

PAYBACK-RATIO WORKSHEET

The following example shows how to use key equations to calculate the overall value and payback ratio of your trade show investment. Each equation requires information from departments within your organization (as color-coded below).

- Sales ● PR ● Marketing ● Management ● Advertising

Estimated Revenue:

32 sales leads
 x 10-percent close rate ●
 x \$30,000 average value of a sale ●
= \$96,000 estimated revenue

Add any revenue retention and/or cross- or up-sell values to this total.

Total Cost Savings:

25 customer meetings
 x \$1,500 average off-site meeting cost ● ● ●
 = \$37,500
 + \$30,000 (300 qualified leads x \$100 per field-sales call) ● ●
 + \$15,000 (\$150 per name added to database x 100 names)
= \$82,500 total cost savings

Add any other relevant cost savings, such as the reuse of creative materials for field sales or future marketing activities.

Promotional Value:

10,000 gross impressions (GIs) from direct marketing
 + 20,000 GIs from media coverage
 + 30,000 GIs from on-site promotion
 + 25,000 GIs from exhibit
= 85,000 total GIs

85,000 total GIs
 x \$0.05 per GI (dollar value of one GI) ● ●
= \$4,250 total value of GIs

4,000 targeted impressions (TIs) from direct marketing
 + 8,000 TIs from media coverage
 + 12,000 TIs from on-site promotion
 + 10,000 TIs from exposure to your exhibit
= 34,000 total TIs

34,000 total TIs
 x \$0.45 extra value of one TI ● ●
 (the value of one TI minus the value of one GI)
= \$15,300 total additional value of TIs

\$4,250 total value of GIs
 + \$15,300 total additional value of TIs
= \$19,550 promotional value

Total Value:

\$96,000 estimated revenue
 + \$82,500 total cost savings
 + \$19,550 promotional value
= \$198,050 total value

Payback Ratio:

\$198,050 total value
 ÷
 \$140,000 show budget
= \$1.41:1 Payback Ratio

FILL IN THE BLANKS

To calculate the total value and payback ratio for any particular show on your organization's annual calendar, complete the following calculations. For a blank payback-ratio worksheet or customizable template, visit www.ExhibitorOnline.com/Payback.

Estimated Revenue:

___ sales leads
 x ___ percent close rate
 x \$ ___ average value of a sale
= \$ ___ estimated revenue

Add any revenue retention and/or cross- or up-sell values to this total.

Total Cost Savings:

___ customer meetings
 x \$ ___ average off-site meeting cost
 = _____
 + _____ (___ qualified leads x \$ ___ per field-sales call)
 + \$ _____ (\$ ___ per name added to database x ___ names)
= \$ ___ total cost savings

Add any other relevant cost savings, such as the reuse of creative materials for field sales or future marketing activities.

Promotional Value:

___ gross impressions (GIs) from direct marketing
 + ___ GIs from media coverage
 + ___ GIs from on-site promotion
 + ___ GIs from exhibit
= ___ total GIs

___ total GIs
 x \$ ___ per GI (dollar value of one GI)
= \$ ___ total value of GIs

___ targeted impressions (TIs) from direct marketing
 + ___ TIs from media coverage
 + ___ TIs from on-site promotion
 + ___ TIs from exposure to your exhibit
= ___ total TIs

___ total TIs
 x \$ ___ extra value of one TI
 (the value of one TI minus the value of one GI)
= \$ ___ total additional value of TIs

\$ ___ total value of GIs
 + \$ ___ total additional value of TIs
= \$ ___ promotional value

Total Value:

\$ ___ estimated revenue
 + \$ ___ total cost savings
 + \$ ___ promotional value
= \$ ___ total value

Payback Ratio:

\$ ___ total value
 ÷
 \$ ___ show budget
= \$ ___ Payback Ratio