

have less money to spend on your merchandise – and the cycle will go around and around. But I think each sector will have its own challenges and will figure out how best to get passed them.”

Every sector in the industry has to be concerned about the financial well-being of the exhibitors and sponsors that participate in their shows – as well as how many attendees will be coming. For example, Robbi Lycett, the vice president of Conventions and Conferences at the Biotechnology Industry Organization, has noted that although no company has decided to back out of the organization's conventions, some have decided to send less attendees to it.

“If a company normally sends 100 people, maybe they are only going to send 50 now. We think that between the effects of the economy and air travel, it will be an uphill battle to keep our numbers up,” she said. “As companies have less money to spend, maybe they will keep their booth presence but they will back down on the sponsorship and they will send fewer people. It is going to depend on where the company has seen most of its success. If they reduce their booth size, they can send less booth personnel and spend the money on branding.”

On the other hand, the price of travel may actually drive some companies to participate in more events because exhibiting gives them the opportunity to see more potential customers at once – rather than taking the time and expense of visiting each one individually. In anticipation of this happening, Dan Spigner of the Shaker Group says that his company is actually considering adding another show to its schedule and predicts that other event organizers may do the same.

“The smarter companies are going to actually be at more trade shows, not less. They may have a smaller booth, but you will see companies do one or two more trade shows each year,” he said. “I truly believe the industry is strong and that trade shows might become more important because there is

more of an incentive to meet people in person to strengthen those relationships. You may not have the budget to travel quite as much to do that, but you can travel to a trade show and see maybe 10 or 15 of your quality customers – whereas it might take you half a year or a full year to get that done otherwise.”

While exhibitors may see an increased need to attend shows in the current economy, the same may not apply to sponsors. Because it is much easier to cancel a sponsorship than it is to cancel a booth, and much harder to quantify how successful a sponsorship has been and whether participating in a show yields a good return on investment, many organizers may see their sponsors somewhat decline.

Although companies may face the potential loss of some sponsors, they can attempt to make up the difference by nurturing their relationships with their exhibitors. Staying in close contact with exhibitors and addressing their concerns about their own businesses gives event organizers the ability to keep that relationship strong – even as the economy weakens.

“We are spending more time talking to our customers day in and day out to ensure that we are not missing something. We are trying to stay connected to the marketplace as opposed to business as usual,” said Korse. “We just want to make sure that we are not letting an opportunity or a situation slip beneath our notice. We are asking what the issues are, what the problems are, how they are affecting exhibitors, and if there is something we can do with the shows that will help.”

In addition, adding conference content to a show is a good way for organizers to add value for both exhibitors and attendees. For example, offering information that all businesses are concerned about in this unstable economy – such as how to weather this financial storm and still build a business in tough economic times – is something that everyone participating in an event can appreciate. 