

# ViewPoint

## Trade Show Trends



Linda E. Schwartz

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### Hosted Buyer Programs: Not Your Father's Trade Show

Trade shows, in one form or another, have existed since the beginning of recorded time. Whenever and wherever a few people gathered to display their wares for trade or sale, a trade show was born. The reason to exhibit has always been the same: to put sellers and buyers together to facilitate commerce. Most of today's trade shows are not all that different from trade shows from 20 or even 40 years ago. Exhibitors purchase a booth, display their wares and wait for prospective buyers to come. Booth personnel abide by a mostly unwritten code of conduct: do not sit down, do not eat in your booth and stand near the aisle to entice people to enter your booth for a closer look at your product.

But with soaring costs for travel, lodging, transportation, personnel and booth space, many exhibitors are cutting down on the number of trade shows they are willing to attend. If a show is not "a good show," resulting in tangible sales, it likely is eliminated from next year's list. How can this trend be reversed? According to Craig Hoffend, trade show specialist at IMEX America, "the wave of the future is the hosted buyer program."

Hosted buyer programs differ from traditional trade shows in a number of ways. The most obvious is that only pre-qualified buyers are invited to attend the program, and once a buyer qualifies, his or her travel and lodging costs are paid for. The team at IMEX is now in the planning stages for the

IMEX America Hosted Buyer Program, which will take place in Las Vegas on October 11–13, 2011. This program will bring together more than 2,000 of America's and the world's top-spending meetings, incentives and association buyers — the largest-ever hosted buyer gathering at a U.S. trade show. Eighty percent of attendees will be from the U.S., all of whom place business both in domestic and international markets. The remaining 20 percent will come from the rest of the world and have a special interest in buying in the U.S.

#### HOW IT WORKS

Once a hosted buyer has been invited to the show, he or she must commit to make and attend a minimum of four individual appointments with exhibitors per day. Attendees make appointments using an online diary that has search facilities by exhibitor, category, country and region, allowing buyers to book appointments in advance. Buyers also complete an online profile indicating what types of meetings they are looking to book, which allows exhibitors to invite buyers to a personal meeting. For example, a buyer looking to book a meeting for 1,000 at a luxury resort in Thailand could receive invitations from a number of hotels in that area of the world.

When buyers arrive at the hosted event, they find a markedly different atmosphere on the show floor than at a typical trade show. While there

certainly are booths and pavilions, the show has a more business-focused, upscale and exclusive feel. Exhibitors usually are seated on a sofa or at a table in their booth space, speaking with potential buyers. Refreshments are served, from cappuccino with a vendor from Italy to sushi with a Japanese exhibitor and margaritas at a Mexican pavilion. Hosted buyers are not aimlessly wandering the aisles, pausing here and there for a moment. Every participant in the show has somewhere to go and someone to meet with. As might be expected, exhibit space for a show of this type is more expensive than a typical trade show, with booth fees ranging from \$92 to \$110 per square foot for the Las Vegas event. However, Hoffend notes, "it's not what it costs, but what the results are."

#### VIRTUAL PROGRAMS

Some trade show organizations currently are investigating the feasibility of virtual hosted buyer programs. As virtual trade shows have grown in popularity and success over the last decade, virtual hosted buyer programs appear to be a natural next step. A virtual program might work well for senior level executives who have buying power but tend not to travel to other types of trade shows. The downside is that a virtual event typically is not as satisfying as an in-person experience, especially for VIP attendees who are used to face-to-face negotiation and deal-making. Indications

are that those most likely to participate in virtual hosted buyer programs are individuals who already are active online via Twitter, LinkedIn, online forums or other social media platforms. The event could be made more compelling by including a live-streamed keynote speaker and a cash honorarium to potential buyers.

Whether live or virtual, hosted buyer programs offer another option to the trade show industry, where the definition of "a good show" is happy exhibitors who have increased their sales and happy buyers who have found what they were looking for. As Hoffend notes, "with pre-qualified buyers, exhibitors at the show know that they will maximize their revenues. It's a win-win situation for everyone."

**Following are the four major hosted buyer events taking place in 2011:**

- **AIBTM, June 21–23, Baltimore, [www.aibtm.com](http://www.aibtm.com)**
- **MPI-WEC, July 23–26, Orlando, [www.mpiweb.org](http://www.mpiweb.org)**
- **The Motivation Show, October 4–6, Chicago, [www.motivationshow.com](http://www.motivationshow.com)**
- **IMEX America, October 11–13, Las Vegas, [www.imexamerica.com](http://www.imexamerica.com)**

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