

The Freeman Trends Report

+ Exhibitor/Sponsor Intent and Behavior Q2 2023

Data Charts and Graphs Version

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+ Executive summary: mind the gap

Following the release of the largest attendee report the industry has ever seen, we are building on these insights by coupling our events "insider" expertise with the most timely and comprehensive exhibitor and sponsor report in years.

Last quarter, we revealed that demographic trends were shifting toward a younger attendee that is more values-driven in their consumer behaviors.

This time around, our data-driven assessment paints a picture of promise and potential pitfalls, showing where the industry is facing challenges, what strategies are working, and where we need to target our resources to maximize our investments.

Attendees, exhibitors, and sponsors are telling us what they want right now. They don't want to pare back; they want to move forward. They are willing to invest in the events ecosystem, but their money isn't going as far as it once did.

Your takeaway: Everyone is ready to pile on the train, but you would be wise to mind the gap(s).

Attendees, exhibitors, and sponsors believe in the value of being at events, but they are not always getting clear value from them. They are spending the same but feeling less of a return. Event binders, perfunctory badge scans, and one-size-fits-all convention halls may feel like a return to normalcy, but data suggests attendees want a unique experience marked by the quality of their connections not the quantity of their interactions.

We are seeing an emerging misalignment between attendees' preferences, exhibitors' and sponsors' priorities, and the marketing playbook.

To overcome this divide, we must fuse traditional marketing tactics with innovative and integrated digital approaches. We must emphasize consumer-centricity to deliver better leads and elevate brand awareness (after all, event attendees have changed and so must our strategy). Finally, we must show exhibitors and sponsors that to close the gap between expectations and reality, we need to reframe our return on investment (ROI) into a return on objective (ROO).

Yes, we know we're grabbing the third rail here, but the short-term calculation of ROI can't account for the long-term relationship companies need to nurture as they fight to retain customers and pursue new leads.

The research suggests that the future of this industry will be about unique experiences that create stronger connections—all qualities that defy simple ROI measurement. Moving ahead, we need a tool that accounts for the value of relationship-building. **The real "return on our investments" will come down to whether we align our exhibitors objectives with our attendees' needs.**

Freeman's trend report can help bridge our industry's growing experience and expectation gap using data as our guide.

The train has not left the station, but now is the time to get everyone on board.

+ Rethinking our returns

The Freeman Trends Report is grabbing third rails and ensuring we mind the gaps between where our industry is and where it needs to go.

Exhibitors and marketers have long used badge scans and booth size as the critical indicators of a successful event, but the future is about measuring and monetizing *quality connections* with the next generation of attendees.

Return on objective (ROO) is the new return on investment (ROI).

A diverse group of people, including men and women of various ethnicities, are shown in profile, smiling and clapping their hands. The background is a blurred indoor setting, possibly a conference or event. The overall tone is positive and celebratory.

Who are they?

Methodology and Sample

+ Methodology

April 2023	
Fielding dates	April 18 – 27
Responses	1,551
Margin of error	±2.5%
Exhibitors (who may also sponsor)	100%
Sponsors (who exhibit)	36% (556 responses)

The survey sample comprised of B2B Convention and Exhibition exhibitors as well as sponsors who also exhibit. No one identified themselves as a sponsor who did not exhibit.

The survey was conducted online.

All respondents were given the option to opt-in to a drawing for a \$100 Amazon gift card.

10 winners were randomly selected for \$100 gift cards. One was selected at random for a \$1,000 gift card.

+ Q1 Reflections: Do you know your persona?

Freeman previously conducted its Q1 survey, analyzing attendee sentiment, behavior, and intentions to explore the consumer perspective on the value of B2B events. The data suggested that we have a new wave of attendees on the horizon. We are calling them the Next Gen Event Goer (NGEG).

For more insights into how this generational shift will impact the trajectory of the industry, access the Q1 Freeman Trends Report [here](#).

● Demographics

○ Priorities

22-44
years old

More
female

More
educated

Authentic,
personal
connection

Value-driven
companies

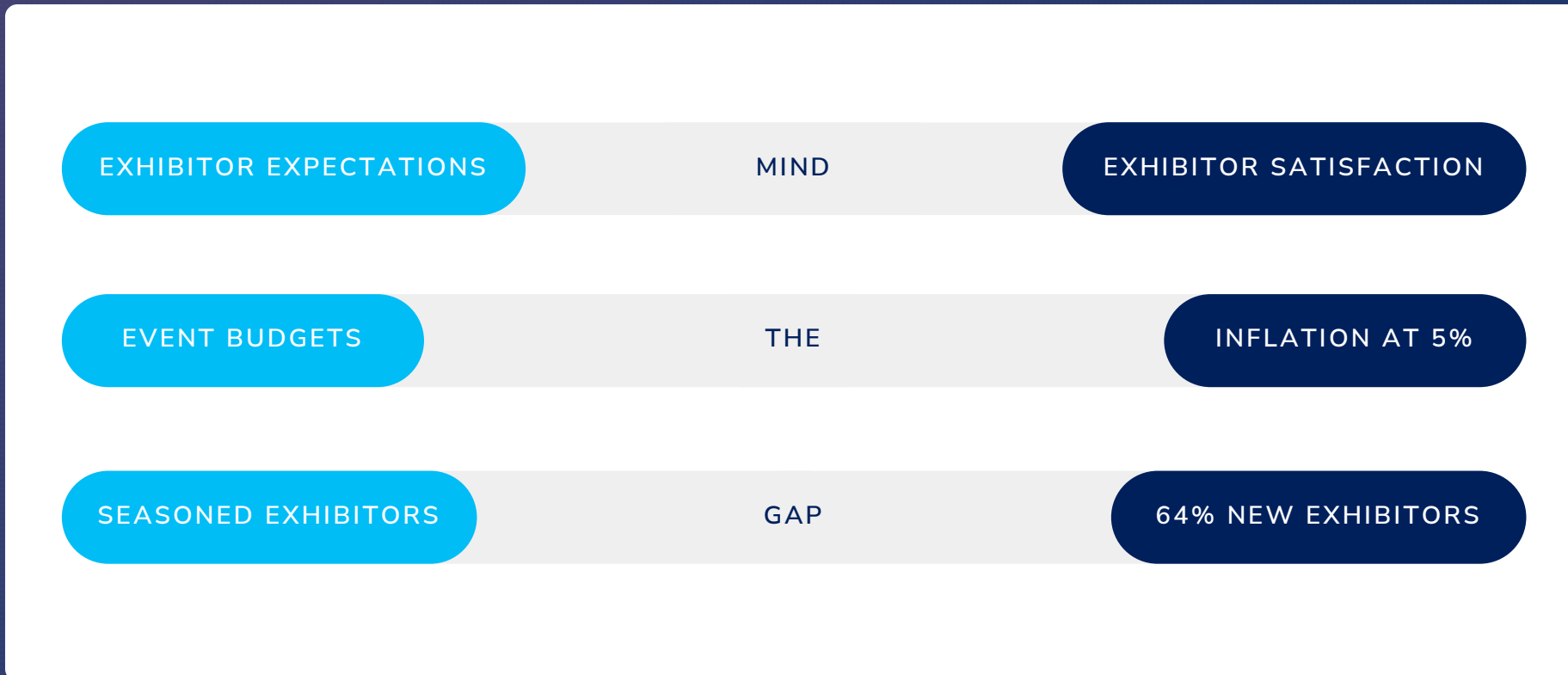
Professional
growth

+ Q2 Exhibitors and Sponsors: "mine" those gaps

Traditionally, stable budgets, significant square footage occupancy, and positive sentiment would serve as the primary indicators of a successful event and a healthy industry. The survey results suggest that the industry is resilient, and that in-person events have largely stabilized, but the data has less obvious insights about emerging economic trends and misaligned priorities that we cannot afford to overlook. We know our attendees are changing, so our strategies will need to evolve as well.



Throughout this report, you'll see this icon symbolizing an important gap.



A group of diverse business professionals in a modern office hallway with large windows. The scene is bathed in a blue and purple light, suggesting a late afternoon or evening setting. The professionals are walking in a line, some looking towards the camera and others looking away. The text "Promising signs" is overlaid in large white font across the center of the image.

Promising signs

Budget, Space, and Allocations

QUESTION

Looking ahead to the next 12 months, how do you expect your in-person exhibit plans to change?

Do you anticipate your reduction in planned exhibits at in-person events is permanent or temporary?

APRIL 2023 BASE

Exhibitors who may also sponsor (n=1,551)

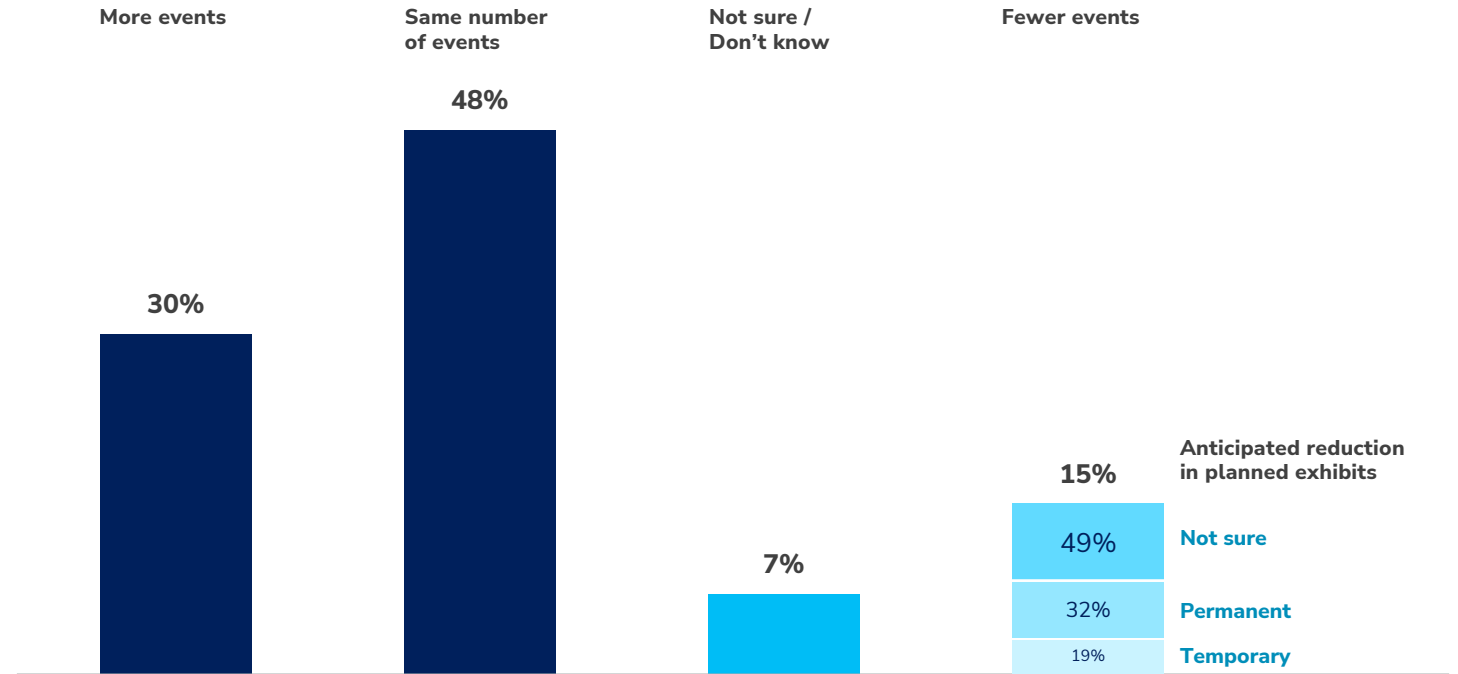
Exhibitors who indicate fewer events (n=241)

+ Almost 80% intend to exhibit at the same number of events or more

Exhibitors are charging ahead with their event plans over the next 12 months – the first of many positive signs. These plans align with the desires of event attendees: to get back to in-person events.

Of the total survey sample, only 15% plan to exhibit at fewer in-person events, but within this smaller sample, 49% were unsure if the reduction was permanent or temporary.

Changes to in-person exhibit plans



APRIL 2023

QUESTION

Over the next 12 months, how do you expect your exhibiting budget to change?

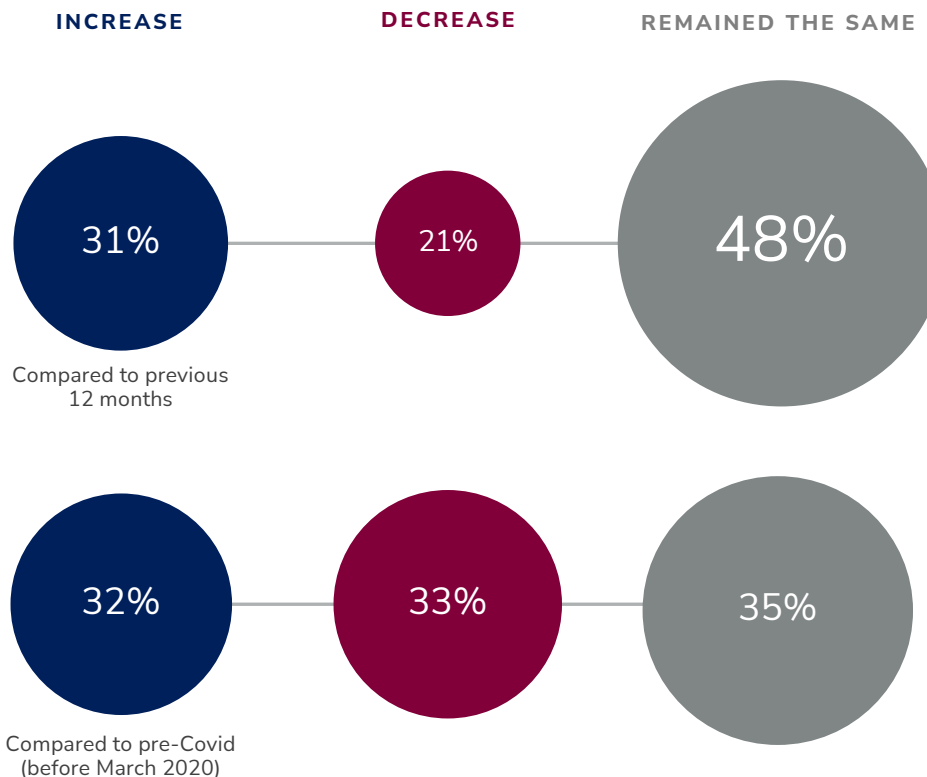
APRIL 2023 BASE

Exhibitors who indicated exhibiting budget (n= 1,551)

+ A third are increasing their exhibiting budget

Another promising sign: almost half expect their exhibit budget to remain the same compared to the previous 12 months. Not to mention that, according to [Deloitte's 2023 Global Marketing Trends Report](#), most brands plan to weather financial uncertainty by investing in marketing initiatives as opposed to cutting costs. Only 21% expect their exhibiting budget to decrease. But these numbers run the risk of giving the industry an inflated sense of optimism.

Exhibiting budget expectations for the next 12 months



With inflation presently hanging around 5%, a \$10K spend in 2023 would have the same purchasing power as an \$8.5K spend in March 2020. So, although budgets are increasing, they're likely increasing to meet economic demand.

QUESTION

Pre-Covid (prior to March 2020), how was your B2B tradeshow exhibiting budget allocated for the year?

As you plan for the next year, please indicate how these B2B tradeshow allocations might shift.

APRIL 2023 BASE

Exhibitors who may also sponsor (n=1,551)

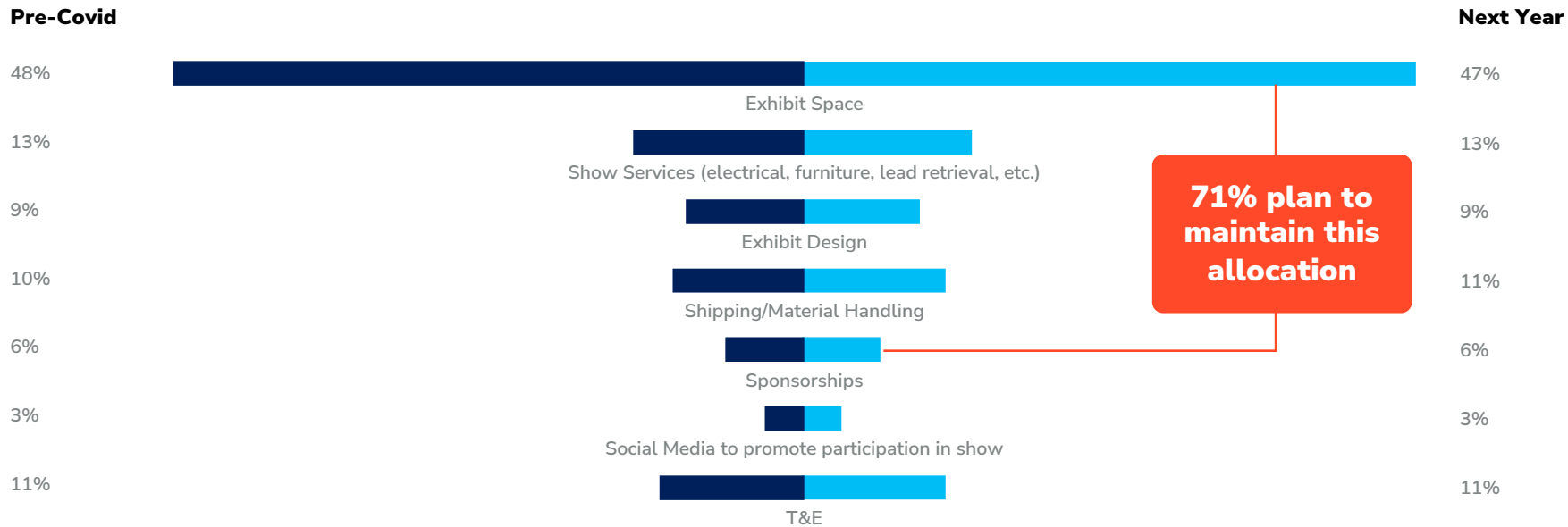
+ Budget allocations are now largely the same as pre-Covid

Based on pre-Covid and projected allocations, it's clear that exhibitors are still spending most of their event budget on space. We can hypothesize that this is out of necessity as opposed to preference since exhibit space is typically the most expensive exhibition component.



These consistent budget allocations seem promising, but the events industry and the world have transformed since 2019, so it is surprising to see factors like social media or even exhibit design not gaining a larger piece of the budget pie, especially since social media promotion is an efficient way to reinforce the attendee-exhibitor relationship and create additional touchpoints.

Allocation of exhibiting budget



QUESTION

Is your square footage more or less than you planned prior to the pandemic?

APRIL 2023 BASE

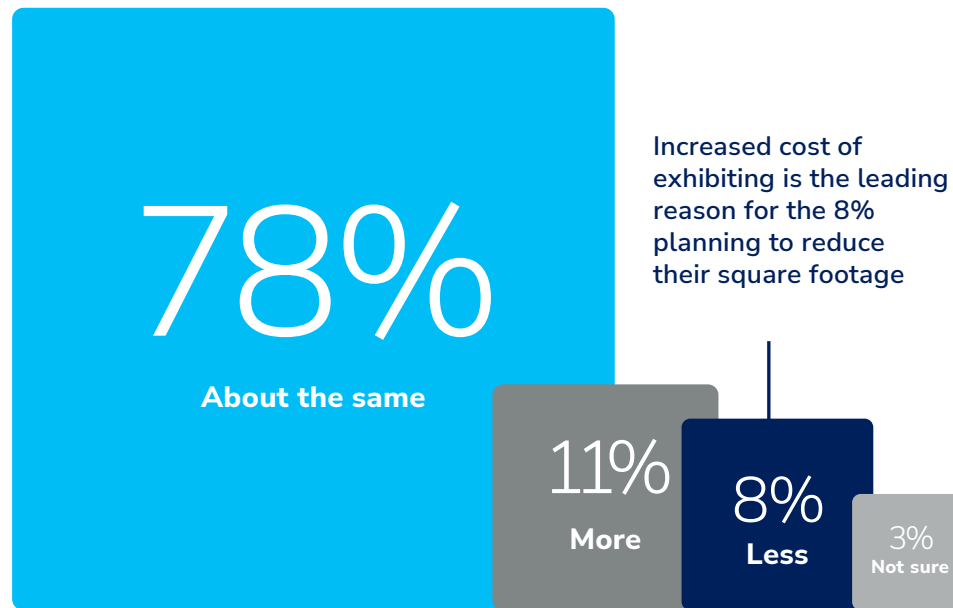
Exhibitors who may also sponsor (n=1,551)

+ Most exhibitors are using the same or more space

Overall, the amount of square footage remains relatively steady when compared to pre-pandemic times. Only 8% of exhibitors plan to downsize, but of those reducing square footage, 62% reported that higher exhibiting costs were the issue. At 19%, the "unspecified reasons" for downsizing along with the 9% "shifting resources to other event elements" could be a warning sign that organizations are producing their own events or using events as an auxiliary strategy moving forward.

When it comes to the space race, we're not saying bigger is better solely for the sake of size. We're acknowledging that exhibitors with larger booths have an outsized impact on the overall events ecosystem. Not just because large booths bring in more revenue than small booths for a one-time event, but because exhibitors with large booths have a lower turnover rate (20%) compared to exhibitors with small booths (46%).

Square footage compared to pre-pandemic



APRIL 2023

The Business of Booth Size:

Small: 100-300 Sq ft

Large: 301-1000+ Sq ft



9 out of 10 exhibitors plan to use the same amount of space or more compared to 2019. But based on what we know about NGEs, they won't be impressed by big space alone. It needs to offer something unique. They care about authentic connections, valuable networking, and professional growth. So, exhibitors of all kinds should take note: exhibit space does not guarantee attendee engagement. Exhibitors would be better off using additional funding to help foster relationships instead of relying solely on square footage.

QUESTION

What ONE word best describes your current emotional state towards exhibiting or sponsoring at in-person events?

APRIL 2023 BASE

Exhibitors who may also sponsor (n=1,551)

+ Overall sentiment is positive (with caveats)

The majority of exhibitors report positive sentiment (58%) towards exhibiting and sponsoring at in-person events, though 25% have negative feelings and 17% are neutral.

At first glance, the data is encouraging. The most frequently mentioned word by far is "excited," but the secondary sentiments are "expensive," and "necessary," followed by a close call between "positive" and "exhausting."

It should likely raise the question, how can we make the exhibiting, sales, sponsorship process easier to combat some of these negative feelings?

Emotional response to in-person events in one word

POSITIVE

Energized
Hopeful
Essential
Interested
ROI
Enthusiastic
Ready
Committed
Comfort
Happy
Eager
Good
Positive
Great
Motivated
Optimistic
Excited

NEGATIVE

Unsure
Skeptical
Tired
Frustrated
Exhausting
Cautious
Expensive
Busy
Disappointed
Stressful
Overwhelmed
Uncertainly

NEUTRAL

Mixed
Indifferent
Neutral
Fine
Necessary
Selective



This is clearly a "mind the gap" moment. This emotional divergence underlies a tension in the industry. Exhibitors are ready and excited for in-person events, but we must take note of conflicting economic realities and competing professional commitments. The value prop of an event is more important than ever.

For attendees, "value" comes from a strong alignment between personal and professional goals, but for exhibitors and sponsors, "value" will translate to a clearly evidenced ROI. Right there, we can identify a problem. A focus on a high-quality experience that delivers on attendee objectives has greater potential for customer loyalty and long-term growth but is not always immediately quantifiable.

A man and a woman in business attire are standing on a modern office balcony, looking at a tablet together. The man is wearing a light blue shirt and a patterned tie, and the woman is wearing a white long-sleeved shirt and a pink headscarf. They are both wearing lanyards. In the background, other people are visible, and the office has large windows and a glass railing. The overall lighting is soft and professional.

Signs of (some) change

Places and Policies

QUESTION

Rate the impact on each of the following on exhibiting at in-person events.

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Exhibitors who may also sponsor (n=1,551)

+ It comes down to location, location... inflation

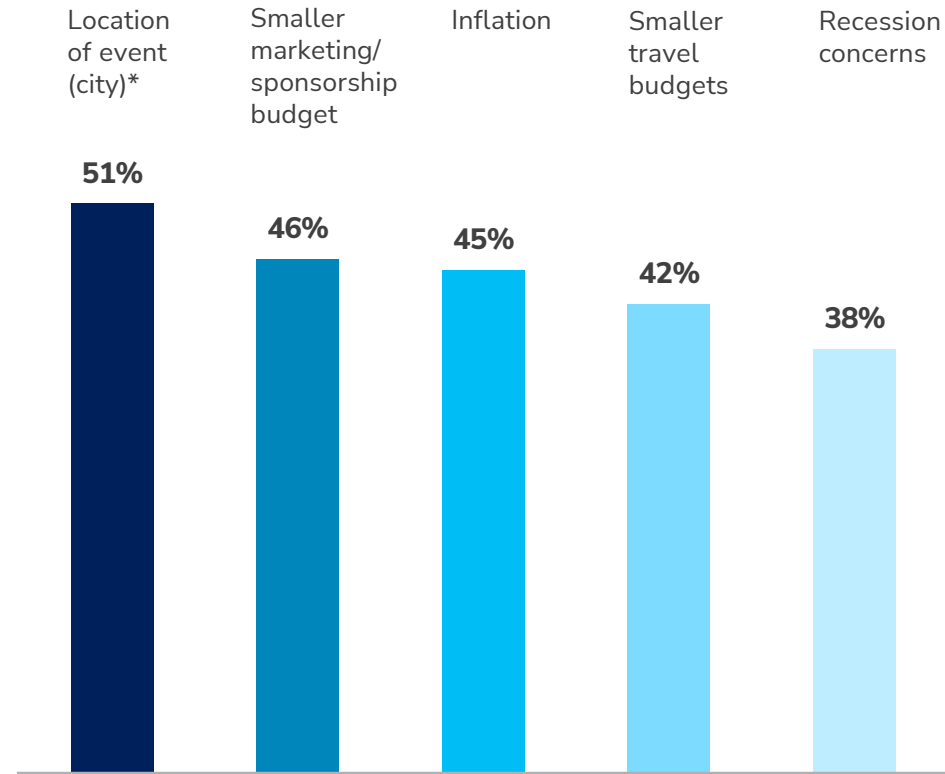
Although exhibitors plan to attend the same number of in-person events (or more), they are being intentional about *where* they are exhibiting.

Exhibitors cite smaller marketing budgets, inflation, smaller travel budgets, and recession concerns as the primary factors impacting their plans—an indication that they are preparing for an economic downturn and wanting to ensure ongoing value from exhibiting.

This comes as no surprise considering 55% of US companies across industries cite financial uncertainty as their top concern according to [Deloitte's 2023 Global Marketing Trends Report](#).

What may come as a surprise, though, is that location is considered the most impactful factor across all respondents.

Impact on exhibiting at in-person events



The impact of location has revealed another gap. 51% of exhibitors with small booths consider location to be "extremely or very impactful" compared to 39% of exhibitors with large booths. Large booth buyers are more likely to come from larger organizations, meaning budgets are bigger and travel costs are slightly less prohibitive.

But we all know travel costs continue to rise...

QUESTION

What are your concerns regarding the location of an event?

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Exhibitors who indicated location is extremely/very impactful*
(n=787)

+ For attendees, a desirable location is key, but for exhibitors, it's complicated

While location greatly impacts whether attendees will choose to go to an event, exhibitors don't have much say, but they still have to negotiate the rising costs of popular destinations.

The data shows that factors impacting overall exhibitor attendance align with apprehensions about specific locations, like smaller travel budgets coupled with associated travel costs. These combined factors likely dictate which cities exhibitors are veering away from.

Exhibitors are also weighing accessibility, transportation complications, safety rates, and overall desirability when determining whether the opportunity is worth it.

Despite these rising costs, most exhibitors and sponsors intend to attend the same number of events, demonstrating just how valuable in-person opportunities are.

**These exhibitors may also sponsor*

Top concerns regarding event location

20% Travel Costs

16% Accessibility of location

16% Transportation Issues

15% Safety/security concerns

11% Desirable location

11% Higher Costs



Hospitality (dining and accommodations), parking, and weather are not top concerns amongst exhibitors, but NGEs want a high-quality experience from start to finish. So, it may benefit exhibitors to take a more holistic look at location instead of solely seeking the most affordable, accessible, and safe option.

QUESTION

How influential is an event's sustainability policy on your decision to exhibit or sponsor?

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Exhibitors who may also sponsor (n=1,551)

+ The majority of exhibitors are not influenced by sustainability policies

Only 17% responded that an event's sustainability policy was extremely/very influential on their decision to participate while 36% reported that it was not very/not at all influential. At 23%, almost a quarter said they were typically unaware of such policies. For large organizations, 50% responded that sustainability was influential. This is a surprising finding as more than 90 percent of S&P 500 companies now publish ESG reports in some form ([McKinsey, "Does ESG Matter and Why?, 2023"](#)), but the disconnect likely reflects an internal conflict between corporate initiatives and inflationary cost-cutting measures targeted at events. Sustainability remains a desired outcome but suffers based on perceived costs and operational realities.

Influence of sustainability policy on decision to exhibit

36%
Not very/not at all influential



24%
Somewhat influential

17%
Extremely/very influential

23%
Not usually aware of an event's sustainability policy

5% of respondents claim that if event organizers provided more information on an event's sustainability policy, it would support their decision process.

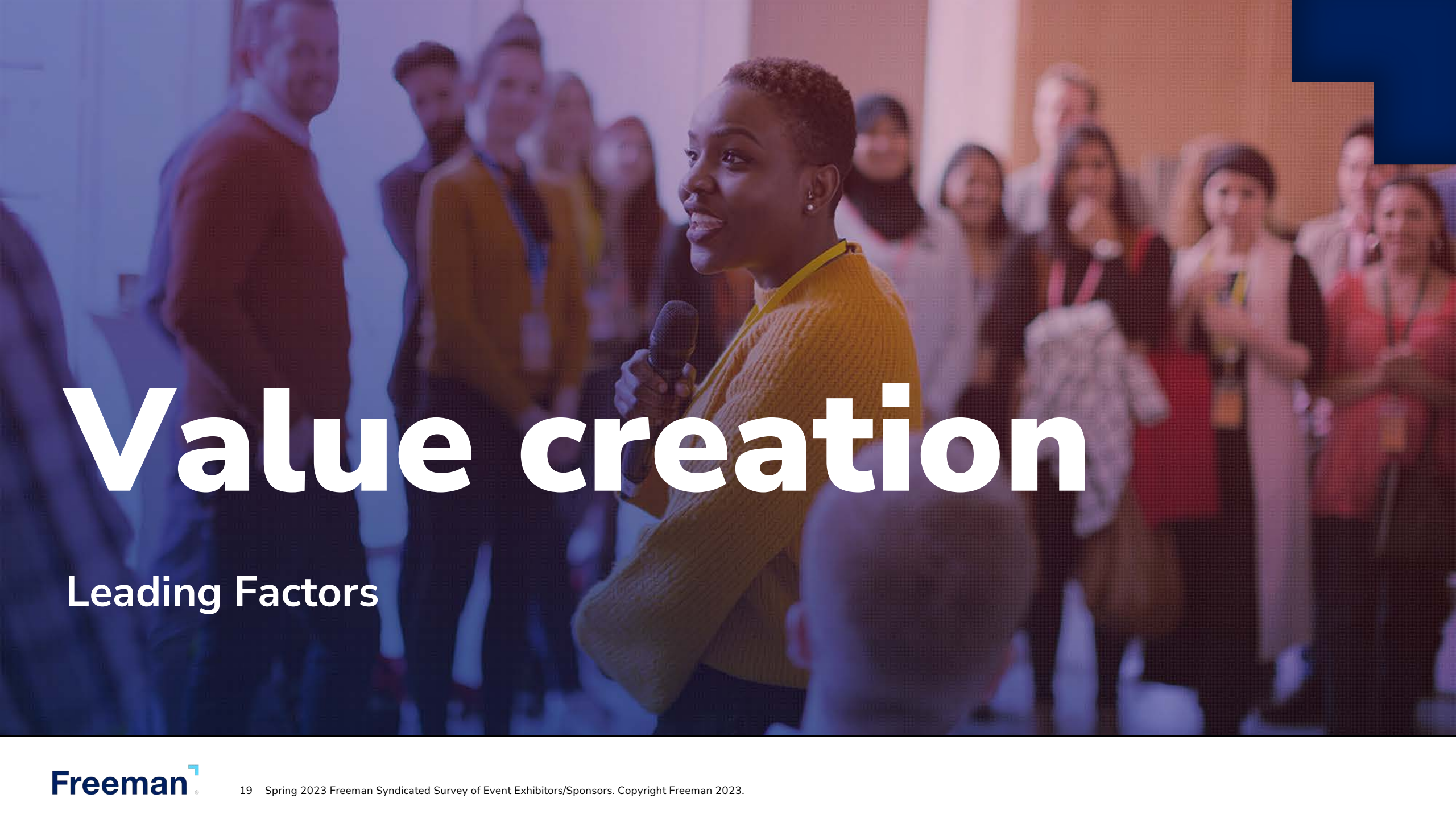


This is an opportunity for event marketers and exhibitors alike to connect with the next generation.

NGEGs prefer purpose-driven companies that are aligned with their values, and they value sustainability.

According to [HubSpot's 2023 State of Marketing Report](#), 69% of marketers agree that taking a stand on social issues like environmentalism is an effective marketing strategy.

Sustainability isn't all about connecting with attendees, it's a win-win for exhibitors too. Consider a brochure-less event. It would not only align with value-driven attendees, but it would save exhibitors in printing and shipping costs.



Value creation

Leading Factors

QUESTION

Since March 2020, how have your expectations about the value of exhibiting or sponsoring at in-person events changed or remained the same?

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Exhibitors who may also sponsor (n=1,551)

+ Event value remains (somewhat) steady, but perceptions vary

Here's some more (outwardly) good news. Respondents most frequently (20%) reported that events are as valuable now as they were in 2020. That said, positive perceptions of "value," including networking opportunities and brand awareness, were largely counterbalanced by concerns of rising costs. "Costs" in this context ranged from smaller budgets to a greater reliance on other forms of marketing outreach.

Shifting expectations about what value looks like

Value has remained the same	20%
Costs have increased while ROI has decreased	10%
Expect smaller/reduced attendance	9%
In-person events are more impactful now	9%
Value has increased	7%
Networking opportunities are essential	7%
Other ways to connect/market/sell have become popular	7%
Event must be cost-effective	7%
Value has declined	7%
More opportunity for brand awareness/business growth	4%
More selective about events	4%
Generating quality leads (renewed profitability, direct sales boost by exhibiting)	3%
Budgetary restrictions (downsized booths, travel limits, cutting down/eliminating sponsorships, etc.)	2%



This ongoing tension is particularly concerning with the survey showing that 10% of exhibitors feel that "costs have increased but ROI has decreased." The value equation of in-person events has benefited from several years of professional isolation, but cheaper, more integrated digital forums have gotten their foothold in the events ecosystem, and they will not be going away. In fact, [Deloitte's 2023 Global Marketing Trends Report](#) reveals that the top priority of US marketers is to accelerate the move to new digital capabilities. It would be wise for event marketers and exhibitors to follow suit, before they completely miss the train.

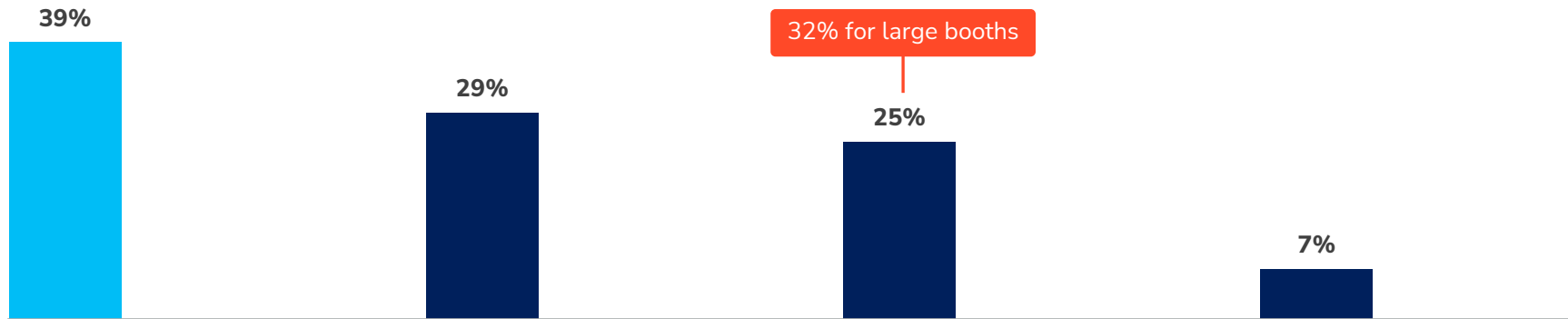
QUESTION

What is the primary reason you exhibit at your most important show?

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Exhibitors who may also sponsor (n=1,551)

+ Lead generation is the primary reason for exhibiting



Lead Generation:

includes marketing campaigns, consumer research, events, advertising, tradeshows, webinars, direct mail, social media, search, media mentions and more

Sales:

includes product demos and shopping carts, marketing and sales working together to prove their product is best, completing sales transaction

Brand Impact/Awareness:

includes new product launch, new line of business launch, or competitive awareness, demonstrate our interest / investment in industry

Lead Nurture:

includes engagement and introduction to positioning, emails, targeted content, classes, newsletters, product information and specials, email campaigns, case studies, free trials and more

APRIL 2023



Regardless of segmentation, respondents overwhelmingly stated that "Lead Generation" was the primary reason for exhibiting, but an interesting gap emerged in second place.

For large booths, "Brand Impact" is the second-most important category at 32%.

Whereas small booths' secondary reason for exhibiting was "Sales" at 30%, with "Brand Impact" coming in at 22%.

It's apparent that those with large booths are less dependent on immediate sales and can prioritize connecting attendees with their brand, yet; they're neglecting a critical component of attendee connection: nurture. Every company must recognize the increasing number of high value touchpoints required to turn a lead into a customer.

+ The nature and nurture of leads

A common marketing refrain is that all B2Bs secretly wish they were B2Cs. Now, the goal here is not to start a turf war; rather, it is to point out that those B2Bers appear to have finally gotten their wish. After several years of physical isolation followed by rapid digital transformation, all companies had to adopt a new kind of customer-centric strategy or risk making themselves obsolete. There is simply no use denying it anymore:

Every B2B is now a B2C... or should be.



If we all recognize the value of direct customer engagement with our brands, why are businesses continuing to spend money based on an outmoded B2B assumption? The low priority placed on the exhibiting goal of "Lead Nurture" in the previous slide clearly evidences this curious gap. The key is to create high value touchpoints with customers that keep them engaged in the events ecosystem longer. Pivoting to this B2C approach helps companies utilize their spends more strategically. Most importantly, embracing the B2C reality means that a wealth of consumer behavioral research can now guide those critical investments.

7%



Lead Nurture:

includes engagement and introduction to positioning, emails, targeted content, classes, newsletters, product information and specials, email campaigns, case studies, free trials and more



Gaps in expectation

Losing the Lead

QUESTION

Thinking about the most important event you exhibit at, please rate the importance of each of the following objectives.

Now rate your satisfaction with this event in meeting those objectives that were highly important to you. (those rated extremely/very important)

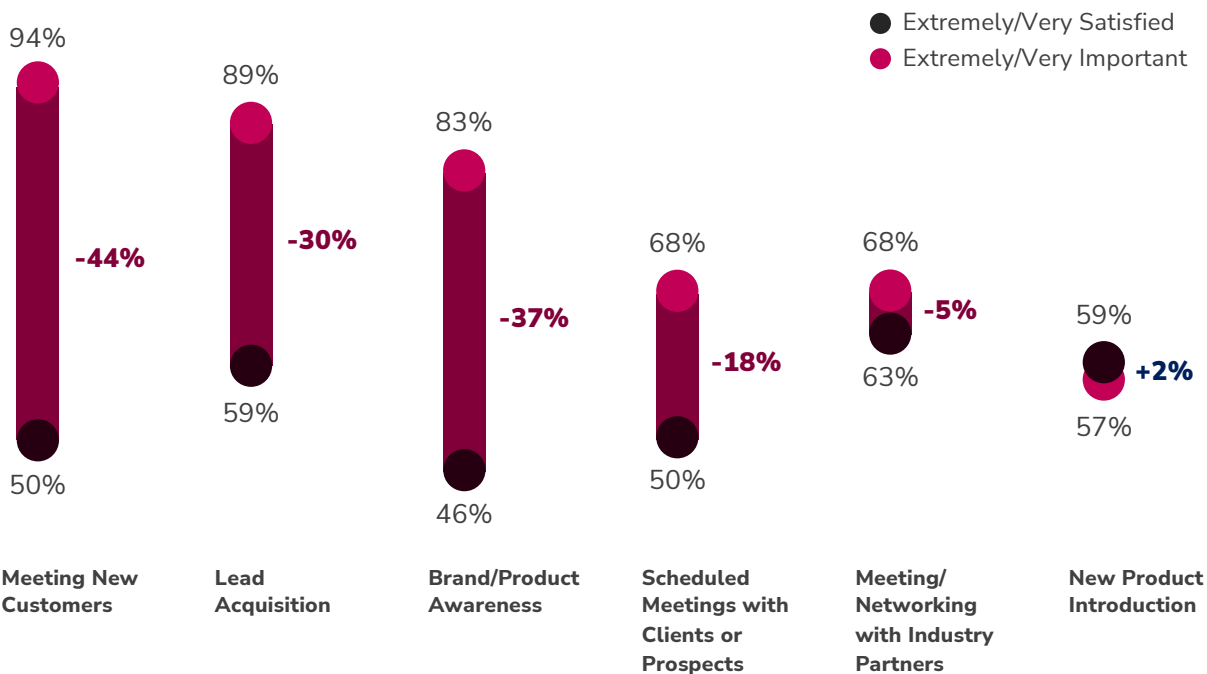
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Exhibitors who may also sponsor (bases vary)

+ Large gaps exist between exhibitors' objectives and satisfaction



Reasons for Exhibiting (Importance and Satisfaction)



This is the data that should make us all stop and take stock. Respondents reported that meeting new customers is the most important objective for exhibitors overall, which aligns with their primary reason for exhibiting. But what doesn't align, is their rate of satisfaction which is only 50%.

Interestingly, respondents suggest relative satisfaction when it comes to networking with industry partners and product launches, but the real value generators of more leads and broader name recognition are coming up short.

These numbers suggest that exhibitors have a clear understanding of their objectives, but the events space is either not delivering on them or cannot provide compelling evidence that what exhibitors are receiving is aligned with their goals. This is a telling divide because the top three categories all speak to the value of quality connections, which would require a shift in how exhibitors traditionally measure ROI.

Exhibitors must move away from focusing on quantity of leads so that they can consider how to create long-term customer value that delivers on everyone's expectations.

QUESTION

Thinking about the most important event you exhibit at, please rate the importance of each of the following objectives.

Now rate your satisfaction with this event in meeting those objectives that were highly important to you. (those rated extremely/very important)

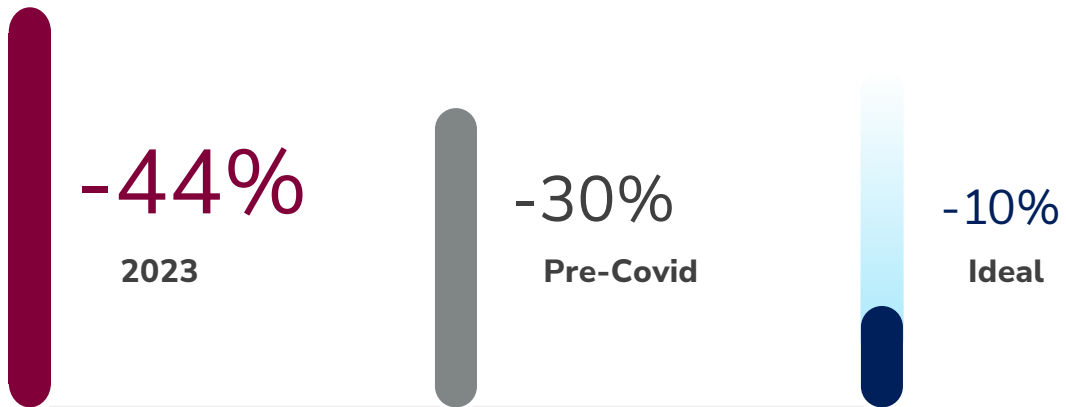
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Exhibitors who may also sponsor (bases vary)

+ Large gaps have grown larger between exhibitors' objectives and satisfaction



Reasons for Exhibiting (Importance and Satisfaction)



Meeting New Customers

Lead Acquisition

Brand/Product Awareness

Scheduled Meetings with Clients or Prospects

Meeting/Networking with Industry Partners

New Product Introduction

It is certainly worth noting that perfect alignment between objectives and satisfaction is not an attainable goal for the events industry. The very best events still see gaps of 10% between most of these measures, but the almost 50% gap for meeting new customers should be concerning. Pre-Covid, the gap was closer to 30%, so the gap is growing; we need to mind the gap.

QUESTION

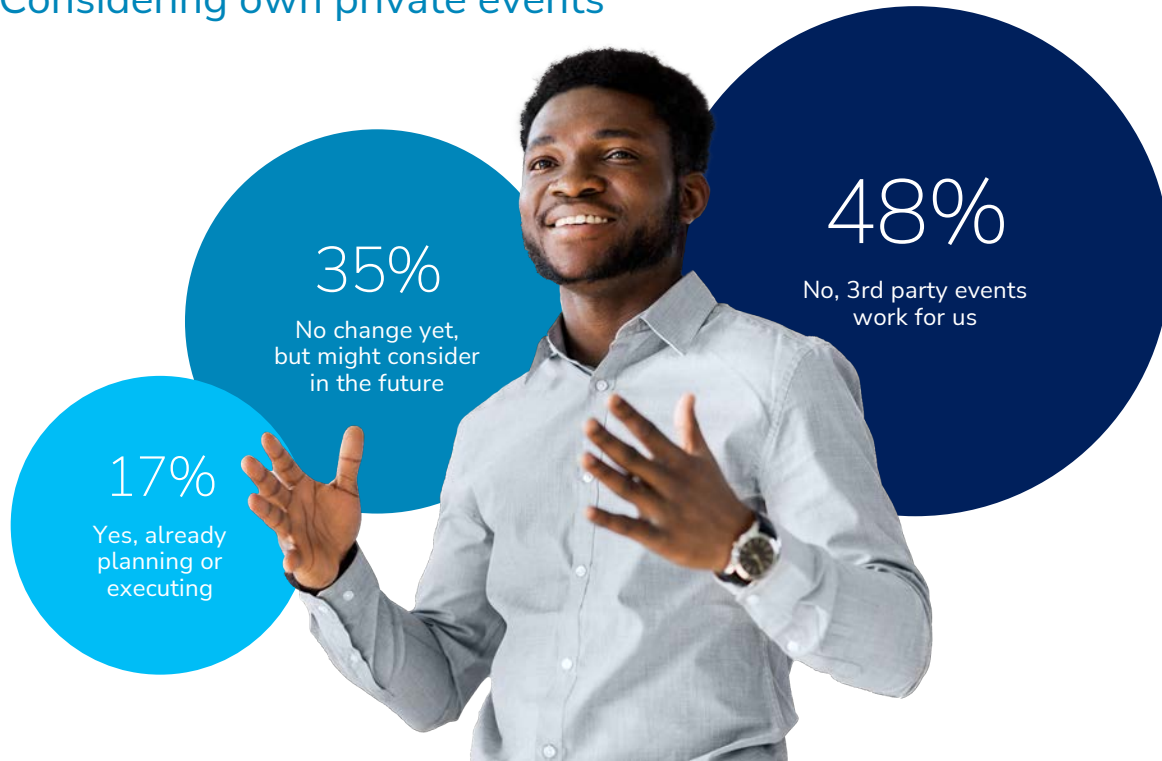
Following the pandemic disruption of in-person events, is your organization planning and executing its own private event (not a sales get together but an event with a show floor, education sessions, etc.)?

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Exhibitors who may also sponsor (n=1,551)

+ Some of this misalignment in “value” translates to more interest in private events

Considering own private events



Post-pandemic, many companies have shifted to hosting their own events.

This move is particularly striking for large organizations and large booths where 56% and 59%, respectively, have reported hosting private events or would consider doing so.

Small booths are slightly more reliant on the events ecosystem with 50% already hosting or considering hosting their own events. However, they are not returning to third-party events as consistently as large booths.

Recognizing these trends, there is an opportunity to appease exhibitors, marketers, and attendees by expanding the events ecosystem.

After three years of relative isolation, some online or private events are here to stay. In fact, [HubSpot's 2023 State of Marketing Report](#) showed that 23% of marketers rank online events within their top 9 marketing strategies now. There is no reason to be overly alarmed; the key is to notice if patterns are emerging. If large companies move to private events en masse then that might suggest a problematic expectation gap. Alternatively, if small booths feel like they are not reaching new customers, they might pivot to more affordable online options. Organizers and exhibitors can navigate this changing landscape by aligning exhibitor and attendee needs. Otherwise, outcomes will continue to fall flat regardless of event format.

QUESTION

In your meeting planning, are you securing additional meeting room space for your organization?

How are you securing that space?

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Exhibitors who may also sponsor (n=1,551)

Exhibitors who are securing additional space (n=204)

+ More private events may translate to more offsite meetings

While only 13% overall are securing additional meeting room space, this trend should concern event organizers. It is the larger companies that are finding their way increasingly offsite. In fact, 42% reported securing additional space with a relatively even split between private meeting rooms in a hotel and renting space in a convention center.

This is a critical moment for organizers to reflect on the objectives that aren't being met for exhibitors.

Why would they take on the full expense of hosting elsewhere rather than use the resources of an event space? If the pattern continues it could also mean less foot traffic and less revenue from registration. These interconnecting issues run the risk of undermining the larger event ecosystem.

**Other includes restaurants, mix of the above options, and through a sponsorship package*

Square footage compared to pre-pandemic

13% Securing additional meeting room space

50%

Private meeting room in hotel

26%

Building a meeting room structure on or adjacent to the exhibit floor

48%

Renting space in convention center

10%

Other*

QUESTION

What is your company's preferred way to make a new product announcement?

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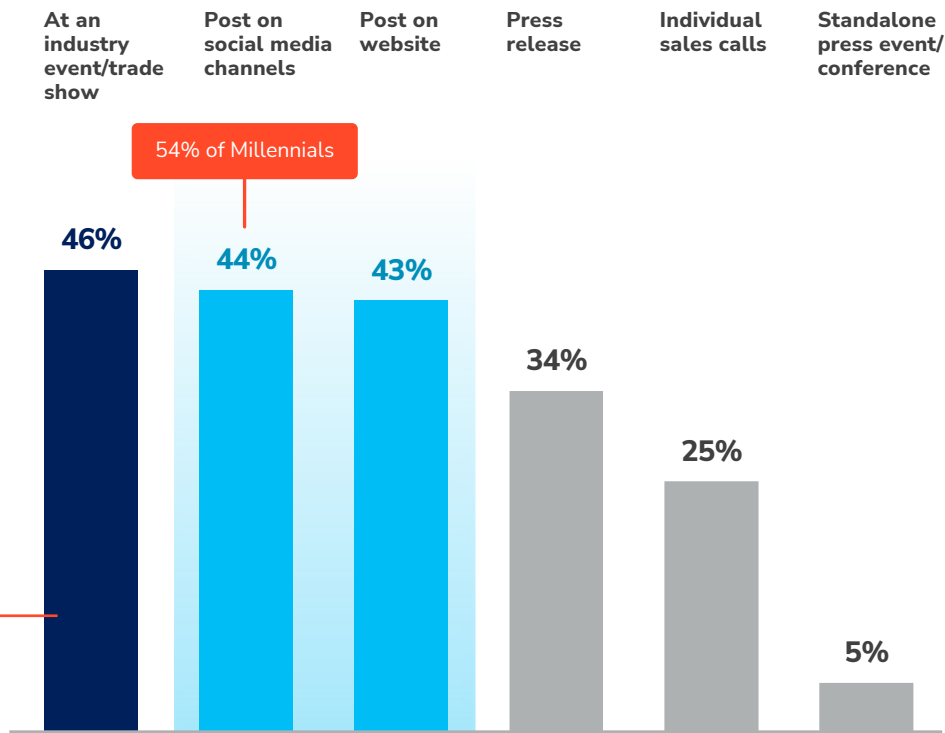
Exhibitors who may also sponsor (n=1,551)

+ In-person events are only slightly preferred over digital channels for new product announcements

Overall, industry events are still exhibitors' and sponsors' preferred way to make product announcements. But events only maintain a narrow lead on digital channels, with a notable gap in preference between younger and older generations – this divide appears likely to grow as social media remains cost-effective and provides widespread outreach.

This was 76% Pre-Pandemic

Preferred way to make new product announcements



Unsurprisingly, we see the most prominent divide based on exhibitor age groups. 54% of Millennial exhibitors ranked social media as the preferred way to make product announcements compared to 44% of Gen X and 36% of Boomer exhibitors.

This is likely because older exhibitors and sponsors are used to relying on trade shows and product release events for product announcements—it was a historically predictable part of their marketing mix. That may have been the status quo pre-Covid (76% preferred events for product launch purposes), but it's time to accept that we are never going back to 2019. Especially if we want to connect with NGENs—who have come to expect multi-channel marketing.

If exhibitors and sponsors fail to integrate social media into their events strategy, they risk being left behind.



Sponsors

Key Results

Same pattern still holds

*still need to mind the gap

QUESTION

Looking ahead to the next 12 months, do you expect to purchase sponsorships at more or fewer in-person events?

Do you anticipate your reduction in sponsorships at in-person events is permanent or temporary?

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Sponsors (n=556)

Sponsors who indicate fewer events (n=71)

+ Most plan to continue sponsoring at the same number of events.

Over the next 12 months, more than half of sponsors plan to sponsor the same number of events as they currently do, with 18% planning to purchase sponsorships at more events and 13% planning to purchase sponsorships at fewer events.

Out of the 13% that plan to purchase fewer sponsorships, 40% foresee it to be a permanent reduction and 28% aren't sure whether it will be permanent or temporary. This could mean that not all sponsors feel that the benefits are worth the cost, and they may be pursuing other avenues to gain brand awareness.

Sponsorship intent at in-person events

51% same number

18% more events

13% fewer events

11% unsure



Interestingly, 20% of sponsors with smaller booths plan to purchase sponsorships at more events compared to 15% of sponsors with larger booths.

QUESTION

Over the next 12 months, do you expect your company's sponsorship budget to:

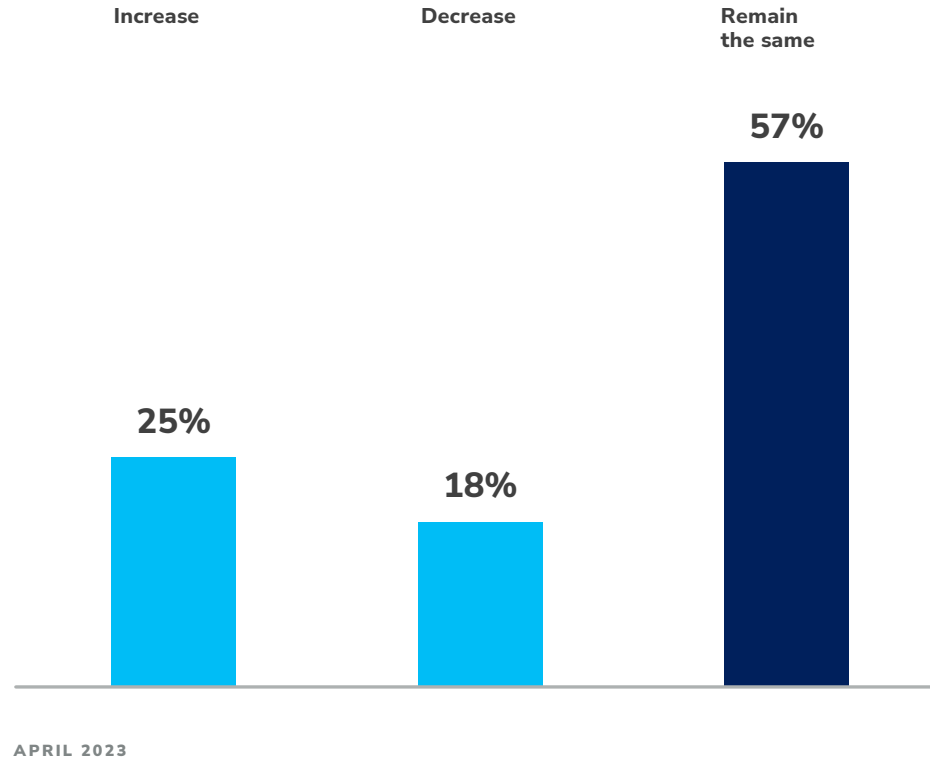
APRIL 2023 BASE

Sponsors who have a sponsorship budget (n=529)

+ Companies are not anticipating changes to sponsorship budgets

Despite the small percentage of sponsors that are pulling back, the majority are holding steady and intend to maintain their sponsorship budgets over the next 12 months.

Sponsorship budget expectations for next 12 months



Once again, we see slightly more small-booth sponsors leaning into sponsorship (25% expect an increase and 17% expect a decrease) compared to large-booth sponsors (23% expect an increase and 21% expect a decrease).

The data also shows that more small- and medium-sized companies expect sponsorship budgets to increase compared to large companies (28%, 27%, and 14% respectively).

We can hypothesize that this is partially due to the increase in exhibitors with large booths and/or from large companies using more of their budget for additional event space and/or private events as opposed to sponsorships. Another avenue for exploring the value of sponsorships is to assess how budgets are allocated to them versus exhibits.

QUESTION

Post pandemic has your mix of spending between exhibiting and sponsorships changed?

Please explain why you are spending more on sponsorships than exhibits.

Please explain why you are spending more on exhibits than sponsorships.

APRIL 2023 BASE

Exhibitors and sponsors who specify a budget (n=1,251)

Exhibitors and sponsors who specify a budget and spending more on either sponsorships or exhibits (bases vary)

+ Companies are not changing their mix of exhibit and sponsorship spending

For those looking to increase their spending, exhibits currently claim more of the budget than sponsorships (21% vs. 8%). Respondents suggested that the rationale for increasing their spend on exhibits was driven by rising costs, smaller budgets, and better customer connections all in contrast to the unclear returns from sponsorships.

For those investing more heavily in sponsorships, they cite strategy changes, better brand outreach, and exhibits' rising costs vs. rewards.

Change in spending between exhibiting and sponsorships post-pandemic

No change in mix

71%

Spending more on exhibits than sponsorships

21%

Reason for spending more on exhibits

16% Exhibiting costs are increasing

14% Sponsorship ROI is limited

14% Want more face-to-face access

6% Smaller budget/reduced spend

Spending more on sponsorships than exhibits

8%

Reason for spending more on sponsorships

16% Provides greater brand awareness

16% More cost-effective than exhibits

12% Shift in company strategy

11% Exhibit cost is high

APRIL 2023

QUESTION

What is your company's budget for purchasing sponsorships at your most important show?

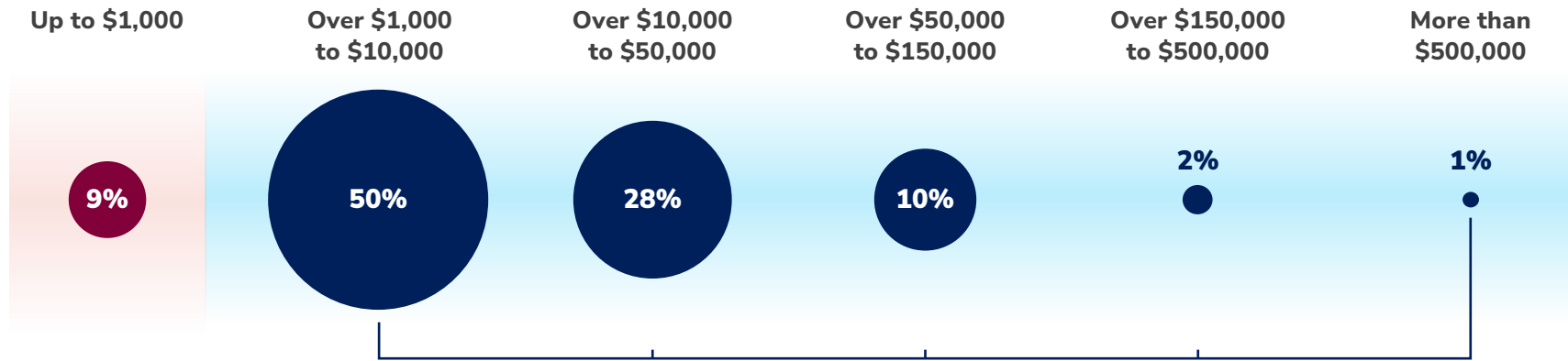
APRIL 2023 BASE

Sponsors (n=556)

+ Most sponsorship budgets fall between \$1,000 and \$50,000

Sponsorship budgets are looking healthy overall, with 78% of sponsors allotting between \$1,000 and \$50,000 for their most important show.

Company's budget for purchasing sponsorships



Since **91% of sponsors do not intend to buy small sponsorship packages**, we can hypothesize that sponsors equate larger spends with more value. It may benefit event organizers to lean into higher-cost, higher-value sponsorship packages.

APRIL 2023



Although sponsorship budget increases with company size, we can't forget about sponsors with smaller booths (especially since 25% hope to increase their sponsorship budgets over the next 12 months). After all, 36% of small-booth sponsors have already allocated between \$10,000 and \$150,000 for their most important show.

QUESTION

Rank order the following sponsorship objectives in order of their importance to your organization.

APRIL 2023 BASE

Sponsors who know their budget for purchasing sponsorships (n=556)

* Numbers based on mean rankings

+ Sponsorship objectives differ by booth size

Generally, exhibitors that sponsor do so in order to gain brand awareness.

Most important objectives for sponsoring

1. Branding/Awareness

2. Sales

3. Engagement

4. Thought Leadership



However, data segmentation reveals that sponsors with small booths prioritize "Sales" as the most important objective (42%) over "Branding/Awareness" (34%). Exhibitors with large booths, on the other hand, ranked "Branding/Awareness" as the most important objective (46%) with "Sales" next in line (42%).

This contrast continues to illustrate a more dire need for those with small booths to generate an immediate return, likely due to budgetary differences compared to those who can afford large booths.

But regardless of this divide, sponsors aren't aligning their objectives with their measurements.

QUESTION

How do you measure the value your organization receives from sponsorships? (Select top 3)

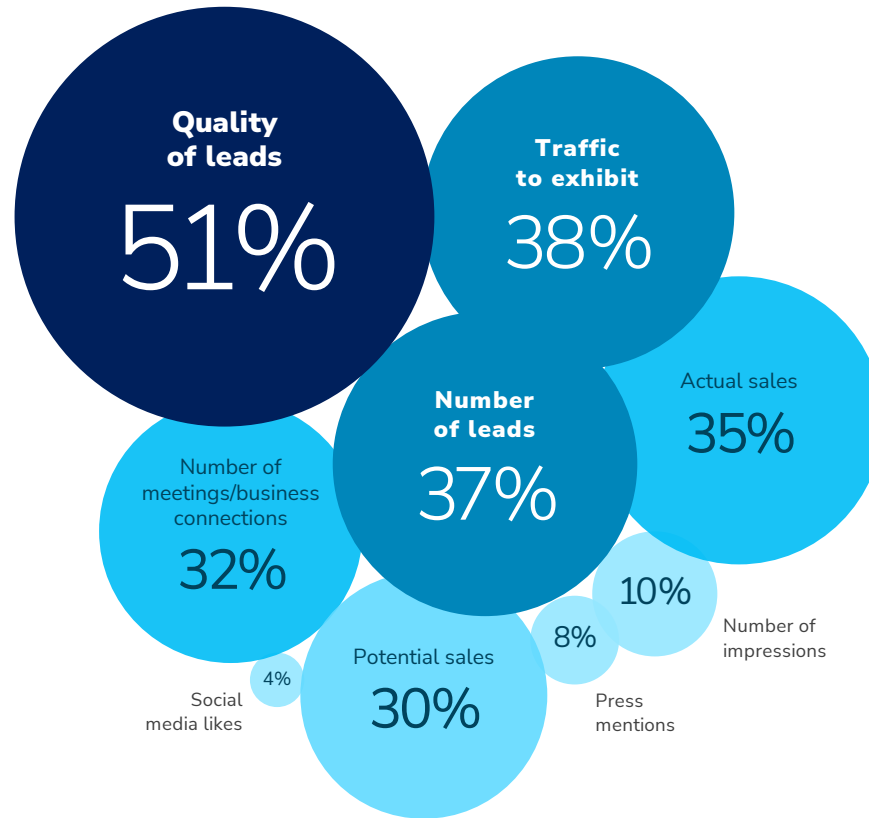
APRIL 2023 BASE

Sponsors who know their budget for purchasing sponsorships (n=556)

+ Sponsors, like exhibitors, prioritize quality of leads, but a gap remains between strategy and assessment

Just as our exhibitor population ranked 'Quality of leads' as their most important metric, our sponsors look to the quality of their leads to determine ROI too, with exhibit traffic and quantity of leads as the next determinants.

Most important objectives for sponsoring

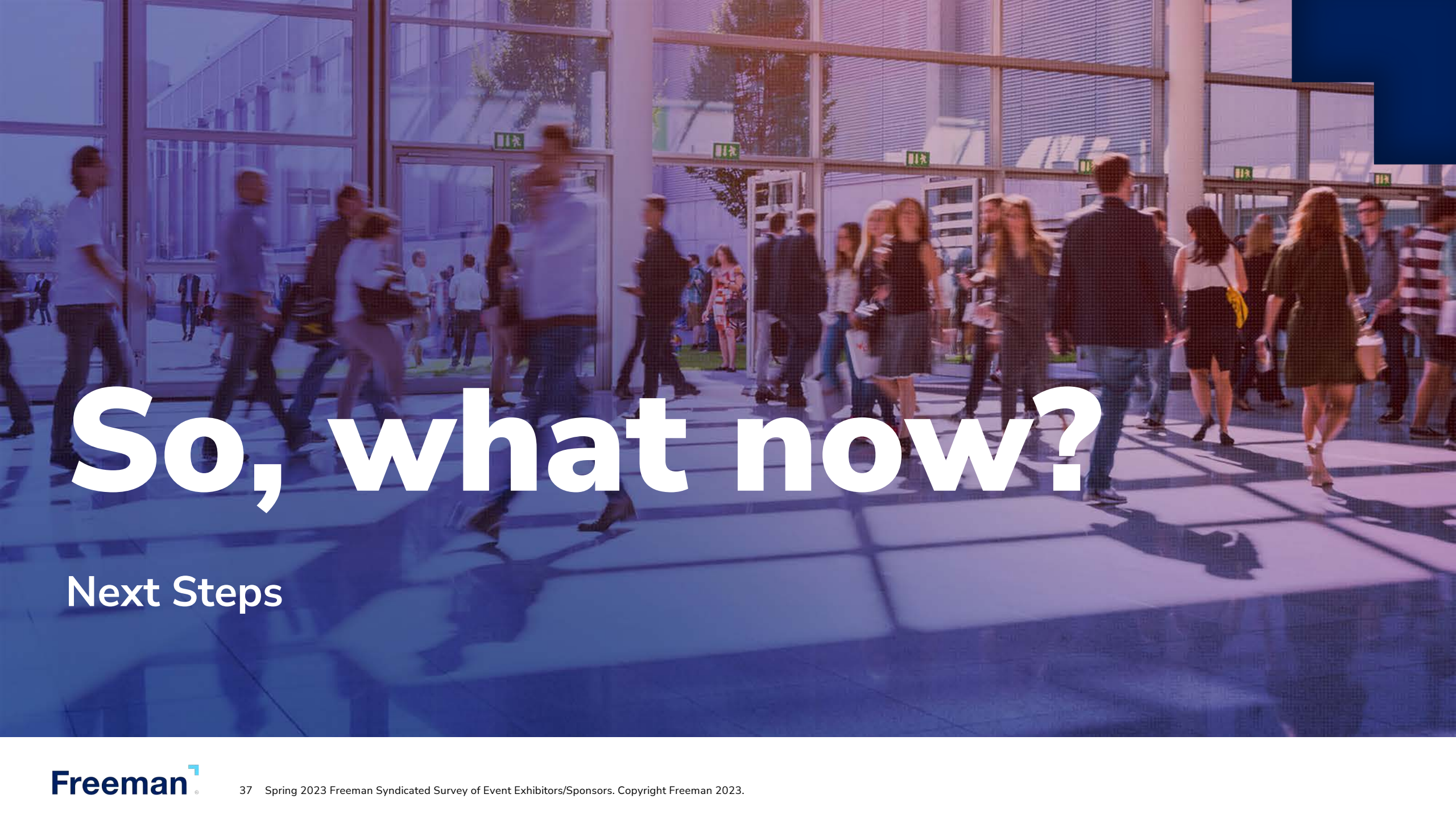


This focus on quality seems promising, but it's a prime example of the gap between strategy and assessment.

Think about it: with an objective of brand awareness, wouldn't sponsors be measuring social media likes or number of impressions? Or, with the hope to achieve more sales, wouldn't sponsors be keen to measure the number of actual sales?

If most sponsors are using the quality of leads to determine success, then their objective should be clear: engagement. But the data clearly illustrates that this is not the case.

To bridge this gap, sponsors must introduce new tools to set smart goals and more precisely measure sponsorship value.



So, what now?

Next Steps

+ How to get more “satisfaction?”

We have spent considerable report real estate evaluating alignment issues within the events space, but that leaves a critical outstanding question: **if the goal is to raise satisfaction levels for exhibitors, what steps should we be taking right now?**

The survey found that exhibitors and sponsors who reported they were Extremely or Very Satisfied in achieving AT LEAST ONE of their event objectives, were far more likely across the board to be Extremely Satisfied in ALL metrics. These respondents were also more likely to assume that their event budgets would INCREASE in the next 12 months. The exact pattern held true for exhibitors and sponsors who were Extremely or Very Unsatisfied with achieving one of their event objectives. They tended to be unsatisfied across the board and far more likely to believe that their event budgets would DECREASE in the next 12 months. That adds up – when things are going well, you double down. When they aren't, you retreat.

Recognizing this, how could our industry better understand the most important objectives of our exhibitors/sponsors and create opportunities to incrementally move them toward greater satisfaction in at least one area?

The research suggests that better communication should be the starting place. Organizers and exhibitors/sponsors must emphasize **open and transparent communication** that lays out their event objectives and demonstrates a plan for achieving them. This outcome-oriented approach is yet another reason for the shift to ROO and can be advanced with **new measurement technologies and initiatives.**

For example, AI tools can be deployed on the show floor to map what traffic patterns are working and recognize where attendees are investing their time.

This is just one way we can show exhibitors/sponsors that a more strategic and satisfying event experience is a priority for the entire industry. Finally, the most important shift we can implement is to explicitly center the event experience around our attendees' needs. It may seem simplistic, but **a win for attendees is a win for everyone.** That is why Freeman is building a [measurement framework](#) that prioritizes attendees' objectives, aligning their desired outcomes with touchpoints and data signals across the customer journey. This way, we can more accurately measure the success of our event strategies and capture real insights into what matters most: customer engagement.

+ So, what would it look like to design an event space around the values of your attendees?

Just look to sustainability initiatives for starters. Currently, a small but growing number of exhibitors are wanting to prioritize sustainability in the events space. This trend looks likely to continue with larger corporations dedicating more resources to their ESG efforts. Beyond environmental concerns, this focus makes business sense with NGEs reporting strong favorability for sustainability policies. In fact, 75% of Gen Z consumers state that sustainability is more important to them than brand names ([Forbes, 2022](#)) and 75% of Millennials will change their buying habits to favor environmentally-friendly products ([Nasdaq, 2022](#)).

To align with this emerging value shift, the industry must demonstrate where we are making purposeful, climate-conscious decisions about everything from purchasing to printing. We will need to do a better job of communicating intentionally about our

policies and practices, and we must take this opportunity to highlight where we are making progress. Many events are already taking steps to minimize waste by penalizing "build and burn" behaviors or applying a carbon footprint fee. And there are practical steps we can take such as reducing the number of single-use products, relying on local distributors, renting or reusing furniture, eliminating swag, or going digital with programs.

All signs suggest that an investment in sustainability is not only the right thing to do for the planet, but it is an investment in the industry's long-term resilience. We should continue to explore ways to provide meaningful sustainable events that speak to the priorities of companies as well as our individual consumers.

+ Summary

The days of pandemic and panic appear to be behind us, but that doesn't mean that we can be complacent when we know **growth opportunities are out there.**

We cannot ignore that exhibitors and sponsors are reporting significantly less satisfaction with achieving their objectives in the current event ecosystem. This should concern everyone as other avenues like private events, online forums, and social media channels allow for alternative and inexpensive forms of customer outreach.

Consider this report your friendly reminder that a return to the status quo does not necessarily signify only clear skies ahead. The appearance of a strong "return" should be a call to action that now is the time to adapt to a changing world looking for new experiences and authentic connections. The best way to show that we are delivering this "value" is for organizers and exhibitors alike to prioritize using objective-driven frameworks that measure relational growth not just monetary goals.

+ Resources

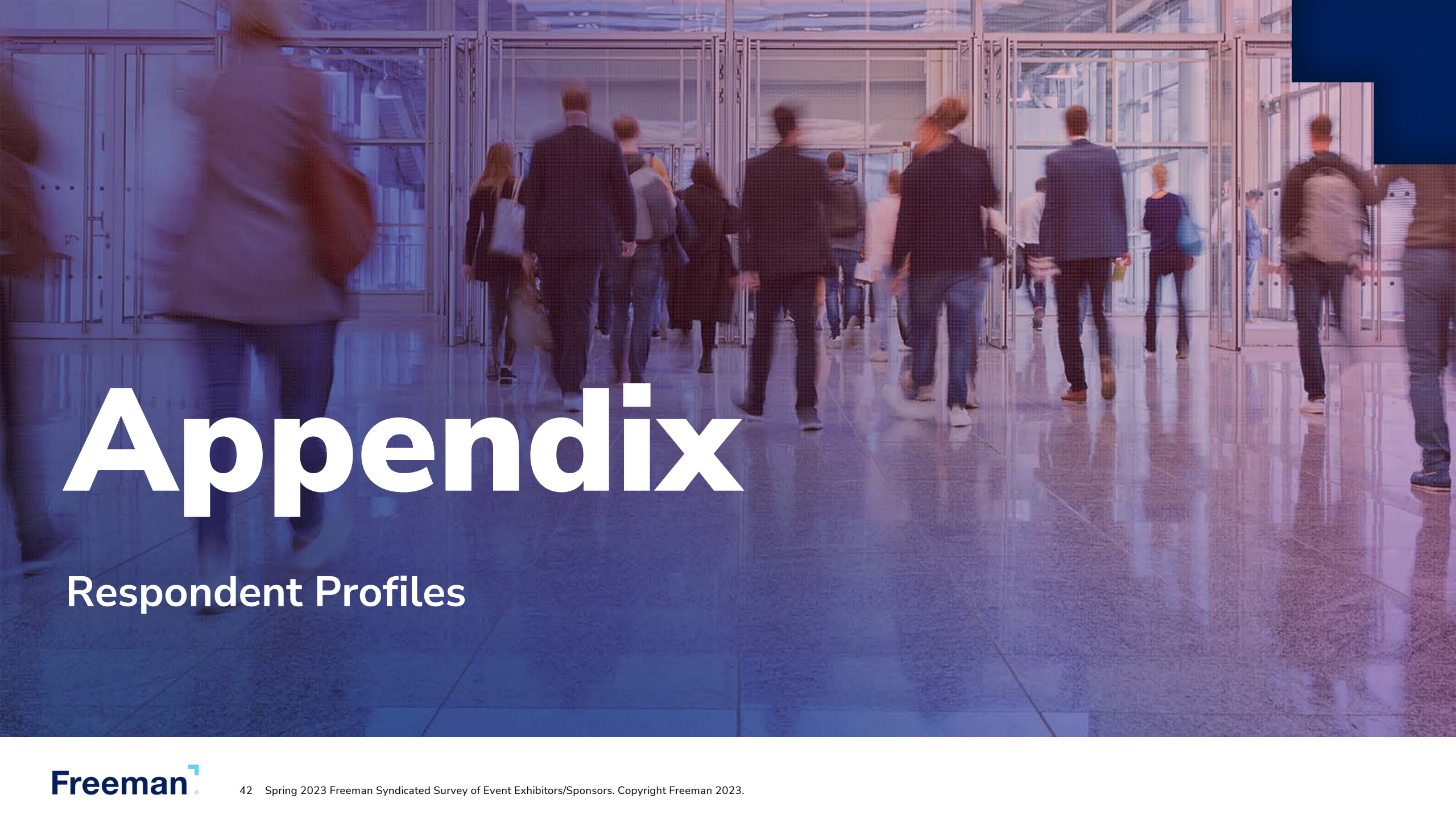
Freeman conducts comprehensive research on every aspect of the events industry. The following resources provide additional insights to help inform your strategy.

[Find out how the next generation of event attendees is transforming the nature of in-person events.](#)

[Build stronger connections by utilizing the most powerful components of live events.](#)

[Take advantage of these eco-conscious event best practices.](#)

[Redefine how event success is measured by switching to a ROO framework.](#)



Appendix

Respondent Profiles

+ Profile of respondents

Top business types

	Exhibitors	Sponsors
Consumer Goods/Retail	25% ▲	12%
Industrial/Heavy Machinery	12%	14%
Business Services	11%	16% ▲
Communications/IT	8%	11% ▲
Transportation	7%	8%
Medical/Healthcare	7%	9%
Building/Construction/Home and Repair	5%	4%
Food/Beverage	4%	3%

Company size (# of employees)

	Exhibitors	Sponsors
Small (up to 100)	64% ▲	50%
Medium (101-2,000)	25%	32% ▲
Large (>2,000)	11%	18% ▲

Job titles/functions

	Exhibitors	Sponsors
Corporate	38% ▲	29%
President, Partner, Owner	27% ▲	17%
Sales and Marketing	35%	45% ▲
Director	13%	17%
Manager	14%	18% ▲
Exhibits/Events	24%	25%
Director	11%	10%
Manager	9%	10%
Other	3%	1%

+ Profile of respondents (continued)

Role in exhibiting or sponsorship decisions

	Exhibitors	Sponsors
I am the key decision maker	55% ▲	46%
I have significant influence	45%	54% ▲

Geographical distribution

	Exhibitors	Sponsors
Northeast	23%	23%
Southeast	17%	16%
Midwest	16%	19%
Southwest	8%	10%
West	24%	22%
Canada	4%	4%
All other countries	8%	6%

Age

	Exhibitors	Sponsors
Gen Z (11-26)	1%	1%
Millennials (27-42)	22%	28% ▲
Gen X (43-58)	45%	47%
Boomers (59-77)	29% ▲	22%
Greatest Generation (78+)	1%	<1%
Prefer not to say	2%	2%
Average Age	51	49

Gender

	Exhibitors	Sponsors
Male	53%	55%
Female	41%	42%
Prefer not to say	6% ▲	3%

+ Profile of respondents (continued)

Event types

	Exhibitors	Sponsors
B2B Tradeshow Exhibits/Sponsorships	100%	100%
Branded Conferences (user conference, partner event, training)	36%	52% ▲
Internal Events (sales meeting, product meetings, etc.)	35%	46% ▲
Digital/Online Events	30%	39% ▲
B2C Tradeshow Exhibits/Sponsorships	26%	26%
Executive Events (Analyst Days, Board Meetings, Exec Briefings, etc.)	17%	26% ▲
Consumer Events (Major sponsor events, Music Festivals, etc.)	9%	10%
Other	2%	2%

Exhibit square footage

	Exhibitors
Small (100 square feet)	38%
Medium (101-600 square feet)	52%
Large (601+ square feet)	8%
Don't know	2%