none"> • Count attendance at demos and theater-style presentations. • Record visitor feedback on lead cards. • Use post-show survey to measure audience perceptions of company and recall of brand message. • Measure press coverage.

ducted just after the show to measure changes in audience perception after exposure to your exhibit.

GOOD FOR:

- Communication-related objectives such as messaging and image or brand awareness.

NOT GOOD FOR:

- Sales-related objectives (since post-show surveys are usually conducted directly after the show, before completion of most buying cycles).

SALES CONVERSION SURVEYS

These surveys go to visitors who filled out your lead cards. They are best conducted by phone or e-mail approximately three to six months after the show, depending on the sales cycle of the products. They measure sales to the exhibitor and to the competition (if conducted anonymously).

Sales conversion surveys can provide a good assessment of the total buying potential of your visitors. If sales to your company are low but those to competitive companies are high, the problem likely doesn't lie in the show. It probably has to do with your products, your company, your exhibit, your staffing—it's something you need to investigate.

GOOD FOR:

- Sales-related objectives and new product introductions.
- Objectives related to company and exhibit performance. (Was the staff helpful? Was the exhibit appealing? Why did you choose a competitor's product?)

NOT GOOD FOR:

- Image or brand awareness.

LEAD TRACKING SYSTEMS

Often referred to as closed-loop lead systems, these are the most cost-effective way to measure sales resulting from an exhibit. To be effective, lead-tracking systems must have strong management support, requiring salespeople to report back on results of following up the lead.

GOOD FOR:

- Measuring sales resulting from the show.

NOT GOOD FOR:

- Assessing other influences on sales, such as staff performance, lead follow-up and the influence of other promotions.
- Measuring sales lost to the competition.
- Measuring the quality of follow-up efforts by salespeople or the effect your exhibit had on the customer's decision to buy.

PRESS COVERAGE ANALYSIS

This is a simple matter of monitoring business and trade publications for the amount of exposure you get before, during and after a show.

GOOD FOR:

- Communication-related objectives such as awareness and branding. Particularly useful for new-product introductions.

NOT GOOD FOR:

- Sales-related objectives (since press coverage provides no measure of visitors attracted to the booth or sales made from the show).

IT'S WORTH THE MONEY

Comprehensive measurement can be expensive. The rule of thumb is 1 to 3 percent of your total exhibit budget. But

		MEASUREMENT TECHNIQUES							
		Analyze Leads	In-booth Surveys	Post-show Surveys	Pre- & Post-show Surveys	Sales Conversion Surveys	Lead Tracking Systems	Analyze Press Coverage	
OBJECTIVES	Messaging			X	X	X			X
	Image/Branding/Awareness					X			X
	New-product Introductions	X	X	X			X	X	X
	Public Relations								X
	Generate Leads	X							
	Generate Sales	X					X	X	
	Enter New Markets	X			X	X	X	X	

SOURCE: EXHIBIT SURVEYS INC.

think about what you'll say the next time management asks, "What did we get out of that show?"

If you can confidently say that X dollars in sales resulted exclusively from your exhibit, and if management believes you, then you've got the world by the tail; ROI is all you need to worry about—unless, of course, you want to do even better at the next show.

If that approach isn't working for you though, try saying, "Here's how and where my program contributed

REMEMBER TO TELL THE STAFF

If you're going to adopt a strategic measurement program, don't forget to educate staffers about it. "Your booth staffers will be the delivery system," says Doug MacLean of MacLean Marketing in Columbia, SC. The whole elaborate system can crash if staffers don't understand what is expected of them and why it's important that they gather the information.

to our corporate objectives." Then show them the research that supports everything you say. Chances are, management will sit up and listen. **E**

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