

Are exhibitions good for your business's health?

ICMA International specialises in business to business customer and employee opinion surveys. Our clients come from many different industries and so, to keep ourselves up to date it's not unusual for us to drop into different exhibitions and catch up with people and events.

As the recession started to bite we began wondering about attendance at exhibitions. Do the traditional reasons for exhibiting still apply? Can companies continue to justify the money spent not just on the stands themselves but on giveaways, man hours, travel? What are their reasons for attending? Where does it all fit in to their marketing plans?

To learn more we set up a series of telephone interviews with businesses we knew had exhibited recently.

What we found out

We first asked respondents which methods they

- a) found most effective to help existing customers find them and
- b) which they used to actively reach out themselves to potential customers.

Almost half (48%) of the people we spoke to felt that exhibitions were the best way of reaching out to new customers whilst only 23% said that their sales force was more effective.

The internet is clearly gaining validity as a sales tool:

- 48% of our respondents said they use emarketing to actively reach out to their customers
- 36% said their customers used Google and other online search engines to find their business.

However, as one respondent commented, *'face to face is always best'*.

Online marketing is used mainly as a support to more traditional face to face techniques. Only 5% found emarketing to be most effective tool and 9% search engines whereas 36% said word of mouth was the most effective route by which new customers found them.

Exhibitions

As might be expected from a sample base of people who had attended recent exhibitions, most respondents said that they exhibited at least annually with 84% exhibiting more than once a year. 11% preferred to focus on their annual trade exhibition for their industry

The key role of exhibitions was, almost unanimously (93%), seen as the opportunity they gave to present companies as a source of expertise, 45% also valued exhibitions as a good way to keep their name actively in front of customers.

There is always the danger of confusing activity with productivity and a sizeable minority (12%) commented that exhibitions were *'a bit hit and miss'* or that they *'make a lot of contacts but don't seem to get much business'*. Exhibition success is undoubtedly influenced by the pre work invested in presenting the right image at the exhibition and by the commitment to follow-up afterwards – simply *'being there'* is not enough.

Clearly exhibitions will suit some business models more than others. Certainly manufacturing companies were far more likely to be in favour than those with less tangible products. We asked respondents to say how useful they found exhibitions on a scale of 1-10 (where 1=not at all useful and 10 =very useful).

- 25% scored 5 or less out of ten for usefulness of exhibitions
- 43% said they were very useful (8+/10).

Other marketing tools

We then asked respondents about their use of other sales and marketing tools.

Telemarketing: Unsurprisingly the greatest challenge with telemarketing was said to be finding the right contact details in the first place and getting past reception and voicemail barriers. However it was also commented that it can be *'hard to find the right person but once contacted is the best response'*. Where people did not use telemarketing reasons included *'not suitable or cost effective'* and it was commented that telemarketing companies *'did not work hard to get to the right person and then to get that person to talk to us'*.

- 32% said that they used telemarketing regularly
- 54% had never tried it.
- 14% found it to be their most effective marketing tool.

Emarketing: Similar problems were experienced with emarketing (48% use regularly, 36 % have never used) where getting the right contact details and getting people to read the sent communication were the biggest hurdles.

Search Engines: 9% of respondents found that advertisements on Google and other internet search engines to be the most effective way of customers finding their business.

Industry Publications: 18% used articles in magazine and similar publications to attract attention from prospective clients but only one respondent cited the use of such articles as the most effective way of attracting business.

Networking (physical and online): Networking, whether physical or online was less popular. More people (77%) had tried physical networking (45% online) but were unenthusiastic about the amount of business generated saying that it was *'more people selling to us'* and not one person gave networking as their primary route to new business. Although several people name checked Twitter and LinkedIn for online networks a number of others commented that *'the decision makers are usually not on the networks'*. Many felt that online was *'not suitable for our industry'*

However, several respondents admitted to a lack of understanding about how online networking worked, *"don't really know if it works but think it's very important... to try and keep up with the times"* and just under a third of respondents indicated that they were experimenting with the medium *'quite new to us but seem to be getting some leads'*, *'Don't know only just starting to try it, 'very new to us so will have to wait and see'* indicating that the technique was likely to increase in popularity.

Face to face: Our initial theory that one impact of the recession would be companies cutting back on the more expensive face to face interactions was contradicted by many respondents. Instead many cited the importance of increases customer contact by email, by phone but most of all in person. *'more face to face contact', 'more visits, would like more time for face to face contact'*.

Companies agreed that they *'need to be more proactive and not let any leads slip through'* and stressed the importance of understanding their customers , *'[we need] better targeting of the people we are reaching out to', '[we need to know]how to get our message across better'*.

Conclusion

It seems no matter how tight the budget, no matter how tempting the advance of technology, there is still a long way to go before Face to Face interaction loses its power in business relationships.

Businesses are gaining confidence with online tools and the use of emarketing, online advertising, etc is definitely increasing but for an overwhelming majority there is no replacement for meeting and talking with their clients.

Optimising customer interaction

We identified strongly with the respondent who said that they were *'looking at new ways of including more face to face communication, have just started our first customer survey'*.

Given the significant sums invested in exhibitions and other customer contact each year, an enhanced insight into both current and prospective customers needs can help companies to tailor their exhibition presence and so make best use of the investment.

As research professionals we know how important it is to understand what customers needs are – what the marketing department has decided the business wants, or what the sales team is shouting for most loudly is not always what the customers actually need.

The best run businesses consistently benefit from a reality check . A properly managed survey can help any business to enhance its customer understanding and the information gathered can arm sales teams with the right tools to meet and pre-empt their customers' changing requirements.

Can we help you to develop your business?

Contact us

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About our survey

We interviewed 44 UK based businesses in December 2010/January 2011. Of these 52% manufacturing, 23% environment or energy, 7% oil & gas, 5% wholesale and retail trade, 4% publishing, 7% other.