
EXHIBITOR INSIGHT REPORT

COVID-19'S IMPACT ON THE TRADE SHOW INDUSTRY



September 11, 2020

PRODUCED BY EXHIBITOR MEDIA GROUP

I. Introduction

Six months after COVID-19 began impacting trade shows and events worldwide, the live-events industry remains at a standstill. And perhaps the most troubling reality is that nobody knows exactly when the stagnation will subside and live trade

shows and corporate events will be allowed to resume en masse. While a handful of events have taken place in recent months, they are the exception to the rule of cancellations, postponements, and transitions to virtual/online/digital alternatives. In fact, since our last white paper, issued in June, the International Consumer Electronics Show (CES) — the largest trade show in the United States — announced its 2021 event will be fully digital. And each week, as more trade shows announce similar decisions, the question remains: When can members of the trade show and events industry expect to return to business as usual — if ever?

To ascertain the magnitude of COVID-19's impact on our industry and begin to identify when and how trade shows and events will resume, EXHIBITOR completed a two-part research initiative in May that surveyed both corporate exhibit managers and suppliers to the trade show and events industry. The

more than 1,000 responses to our survey (including 613 corporate marketers and 446 vendors/suppliers of trade show-related products and services) helped us peer inside the post-COVID crystal ball and formed the basis for our first white paper on how the pandemic has affected the industry. We surveyed respondents again in mid-June to identify any trendlines and determine how recent developments had altered exhibit managers' and trade show vendors/suppliers' experiences, opinions, and projections. If you haven't already done so, we encourage you to visit www.ExhibitorOnline.com/CovidImpactWhitePapers to download the first two white papers for a comprehensive look at that benchmark data.

This report provides the results of a third survey conducted in late August/early September, again seeking to obtain both exhibit marketers' and trade show suppliers' points of view. We hope this white paper affords you exclusive insight about where the industry is at right now, as well as where it will likely go in the foreseeable future. In addition, EXHIBITOR will continue to conduct routine pulse surveys to identify subsequent trends and update readers on how the data has been impacted by this rapidly evolving pandemic. **E**



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II. Executive Summary

Practically all stakeholders in the trade show and live-events industries have been significantly impacted by the cancellation and postponement of trade shows due to COVID-19. Below are a handful of key takeaways culled from the quantitative and qualitative data within the more than 400 pages of survey respondents' opinions, current plans, and future predictions.

- ▶ Corporate exhibit managers originally planned to exhibit at an average of 56 trade shows in 2020. However, when asked how many shows they currently expect to exhibit at this year, respondents estimated an average of nine events (including shows that occurred during the first quarter of 2020). That number is down by 53 percent since May.
- ▶ As recently as June, most exhibiting companies (58 percent) expected to return to trade show floors by the end of October. Now only 18 percent of corporate exhibit managers anticipate exhibiting at live trade shows during the remainder of 2020. Meanwhile, the majority (63 percent) plan to resume in-person events by first or second quarter of 2021.
- ▶ In May, 90 percent of respondents' organizations were imposing companywide travel restrictions, compared to 79 percent in June. Today, however, 85 percent of corporate exhibit managers are not allowed to travel for trade shows and events, indicating some companies have reinstated travel bans in the past 10 weeks.
- ▶ As of June, 59 percent of respondents had already experienced budget cuts. Today, that figure has reached 68 percent. The majority of reductions represent at least a 50-percent budget cut, marking broader and deeper decreases than previously seen. Thankfully, 87 percent believe their budgets will rebound (at least in part) once live trade shows resume.
- ▶ The percentage of companies that have implemented virtual events has increased from 46 percent in June to 59 percent today. And the percentage that have participated in virtual trade shows (or plan to) has ticked up by 18 percentage points, from 36 percent in June to 54 percent today.
- ▶ Three-fourths of corporate exhibit managers who have executed virtual exhibits and events say they cost less than comparable live events. However, 15 percent claim their virtual events generated zero value, and 83 percent report fewer sales leads than comparable live activations.
- ▶ Forty-three percent of vendors/suppliers are still seeing declines in quarterly revenue, but 17 percent report an increase in revenue compared to second- and third-quarter numbers.
- ▶ While 17 percent of vendor/supplier companies have laid off less than 10 percent of their employees, 9 percent have already laid off more than 90 percent of their workforce (nearly double the figures from June).
- ▶ More than one-third of vendor/supplier companies are currently unsure whether their organizations will be capable of surviving the pandemic.
- ▶ Only 1 percent of vendors/suppliers expect the industry will return to "normal" in 2020, while 73 percent anticipate the industry will rebound sometime in 2021 (the majority of which pinpointed the second or third quarter of next year).

Fig. 15: Estimate your company's monthly decrease in revenue, as well as your projected annual revenue decline due to COVID-19.

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Fig. 17: What percentage of your workforce has been furloughed or laid off?

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Fig. 21: Given what you know right now, how likely is it that your company will survive the cancellation/postponement of shows caused by COVID-19?

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ADDITIONAL DETAILS

For more information on the *EXHIBITORInsight* Report: COVID-19's Impact on the Trade Show Industry, download our first two white papers from May and June at www.ExhibitorOnline.com/CovidImpactWhitePapers. You can also follow our COVID-19 coverage at www.ExhibitorOnline.com/Covid and view webinars on this ongoing research initiative at www.ExhibitorOnline.com/Insight.

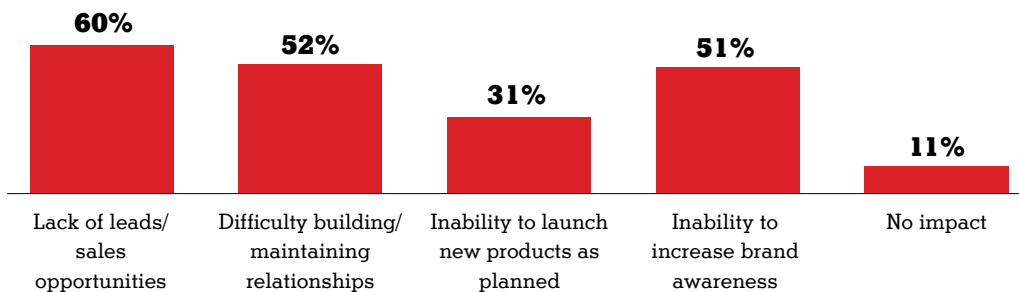
III. Corporate Exhibit Managers

To date, EXHIBITOR has recorded more than 1,100 survey responses from corporate exhibit and event managers, marketing managers/directors, sales managers, and executives who are responsible for their organizations' trade show exhibit and event programs. The majority of our sample pool represents the manufacturing/distribution sector, with top industries including technology, manufacturing, and wholesale trade. Company size varies from one to four employees (4 percent) to 5,000 or more (11 percent), and annual revenue ranges from less than \$1 million (12 percent) to \$1 billion or more (16 percent). The objective was to identify how recent COVID-19 developments have impacted their impressions and projections compared to benchmark data obtained in May/June and to expand upon previous research into virtual/digital marketing channels and possible long-term implications of the pandemic. Where appropriate, some comparisons have been drawn to results from EXHIBITOR Magazine's 2020 Economic Outlook survey, which was fielded in January of this year.

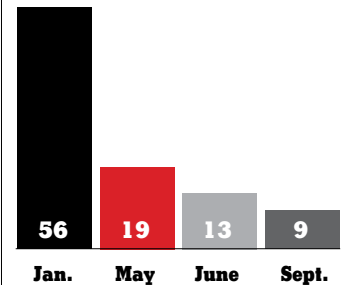
A. IMPACTS

As was evident in May, virtually all exhibit managers (97 percent) have had shows on their marketing calendars cancelled and/or postponed due to COVID-19. Respondents originally planned to exhibit at an average of 56 trade shows in 2020, including regional, national, and international events. However, when asked how many shows they currently expect to exhibit at this year — given what they know right now — respondents believe that by the end of 2020, they will have participated in an average of just 9 events (including shows that occurred during the first quarter of 2020). That number is down 53 percent since May, when respondents anticipated exhibiting at an average of 19 events, and 31 percent since June. The decrease is likely due to a combination of factors, including the latest round of cancellations/postponements announced in the past two months (including events scheduled for 2021), as well as the eroding trust marketers have in organizers' declarations that their events will still be held in the third or fourth quarters of 2020. It is likely that number will continue to fall as more trade shows are cancelled, postponed until 2021, or transformed into virtual events

FIGURE 1:
How has the cancellation/postponement of live trade shows impacted your company?

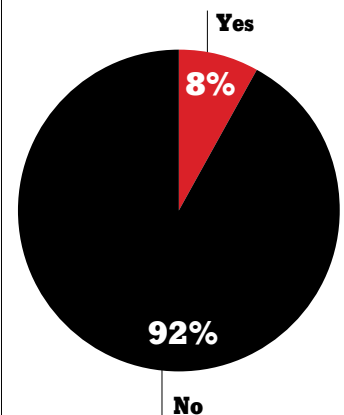


How many shows does your company plan to exhibit at in 2020?



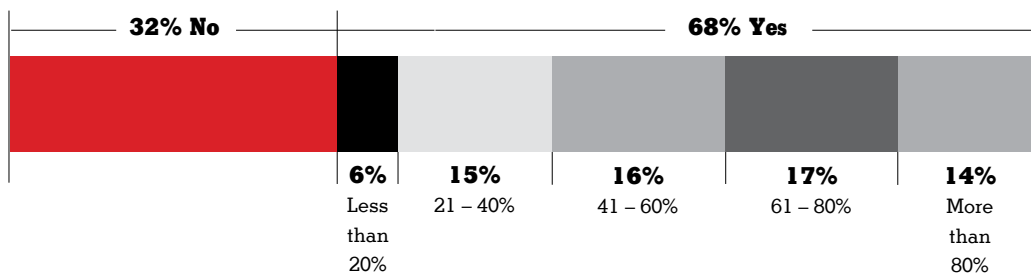
"We usually exhibit at between 43 and 55 trade shows per year. But in 2020, we only did four before canceling everything from March through the end of December."
— Trade Show Manager

Has your company participated in any in-person trade shows or events between April and August of 2020?



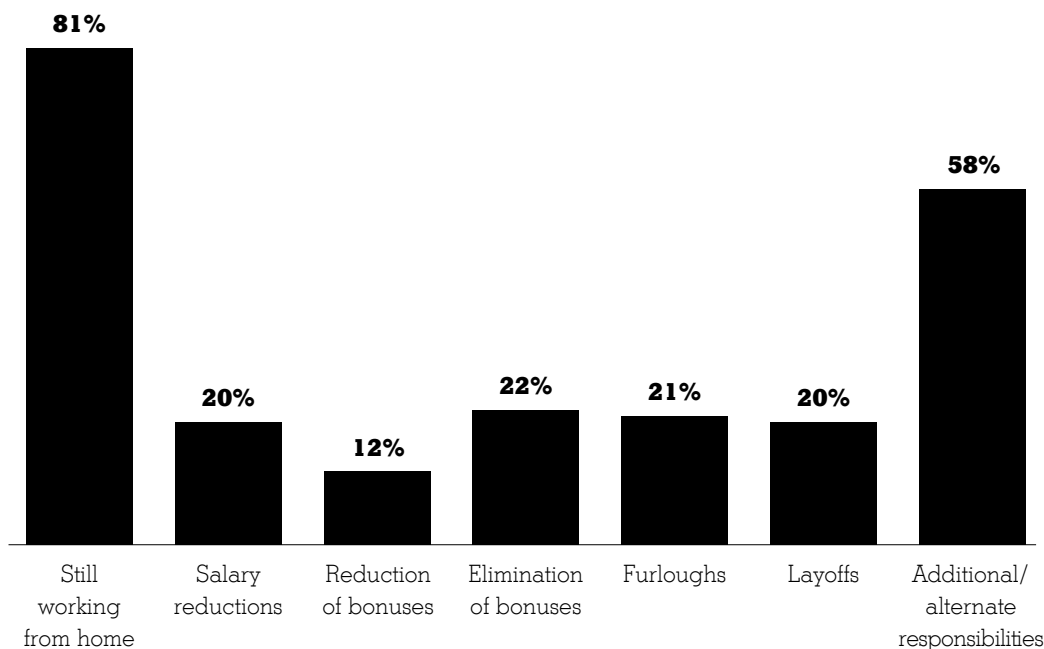
Not surprisingly, as the number of shows that companies plan to exhibit at dwindles, many organizations have cut their exhibiting budgets. In May, 45 percent of respondents reported budget cuts. By June, that figure had risen to 59 percent. And today, it has reached 68 percent. The majority of reductions have represented at least 50-percent budget cuts, marking broader and deeper cuts than previously seen. Thankfully, 87 percent of exhibit managers anticipate their budgets will rebound (at least in part) once trade shows and live events resume.

FIGURE 2:
Have you experienced a reduction in your overall exhibiting budget and, if so, what percentage of your budget has been cut?

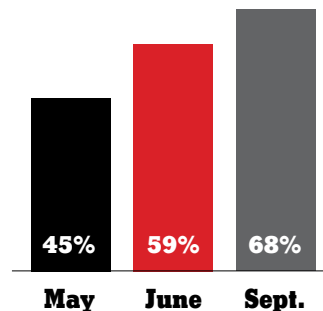


In addition to budget cuts, exhibit managers have experienced pay cuts, furloughs, layoffs, and the elimination or reduction of bonuses and additional compensation. Additionally, 81 percent of exhibit managers are still working from home, and the majority have been assigned additional responsibilities, increasing the scope of their roles despite a reduction in pay.

FIGURE 3:
How have you and your exhibit/event department been impacted by COVID-19?



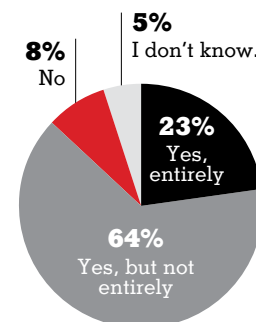
Has your exhibiting budget been cut as a result of COVID-19?



“Our business is down 20 percent, and we’ve had major budget cuts company-wide. On top of that, we’re reallocating funds from live events to virtual and other opportunities.”

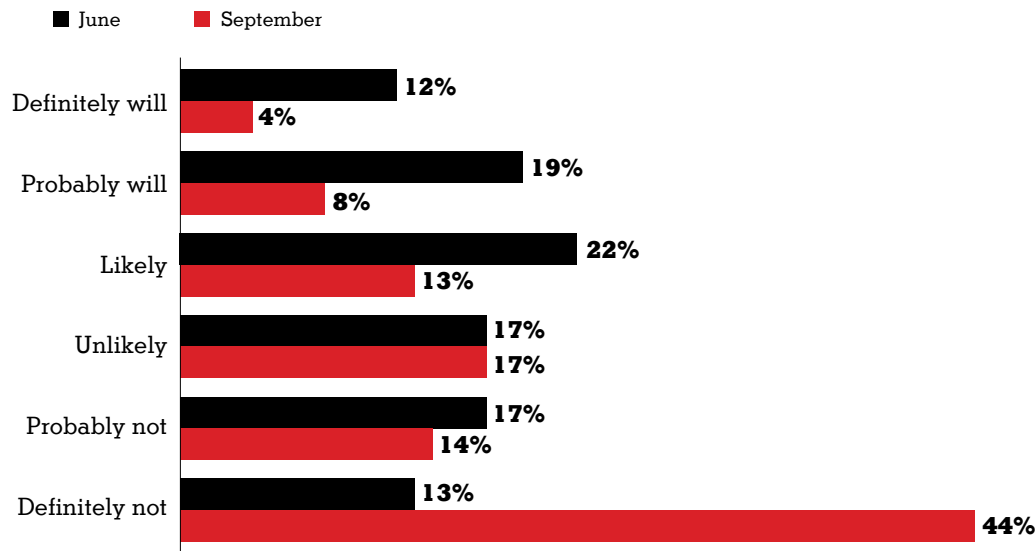
— Global Event Manager

When trade shows resume, do you anticipate your exhibiting budget will return?



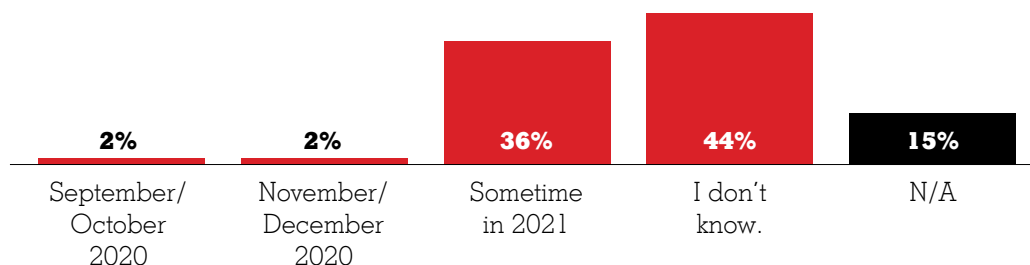
In terms of events that have been rescheduled for later in 2020, it appears exhibiting companies are far less likely to participate than they were in June. When asked about their current plans for participation, 25 percent indicated they would likely, probably, or definitely participate in rescheduled events, compared to 53 percent in June. Additionally, the majority indicate that if they exhibit at rescheduled events, they will be scaling back their investments.

FIGURE 4:
How likely are you to exhibit at events that have been rescheduled for later in 2020?

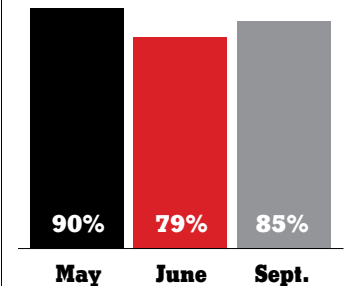


The decrease in corporate exhibit managers' likeliness to participate in late 2020 shows may have something to do with the fact that more of them are under companywide travel restrictions. In May, 90 percent of respondents' organizations were imposing such travel restrictions, compared to 79 percent in June. Today, however, 85 percent of corporate exhibit managers are not allowed to travel for expos and events, indicating some companies that had eased up on travel bans have reinstated them in the past 10 weeks. And while 4 percent of the remaining travel mandates are set to expire by the end of 2020, 36 percent still have no defined expiration date and 44 percent extend all the way into 2021. That's a significant jump from June, when only 13 percent of companywide travel restrictions were anticipated to continue into next year.

FIGURE 5:
When will your company's travel restrictions expire?



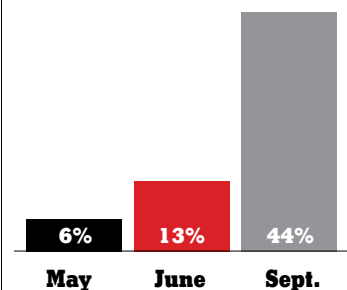
What percentage of exhibiting companies are currently enforcing companywide travel restrictions that preclude individuals from traveling to trade shows and events?



"We exhibited at seven trade shows in 2020, and we have five more that are tentative. If we can't get our money back on booth space, we'll probably participate in some manner."

— Marketing Manager

What percentage of exhibitors' corporate travel restrictions extend into 2021?

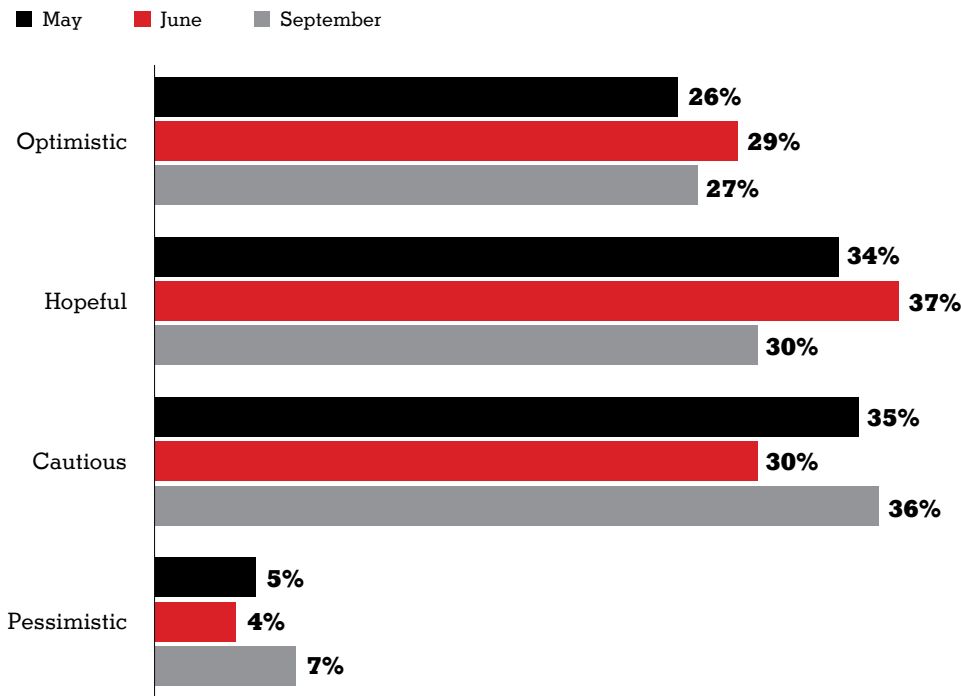


B. OPINIONS

In June, we noted a curious anomaly regarding corporate exhibit managers' personal concerns about coronavirus. Whereas respondents averaged a 7.4 level of concern (on a one-to-10 scale) in May, that figure dropped to 6.7 in June. But an uptick in cases throughout much of the United States seems to have reignited trepidations tantamount to what we were seeing four months ago, as corporate exhibit managers now rate their level of concern at a 7.1.

Similarly, corporate exhibit managers' optimism about the future of their careers has followed an up-and-down path. While only 60 percent described feeling optimistic or hopeful about their careers in May, 66 percent report such feelings in June. But that number has now fallen to 57 percent, signaling that fears of long-term job security may have returned.

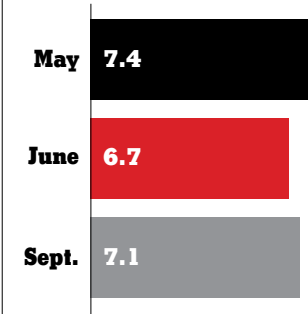
FIGURE 6:
How would you describe your feelings about the future of your career?



Thankfully, roughly one-third of corporate exhibit managers believe the worst is behind us when it comes to COVID-19. Having said that, there's still a significant level of caution, as one-quarter expect things will get worse before they get better, and a near majority (45 percent) are unsure what the future might hold.

As projected, the cancellation and postponement of trade shows continues to have an absence-makes-the-heart-grow-fonder effect on upper management — but perhaps not as significantly as anticipated. Today, 38 percent of survey respondents indicate this downturn has made the value of trade shows and face-to-face marketing more obvious to members of the C-suite. That's an increase of 13 percentage points since May, but only 1 percentage point since June.

How would you rate your personal level of concern over COVID-19?



"Our exhibit program was underfunded to begin with. Now it has been cut even further. I suspect much of it will come back, but every expense in 2021 will need to be justified."

— Event Marketing Manager

Do you feel optimistic or hopeful about the future of your career?

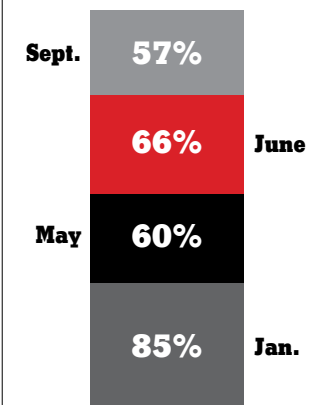


FIGURE 7:

Has the cancellation and postponement of trade shows made the value of exhibiting more obvious to upper management?



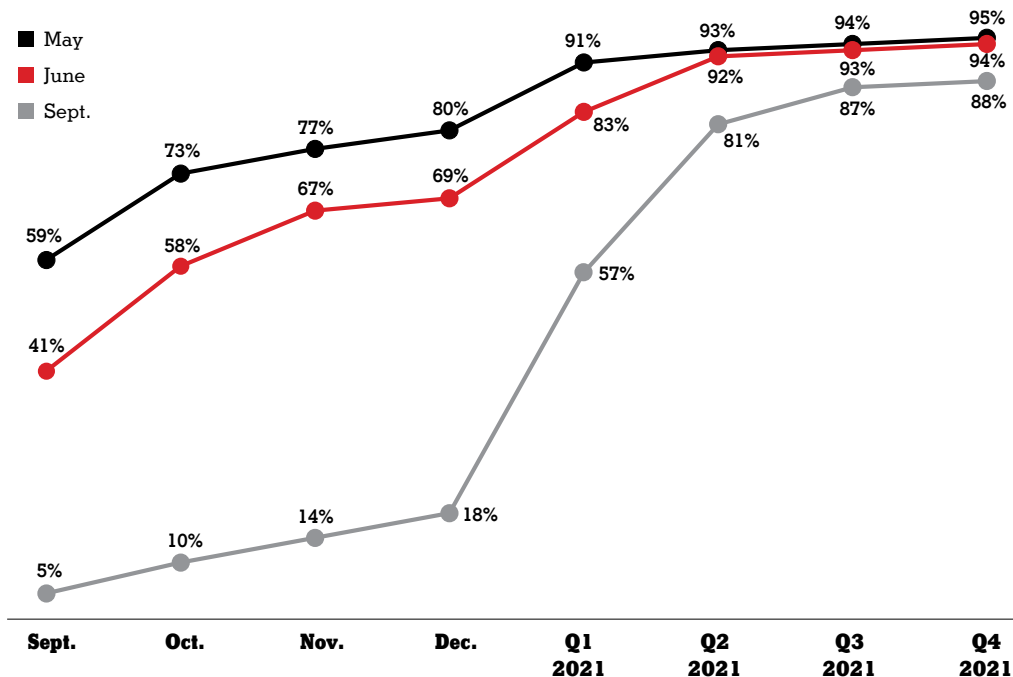
C. PLANS

As recently as June, most exhibiting companies (58 percent) expected to return to trade show floors by the end of October. But as of today, only 18 percent of respondents anticipate exhibiting at live trade shows in the remainder of 2020. Meanwhile, the majority (63 percent) now plan to resume in-person trade shows and events in the first or second quarter of 2021.

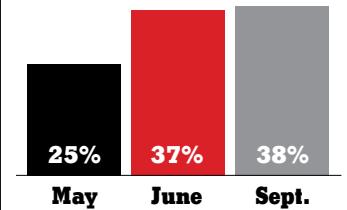
Perhaps more dramatically, in June a near majority (41 percent) of exhibiting companies expected to be back at live events by the end of September. Today, only 5 percent expect to see a return to in-person events within that same time frame. On the other hand, while the pace of their return to exhibiting may have shifted in the last month, the long-term outlook hasn't changed dramatically. In May, data indicated that 95 percent of exhibiting companies would return to live trade shows and events by the end of 2021. In June, that number was nearly identical, with 94 percent of companies anticipating resuming to live events by the end of next year. Today, it appears nearly nine in 10 corporate exhibit managers still expect to be exhibiting in the year to come.

FIGURE 8:

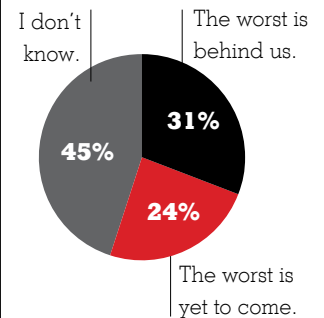
Given your current plans, when does your company anticipate exhibiting at live trade shows and events?



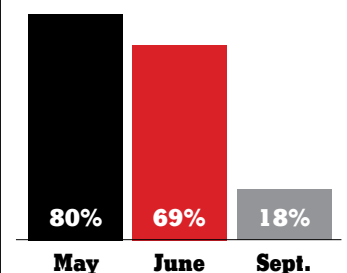
What percentage of respondents indicate their C-suites have a greater understanding of face-to-face marketing's value as a result of the downturn caused by COVID-19?



Which of the following describes your personal opinion of the COVID-19 pandemic?

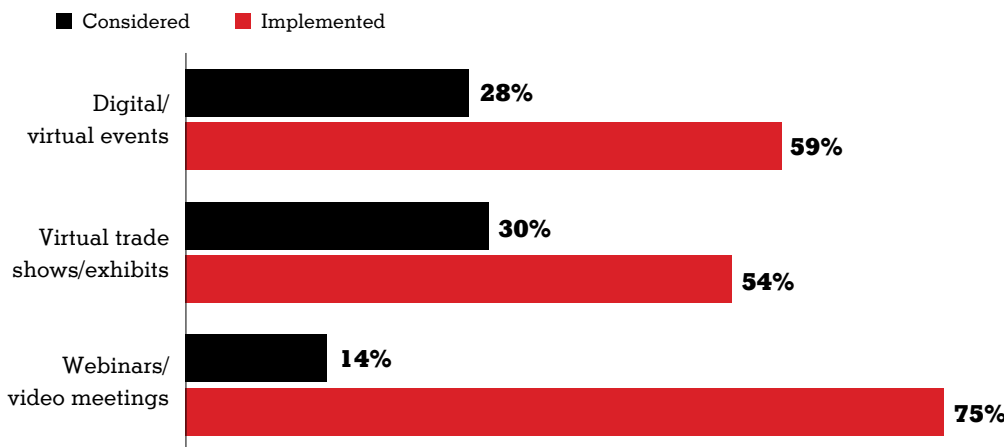


What percentage of exhibiting companies plan to return to live trade shows and events by the end of 2020?



In the absence of live trade shows and events, corporate marketers continue to incorporate a variety of digital channels in an attempt to connect with customers, increase brand awareness, and obtain viable sales leads. Interestingly, the percentage of companies that have implemented virtual events has increased from 46 percent in June to 59 percent today. And the percentage that have participated in virtual trade shows (or plan to) has ticked up by 18 percentage points, from 36 percent in June to 54 percent today. Also noteworthy is the fact that the vast majority of respondents have either considered or already implemented webinars and/or video meetings as part of their marketing efforts.

FIGURE 9:
In lieu of face-to-face events, what digital channels has your company considered or implemented as alternative marketing opportunities?

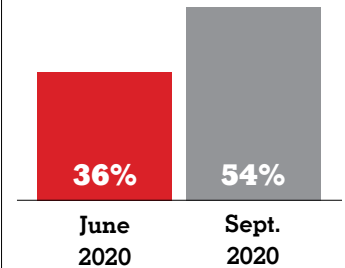


Despite the increasing adoption of digital channels, many corporate exhibit managers don't feel fully confident in their ability to execute these virtual exhibits and online events, including 22 percent who feel unprepared to transition from live events to digital alternatives. Still, half of respondents (50 percent) say their forays into digital channels have been executed entirely in-house. Additionally, many respondents report that their virtual/digital marketing efforts have cost more than originally anticipated. A near majority (45 percent) of exhibit managers who have hosted or participated in digital events or virtual trade shows report those opportunities cost "much more" or "somewhat more" than expected.

FIGURE 10:
How prepared do you feel to execute virtual exhibits and digital events?



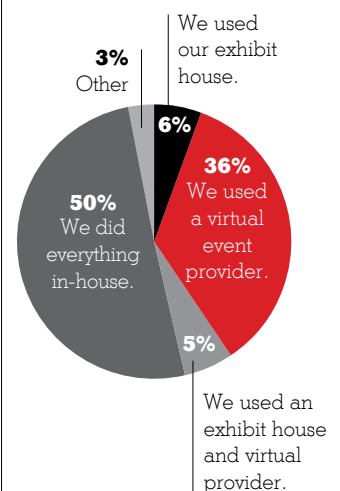
What percentage of exhibiting companies have participated (or have plans to participate) in virtual trade shows?



"Most of our virtual events have been beneficial from a brand-awareness standpoint, but we've had very little interaction with potential prospects."

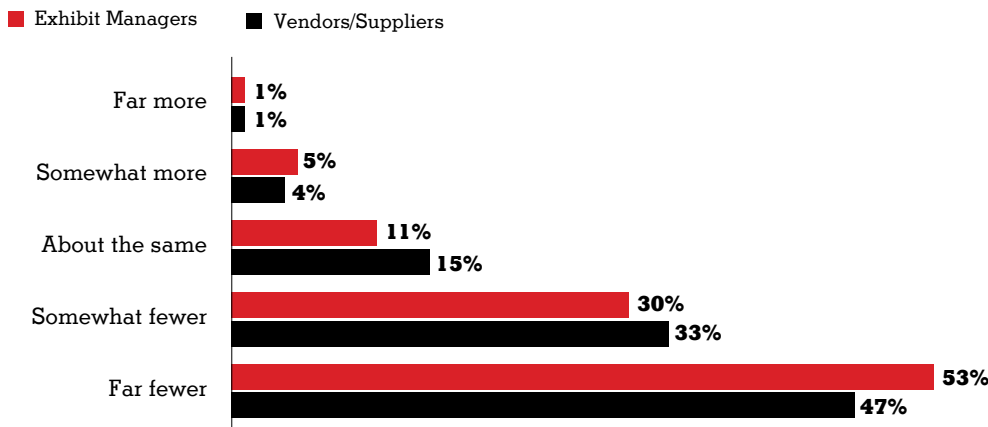
— Marketing Coordinator

Did you partner with your exhibit house or a virtual event provider to execute your virtual exhibits and/or digital events?



As expected, virtual and digital options appear to be both less expensive and less effective than traditional, in-person trade shows and events. Three-fourths of corporate exhibit managers who have executed online/digital exhibits and events claim they cost less than comparable live events — almost dead on with data from the vendor/supplier side. But when measured against live trade shows and events, the returns pale in comparison. Fifteen percent of respondents who have hosted or participated in virtual events say they generated zero value, and 83 percent reported fewer sales leads than comparable live activations.

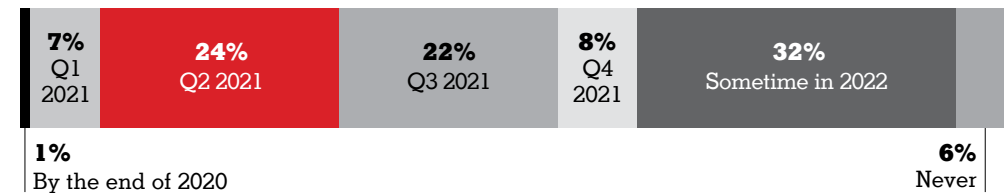
FIGURE 11:
Have your virtual exhibits and/or digital events generated more or fewer sales leads than comparable live activations?



D. PROJECTIONS

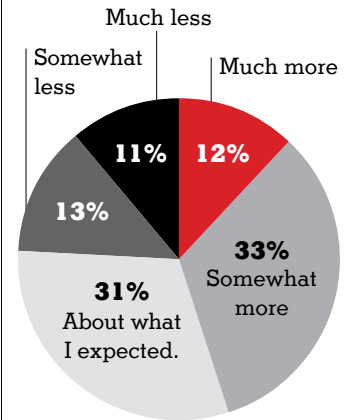
Only 1 percent of corporate exhibit managers expect the trade show and events industry will return to normal in 2020. The majority (54 percent) now believe a full rebound won't occur until the first or second quarter of 2021. But an additional 32 percent don't foresee an industry-wide rebound until 2022, and 6 percent doubt we will ever return to what was previously considered normal.

FIGURE 12:
In your opinion, when do you believe the trade show and events industry will return to normal?



Looking ahead to 2021, it appears most exhibiting companies expect to return to live expos and events, anticipating participation in an average of 28 events. While 50 percent down from the 56 events they initially intended to exhibit at in 2020, that number is a more than 200-percent increase in show participation when compared to current expectations of attending an average of just nine events in all of 2020.

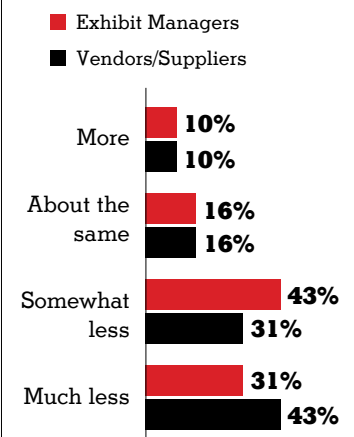
Have the virtual exhibits and/or digital events you've participated in cost more or less than you expected?



"We held a virtual product launch in April that had more global visibility than if we had launched live at a trade show."

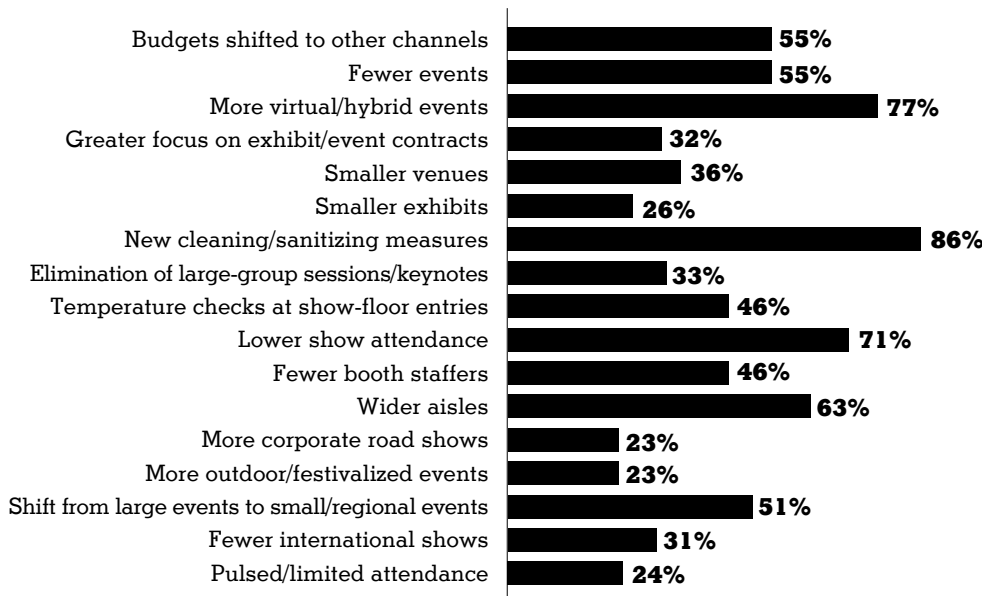
— Marketing Manager

Have the virtual exhibits and/or digital events you've executed cost more or less than comparable live activations?



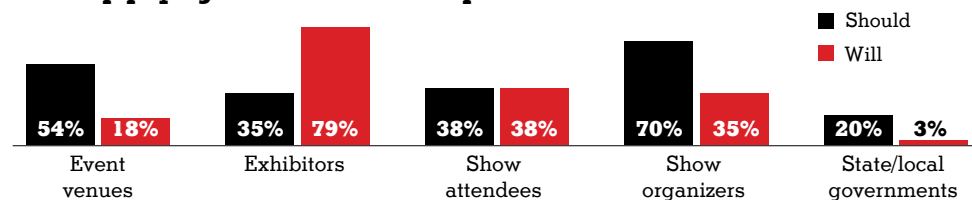
Assuming the overwhelming majority of corporate exhibit managers (94 percent) who believe the industry will rebound are correct, what will trade shows look like in a post-COVID world? When asked what long-term changes they anticipate as a result of the pandemic, the majority of exhibit managers expect to see new cleaning and sanitizing measures (86 percent), more virtual/hybrid events (77 percent), lower trade show attendance (71 percent), wider aisles (63 percent), funds redirected from exhibiting to other marketing channels (55 percent), fewer events overall (55 percent), and a shift from large national shows to smaller/regional alternatives (51 percent). Additionally, 46 percent expect to see fewer booth staffers sent to events and temperature checks at entrances to show floors.

FIGURE 13:
What long-term changes do you anticipate the trade show industry will experience as a result of COVID-19?

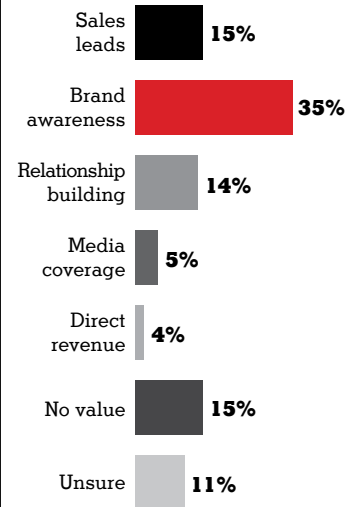


Finally, since most marketers anticipate the implementation of enhanced cleaning/sanitizing of convention centers and event venues, as well as temperature checks and other safety protocols, there is an acute awareness those protocols come with increased costs. The majority believe those costs should be shouldered by some combination of show organizers and event venues, but 79 percent believe it is exhibitors who will ultimately pay the price in some way, shape, or form.

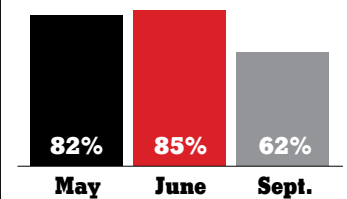
FIGURE 14:
Which stakeholders do you believe should pay for additional safety measures that may be required at future trade shows and events? And who do you believe ultimately will end up paying for those enhanced protocols?



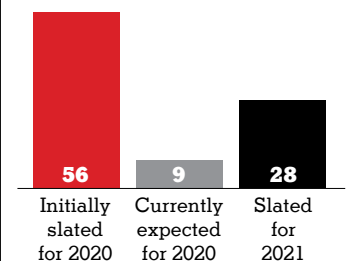
Which of the following deliverables have virtual/digital exhibits and events successfully generated?



What percentage of exhibit managers expect the industry will return to normal by the end of 2021?



How many trade shows and events did companies initially expect to attend in 2020, compared to the number they currently plan to attend, as well as the number slated for 2021?



IV. Trade Show Vendors/Suppliers

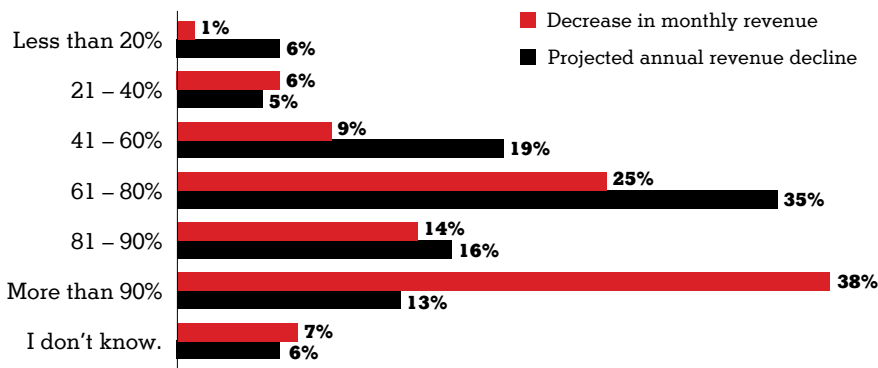
To date, EXHIBITOR has recorded nearly 900 survey responses from vendors and suppliers of trade show-related products and services to identify how COVID-19 has impacted their businesses, as well as when they expect to rebound from the pandemic. The majority of supplier respondents are managers/executives and work for exhibit producers, resellers, or builders. The size of respondents' operations varied considerably from one to four employees (17 percent) to more than 500 employees (9 percent). Similarly, annual sales-revenue numbers ranged from less than \$2.5 million (28 percent) to more than \$30 million (17 percent).

A. IMPACTS

As early as May, the vast majority (83 percent) of respondents said COVID-19 had already "very significantly" impacted their businesses, while an additional 12 percent reported "significant" impacts. In other words, more than nine in 10 trade show- and event-related suppliers have experienced major impacts to their bottom lines. More specifically, 68 percent estimate at least an 81-percent monthly decrease in revenue caused by COVID-19, compared to 61 percent and 51 percent in June and May, respectively.

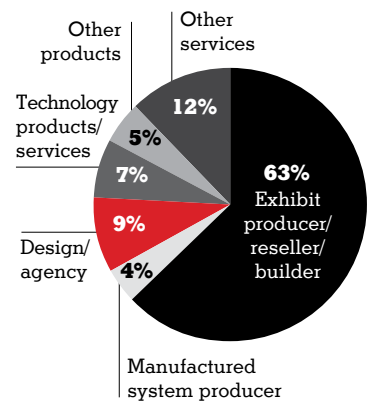
While 43 percent of vendors/suppliers are still seeing declines in quarterly revenue, a handful of trade show vendors and suppliers are on track to finish this quarter ahead of second-quarter figures. Seventeen percent report an increase in revenue when comparing second- and third-quarter revenues, while an additional 28 percent expect to end this quarter with figures similar to last quarter.

FIGURE 15:
Estimate your company's monthly decrease in revenue, as well as your projected annual revenue decline, due to COVID-19.

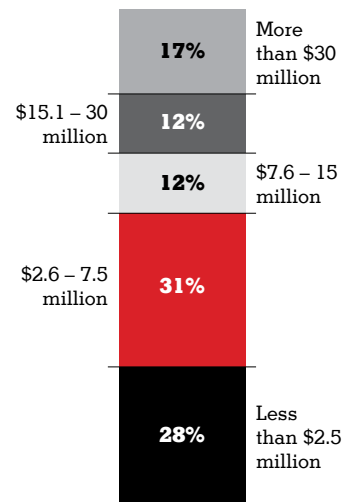


Roughly three-fourths anticipate annual revenue declines of at least 50 percent compared to 2019, but it looks as though the bleeding may have stopped (or at least plateaued) in the past 10 weeks. In June, eight in 10 vendors/suppliers expected to see moderate to significant decreases in third-quarter revenues. Now, when looking ahead to fourth-quarter revenues, only 54 percent fall into that category — and 39 percent expect fourth-quarter revenues to increase or remain consistent, compared to just 15 percent in June.

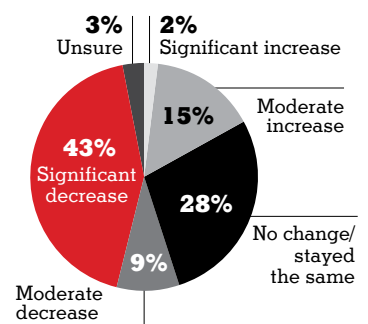
What is your primary line of business?



Prior to COVID-19, what was your company's anticipated annual sales revenue?

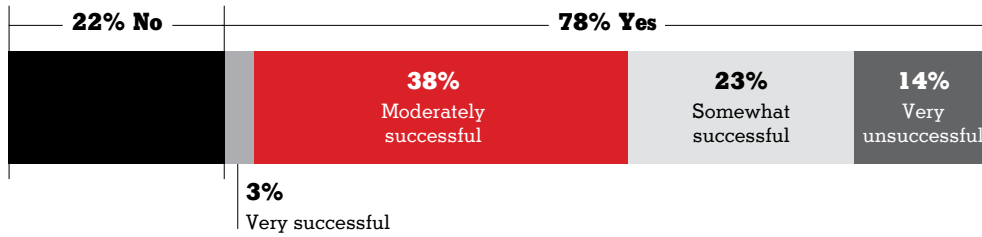


Are you on track for an increase or decrease in third-quarter revenue compared to second-quarter revenue?



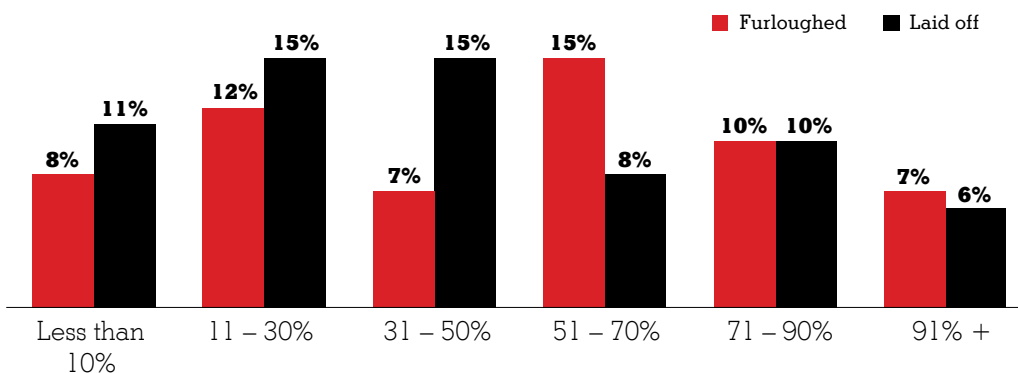
One reason for that renewed optimism may be attributable to vendors' attempts to find revenue in new markets by producing personal protective equipment, barriers or partitions for retail and office environments, modular structures for temporary medical facilities and testing centers, etc. To date, 78 percent of event-related organizations have attempted such pivots, with most reporting at least moderate success from those efforts.

FIGURE 16:
Have you taken steps to find revenue in new markets, and if so, how successful have those pivots been?

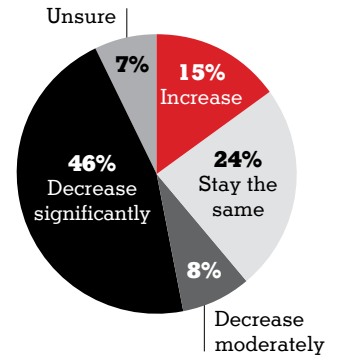


While the majority of trade show vendors/suppliers are still operating at a reduced capacity, roughly one-third are open with normal hours of operation. Still, 10 percent are currently closed, and several others have already declared bankruptcy. Additionally, 59 percent have furloughed staff, and 65 percent have laid off employees (an increase of 9 percent since June). The impact of furloughs varies considerably, with 8 percent of companies currently furloughing less than 10 percent of workers, while another 7 percent have furloughed more than 90 percent of their employees. Similarly, whereas 11 percent of companies have laid off less than 10 percent of their employees, 6 percent have already laid off more than 90 percent of their workforce (a 50-percent increase since June, when only 4 percent of organizations had laid off that much of their workforce). In terms of how long furloughs will last, 17 percent expect them to expire by the end of the year, and 49 percent expect them to last six months or more.

FIGURE 17:
What percentage of your workforce has been furloughed or laid off?



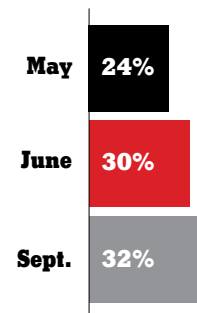
How do you expect your sales/revenue to change in fourth quarter 2020 as a result of COVID-19?



"We are consolidating equipment, reducing warehouse and office space, canceling insurance, and cutting anything we don't absolutely need right now. It feels like we are in hibernation."

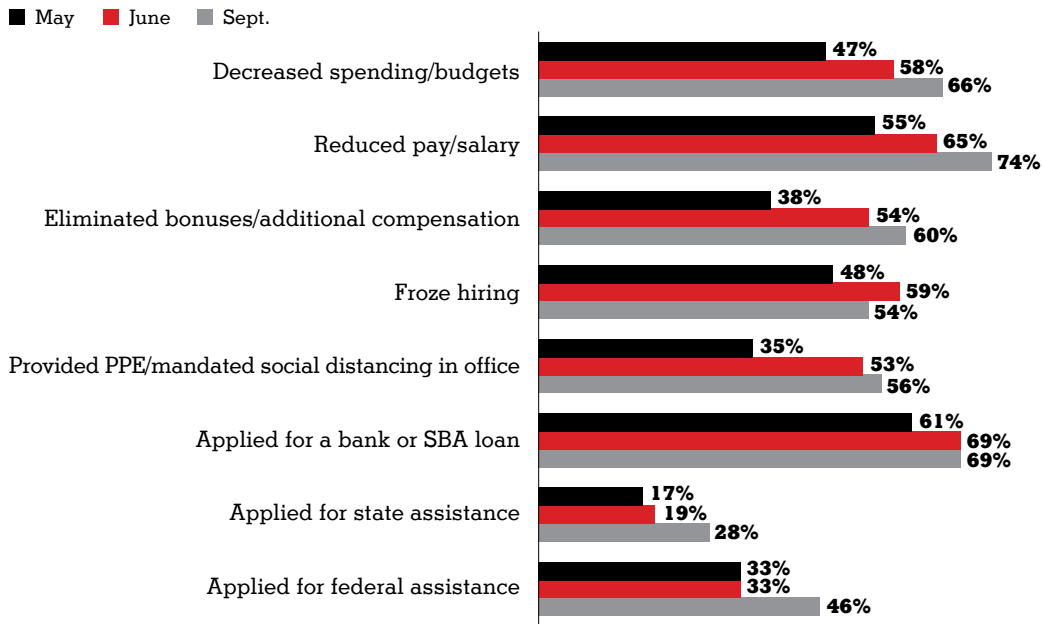
— Principal/Owner

What percentage of suppliers have already furloughed more than half of their employees?



Vendors/suppliers have also taken a number of actions as a result of COVID-19, including reducing employees' compensation (74 percent), cutting budgets (66 percent), and reducing or eliminating bonuses (60 percent). The majority of vendor/supplier companies have also enacted hiring freezes, applied for loans, and provided PPE or mandated social distancing in the workplace.

FIGURE 18:
What actions has your company taken as a result of COVID-19?

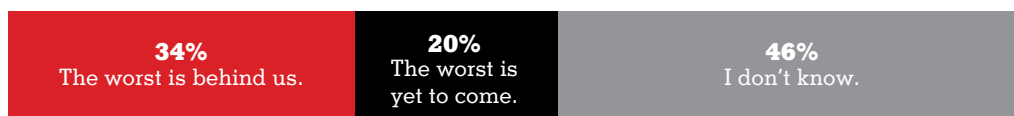


When asked how long it would take their companies to return to business as usual if the COVID-19 pandemic ended today, the majority of vendors/suppliers (61 percent) predicted it would be at least three months before they would be wholly operational again — and 14 percent anticipated it would take more than 12 months to fully rebound.

B. OPINIONS

In June, we saw a softening of trade show vendors' concerns about the pandemic. When asked to rank their personal concern over COVID-19 in May, supplier respondents averaged 7.6 on a one-to-10 scale. In June, that average had fallen to just 6.6. But those worries have returned, as suppliers now rate their personal concern at 7.6 (identical to figures from four months ago). And while one-third predict the worst is behind us, 20 percent predict the situation will deteriorate.

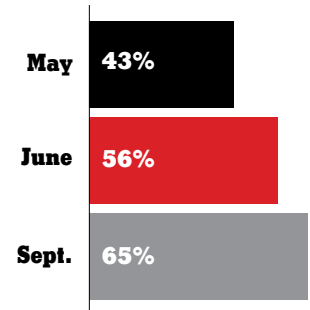
FIGURE 19:
Which of the following describes your personal opinion of the COVID-19 pandemic?



“On top of the low demand for our services, we’ve lowered our fees to clients whose businesses are suffering, thus reducing our income even further.”

— **President and Owner**

What percentage of trade show vendors/suppliers have implemented layoffs as a result of COVID-19?

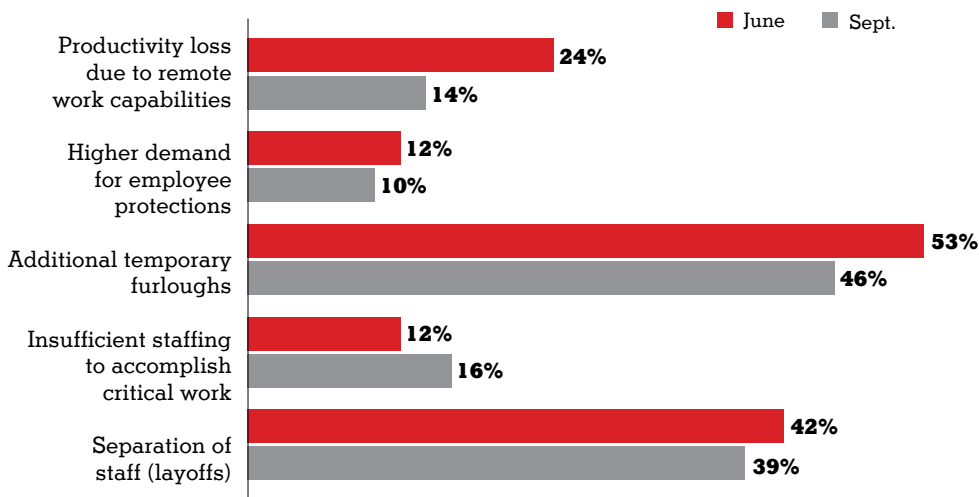


“We were on track to be a \$10 million company in 2020, but now we’ll barely make it through the end of this year. If we do not get additional funds and events do not resume in the first half of 2021, we will not survive.”

— **President/CEO**

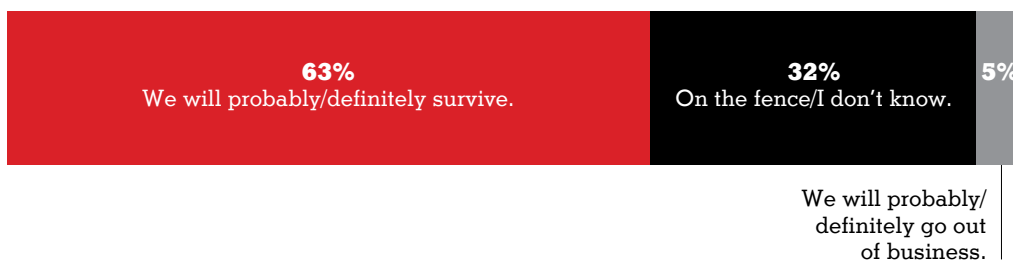
Having said that, vendors and suppliers have less concern about the need to take additional steps in the coming month than previously measured. For example, the percentage of companies anticipating productivity loss, more furloughs, and additional layoffs has dropped when compared to the results of our June survey. Still, a near majority (46 percent) believe it's possible that more furloughs may be needed in order to protect the solvency of their organizations. And there has been a slight increase in the percentage of vendors/suppliers worried about having insufficient staffing to accomplish critical work.

FIGURE 20:
Which of the following does your company expect to occur in the next month?

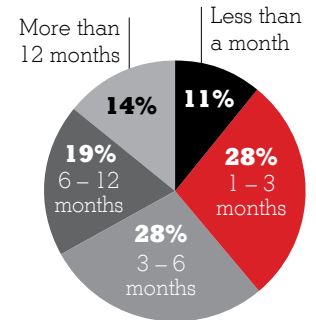


A handful of companies, however, have deep concerns about whether the furloughs, layoffs, and budget cuts will be enough. More than one-third of vendors/suppliers are currently unsure whether their organizations will be capable of surviving the cancellation and postponement of trade shows caused by COVID-19 — and 5 percent believe it is probable they will go out of business before the industry returns to business as usual.

FIGURE 21:
Given what you know right now, how likely is it that your company will survive the cancellation/postponement of shows caused by COVID-19?



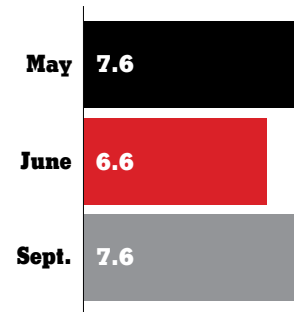
If COVID-19 ended today, how long would it take your company to get back to business as usual?



“As a seasoned veteran, I have been through many economic downturns and times when employees were laid off. I have never seen it this bad.”

— Senior Marketing Consultant

Trade show vendors' personal concerns about COVID-19 on a one-to-10 scale.



C. PRACTICES

Thankfully, the industry isn't at a total standstill. Fifteen percent of vendors and suppliers claim their clients have participated in live events between April and August of 2020, including corporate road shows, event sponsorships, regional conferences, private events, eSports tournaments, small hotel events, and a handful of international expos in countries that are allowing them to take place.

Additionally, as previously reported, three-fourths of trade show vendors/suppliers have pivoted and retooled their operations to target new markets (compared to just one-third of companies that had done so as of June). Many are directly assisting in the COVID-19 recovery effort, manufacturing everything from PPE to temporary structures used for testing and treatment. Others have reported building ventilators, working with companies that produce COVID-19 tests, and offering project management for the creation of pop-up hospitals. (For more information on how exhibit-related companies are assisting in efforts to aid others during COVID-19, visit www.ExhibitorOnline.com/ShowofSupport.)

Additionally, 61 percent are now offering virtual/digital exhibit and event services to their clients (up from 52 percent in June). And despite the perceived newness of the medium, 42 percent of suppliers claim they feel "very" or "extremely" confident in their ability to deliver those virtual solutions to their clients. Others are doing what they can to assist current clients as they plan ahead for future trade shows and events.

D. PROJECTIONS

At the moment, 62 percent of vendor/supplier companies have clients who (to the best of their knowledge) are planning to return to trade shows by the first quarter of 2021 — a figure that is roughly on par with exhibit managers' actual plans (57 percent expect to be back on the trade show floor by the end of the first quarter). However, it's worth noting that as recently as June, vendors/suppliers guesstimated that 68 percent of their clients would return to exhibiting by the end of December, compared to just 18 percent today.

FIGURE 22:

Given what you know right now, when is the next show your client(s) plan to exhibit at?

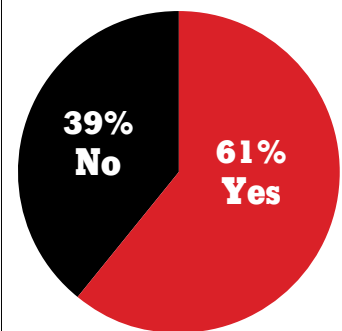


When asked for their projections on when the trade show and events industry will return to "normal," just 1 percent selected dates in 2020, while 73 percent anticipate the industry will rebound sometime in 2021 (the majority of which pinpointed the second or third quarter of next year). Meanwhile, 21 percent don't expect any sense of normalcy until 2022, and 5 percent of vendors/suppliers don't foresee the industry ever returning to what was considered normal prior to the pandemic.

"We're pivoting to virtual, but many clients are choosing not to exhibit at upcoming virtual shows. I think they're waiting for the path to be clearer regarding when we can return to in-person events."

— **Strategic Account Manager**

Have you been working with clients on plans for virtual alternatives to live trade shows and events?



"Earlier this summer, I would have said we will probably survive. But with the cancellation of shows well into 2021, that probably is now a maybe."

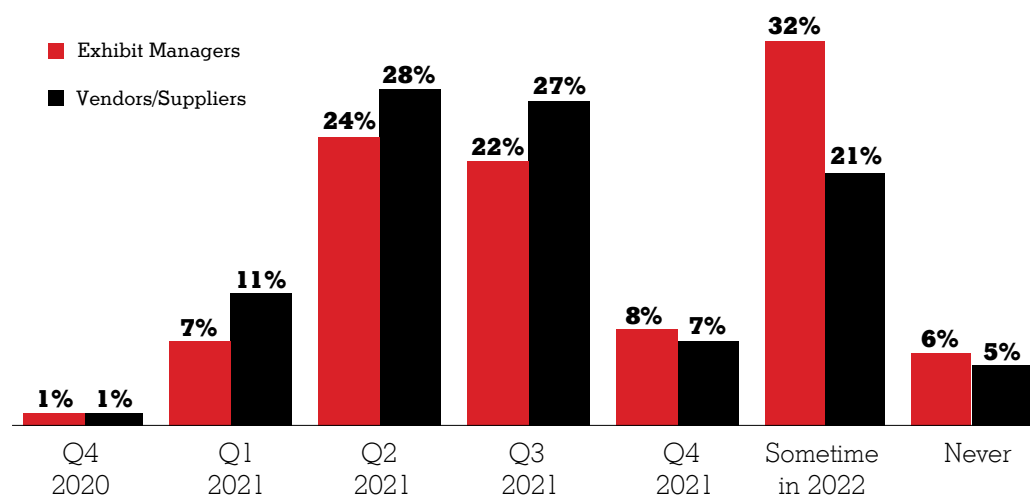
— **Senior Account Executive**

V. Conclusions

The data is difficult to swallow. And no matter how many meager silver linings there might be among the results, it points to an elongated dark tunnel we'll have to traverse before exiting into the bright future most of us optimistically anticipate for the trade show and live-events industry. Contrary to many predictions made in the second quarter of 2020, it is now apparent to almost everyone that the ramifications will continue impacting the face-to-face marketing landscape well into 2021.

After poring over the quantitative and qualitative information obtained via our ongoing research initiatives, our prediction is that live trade shows and events will begin to pop up throughout 2020 and the first quarter of 2021. Having said that, it's unlikely we'll see a critical mass of events opening back up and signaling what anyone might call a rebound until the second or (more likely) third quarter of next year. That means this industry could spend another full year in this purgatory-like state before fully reemerging in late 2021.

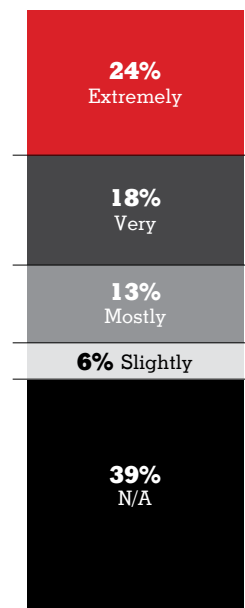
FIGURE 23:
When do you believe the trade show industry will return to normal?



So what does 17 months of stagnation do to an industry that used to be notoriously fast paced? Unfortunately, so many organizations within the live-events ecosystem were not built to withstand a storm of this magnitude and duration. But the best and the most resilient among us will survive. And those who do will reap the rewards of a less competitive landscape and a pent-up demand for in-person events.

Until then, virtual and hybrid options will explode in popularity if for no other reason than there are few other adequate alternatives. The technology will improve, we'll stop bemoaning the limitations, and we'll settle in to making the best of an impossibly bad situation. But we must not give up hope. Face-to-face marketing will survive, in some form or another, and again reclaim its position as the most effective and efficient way of reaching new audiences, generating new business opportunities, and forging new relationships. Before being attendees or exhibitors, both are people first. And because people do business with people (not websites or virtual exhibits),

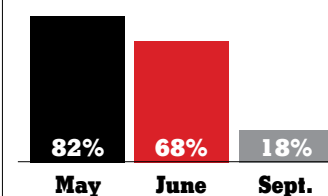
How confident are you in your ability to deliver virtual/digital solutions to your clients?



"We are trying to stay optimistic. But at some point, the trade show industry needs to take more calculated risks to ensure its own survival."

— President

What percentage of your current clients have plans to exhibit at trade shows held between now and the end of the year?



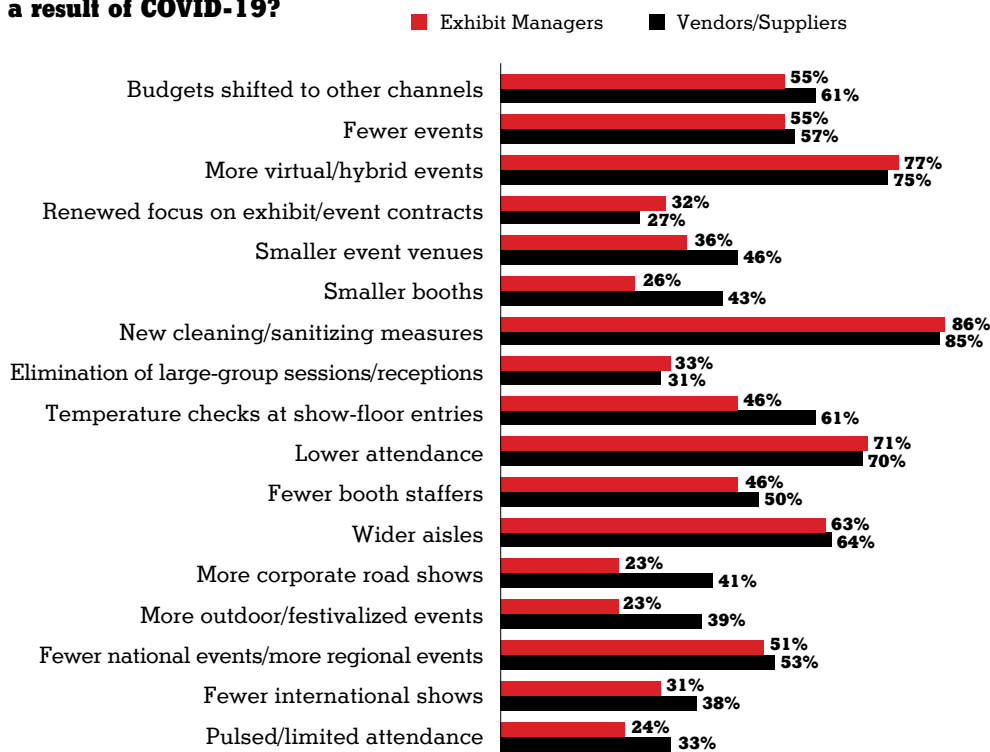
we will continue to strive for the kind of connection, conversation, and collaboration uniquely offered by in-person conferences, conventions, and exhibitions.

But trade shows and corporate events won't come out on the other end of this pandemic looking exactly as they did earlier this year. There will be changes. Most notably, both corporate exhibit managers and vendors/suppliers anticipate a range of new cleaning and sanitizing measures, an ongoing trend toward virtual and/or hybrid events, lower attendance numbers well into 2021, wider aisles or more widely spaced booths, a reallocation of funds earmarked for face-to-face marketing, and a migration from large, national shows to smaller, regional alternatives. Many live-event stakeholders also anticipate fewer trade shows will be available for exhibitors to choose from once COVID-19 has passed and that attendees may be screened using temperature checks and/or medical questionnaires prior to their admittance.

What many hoped would be a blip on the radar has proved to have the kind of staying power that will likely leave long-term effects in its wake. But live events will remain. It may take a while for them to begin reappearing around the world, but they will be back eventually. The absence of trade shows has reinforced their value proposition to upper management. The vast majority of companies have plans to return to live events as soon as they're able, and the bulk who've seen budget cuts anticipate their return once restrictions on mass gatherings dissipate.

All that reinforces that despite the discomfort of our current position, live events are here to stay. So long as we're able to weather the storm, pivot where possible, and keep the faith, face-to-face marketing won't become an endangered species, but rather an evolved version of the powerful marketing vehicle it's always been.

FIGURE 24:
What long-term changes do you anticipate the trade show industry will experience as a result of COVID-19?



ABOUT THIS SURVEY

The "EXHIBITOR Insight Report: COVID-19's Impact on the Trade Show Industry" is based on three surveys conducted by Exhibitor Media Group. An email survey was sent to both corporate exhibit managers and trade show vendors/suppliers on May 4, 2020, and the survey was closed on May 6, 2020, collecting 1,111 responses. A second survey was sent on June 9, 2020. That survey was closed on June 12, 2020, collecting 420 responses. A third survey was sent on Aug. 24 and closed on Sept. 2, generating 570 responses. To date, the number of analyzed responses is 2,043, including 1,153 corporate marketers and 890 industry vendors/suppliers. The majority of responses from corporate exhibit managers represent the manufacturing/distribution sector, with top industries including technology, manufacturing, and wholesale trade. Exhibiting company size varied, and annual revenue ranged from less than \$1 million to \$1 billion or more. Meanwhile, the majority of vendor/supplier responses were from managers/executives, and roughly six in 10 work for exhibit producers, resellers, or builders. The size of vendors/suppliers annual revenues ranged from less than \$2.5 million to more than \$30 million.

