



DWTC enjoys busiest year in its history with 1m visitors

The Dubai World Trade Centre (DWTC) has said 2007 was officially the busiest year in its history with a million visitors.

Dubai International Convention and Exhibition Centre (DICEC) welcomed more than one million visitors across exhibitions, events, conferences and other shows in 2007, recording a 25 per cent increase over the previous year.

In total, the venue hosted 97 exhibitions and nine confexes (conferences with significant exhibition components). Last year's Diabetes and Annual World Dental Congresses hosted at DICEC surpassed prior records in delegate traffic, attracting 12,500 and over 25,000 visitors respectively.

Helal Saeed Al Merri, Director General, DWTC, said: "We are steadily scaling the curve of growing our business 'five times in five years' in line with our strategic vision. "The fact that 2007 has showcased consistent and aligned progress across all our business lines demonstrates that we are on-track and reinforcing our position as the catalyst for business in the region."

The company's year-end results show consistent growth across all of its businesses, with the DWTC Venue, Exhibitions and Hospitality divisions in particular recording strong growth and the Real Estate division achieving key strategic milestones.

As a group, DWTC grew by over 25 per cent in 2007, increasing headcount from just over 1,000 employees in 2006 to 1,255 employees today.

This expansion was fuelled by the industry growth and the consequent need to provide DWTC with the human capital required to achieve its aggressive vision of making Dubai the world's leading destination for all major exhibitions, conferences and events.

Within the fast-growing meetings sector, DICEC was also the venue for over 250 congresses, seminars and workshops, which in turn attracted a further 50,000 delegates.

"Breaking through the one million visitor ceiling is a monumental achievement for DWTC and provides the group with an important platform for growth in 2008. "It demonstrates how effectively we are promoting Dubai to the international market and also underlines our capacity and capabilities for hosting major business events," added Al Merri.

Last year also saw the beginnings of the Dubai Exhibition City project - a seven square kilometre development aimed at creating a dynamic and integrated commercial destination anchored by one of the world's largest exhibition facility.

Hospitality Division

DWTC's hospitality team significantly expanded its operations in 2007. It provided catering for 1,789 events throughout the year, including 298 weddings.

Catering for events and exhibitions grew by 35 per cent over the previous year. Additionally, DICEC was one of the more popular wedding venues in the UAE, registering a 50 per cent increase in the number of weddings hosted over the previous year.

DWTC Food and Beverages department served over 1.1 million covers across external and internal events in 2007, making it one of the busiest catering teams in the Middle East

Exhibition Sector

Trade exhibitions and shows continued to register double-digit growth throughout 2007, attracting the highest volume of business visitors to Dubai yet.

Growth in total exhibition space rented by DICEC for tradeshows in Dubai was fuelled by a 27 per cent rise in the average space growth per show compared to the previous year.

Fifteen of the largest shows surpassed the average figures with a record 35 per cent increase in size. Increase in the size and the total number of exhibitions, conferences and other events hosted at DICEC contributed to parallel growth in the visitor traffic relative to 2006.

Real Estate Division

The group broke ground on the DTCD project at the start of 2007, and also appointed Jones Lang LaSalle as the exclusive office leasing agent for the development.

DWTC also signed agreements with four hotel operators for the 1,150 rooms and 500 serviced apartments being developed within the property.

Development work on Dubai Exhibition City also progressed.

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International trade visitor trends - number of visitors from China has doubled in four years

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The international trade fairs in Germany are proving to be extremely attractive to buyers from East Asia. The number of visitors from the People's Republic of China has increased by 105% between 2002 and 2006 to a current total of 35,000.

This was revealed by a survey recently completed by AUMA - Association of the German Trade Fair Industry.

The high level of internationality at the trade fairs are, in the opinion of AUMA, the reason that more and more Chinese import business is arranged in Germany. But not only China is making increasing use of the German trade fairs as procurement platforms. In 2006, 30% more visitors from India were registered than was the case four years ago.

Strong increases have also been registered in numbers of buyers from Central and Eastern Europe: 45% more visitors came from Russia, 28% more from Poland and 21% more from the Czech Republic.

Terrapinn establishes regional headquarters in Dubai

Terrapinn, one of the world's leading business media companies, announces that it has established Middle East regional headquarters in the Dubai International Financial Centre (DIFC).

The UAE becomes the latest addition to Terrapinn's global network of offices which also includes Australia, Singapore, United States, United Kingdom and South Africa. From Dubai the company will offer a wide range of products including trade exhibitions, conferences, training solutions and electronic and print publications.

The initial conference to be organised by the new regional headquarters' team is the First Middle East Aviation Outlook Summit, which will take place in Abu Dhabi on 27-28 February 2008. The event has been organised to address the growing influence of the Middle East on global aviation and tourism, and will consist of a high-level speaker programme and an accompanying exhibition.

Symon Rubens, who has been appointed Managing Director, Terrapinn Middle East, says he is excited at the prospect of significantly building on the portfolio of events Terrapinn has been successfully running across the Middle East region over the past 10 years.

'The Middle East region - and Dubai and Abu Dhabi

in particular - is undergoing unprecedented economic growth and diversification,' he said.

'The Emirates places strong emphasis on the MICE (meetings, incentives, conventions, exhibitions) sector, which is a key component in future tourism development. Our aim is to support the Government's drive to attract more conference and tourism by developing and running innovative and informative trade exhibitions and conferences.'

'We are already one of the world's leading organisers of exhibitions and conferences with an international portfolio of more than 500 events spanning a wide variety of industry sectors from aviation and telecomms to capital markets,' he said.

'An illustration of our desire to create meaningful events for this region comes in the form of the First Middle East Aviation Outlook Summit and continues throughout the year with a full line-up of other more established events, such as Hedge Funds World Middle East in March, through to Telecoms World Middle East in November 2008.'

For the Aviation Summit, Terrapinn is teaming up once more with the Centre for Asia Pacific Aviation (CAPA) with whom they have jointly staged some of the world's most highly acclaimed aviation events in recent years.

An unprecedented assembly of up to 250 industry leaders are expected to gather in Abu Dhabi for this essential event, with participants including government ministers and CEOs from the leading airlines, airports, investors, suppliers as well as tourism/property developers with an interest in the region.

The Terrapinn Middle East office will initially employ some 40 people, a number which it is anticipated will grow significantly and quickly, to meet the market demand. Each will have unique skills designed to enhance Terrapinn's unique selling proposition (USP).

'Terrapinn place great emphasis on creative thinking that begins months, even years, before an event is staged,' explains Rubens. 'It is this emphasis that has helped create many very special events - which are so much more than an aggregation of slides and suits. What we strive for is collective lightbulb moments - when an audience is exposed to real thought leadership and innovation.'

Some Facts About e-Marketing

E-mail returned a whopping \$57.25 for every dollar spent on it in 2005

E-mail drove \$7.7 billion in consumer sales and \$8.8 billion in business-to-business sales in 2005.

U.S firms spent \$300 million on e-mail in 2005, and that number is expected to rise to \$400 million in 2006.

Benchmarking your show

Celebrity speakers are hot. Attendees are spending more than eight hours on the show floor. The majority of show organizers report that their hotel room rates are topping \$175 a night. And the median charge per square foot for stand space is \$17.

Can you relate to all this? Would your show be considered "average," or are you breaking records this year? And do you know how your show compares with others in the industry?

As 2008 starts, Marketwatch reports into a series of industry averages against which you can benchmark your show.

How did your show rank against your peers in 2007?

Facility rental

Most shows (83 percent) do pay exhibit hall rental fees - and for 43 percent, rental rates are rising. Fiftyeight percent pay 60 cents or less per square foot for exhibit hall rental for show days. Convention centers were taking 8 percent of the gate for consumer shows in 2006, and that number grew in 2007 for 36 percent of show organizers.

Exhibit space

Renewing exhibitors outnumber new exhibitors three to one. Most show organizers (53 percent) use a system of priority points to determine exhibit space selection. Of those, 95 percent offer points based on the number of years exhibiting. Fifty-eight percent of show organizers reported an increase of exhibit space, with the average increase at 12 percent. The average number of exhibitors is 585, while the average number of companies in an exhibitor database is 3,983.

Stand Sales Revenue

Most show organizers reported a double-digit increase in stand sales. Three-quarters (76 percent) said that stand sales would increase an average of 12 percent. Sixty percent of show organizers expected an increase in 2007 in sponsorship revenues over the \$440,000 average for all shows in 2006.

Conference content

Educational conferences remain a significant part of most shows. Sixty percent of shows use celebrity and/or professional speakers. Seventy-five percent of shows have a speaker budget, which averages \$57,100. Despite the education offered, only 29 percent of attendees go to conferences, while 71 percent only attend for the exhibits.

Market Intelligence Who needs it?

Well, simply put. You do.

Events represent an investment in time and revenue and effective market intelligence can determine the need for your event, the likelihood of sales achievement, your ability to target-market demographics and reduce the chance that your strategy will fail.

To help you meet your target market's needs, we've put together a suite of research tools which enable you to make informed, disciplined analysis and decisions.

Whether you are a first time strategic planner or you are a veteran of many cycles of the process, you realise as a project manager, marketing professional or senior management, that you need good information if you are going to make good decisions.

But then there is the biggest challenge: How do we perform the market and competitive studies that are necessary to equip the team with the information it needs to make good decisions?

Few of those in management have ever had the task of a market research specialist. In spite of the ever-increasing access we have to information today, it is still a daunting challenge for the uninitiated to find the sources and quickly distill the information required for good planning.

Research Matters provides one of the easiest and most direct ways to get your research off the ground.

www.cozresearchmatters.com

RM market insights

Attendee benchmarks

Attendees spent an average of 8.5 hours on the show floor in 2006, compared with 7.8 hours in 2005. Attendees spent an average of 2.3 days visiting exhibits in 2006, compared with 2.4 in 2005. Thirty percent of attendees are from a surrounding state. Twenty-eight percent come from within 200 miles and 62 percent from more than 400 miles. First-timers represented 36 percent of total attendance, 37 percent attended previously, and 28 percent were regular attendees.

Source: Exhibit Survey's 2006 Trade Show Trends report, May 2007

Food & beverage

In 2007, show organizers plan to continue to spend 16 percent of their budget on food and beverage expenses. Forty percent of show organizers, though, say it's getting more difficult to sell F&B sponsorships. The average show can have as many as 18 F&B functions. Eightyseven percent of show organizers host cocktail receptions, 71 percent hold lunches, 65 percent provide breakfast, 55 percent host breaks, 45 percent offer dinner and 17 percent hold other F&B functions.

International Attendees

More than a third of shows expect international attendance to grow in 2007. However, only 43 percent of shows have up to 5 percent international attendees. Sixty-nine percent of shows have attendees from Europe and 55 percent have attendees from Asia. While 71 percent of show organizers believe revenue from international attendees will remain the same, 28 percent expect an increase.

International exhibitors

Half of shows report that international exhibitors represent up to 5 percent of their exhibitors. For 31 percent, international exhibitors represent 6 to 10 percent of all exhibitors. Nearly a quarter of show organizers reported that revenue from international exhibitors increased an average of 20 percent from 2006 to 2007, while 73 percent said that revenue stayed the same.

Housing

Eighty-seven percent of show organizers expect room rates to continue to increase in 2008. Only 6 percent of show organizers paid \$100 or less for rooms, while 17 percent paid more than \$200. More than half (53 percent) utilize a third-party housing company. Twenty-five percent of respondents saw an increase in the number of attendees booking outside the block at their last event.

Stand space fees

The median charge per net square foot for exhibit space is \$17. Corporate shows charge the highest median rates at \$24 per net square foot. Larger shows set higher rates for

stand space than smaller shows. However, the "mid-size" gap is 25,000 square feet to 200,000 square feet - with a stand space rate of \$17 per net square foot. By region, shows in the Western Central region have the lowest median cost per square foot at \$12, while shows in the South Atlantic region charge the highest median rate per net square foot at \$24. When calculated by industry, shows serving the communications or information technology industries charge the most for exhibit space, at a median of \$33 per net square foot.

Verbatim comments from a year of Marketwatch surveys:

Biggest frustrations about convention center pricing:

Exclusive contractors and inconsistency in pricing from center to center.

Biggest complaints show organizers hear from exhibitors: Not enough traffic. Last day is slow.

Biggest challenges with growing shows: Attracting more attendees. Exhibitor retention. Passing on increased costs.

Biggest challenges with conference programming: Finding interesting new speakers. Coordinating schedules.

Biggest challenges with F&B: Rising costs. Lack of variety. Finding sponsorships.

Biggest challenges attracting international attendees: Competition from other shows. Cost-effective ways to promote to them.

Biggest challenges in attracting international exhibitors: Cost of travel. Cost of shipping. Visa challenges.

Biggest frustrations with housing: Negotiating rates. Booking the right number of rooms. Getting attendees to book within the block.

The Most Annoying Buzzwords of 2007

The Creative Group recently polled 250 marketing and advertising executives to create their latest list of the most overused buzzwords. Of course, they probably should have polled other departments to find out what they thought were the most overused buzzwords from marketing and advertising departments.

We've edited down their list to create the absolute worst of the worst of over-used, annoying buzzwords and added commentary in parenthesis. Granted, many of these words have legitimate uses, but their overuse has been so dramatic, it is probably a good idea to limit their use as to not drive co-workers to the brink of insanity:

- "Outside-the-box"

(This phrase should only be used as a joke. It made in

their past list too. It should go into the hall of fame - or is that hall of shame?)

- "Synergy"

(If you're using this phrase, I'm willing to bet you're probably wearing plaid pants and a bright bow tie.)

- "The big idea"

(Okay, if you actually said this, chances are you're not the one with the big idea.)

- "ROI"

(While ROI is an important business measure, marketing and advertising professionals have abused this acronym so badly, I'm actually starting to think we should institute a law that says you can only use this term if you possess a permit that proves you understand what it means and are actually capable of generating positive ROI.)

- "Paradigm shift"

(If you're still using this term, be advised, the paradigm already shifted sometime in the 70s. You actually missed it.)- "Integrated solution" (Are there really non-integrated solutions? This one is too meaningless to be spoken.)

- "Customer-centric"

(If you're still over-using this one, odds are you have a Pets.com sock puppet on your desk.)

- "Make it pop"

(Unless you own a time machine, there's no need for this one.)

- "Break through the clutter"

(If this is the best you can come up with, clearly, you are part of the clutter.)

- "Take it to the next level"

(On second thought, perhaps the level you are on is most appropriate.)

- "Free value"

(Huh? You lost me.)

- "Low-hanging fruit"

(As annoying as this one is, I admit, I've been guilty. I try to use "quick hits" which was probably a finalist for this list.)

- "It is what it is"

(And the plural form, "They are what they are." I like this, but only when used for humorous effect.)

(The buzzwords I removed from the Creative Group's list are: strategy, CRM and organic growth. All of these are, no doubt, over-used, but have legitimate meaning.)

The Creative Group's previous list had a number of gems, including some on the latest list and a number of classics that some managers and consultants just can't stop themselves from (over) using:

- "At the end of the day"

- "Solution"
- "Thinking outside the box" -
- "Synergy"
- "Paradigm" "Metrics"
- "Take it offline"
- "Redeployed people"
- "On the runway"
- "Win-win"
- "Value-added"
- "Get on the same page"
- "Customer centric"
- "Generation X"
- "Accountability management"
- "Core competency"
- "Alignment" - "Incremental"

Okay, it's time to wrap this one up. Please, don't hesitate to take this list to the next level and add the phrases you find most annoying. It's a win-win.

Sometimes Size Really Matters!

Sometimes size really does matter! This is especially true when it comes to pre-show promotion.

One small company was discussing their options regarding pre-show promotion. They'd decided on postcards as part of a targeted direct mail campaign. They knew what graphics they wanted to use, and even what the copy was going to say. There was just one sticking issue: the size of the postcard.

There were two options: the smaller postcard and the larger. The larger cost more to mail -- not a small consideration when considering how many cards needed to go into the post.

However, would a small card carry the same impact as a large card? Pre-show promotion is one area where many exhibitors are penny-wise but pound-foolish. Opting for a smaller card solely for the reason of saving on postage neglects the very tangible benefits that come with using the larger mailer: increased chances of having the card be noticed and retained -- which is, of course, the entire reason of sending the cards in the first place.

It's a phenomenon that shows up time and time again. Pre-show promotion is one of the most critical elements of any exhibit's success, yet it's one of the areas where many companies are willing to cut corners -- or ignore completely.

Make sure your team is doing everything it can to succeed at the show. This includes effective pre-show marketing. Shortchanging your pre-show promotion hamstringing your team, making success that much harder to achieve.

Watch out for ispy publishings Tips and Tricks to be published later in the year.

The Role of Exhibitions and Events in the 21st Century

Despite the breath-taking changes that have taken place in virtually every aspect of our lives and even though the exhibition and event industry is almost three thousand years old, there is much reason for optimism as we contemplate the industry's future. Before we speculate about the future however it will be useful to learn something of the past.

While precise records have never been found it is clear that exhibitions or trade fairs began almost 600 years before the birth of Christ. There are references to fairs in the Bible. The book of Ezekiel written in 588 BC, for example, contains many references to merchants trading in a "multitude of the kinds of riches with silver, iron, tin and lead". Ezekiel talks also about the city of Tyre and how it was an important center of trade and commerce.

There is also a close connection between fairs and religious celebrations and holy days. The word feria comes from the Latin meaning holy day and the term is still commonly used to describe what we might otherwise refer to as an exhibition or trade fair. It was common for ferias to take place in Athens, Rome, and Mecca and the ancient tradition continues today.

Because fairs and later exhibitions provided a safe and neutral place to conduct one's business during turbulent and often violent times, they took on special meaning and purpose.

Throughout the march of history fairs and exhibitions served as increasingly vital and diverse markets for traders to exchange their riches. When Marco Polo came back from historic treks across Asia he and a parade of merchants behind him brought with them the silks, spices and herbs that fueled an unprecedented age of exploration and discovery. Later on exhibitions and fairs served as platforms to demonstrate mankind's ability to harness industry and invention ushering in yet another era in the evolution of exhibitions. The DNA that marks today's events bears the unmistakable evidence of its predecessors.

Exhibitions and similar events continue to serve today as a primary place where buyers and sellers can conduct their business in an environment that supports their objectives for no reason other than they have become part of the chemistry of human interaction.

The innovations and wonders of each successive age in mankind's history always give rise to serious questions about the future of many hallowed institutions. One only needs to consider such recently abandoned artifacts like portable typewriters, paper airplane tickets, 35 mm film cameras and cloth baby diapers to understand. Likewise, questions arise now about how the Internet and other technologies will affect the future of exhibitions and events.

Earlier I wrote that there is much reason for optimism about the future of the exhibition and event industry. Here is why.

Exhibitions and events provide buyers and the media with real-time information at a time when information has never been more valuable. Thanks to the Internet there has never before been more information available to us. We are awash in information. But much of it is irrelevant to us and much of it is wrong. Exhibitions and events on the other hand can bring buyers into direct and intimate contact with highly reliable sources of product information.

Here are two examples of information degradation and overload:

Wikipedia is an Internet-based multilingual encyclopedia. A wiki is a website that allows a visitor to edit its content without restriction. Wikipedia combines the words wiki and encyclopedia. Whereas most traditional printed encyclopedias that offered high-quality and accurate information have been forced out of business (a handful remain as CD-Rom or Internet-based offerings), Wikipedia is thriving even though scholars repeatedly criticize the inaccurate information that it often contains.

It is estimated that today the typical consumer in an industrialized nation may receive more than 5,000 advertising messages every day in an increasing variety of formats including radio, television, Internet, email, and mobile telephones.

A predictable consequence of this communications overload is that many marketing organizations are re-evaluating their priorities and communications channels of choice. The demand for corporate accountability for results achieved is widely recognized today as Return on Investment or ROI--- and in an instant it has become the mantra of business.

The functions of marketing and sales are converging in many organizations and the objective of welded departments is much more solutions-based than sales-based. Clever marketers have discovered that customers want to buy solutions not products/services.

Exhibitions provide a natural and nearly perfect platform for the delivery of solutions. More and more exhibition organizers are providing learning content, demonstration theaters, and consultative opportunities as important features of their events. More and more exhibiting companies are taking full advantage of these opportunities.

Event marketing is emerging as a key ingredient in the recipe of successful organizations. Exhibition organizers are beginning to understand that the exhibition is an important part of the broadening universe of event marketing but not the only part by any means. It is almost a certainty that in the future many exhibition organizers will evolve to become event-marketing organizers and coordinators offering a full menu of customer interactions to their traditional exhibitors.

A recent research study commissioned by the MPI Foundation and conducted by The George P Johnson Company supports the belief that the future of event marketing is bright indeed. Over six hundred marketing executives at major companies (Revenues exceeding \$250 Million [USD] Annually) reveals that 90% believe that the importance of event marketing is growing or is stable.

Moreover, they believe that event marketing provides the best ROI across all geographies.

Almost half (43%) of those participating in the study said they would be increasing their event marketing budgets that already represent about 20% of their total marketing budgets.

What is it that they expect to achieve from participating in events? High on the list of expectations are:

Increased Brand Preference
Enhancing relations with customers
Increased Brand Awareness
Increased Product Knowledge

In a very cluttered marketing environment nothing can deliver these objectives as effectively as exhibitions and events. One must remember that visitors to exhibitions and events are motivated to attend for their own objectives. Many of those objectives such as learning more about a products performance or specifications represent a very close fit with the expectations of exhibitors. This is only one reason why exhibitions can be such perfect platforms for both sellers and buyers.

Other forms of business-to-business media are either one-dimensional such as print advertising or like radio, television, and the Internet, they do not offer the kind of instant and intimate connection between buyers and sellers that exhibitions and events do. In the case of the Internet, while it is true that many transactions take place in real time, they do so without the benefit of the intimacy that face-to-face encounters yield.

When this key audience was asked what events provide their companies with the best ROI the unqualified winner is trade shows followed distantly by conferences, seminars, road shows and sponsorships. The responses were essentially the same across all geographies.

The evidence of the unique power and growing influence of exhibitions is reflected elsewhere such as in a recently released study that was commissioned by American Business Media (ABM), the association of business media companies, and that was conducted by Forrester Research. The results were unexpected and quite stunning to the ABM.

ABM commissioned the study in the first place hoping to reinforce faith in the value of print advertising that so many of its members rely upon for their source of revenue. Only a small percentage of ABM members are also engaged in producing exhibitions.

The Forrester study queried corporate marketing executives of businesses large and small and found across all sectors that in-person events are considered the preferred media for many reasons and are thought to be much more effective at achieving results than any other form of marketing engagement including print advertising.

In-person events are considered the number one marketing tactic to effectively build brand image (60.9% agreed) In-person events are considered the number one tactic to delivery qualified leads (62.6% agreed)

As if these findings were not powerful enough, yet another ABM study, this one conducted earlier this year by Harris Interactive further supports the unrivaled power of exhibitions and other in-person events. Key findings of that study:

Attendance at trade shows and conferences is important as three-quarters of executives report attending a trade show in the past year and three-quarters report attending a conference or seminar in the past year.

This is particularly true among senior level executives, that is VP and above, who report attending close to 3 trade shows per year, compared to mid-level executives who report attending close to 2 per year. Similarly, executives attend, on average, over 2 conferences and seminars each year.

While executives view different B2B media as having different strengths the top strength for trade shows is their ability to raise awareness of products in the minds of executives. Also, seven in ten executives had made or recommended a purchase due to seeing something at a trade show.

Trade shows drive executives to seek additional information about a product either on the Web (77%), by talking to a sales person (73%) or by making a telephone call (40%).

Besides raising awareness, another strength executives associate with tradeshows is the ability to interact with representatives and industry peers.

Seven in 10 executives purchased or recommended purchase of something due to visiting a trade show, with 27% making a purchase through the Internet.

Skeptics of this data and of my conclusion that the future of exhibitions and similar in-person buyer-seller events remains bright for the foreseeable future are apt to suggest that what we have learned most dramatically in the past century is that circumstances can change both radically and very rapidly. This truth notwithstanding, the evidence remains unalterably clear that throughout the history of mankind the need for intimate, personal, face-to-face interaction remains as strong today as it has ever been. There is simply no reason to believe that any circumstances in the future will change this.

Three Reasons to Be Wary of Customer Satisfaction Surveys, or Why Your 'Satisfied' Customer Is Probably Eyeing the Door

There is an entire industry devoted to helping companies determine customer satisfaction levels through surveys and analysis. But how much real value does knowledge of "satisfaction" contribute to helping you keep profitable customers?

The answer, unfortunately, is "not much." Though surveys do serve a purpose (primarily showing trending: "Are we doing better or worse than last year?"), they don't tell the whole story.

The following are three fundamental reasons why it's dangerous to rely on customer satisfaction surveys to help improve your Customer Experience:

1. Dissatisfied customers don't speak up

Yes, some customers respond to satisfaction surveys, but which customers? Using which channels-online, phone, mail, email? Scary as it might sound, recent studies show that for every 100 dissatisfied customers only two bother to say anything to the company; the rest "vote with their feet" and just leave.

If you think about it, this makes sense. If you're unhappy as a customer, do you try to remedy the situation or "fix" the company? Isn't it easier to just say "to heck with it" and leave?

Of course, that doesn't mean that customers don't tell others about their bad experience. In fact, research shows that customers share bad-experience stories with approximately 15 people (mainly other prospective customers), while those with good experiences share their stories with only seven people or so.

2. Customers won't tell you the truth

In many cases, when customers do respond to satisfaction surveys, they indicate that they're "satisfied" or "mostly satisfied" regardless of how they really feel.

A study of people who recently left their bank illustrates this point: 80% responded that they were "satisfied" with their former institution. Of course some people leave a bank because they move or for some other valid reason?but not four out of five.

Why such disparity between words and actions?

Simply put, it's easier. Also, the notion of "satisfaction" is a very soft concept. What does satisfied mean? For most, it indicates meeting expectations. Human nature is to be "nice"; so if things aren't great, but not horrible, that usually equates to "satisfaction." Therefore, satisfaction is definitely not a good indicator for customer loyalty.

3. Even if customers want to tell you the truth, they can't, because they're irrational

Customers are sensitive, emotional, and, let's face it, irrational beings. How do we know this? Because research indicates we're all emotional irrational beings, and in recent years we've learned just how irrational. Shockingly, 95% of our brain activity centers on the irrational or subconscious, leaving a meager 5% busy trying to explain why we act or feel certain ways. And we do this not by tapping into our subconscious, but by making inferences based on our behavior. In essence, we make things up.

So if we can't even tell ourselves the truth, why should we expect customers to provide truthful feedback on satisfaction?

If not satisfaction, then what?

What's a company to do? Customers won't tell you how they feel, or if they try, they're lacking-even incapable of veracity.

If most of your customers say they're satisfied, but you have a serious attrition problem (i.e., too many customers leaving), you're probably paying attention to the wrong numbers. Rather than focusing on satisfaction responses, look to behavior.

Behavior is the ultimate truth test. What you profess and what you do are often opposing notions. For example, when a doctor asks a patient how much alcohol he or she consumes in a week, the doctor typically doubles the patient's answer. Why? Most people drink more than they think, even if they're trying to be truthful. Do you know anyone who says he or she watches only one or two hours of television each week? More importantly, do you believe them?

The rule of thumb: It's not what they say; it's what they do.

The key is behavior. Don't start with satisfaction metrics, start with attrition metrics. How many customers are leaving and which customers are leaving? After all, your ultimate goal is to keep (and acquire more) profitable customers.

How to Make Your Email Program More Productive in 2008

Welcome to the New Year! I hope you've recharged your batteries and are ready to start a successful 2008.

And if you haven't done it yet, now is the perfect time to map out plans for your email program. Any changes you might make in the first few months of the year will stand you in good stead.

Resolve to do your homework

Good planning starts with analysis. Have you compared

your overall results with available industry benchmarks?

There are many sources for this information, but one to check is email provider Bronto. Though your own metrics are more important, you will have a gauge for how well your program is working in comparison with those of your peers.

Drill down deeper and look at results from the types of campaigns you send. Many email marketers vary the cadence of their messaging. They send e-newsletters, product or service promotions, general-themed promotions, and more. Are there variations in your results? If certain types of emails are stronger, attempt to discern what makes them work. If some campaigns are weaker, you may need to try a new communications strategy for those.

And, take the time to analyze your list. Is your list size growing substantially each year? Is your list showing any fatigue in terms of open and click-through rates? If so, you might want to look at frequency. Have you analyzed performance by the source of the names? Email sign ups from your Web site should be the most productive. Other marketing techniques such as co-registration, contests, or appending may not be as effective. If you find that's so, you might want to tighten your permission practices for those sources.

What percentage of your list has not opened or clicked on a message in four to six months? Possibly a substantial part of your file. Put a plan in place to re-engage them. Some common techniques are to ask recipients to update their preferences, special time-sensitive offers, and text or HTML-lite messages (to overcome potential delivery or image-blocking problems). After one or more reactivation efforts, it may be time to take a big step and selectively prune your list.

Resolve to test new email features or capabilities

Email programs should never be on autopilot. There are great features and capabilities that should be part of your email marketing toolkit. For a well-rounded program, you should include the following features:

1. A preference center. Today the power is in the hands of your recipients. Make sure they can alter their information and preferences. If you already have such a facility in place, perhaps it is time to add additional features, such as giving them the choice to indicate specific topics or products of interest or the ability to decide how often they want to hear from you.
2. Triggered messaging. If you are an e-commerce marketer, you should definitely have an abandoned-shopping-cart program in place to recapture lost sales. Consider putting triggered messaging in place for email recipients who clicked through to your site and browsed, but did not purchase. You might start this simply and choose only your top products or services. Or, launch a cross-sell initiative for purchasers. Each of these techniques will improve the relevance of your programs

and increase sales.

3. Segmentation. This is important to your email success and should be part of your communications strategy. Some common elements used to segment are geography, gender, past purchase behavior, demonstrated interest from click-throughs, and the length of time the person has been on the list. If you're not segmenting, set a goal to test one or two factors. If you already see the value of using this technique, it's time to test additional groups. Dynamic personalization makes it relatively easy to set up and monitor results.

4. Social networking. There's certainly a lot of buzz about blogs and customer reviews. They may not be right for everyone, but more marketers are experimenting with ways to increase interaction and the overall user experience on their sites. And, email is a perfect way to promote any new features you incorporate into your online presence.

Resolve to make your emails work harder

Take a hard look at your email template designs and make sure they put your best foot forward. I continue to be surprised that many emails I receive make no effective use of the preview pane.

Many do not include a link to view the HTML version. Since image blocking is a major issue, this is almost a mandatory element to include. You may also want to include headlines to support your subject line, additional personalization, or even a newsletter table of contents. View your emails with images disabled. Is there enough supporting text to still stimulate interest and activity? Too many emails I receive are composed of a single large image. It takes more time to hand-code messages with images and text, but it is well worth the trouble. It is very easy to test whether this makes a major impact on your results.

Is it time to develop some new templates? Get your creative team to develop some new prototypes for the various types of campaigns you conduct. An updated look and feel can breathe new life into your program.

Resolve to focus on the customer

Finally, think hard about ways to amaze and delight your email recipients. That effort will make your emails stand out in a cluttered inbox and improve your performance. My favorite technique is to introduce value-added content such as tips, interesting factoids, or user-generated content. You could also provide the opportunity to interact-via polls, an Ask the Expert feature, or periodic contests or games.

Any plans or changes that you implement in the first quarter should pay dividends for the balance of the year. I hope that I've given you food for thought and that you'll put several of these ideas into practice.

Have a great 2008!

10 Pieces of Trivia You May or May Not Want to Know

1. On average women say 7,000 words per day. Men manage just over 2000.
2. On average, right-handed people live 9 years longer than their left-handed counterparts.
3. The average American will eat 35,000 cookies in a lifetime.
4. The average American woman spends 55 minutes per day getting showered, dressed, and groomed.
5. The average bank teller loses about \$250 every year.
6. The average cup of coffee contains more than 1000 different chemical components, none of which is tasted in isolation but only as part of the overall flavor.
7. The average home size in the United States is now 2,200 square feet, up from 1,400 square feet in 1970, according to the National Association of Home Builders.
8. The average human body contains enough: iron to make a 3 inch nail, sulfur to kill all fleas on an average dog, carbon to make 900 pencils, potassium to fire a toy cannon, fat to make 7 bars of soap, phosphorous to make 2,200 match heads, and water to fill a ten-gallon tank.
9. The average person drinks about 16, 000 gallons of water in a lifetime.
10. The average person falls asleep in seven minutes.

5 Silver Bullets for Stopping Sales and Marketing Leaks

It's a sad fact of our profession, but the truth is that more than 70 percent of leads generated by marketing lies untouched by sales. Such sales and marketing "leakage" occurs when marketing spends significant dollars on large-scale campaigns that deliver large volumes of leads but very few bona fide prospects. This, in turn, causes sales reps largely to ignore marketing efforts.

You can actually link inefficient lead generation and the resulting leakage to how sales and marketing departments are measured. Gartner analysts have noted, "Marketing is typically measured on the quantity of what it produces, while sales is typically measured on revenue generation.

These groups can actually work against each other if marketing is producing more leads at the expense of lead quality" ("Alignment Is a Top Priority Among Marketers", Gareth Herschel, Kimberly Collins, Adam Sarner, Michael Dunne, Gartner, Jan. 5, 2006).

For many companies, massive investments in sales and marketing are not producing the expected return. Even with improvements in the economy, the processes and initiatives that worked five years ago just aren't getting the job done today. Some basic changes can help stop the leakage of sales and marketing dollars and drive dramatic revenue growth.

By mastering these Five Silver Bullets, you can plug the hole to stop the leakage and grow your company faster and more profitably than your competition:

1. Market focus and intelligence

Who's your target customer? If like many businesses, you say "the Fortune 500" or "companies in XYZ industry," you're not as focused on your prospective customer base as you should be. By applying marketing intelligence to identify and target your highest-return segments (i.e., your most likely prospects), you can improve sales performance while actually decreasing marketing costs.

2. Define the offer and message and deliver them through the appropriate media

You can test messages and offers. For instance, brief surveys are useful to gauge customer interest in new products or service options. Additionally, firms spend millions of dollars each year on one-off ads or high-profile campaigns that win a war but little business. As a result, many companies are successfully moving away from these efforts to a mix of media such as phone calls, email and direct mail to build familiarity with targeted prospects.

3. Marketing measurement

It is critical to correct problems between sales and marketing in order to align revenue-building activities. A company will know it has issues in this area if it measures its marketing on quantity of leads, or worse, cost per lead. Our experience has been that when companies change their focus from lead quantity to lead quality, forecasts become more accurate, and sales performance dramatically improves. While this may seem like common sense, it represents a seismic shift in the way many companies think today.

4. Identify and leverage the sales force's strengths

Carefully assess how you're deploying your team and make sure you follow the No. 1 rule of deployment: Send your best rep to the best prospect in the best place at the best time. Notice this does not say to deploy demographically, by vertical industry or by any other arbitrary assignment of territories.

5. Accountability in sales activity from pipeline through forecast

We've established that marketing cannot simply load the pipeline with low-level leads - instead, leads must be legitimate and closeable. Similar accountability is required in sales activity. Just as marketing has the onus to ensure lead quality, you should also monitor and measure sales force outcomes. Assess leads and implement a closed-loop system that measures ROI on sales activities and identifies steps in the process requiring adjustment.

These Five Silver Bullets can help stop sales and marketing leakage and deliver desired results.

Live by them and be rewarded with growth and success.

Podvertising

As a rule, most widely consumed podcasts still have less than 50,000 downloaders, and most have far fewer, but podcast distribution and viewing mechanisms are proliferating and podcast advertising has marketers buzzing.

No wonder.

Even though podcast advertising spending was a mere \$3.1 million in 2005, it rose to \$80 million in 2006, and eMarketer forecasts that it will grow fivefold in the next five years.

"Despite an incessant buzz about the medium, regular podcast users are still rare. As such, podcasting is a niche marketing channel; it may be the right niche for some marketers, but it's still a niche," says James Belcher, eMarketer senior analyst and the author of the new Podcast Advertising report.

"The fact that podcasts are supplemental ad channels for most marketers is not for lack of choice, however. Downloadable serialized short content format is increasingly available, and iPod sales are seemingly unstoppable."

In fact, it is the sheer number of podcasts - nearly 90,000, according to podcast search engine PodNova - that makes it difficult even for interested marketers to choose the right programs to showcase their brands.

"Podcast sponsorship uses the medium's strengths: self-selected subscribers, host endorsements and low-waste ad impressions," says Mr. Belcher. "Yet the time and effort required to develop an effective sponsorship will keep podcasting from cannibalizing ad dollars in other channels anytime soon."

As of now, only a minority of Internet users listen to podcasts, but according to the "Podcast Downloading" report from the Pew Internet & American Life Project, roughly 12% of Internet users say they have downloaded a podcast to listen to or view at a later time.

The audience of people who have been exposed to podcasts is growing. That number compares to 7% of Internet users who reported downloading a podcast in Pew's February-April 2006 survey.

Mary Madden of Pew, the author of the report, estimated in a podcast interview that 17 million people had downloaded podcasts for use on their computers or iPods.

"The bad news is that in surveys only 1% of respondents reported downloading a podcast on a typical day," says Mr. Belcher. "In other words, the frequency level remains very low."

The question for podcasters is: Can they deliver the right,

well-targeted niche audiences at comparative - or at least competitive - ad rates?

"In spite of efforts by podcast networks and measurement firms to give it mass marketing appeal," says Mr. Belcher, "podcasting will remain a niche medium for the foreseeable future."

Sales Challenges for Small Shows

Exhibitions can begin or remain small in size for a variety of reasons; the market may be relatively small, the show may be a launch event or the industry may be new. Depending on the event offerings, the market and the number of potential prospects, selling exhibit space in a show of two hundred booths or less can be a challenge. Here are some tips from international exhibit sales experts to ease the process.

Do your homework

Having an updated and accurate database of potential customers is crucial according to Jerry Lewis, president of Show Management Solutions (SMS) in Silver Spring, Md. "It becomes critical to identify the total universe of exhibitors and verify their contact information regularly. For a small show, you often have a smaller universe [of prospects] and you have to make sure that you have a complete and verified list before you start," says Lewis. Some experts believe that for a small exhibition, it is even more important to contact and secure bellwether exhibitors first as an incentive for other companies to come on board.

Accentuate the positive

When selling a small show to potential exhibitors, consider highlighting the positive attributes of a small event. One great advantage for exhibitors in a small show, especially one associated with a well-attended conference, is that the ratio of attendees to exhibitors is relatively higher. Sometimes a show is kept intentionally small in order to be selective about exhibitors. This can also be a strong selling point. Kathy Huntley, director of association services at SLACK INCORPORATED, Inc. She believes in playing up the advantages of smaller events to potential prospects. "I enjoy the smaller shows. They have a great niche. The important thing is to sell the uniqueness and quality of the event," she says.

Customize sales staff incentives

The opportunity to sell a small show may be less attractive to a booth sales professional than the chance to be involved in a large event. The prestige, energy, esprit de corps, and earnings potential of a large sales team can be lessened for a one or two person group. SMS's Lewis believes that customizing the pay package for small show staffers including some non-commission-based incentives and bundling several small shows together can help incentivize employees. "I have never believed in a set commission plan or incentive program. In every show

I have been involved with, the incentive is different. It depends on what the show can afford and what the sales person needs."

Capitalize on relationship opportunities

Exhibit sales professionals emphasize that the level of customer service and personal attention should be just as high for a large exhibition as for a small one. However, for small events when the exhibition is less complex and lower key, for example, staffers can be more proactive and have more interaction with customers. "You have more quality time and a chance to build better relationships when working with a small show. Then, when you are selling the same exhibitors into other [larger] shows, you already have that relationship established," says SLACK INCORPORATED'S Kathy Huntley.

Growing a small show into a big show

It may not be the objective for all small shows to eventually become large. For example, a small exhibition may better serve the industry or reflect the needs of its association members. If, however, the goal is to grow the show, it is important to forge relationships with strong partners from the beginning. Developing a charter membership program with ground floor benefits that expand beyond the current event such as multiple year discounts, bonus priority points or a seat on the exhibitor advisory board, etc. can enable smaller shows to build a strong exhibitor base for future growth.

What's New on the Show Floor

Exhibiting companies and show managers around the world are making changes, in response to exhibitors' wants and needs. Some of these changes are comfort based such as moving food concession areas closer to the exhibiting area.

Other changes reflect the dynamic nature of the exhibiting industry. As exhibitors from every industry refine their tradeshow skills and discover new and more effective ways to connect with attendees, they're requesting different things from show organizers. These changes provide us with a snapshot look at three of the latest exhibiting trends, including:

1. A shift from giant exhibiting spaces to flexible meeting areas: Bigger is not always better. Returning to the fundamental core of tradeshow exhibiting -- face to face marketing and relationship building -- has led to requests for more intimate meeting areas, where

exhibitors and attendees can take casual conversation to the next, more profitable level.

2. Free Wi-Fi on the show floor: Attendees want perfect information -- yet no one booth staffer knows everything. Providing wi-fi coverage allows exhibitors constant and instantaneous contact with the home office: vital if you want to check pricing, talk about shipping options, or are suddenly talking about a lot more business than you expected to encounter.

3. Cost Consciousness: Notice that I didn't say cost-cutting! However, as industries across the board tighten their belts and exhibitors balk at high labor costs, show organizers appear to be paying increased attention to what it costs to exhibit. They know that spiraling fuel costs make travel more expensive, as lodging costs are higher than ever before. As a result, each lead gathered at a show costs you more.

Making sure you do everything in your power to recoup the investment you put into lead generation will be more critical than ever before.

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