

PITFALLS & PAYOFFS

A Quick Look at Five Shows

FMI mulls show format change

(June 1, 2006) – The annual Food Marketing Institute (FMI) Show has been no stranger to change in recent years. In an effort to boost dwindling attendance, FMI has signed on co-partners including the National Association for the Specialty Food Trade's Summer Fancy Food Show, the U.S. Food Export Showcase, the United Fresh Fruit & Vegetable Association's Produce Show, and the Organic Trade Association's All Things Organic conference and trade show. The co-location of these events in Chicago has clearly brought new life to the show, garnering favorable comments from retailer attendees and suppliers alike.

But as the FMI board reassessed its position in an ever-changing retail environment, its long-range planning committee came up with several even more dramatic suggestions: First, alternate new and improved world-class educational forums with an extensive exhibit format each year, and, second, look for new convention venues to include in a rotating venue schedule....

The Super Show fades to black with slooooooow show

(Jan 30, 2006) – Both sides of the aisles at the last-ever Super Show were so empty that the atmosphere elicited head-shaking about the dismal end that the once behemoth and spectacular event had come to. Consider this: The Super Show, begun 21 years ago by the Sporting Goods Manufacturing Association (SMGA), was once the second-largest trade show in the United States, covering 2.2 million or so square feet of space in Atlanta, Ga., with an attendance that topped 100,000. From the show revenues, show owner SGMA reported in the mid-90s that it gave more than \$4 million in grants in 1994 alone to a variety of sports interests.

In a not-truly-surprising announcement, the SGMA has said this month's 21st Super Show – an event on which the association had hung its hat for years but one that recently had lost its shine – will be its last. At the same time, the group revealed a post-Super Show plan starting in 2007 that includes two shows....

Low attendance at divisive AHMA show

(May 3, 2004) – In years past, the buzz at the industry's major hardware show centered around outdoor living trends for next spring and testing out the coolest new tools. But with two shows this year, the hot topic at the American Hardware Manufacturers Association (AHMA) Hardware Show involved who was there and who wasn't, as well as what would happen in 2005.

With AHMA and Reed Exhibitions splitting and putting on separate shows this year, the rift has produced strong emotions across the spectrum. Some suppliers fully support AHMA, despite low traffic and a smaller exhibitor base at the group's show, while others voiced dismay. "The show stinks. We're not a big vendor, so we can't afford to do both," said Brian Budrow, director of Marketing for Allied International, referring to the poorly attended event.

But AHMA declared the show that ran from April 18 to 20 in Chicago a success. The organization reported that buyers from The Home Depot, Lowe's, Menards and the three coops--Ace Hardware, True Value and Do It Best--were among 15,000 estimated attendees viewing the newest products from 700 exhibitors in 200,000 square feet of space. In comparison, Reed's National Hardware Show, scheduled May 10 to 12 in Las Vegas, is boasting 2,100 exhibitors, including a large contingent of Asian companies.

Articles like these have become all too common. Many organizations whose tradeshow once dominated their industries – with years of success behind them and what they perceived as bankable loyalty, tradition and stability – found themselves closing the doors on their flagship money-making propositions. Others attempted to retool the show to play catch-up to the market that had passed them by. Still others cast about to form new partnerships with other shows in hopes of resurrecting at least a piece of their once thriving business.

While different industries faced their own unique challenges in the last decade and the exhibition industry itself experienced an unprecedented downturn in the wake of 9-11, there are common threads that can be traced through the shows that failed. So why have some shows survived and thrived with the rebound in general tradeshow attendance while others have gone dark?

Anecdotal evidence points to the following reasons for the fate of at least two of the shows mentioned above (FMI and AHMA):

- **not listening to their exhibitors; in fact, letting their relations with exhibitors deteriorate to the point that organizational representatives found it nearly impossible to walk the show floor**
- **lack of investment in customer (read: exhibitor) service, future market trend research and attendance promotion (relying on the “if you build it they will come” approach)**
- **especially with AHMA, throwing “too little too late” at the existing show (e.g., reducing space rental fees in an attempt to undercut Reed’s competing show that only appeared as an act of desperation)**

- the revelation to exhibitors that while their costs continued to rise, the profits of the organization were still increasing
- not being open to sometimes radical suggestions of how to rejuvenate the show (e.g., a new location or a shorter or less frequent format)
- “attitude” on the part of the organization that it either knew better how to run its show (even in the face of declining attendance), or that it wasn’t interested in outside input

The Super Show’s demise seems to suggest the SMGA bet solely on a change of venue being the panacea that would save the event. Its bold move out of Atlanta to Las Vegas – with few additional steps to redefine the show or attract new buyers – took what was essentially a regional show out of its region. Whatever appeal Las Vegas had as a destination was negated by the Super Show’s leaving its client base, with little or nothing done to change the fundamentals of an event that should have been responding to changes in the market it served.

There are success stories amid the cautionary tales. The Association of Woodworking & Furnishings Suppliers (AWFS) moved from its traditional meeting place, Anaheim, to Las Vegas in 2005 and saw attendance increase from 49 of the 50 states (the 50th state, California, saw a slight decrease due primarily to loss of local drive-in traffic, more than offset by the increase in overall attendance), with 44 states increasing by 100% or more. International attendance was up 134%, show freight up 30%, attendance became consistent throughout the four-day show (up 35% even on the last day), and exhibitors saw a 30% increase in lead retrieval. AWFS continues an aggressive program to promote exhibitor buy-in along with increased attendance, and prides itself in customer service. AWFS Fair 2007 has earned the U.S. Department of Commerce’s Foreign Buyer Program designation, and the organization plans to expand its visitor base from the target regions of Latin America and Asia.

Similar success met PMMI when, facing shrinking attendance in their traditional city of Chicago, they launched Pack Expo Las Vegas in 2003, to alternate annually with Chicago. The numbers speak for themselves:

RECORDS BREAK AT PACK EXPO LAS VEGAS

(October 6, 2005) -- PACK EXPO Las Vegas 2005 continued its growth trend by breaking several attendance records and increasing the number of exhibitors and net square footage in record numbers. The show set new highs in visitor attendance (+19%), exhibitor attendance (+12%), total attendance (+17%), international attendance (+22%), exhibiting companies (+23%) and net square footage (+14%).

	2005	2003
Visitor Attendance	21,907	18,369
Exhibitor Personnel	11,247	10,054
Total Attendance	33,154	28,423
International Attendance	2,773	2,262
Number of Exhibiting Companies	1,149	933
Net Square Footage	483,608	424,879

PMMI has taken a novel approach to reducing exhibitor costs, particularly when it comes to drayage. They have essentially become their own service contractor through “Pack Expo Services Inc.,” adding to their headquarters operations team two individuals who negotiate directly with facilities, unions, common carriers, moving and storage companies, and exhibition service providers and equipment suppliers. They are taking much of the middleman expense (from a Freeman or GES) out of the show, and passing savings along to their exhibitors. While a few exhibitors have complained about PMMI becoming the new middleman, others (chiefly anchor exhibitors) have seen their expenses in some categories drop by up to 50%.

Bottom line: There are many lessons to be learned from the death or severe contracting of once healthy shows, as well as from show organizers who are doing the job right. Launching a new show involves risk, but avoiding the pitfalls found by others can lead to payoffs.