



Is Face-to-Face Marketing Old School?

**These days,
“old school”
can be
downright
revolutionary.**

Face-to-face marketing has been around since the 9th century B.C. when Carthage was first established as a trading post. Today's exhibit industry can trace its roots back to the medieval fairs of Europe and ancient bazaars of the Middle East.¹ For centuries, exhibitions and tradeshow have been a crucial sales and communications tool all around the globe.

In the U.S., manufacturers and wholesalers started using exhibitions to get their goods in front of buyers as early as the 1800s. Historically, tradeshow have been the primary tool used by businesses for sharing information, networking, gaining industry specific education, and staying up-to-date—that is until very recently.

No doubt our world has changed. There are numerous outlets from which we can gain immediate access to the comprehensive array of content that was once the sole domain of the tradeshow and other face-to-face channels. Today's new generations of tradeshow attendees are far more comfortable building relationships through e-mail, instant messaging, texting and Facebook. Both the time and the budgets for doing business face-to-face are clearly being challenged.

But does that mean that soon face-to-face marketing channels will totally disappear in favor of virtual alternatives?

Has our fascination with technology actually brought us to the point where we are trading in real relationships for artificial ones?

¹Exhibit Design, Robert B. Konikow

Everything Old is New Again

Walt Disney was using what he called “synergy” in the 1950s and 1960s to drive the Disney Company forward using coordinated marketing efforts in print, television, movies, merchandising and his Anaheim theme park. Each part of the Disney marketing mix promoted other aspects of the mix that altogether built the Disney brand and revenue stream.

The use of integrated marketing communications, though not new, has become the key strategy for marketers in acquiring new customers and in creating ongoing long-term relationships with their existing customers. Several studies, including one recently conducted by the Association of National Advertisers² indicate that achieving an effective integrated marketing program is a primary concern of every marketer surveyed.

Integrated marketing strategy is becoming more and more complex as technology driven environments such as the Internet and mobile computing merge with traditional media. From brand management to customer communications to sales, today’s marketing must integrate multiple media and environments to achieve maximum impact.

Research shows³ that companies using an integrated marketing strategy when approaching their trade show and exhibition programs are more successful than those who don’t. An integrated marketing strategy employing consistent themes and branding through all communication channels is essential to maintaining a company’s competitive edge. Integrated strategies include the use of pre-show, at-show and post-show marketing techniques. Traditional tactics, the Internet, and a myriad of other technologies are becoming an integrated, customer-facing whole.

Effective trade shows integrate traditional activities such as pre-show direct mail campaigns, ads in previews, show directories and show dailies, press conferences and post-show direct sales calls with the use of a wide variety of emerging techniques.

- Blogs
- Podcasts
- Online advertising
- Search Engine (keywords)
- Virtual private networks
- Virtual trade shows and e-booths (online product directories that enable buyers to search for exhibitors using multiple criteria)
- Virtual tours
- Business to Business exchanges
- Video conferences
- On-line webinars
- CD business cards holding multimedia presentations,
- Virtual product demonstrations and walkthroughs,
- Digital brochures, technical specifications, competitive comparisons, and interactive media kits

How “Old School” is Face-to-Face Marketing?

- 900 *Carthage founded as trading post*
BC
- 1450 *Gutenberg’s metal movable type leads to the possibility of mass-production of flyers*
AD
- 1730 *Emergence of magazines*
- 1800 TRADESHOWS GET THEIR START IN AMERICA
- 1827 *Sir Charles Wheatstone was the first person to coin the phrase “microphone.”*
- 1859 FIRST AMERICAN DENTAL ASSOCIATION SESSION LAUNCHED
- 1871 *Bates establishes first ad agency offering “creative services”*
- 1877 *Commercial telephone introduced*
- 1891 *International Copyright Convention*
- 1893 FIRST LARGE SPONSOR-DRIVEN EVENT: CHICAGO WORLD’S FAIR ATTRACTS OVER 27 MILLION PEOPLE (1/2 US POPULATION)
- 1896 *First US cinema opens*
- 1907 NORTH AMERICAN INTERNATIONAL AUTO SHOW LAUNCHED
- 1920 *First broadcasting stations opened*
- 1927 NATIONAL ASSOCIATION OF BROADCASTERS SHOW LAUNCHED
- 1932 *NBC and CBS allow product prices to be mentioned in a radio commercial*
- 1939 NEW YORK WORLD’S FAIR SHOWS TELEVISION TO PUBLIC

²National Association of Advertisers

³CEIR, *The Power of Exhibitions in the 21st Century*

Making a Case for Face-to-Face

"According to the 2009 EventView study of senior executives in sales and marketing, 62% chose event marketing as the discipline that best accelerates and deepens relationships." —EventView 2009⁴

Face-to-face strategies including tradeshows, exhibitions, conventions, private corporate events, sampling, street teams and mobile tours offer unique advantages that other sales and marketing mediums (television, radio, press, direct mail and the Internet) cannot—to deliver your message to a tightly defined audience in a controlled environment, i.e., face-to-face.

At an exhibition or event you can:

- Generate leads
- Close sales
- Introduce or test new products or features
- Solicit new distribution channels
- Gather competitive intelligence
- Enhance customer relationships
- Demonstrate complex products
- Enhance corporate image
- Penetrate a new market or industry
- Create competitive advantage
- Perform market research
- Gain media coverage and exposure

The Virtues of Virtual

"With travel budgets deeply slashed across Corporate America, more companies are turning to virtual tradeshows to connect with customers and suppliers." —USA Today⁵

Virtual shows combine the latest technology in webcasting, online chats, video streaming, webinars and avatar graphics to mirror the elements of tradeshows: exhibitor booths, speeches, seminars, distribution of marketing literature and social "gatherings."

At a virtual tradeshow and event you can:

- Reach a large scale global audience
- Plan more easily and cheaply, particularly with short lead times
- Allow speeches and seminars to be archived
- Reach international participants with little or no expense and easy to employ language translation options
- Engage speakers and moderators no matter where they are in the world
- Facilitate monitoring of participants' interests and activities and automate the lead generation process

⁴EventView 2009: North America, Feb 2009

⁵USA Today, Travel News "Companies turn to virtual trade shows to save money," Jan 5, 2010



Not a Choice of ‘Either/Or’ — Smart Marketers Choose Both

Executives surveyed for a recent Forbes Insights Study⁶ expressed an overwhelming preference for face-to-face meetings. More than eight out of ten (84 percent) said they prefer in-person contact to virtual, feeling that face-to-face contact resulted in building stronger, more meaningful relationships (85 percent), the ability to “read” another person (77 percent), and greater social interaction (75 percent).

Those who favored virtual tactics took more of a bottom-line approach, saying virtual tactics saved time (92%) and money (88%), or offered greater location flexibility (76%).

Executives prefer face-to-face strategies when the decision-making process is fluid, requiring the kind of give-and-take typical of complex decisions and sales. Respondents said face-to-face meetings are best for: Persuasion (91%), Leadership (87%), Engagement (86%), Accountability (79%), Decision-making (82%). When web-, video- and teleconferences were preferred, it was generally for the dissemination of data or when time was of greater concern.

Most marketers agree that the real win comes when virtual tactics are integrated into traditional Face to Face programs. Adding virtual elements can measurably enhance and extend trade show results at very little incremental cost.

- | | |
|---------------------------------|------------------------------|
| • Robust pre-show | and followups |
| • Experimental pre-show | • Information linking |
| • Polling and blogging | • Online education |
| • Webinars | • Online ordering, sampling, |
| • Selective, targeted responses | reviewing |

According to Center for Exhibition Industry Research (CEIR) in their study Digital + Exhibiting Marketing Insights 2009⁷, 40% of respondents consider digital marketing to be a vital component in the execution of a live event and 17% consider digital to be a lead tactic. In their analysis of the convergence of exhibitions and digital, CEIR reported that 72% of corporate brand marketers feel that the integration of digital marketing into the promotion of exhibition programs increases the effectiveness of the overall effort.

According to the CEIR study, “smart marketers are beginning to realize that more than incorporating digital media for digital’s sake, what really matters is how live events and digital tactics converge to build and foster relationships with audiences.”

How “Old School” is Face-to-Face Marketing?

- 1941 *First recorded use of television ads*
- 1945 *Estimated 10,000 television sets in the US*
- 1949 *Birth of US network TV*
- 1953 *GENERAL MOTORS UNVEILS THE CORVETTE AT THE MOTORAMA EXHIBITION IN NEW YORK*
- 1960 *600 computers in operation in the US*
- 1967 *INTERNATIONAL CONSUMER ELECTRONICS SHOW LAUNCHED*
- 1970 *FIRST VIDEO CASSETTE RECORDER INTRODUCED AT CES*
- 1976 *Ted Turner delivers programming across the US by satellite*
- 1980 *The number of computers in the US exceeds one million and the laptop computer hits the market*
- 1982 *200 computers are connected to the Internet worldwide*
- 1984 *Introduction of guerrilla marketing*
- 1985 *Pay-per-view channels open for business in the US and 20% of US households have VCRs*
- 1986 *Cable shopping networks are born*
- 1987 *There are an estimated one million mobile phone subscribers*
- 1989 *EXHIBITORSHOW LAUNCHED*
- 1991 *Integrated marketing communications gains academic status*
- 1992 *US has 10 million mobile phone subscribers and the first SMS is sent to a mobile phone*
- 1994 *The first digital TV service DirecTV emerges in the US; there are 135 million PCs worldwide; the first ad for ‘Wired’ magazine appears on the Web*

⁶Forbes Insight Study: Business Meetings The Case for Face to Face, August 2009

⁷Center for Exhibition Industry Research (CEIR), Digital + Exhibiting Marketing Insights 2009

Meeting a Dog-Eat-Dog Economy Face-to-Face

For the first time since August of 2008, MPI's Business Barometer Report for December 2009 showed an increase in the number of corporate meetings and events being held. The recent survey suggests that many companies are finally ending their cutbacks on meetings and events, with some even planning to increase the number of meetings and events as well as the overall budgets beginning this year.

At the same time, companies are putting greater emphasis on making sure their events achieve quantifiable results. "A company that used to have a five-day meeting might now turn that into a three-day meeting, and take out some of the team-building elements and replace that with more rich content."⁸

Measurement is not just about offsetting the ever-increasing scrutiny from corporate finance departments. The information that results from gathering customer perspectives, analyzing the competition, event traffic and leads, both place-based and virtual is crucial in planning and developing future programs.

To best control and measure their results, marketers are consolidating their event and exhibition business with preferred vendors, seeking cost efficiencies, standard practices and well-managed event portfolios. EventView 2009 results show that companies that set objectives for exhibition participation and engage in quantitative measurements of their performance are the most successful.

A recent MPI survey⁹ indicates that 73% of corporate executives responding cite that they engage in some post-activation measurement activities. And results show that CMOs who do engage in some form of measurement are three times more likely to see an increase in their activation budgets.

There is also a growing mandate to measure the outcomes of meetings, events and trade shows, to identify the practices that directly lead to greater learning or increased sales.

Instead of looking at video conferencing as an alternative to offsite meetings, many companies are now combining the two, as well as using social networking tools as a powerful follow-up to face-to-face connections.¹⁰

How "Old School" is Face-to-Face Marketing?

- 1995 *Amazon.com* founded; the first audio streaming service is released
- 1996 GROUND BREAKING VIDEO GAME CONSOLE—NINTENDO 64—PREMIERED AT ELECTRONIC ENTERTAINMENT EXPO (E3)
- 1998 *Google* is launched; the Internet has 147 million users worldwide
- 1999 *Internet advertising* breaks the \$2 billion mark; the term "blog" is coined
- 2000 The "dot-com" bubble bursts while the indexable web surpasses 1 billion pages
- 2001 *Apple* launches *i-Tunes*, *Wikipedia* is launched and the Internet has 500 million users
- 2003 *MySpace* is founded
- 2004 *Facebook* is launched
- 2005 *YouTube* is launched
- 2006 *Twitter* is founded
- 2008 *Nielsen* reports 79% of US consumers have made an online purchase in the last 6 months
- 2010 *The Internet* has 1.5 billion users and over 100 billion live web pages
- 2010 FACE-TO-FACE PREVAILS AS MOST PREFERRED TACTIC IN A DOWN ECONOMY

Bottom Line: Trade shows and business events are at their most powerful when they are part of an integrated go-to-market strategy.

⁸Fay Beauchine, president of the National Business Travel Association Foundation and president of Engagements & Events for Carlson Marketing in Minneapolis.

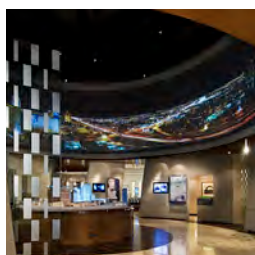
⁹Event View: Global 2009

¹⁰Wall Street Journal, *The New Face of Face to Face Meetings*, Joe Mullich, 2009



Extending Brands into **experience**

MC² is a nationally recognized leader in the exhibit and event marketing industry. The company specializes in design, production and management of integrated marketing programs including events, exhibits, permanent and mobile environments and executive briefing centers. The company is the founding sponsor of EXHIBITORFastTrak, regional conferences that help exhibit managers work toward CTSM (Certified Trade Show Marketer) certification. MC² rental exhibit system, EcoFlex™, is a green alternative to custom exhibit rentals.



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EVENTS & MEETINGS

- *Strategic creative development and design*
- *Turnkey production management*
- *AV and staging services*
- *Film & video production*
- *Speaker support*
- *Meeting planning and implementation*
- *Destination management*

EXHIBITS

- *Award-winning creative design*
- *Fabrication*
- *Graphic production*
- *Multimedia production and graphic design*
- *Promotional marketing*
- *Custom rental solutions*
- *National logistics support*
- *Installation and dismantling*

ENVIRONMENTS

- *Project management*
- *Design engineering*
- *Strategic planning and design*
- *Fabrication & installation*
- *Graphic design & production*
- *Interior design*
- *Rollouts*

ENTERTAINMENT

- *Headline music, comedy and speakers*
- *Venue selection*
- *Complete lighting and audio production*
- *Turnkey productions*
- *Pre- and post-event marketing*

ELECTRONIC MEDIA

- * *Video and Animation*
- * *Flash and Audio Production*
- * *Web-based Communications*
- * *E-vites and Specialized E-mail*
- * *Event-based Data Capture*
- * *On-line Project Management*

EXPOSITIONS

- * *Turn-key logistical support for all show services*
- * *Full scale general contracting and show management services*

ADDITIONAL SERVICES

- Digital Marketing*
- National Custom Rentals*
- National Storage*
- National Labor*
- International Services*
- Online Project Management*
- Marketing Consultation*
- Mobile Marketing*
- Staff Training*

MC² was created in 1999, a union of five leading companies involved in exhibits, events and creative services representing more than 50 years collective experience in the industry. Headquartered in Chestnut Ridge, NY, MC² has 11 locations throughout the United States and alliances around the world to serve such customers as Canon USA, Samsung Electronics, The Hershey Company, Cisco Systems, and Rubbermaid.

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