

# *Key Findings*

*June 7, 2004*

## **Reinventing Trade Shows**

The reason for trade shows has always been the dissemination of information. Whether you are a vendor or a buyer, you go to trade shows to participate in an information exchange. Buyers get product information and vendors justify the time and expense as lead generation activity. At least that's the way it has always been, but lately the expense has not justified the information haul for either principle party. Buyers can capture more information about a company and its products in a few minutes on the Internet and because of that reality; interesting leads are not walking into trade show booths at the rate they once did. Information dissemination has been replaced by a mix of vendor intelligence, job hunting, a T-shirt swap meet, and a good deal of frustration as companies stopped sending people to shows to give and get information.

As recently as ten years ago, companies sent representatives to trade shows because that was the most efficient way of gathering information about competing solutions. Many companies performed research that frequently led directly to RFP's — requests for proposal — at trade shows and vendors knew that to be absent from a trade show was like not submitting a bid for business at numerous potential customers. Not so today. The Internet has taken over the information distribution function of most trade shows removing an important reason for their existence. The cost of disseminating information on the Internet relative to the cost of attending a trade show is so vastly lower that it is almost impossible for trade show organizers to compete.

### ***Trade shows need help***

At the same time though, vendors who attend trade shows and buy booth space have not done themselves many favors. At the recent DCI CRM show at the Javits Center in Manhattan, a random sampling of vendor booths showed that few had anything new to announce or any reason to drive traffic to their booths aside from their mere presence. The availability of information that could not be obtained elsewhere would be a valuable asset in attracting traffic yet; few vendors seemed to be aware of such a benefit.

Trade show vendors are in a bind for two reasons. First the conveyor belt that could reliably deliver a major new technology category to market every couple of years appears stalled. The marketplace's appetite for information is at its highest when something new appears on the market and everyone needs information pronto. We saw this phenomenon many times previously as categories opened up and brands went rushing in including business intelligence and data mining, imaging and workflow, relational databases and CASE tools,

just to name a few. Does anyone need a trade show for relational databases any more? Not likely, unless the show is the Oracle user group meeting. User group meetings are the natural successor to independently organized trade shows.

*But user groups are thriving*

The last user group meeting I was directly involved with many years ago was a sea of detail and I was glad that someone else was responsible for it. In fact, I thought then and still believe that there is a business opportunity for trade show organizers to offer their services to large companies that need to put on an annual convention. The transition would make a lot of sense for all parties. For vendors, there is a great deal of overhead -- significant parts of the marketing staff are dedicated to organizing, promoting, staffing and running the event and it can be argued that's not their primary mission. Why not outsource it?

At the same time, successful vendors attract a raft of partners to their ecosystems; those partners frequently exhibit at the user group meetings because virtually every person in attendance is a potential lead. If you are the primary vendor, it's better to stake out a big tent and have your partners under your watchful eye but it is a big undertaking to get the space and integrate the details. For the actual users themselves there would not be much difference aside from the fact that there is every reason to believe that a professional trade show vendor might be able to run a better show at a potentially lower cost.

Of course, this does not mean that trade shows will all go away. As I understand it there is life away from the technology field and trade shows exist in that parallel universe as well. But for some trade show organizers, at least a partial transition would simply reflect the reality that people today come together to trade information much more after they have bought a solution than they do before purchase. The reason for the shift is not very surprising and reflects what was discussed at the beginning of this piece. The information that people exchange at user group meetings is still not readily available on the Internet. And given the proprietary nature of some case studies it can be expected to stay that way for a long time. The trade show is fading. Long live the user group.

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