

## **Creating a Realistic Trade Show Budget**

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Having a realistic tradeshow budget is crucial for your exhibiting success. It's imperative to include all of the costs associated with exhibiting in your financial plan, yet many exhibitors fail to take this crucial step. It's almost impossible to realize positive ROI when you don't know how much you're spending -- and what you're spending it on! If you ask most exhibitors what they think the largest expense associated with tradeshow participation is, chances are they'll tell you the display space.

It's true that exhibiting space is expensive. That 10X10 booth can set you back a pretty penny -- and price tags go up for larger spaces and prime locations. However, exhibiting space itself is generally only 30% of the total cost associated with exhibiting. That 30% of your budget is fairly fixed. A fabulous negotiator might be able to get show management to shave a few hundred off the price of exhibit space, but that's the exception rather than the rule. Instead, you'll want to concentrate on that other 70% of your budget.

The expenses that make up the bulk of your participation cost are, to some degree, variable. They're under your control -- which means, with time, planning, and oversight, you can keep them down. The lower your costs are, after all, the easier it will be to generate a positive ROI on your show!

The reality is, however, that most exhibitors don't pay close attention -- or any attention at all! -- to some of the items that make up the remaining 70%. The cost of their show creeps steadily upward, bit by bit, as small charges mount up and up until they're a sizable chunk of change.

This is particularly common among new exhibitors -- although it also plagues seasoned pros who fall prey to the assumption trap. This is when an exhibitor assumes that things will be done this year the way they've always been done previously. Like all assumptions, this one can prove costly! Here are some of the items that make up that 70%, as well as some thoughts on how to keep these costs manageable.

### **Display Materials**

Your display can make your show: attractively presenting your merchandise in an eye-catching and innovative way helps capture attendee interest and draw them to your booth. However, you want to make sure that you're not overspending on your display. There's the initial cost of your display, not to mention the storage and maintenance expense. Consider renting or leasing a display (especially if

you are a first-time exhibitor or only attend one show a year): you can often get a high level of customization while saving money and reducing headaches.

### **Freight**

Shipping displays, products, promotional literature, giveaway items and all the other show stuff to the tradeshow can eat up a lot of money. Consider your shipping options carefully. Take the time to do some comparison shopping. Who can offer you the best deal and ensure timely delivery? It does no good to save money if your material arrives after the show closes. Often, shipping companies have experts on staff who can help your crew pack material in the most cost-efficient manner possible. Again, a minor point, but one that can save you big money.

### **Show Services**

Read your exhibitor manual! In there, you'll find information detailing how and when you need to sign up for show services -- items like electricity, floor coverings, and so on. The earlier you sign up, the more you'll save.

On average, costs go up by at least 25% for these services after the initial deadline passes. The closer you get to the actual show, the more you're going to pay -- and if you forget about needing utilities until you arrive on the show floor, you'll pay top dollar. This is one clear instance where planning ahead will save you a substantial amount of money.

### **Pre-show Promotion**

Pre-show promotion is critical to your success. Show management often offers several free and low cost promotional venues: explore your options. This may include participating in a product display area, an Artist's Alley, having your name included in category listings in the directory, website advertising and so on. Always consider: will participating in this effort help me reach the target audience I'm trying to reach? If you sell widgets and the show organizer is putting together a directory listing of Widget Sellers online and in the guidebook, and charging \$35 to participate, it may be the best \$35 you've ever spent.

### **Booth Staffers**

Transporting, lodging, and feeding booth staffers can eat up a considerable chunk of change. Most people have a tendency to live a little grander when they're on the company dime -- you know they don't order the \$65 steak dinner at home! Keeping your corporate culture in mind, you may want to introduce some restrictions into the booth staffing budget. Offering per diem meal allowances is one way, requiring receipts is another.

Explore lodging options: some hotels offer convention specials if you can book early enough. Again, pre-planning is your best friend. Travel costs can fluctuate

wildly, based on fuel prices and other variables beyond your control. Again, giving yourself enough time in the schedule to find good transportation deals can help control costs. They say time is money. That's certainly true when it comes to the tradeshow arena.

By planning ahead and allowing yourself enough time to explore options, sign up for services, promote your participation, and other critical steps, you'll be able to enjoy maximum results for minimal expense!

*Source: **Susan A. Friedmann**, CSP. *The Tradeshow Coach*, Lake Placid, NY, internationally recognized expert working with companies to increase their profitability at tradeshow. Author: "Riches in Niches: How to Make it BIG in a small Market" (May 2007) and "Meeting & Event Planning for Dummies."  
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