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Trade Show

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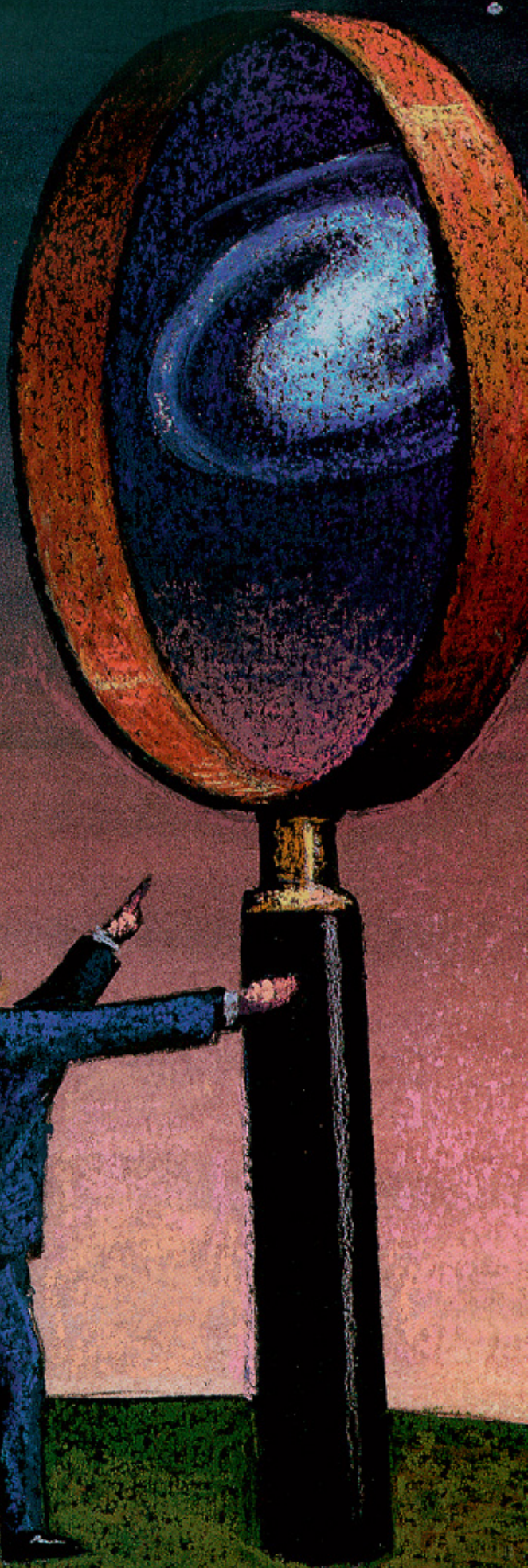
The Magazine for
Exhibit Professionals

Future Focus

Industry pros predict
what's ahead for
trade shows

Plus:

- Challenge to Managers: Innovate, Evolve to Succeed
- West Coast Perspective Offers New Model



West Coast STYLE

BY JOHN MOYES

Is the future of the exhibit industry being rewritten on the West Coast?

There are many reasons to believe that it is!

Most people started redefining the future of exhibiting right after 9/11. The Microsoft chartered bus leaving a halted N+I /Atlanta, a community of stranded conventioners and strangers filling one way rentals, heading back on the road, echoes of Kerouac. Tremors we had not felt before shook the foundations of an exhibit industry as we knew it, already starting to crumble.

Out here on the Left Coast, the tech world and the exhibit industry always enjoyed a happy symbiotic relationship. In fact, we fed off each other in a glorious exuberance, heightened by the modern day gold rush of the dotcom bonanza. Sales and marketing on ecstasy. While 9/11 was the turning point for the exhibit industry as a whole, we on the West Coast were already starting to lose our sense of direction before 9/11. When we noticed the dotcoms were imploding. When nasty rumors started circling about the telecommunications industry. When, as CEIR research indicates, the biggest staff cutbacks were among middle managers, the people who usually attend trade shows in the largest numbers. When jobs and companies started disappearing-and anyone who was worth getting to know was invited to pink slip parties.

Is This Normal?

C.BiZ editor Bob Thompson wrote on the anniversary of the terrorist attacks:

...on we go, trying to make the most of a sputtering economy, waiting for things to return to normal. Then it hit me: What if this is normal? Don't mean to be gloom and doom, but we all got a warped sense of reality in the booming economy of the 1990s (in the USA, anyway). Out-of-control VCs launched one BadIdea.com after another and free-spending enterprises bought loads of high tech equipment and expensive software.

Now the party's over. Heck, we can't even use accounting tricks anymore to turn red ink into black. CFOs are heading back to school for an accounting refresher: Revenue - Expense = Profit, no matter how many off-shore sham companies are set up.

What this means...is not clear. On the one hand, big companies with lots of resources (some might say fat) can survive a downturn while under capitalized companies fade away.

But the small fry have a lot of spunk, with "lean and mean" as their corporate mantra. While some upstarts won't make it, others will seize the opportunity to provide better solutions at lower costs, something more difficult for the big players to accomplish....

I'm not expecting the 1990s version of "normal" to return anytime soon. So let's make the most of these (ab) normal times. Cherish your loyal customers and partners. Invest wisely. Hug your family and friends.

I think Thompson might have stumbled on to something, something about those small fry with a lot of spunk. The U.S. Department of Labor shows that "small fry" employ over half of the U.S. workforce, that they are likely to share information, that they have much more targeted interests-and that they are much less likely to commit key personnel to multi-day events. I also believe that Thompson, like the rest of us, is correct in looking for a new version of normal. A new model is emerging, and the small fry are driving it.

Is The Left Coast Defining The New "Normal" For Exhibiting?

On the Left Coast, there is a new "normal" to the exhibiting process, marked by some definitely identifiable characteristics. My list is by no means all-inclusive, but a pattern is starting to emerge.

The new "normal" has at least some of its roots in the intensive networking model that the dotcoms brought to the business community as a whole.

The new "normal" appears to be built on one simple assumption: somewhere, everyone has an email address and is accessible.

Talent is spread geographically. People began to realize that taking orders for grande double-shot no-fat lattes wasn't going to help them make payments on their Audis-and they were going to have to find jobs. Often those jobs involved relocation. But because everyone is still accessible, virtual teams and partnerships are indeed possible-and often preferable. Geography simply isn't an issue any more-you can bring the best people together for your project. It's like having a party-a bunch of people gets together, has a good time, and they say, "Hey, that was great! Let's do it again!" Or maybe it's like making a movie: the cast and crew are assembled, the completed work is critically acclaimed-and everyone goes away to the next project-which may or may not include people from the last movie.

Survival depends on acknowledging the competitive nature of business. Taking customers to a private place, away from competitors, is now essential, where once being the biggest and baddest at the show was important. Survival also depends on a new understanding and cultivation of partnerships.

Domestic exhibit programs are undergoing careful analysis. The imperative to attend "big shows" and look big is gone. The new mandate is to find smaller, focused shows, often regional shows. Suddenly what used to be sneered at as "second tier"-either the show or the city-is becoming important. Money from the big show budgets is being reallocated for sales training, focus groups, and key customer events.

In this world of virtual teams and relationships, exhibit properties are part of the transitory culture. The focus in exhibiting is away from property ownership. In the old order, an exhibiting company would approach exhibit suppliers, instigate a design competition between vendors, and eventually "build something." Something that could be re-used, warehoused, refurbished. In other words, something that cost money to own, even when it wasn't being used to generate business. The new emphasis is on messaging, on budgets, and results.

Global exhibiting is now business as usual-and the future of global exhibiting is rosy. Once a big mystery, exhibitors are finding that taking products and services to viable international markets is often easier than exhibiting in the U.S. where so much of the exhibiting industry is built on freight movement and insidious "special handling." In other countries the significant expense of freight is simply not a factor. One-time use exhibits are built on site, and when the show is over, they don't exist any more.

Practices from the global exhibiting process are finding their way to the U.S. Rental programs are no longer about configuring old properties that exhibit houses have in



Monterey Design Systems, Sunnyvale, CA, scrapped its old exhibit and spent the money earmarked for freight, refurbishing, set-up and storage on this one-time use rental exhibit at DAC, June 2002. The new exhibit uses fabric, video, and inflatable chairs.

their warehouses, but about one-time use designs that integrate light weight materials and a retail sensibility to deliver messages that are both focused, goal-oriented, and attractive. Turnkey budgeting is conforming very closely to square foot or square meter standards commonly utilized in Europe.

Customer events are becoming increasingly important. For the same amount of money-or less-companies can bring customers together and eliminate distractions from the competitors next door. Not only can the message be delivered clearly, but the opportunity for existing customer advocacy is inherent in the networking situation.

Return on investment is not simply a phrase that gets overused in the annual plan. It's real. There can be no fat in the exhibit program-and every piece of the program needs to be accountable. Every give-away, every presentation, every graphic. If it isn't generating leads and sales, it's out!

New Lessons, New Outlook

There is no going back. What we are learning is that near death experiences bring about drastic changes and inspire new collaborations. We are recognizing that it's time for all of us to form new alliances between exhibitors, suppliers, exhibit companies, installation and dismantling companies, meeting planners, and show management to keep our industry alive and healthy-even if that means doing things in a completely new way.

The intense relationship that has always existed on the Left Coast between technology and the exhibit industry is changing, evolving-maybe it's maturing-because there is consensus that we all need to focus on one another's measurable success or we will not have a future.

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