

# Reducing Show Budget Expenses; Don't Cut Off Your Nose to Spite Your Face

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As everyone tightens their belts in today's tough economic times, we have probably seen, heard about and/or experienced lower attendance and diminished exhibit booth sales at trade shows and events. The natural reaction to this for many show producers is to reduce expenses in their show budgets...typically by reducing dollar amounts of specific budget line items, or (sadly) cutting back on staff.

Certainly now, more than ever, show producers must work smarter and reduce expenditures where they can. But, in these tough times there are two critical areas where instead of decreasing expenditures, show producers should actually consider increasing budget resources. Those critical areas are attendance promotion and exhibit and sponsorship sales.

## Attendance Promotion

One of the most important things I've ever learned about trade shows came from Tom Corcoran, President, Corcoran Expositions. As we talked a few years back about exhibit booth sales, Tom related the classic "chicken-egg" analogy, i.e., which came first, the chicken or the egg? Well, in terms of whether it is exhibit booth sales or attendance promotion, Tom's message was clear...it's attendance promotion. And, Tom's reasoning makes total sense. If show producers are able to deliver the buyers to the show floor, increased exhibit sales will naturally follow. In fact, aren't attendance promotion and exhibit and sponsorship sales the classic example of a symbiotic relationship? That is, they are mutually dependent on each other. But show producers should always keep in mind that although increased show attendance may lead to increased booth sales, the converse is also true, i.e., as attendance decreases, exhibit and sponsorship sales may also decrease.

In the movie, *Field of Dreams*, Kevin Costner's character, Ray Kinsella, hears a mysterious voice say, "if you build, they will come." If show producers work hard to put buyers in the aisles, the exhibitors will come. Attendance promotion is where the show producer's main focus (and budget dollars) should be.

## Exhibit and Sponsorship Sales

As we all know, "selling squares" aka exhibit (and sponsorship) sales brings in revenue. Again, although it's natural to want to trim back staff during lean times, why would show producers want to reduce the amount of people who could potentially bring in more dollars? Obviously, it doesn't make any sense to do that. Show producers should probably think about adding resources (sales people and/or budget dollars) towards the sales effort, as opposed to reducing them.

In conclusion, it's absolutely critical that as show producers give serious thought to their show budgets, that they don't cut off their noses to spite their faces. Most importantly, show producers should budget their expense dollars wisely, focusing on what makes the best sense to survive in these challenging times. . . .attendance promotion and exhibit and sponsorship sales.

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