



## Is there any ROI in measuring the ROI of my tradeshows & events?

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**Q:** I don't understand how measuring ROI at my tradeshows and events can help me?

**A:** Robust ROI strategies help you accomplish myriad business objectives efficiently and cost-effectively.

When done properly ... ROI proves the ultimate value of a trade show or large meeting

Definition of a trade show or conference in trouble: one without clear, carefully honed objectives, with no system to effectively measure success, and with no real data with which to continually improve the effort or justify future spending. Only recently adopted by our industry, ROI (Return on Investment) has caught many event professionals short in their understanding of its benefits and methodologies. As a result, ROI is measured poorly (if at all) in a hasty attempt to defend a threatened budget. The company learns nothing truly useful, and at great cost.

When done properly, however, ROI proves the ultimate value of a trade show or large meeting. Strong ROI demonstrates accountability for expenditures, secures approval for the event, and allocates funding. It clarifies the business problems and the solutions resulting from the investment. It also significantly increases the value of event managers, who are able to achieve more credibility for themselves and their teams as business strategists.

This article details high-level reasons you should apply ROI processes, in whole or in part, to discover the actual monetary value of trade shows, meetings, and events. Although a comprehensive discussion of this multifaceted subject is beyond the scope of this article, you can explore a more detailed exploration by accessing our White Paper, [How to Measure Results for Tradeshows, Meetings & Events](#)

**Why Prove ROI?** Contrary to the common perception, calculating ROI does not require a degree in finance or accounting, or even above-average math skills. ROI is process-oriented and something

anyone can follow and learn. That is not to say that one can merely skate through the steps. Regardless of the subject of the analysis, ROI takes time.

Determining the bottom-line value of a show or an event requires foresight, planning, attention to detail, precision, and a willingness to question old ways of thinking and embrace new ideas.

Along the way a few sacred cows may get put out to pasture, if the data warrants it. That may create discomfort for some stakeholders, but the benefits of calculating ROI far exceed the strains.

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An effective ROI process helps organizations to:

- clarify objectives
- become results focused
- improve event processes
- identify profitable events
- identify events that need to be re-strategized or eliminated
- more effectively manage supply chain
- identify additional opportunities that would benefit from ROI analysis

Despite these and other benefits, the industry as a whole is ambivalent about ROI. Managers of tradeshow or meetings may feel vulnerable at the prospect of unfavorable data calling their efforts into question and jeopardizing their jobs. Certainly such possibilities cannot be discounted.

But those who embrace ROI processes become more knowledgeable about their companies and they are able to think and plan more strategically, raising their leadership value to the organization. Best of all, they know how to use the gathered data to make each subsequent event more measurably successful. In short, ROI makes them smarter and more valuable—measurably so, in fact.

**Reality Check** Pursuing true ROI is time consuming; the required resources are extensive, the steps exacting. At some point in the process, even the most conscientious event managers may find themselves longing for a little less diligence and a lot more speed. At times there may be merit in that attitude, for it's not necessary or even worthwhile to determine ROI for every meeting or event.

Some events are too small or inexpensive to warrant an ROI study. Some event objectives are so straightforward that little or no analysis is needed: "Did we meet our singular goal of getting 10,000 new subscribers, or didn't we?" And some events are simply not on the radar of senior leadership owing to their lack of impact on strategic initiatives.

Of course, your next question will be, “But how?”

Yet even when determining ROI isn't feasible, some process, however basic, should be put into place to enable your company to understand the value of its efforts.

**Creating Specific Objectives.** Choosing to invest resources at a trade show or a meeting is a serious matter. Sometimes, the decisions are made because; “We've always done this event” or “We've always done it this way”. This type of thinking has no business in business. Before dollars are allocated for it, an event must present a compelling opportunity to solve a specific business problem or fulfill a strategic opportunity. Events that fail have failed to answer some essential questions: What are the goals of the business? What objectives must be established for the event to meet those goals? And how will we measure those objectives? Without specific and measurable event objectives, there are no gains to be had, and there is nothing against which to measure ROI.

There are many benefits to developing specific objectives at different levels for meetings and events. First, they create a unified sense of purpose for the multiple stakeholders who are accountable for the event's success. Objectives define “success” by clarifying what is required at different time frames in order to be successful.

Objectives establish the anticipated outcomes of the event and provide the core criteria for the planner to monitor progress toward the goal. If speakers or breakout presenters are part of the mix, objectives enable them to target their material toward those ends. Clear objectives also have a motivational component; they energize the team, keeping it on purpose and on track. Also, without specific and measurable event objectives, there are no gains to be had, and there is nothing against which to measure ROI.

**Conclusion.** Of course, your next question will be, “But how?” The methods and processes can range in approach from simple to complex, and the ROI White Paper referenced earlier explores the *Phillips ROI Methodology* detailed in the book **Proving the Value of Meetings & Events**.

But for now, it's important to realize that the concept of ROI has been around for centuries, and the need for it will continue as long as investments continue to be made in trade shows, meetings, and events and the need for accountability in these endeavors persists. If the process seems daunting, it is wise to remember that the process is incremental; peace of mind can be found by completing the requirements of every step in turn rather than becoming overwhelmed by the size of the effort as a whole.

In the end, the more comprehensively that companies are able to justify their trade-show, meeting, and event investments, the better they are able to prioritize these and plan for the coming years, improving their value at every step.