Global Recovery Insights 2020

Part 2: The future of digital and hybrid events

PRODUCED BY:

ufi The Global Association of the Exhibition Industry

explori

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SISO SOCIETY OF INDEPENDENT SHOW ORGANIZERS

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Contents

Welcome

Dear industry colleagues,

We are happy to publish the second part of this global study, which follows on from the first part which was published in October. (Part 1 is available here) As with Part 1, this report is based on a quantitative survey of trade shows visitors and exhibitors, with 9,000 responses in 10 languages representing trade show participation in over 30 countries.

The first part looked at how visitors and exhibitors were feeling the impact of the lack of live events and the impact on them both personally and professionally. We were relieved to see that the core value proposition of face to face remains strong, and there was no evidence of any long-term shift away from live events.

This report focuses on the experience of visitors and exhibitors at digital events; how they perceive the current digital offerings, their views on future spend and what role they think hybrid will play in the visitor journey. The core findings echo the first report in the strong demand for the return of live events. Visitors recognise some strengths in digital – notably the time and cost benefits – and are increasingly happy for some content to be delivered digitally. Exhibitors have strong preference for live events across all aspects, but particularly for networking, and they feel that digital events currently do not provide a good ROI.

So while the future remains uncertain, it is clear that the core value proposition of our industry, connecting markets by bringing people together face to face, remains strong. Digital products are opening new possibilities for our industry – they have the potential to attract new audiences, they can maintain an audience connection with those unable or unwilling to attend at the moment, and so offer new opportunities to further strengthen our live events.

As we emerge from this pandemic, we should view digital as an opportunity, not a threat, and we should seize this opportunity to make our live events better. Our customers are waiting for us to do so, so the future is in our hands.

Yours sincerely,

Kai Hattendorf
UFI Managing Director / CEO

SECTION 2

Key areas of focus

Building on UFI and Explori's previous Global Visitor and Global Exhibitor Insight reports, this study investigates:

1. The experience of trade show visitors and exhibitors with digital events to-date

2. The role hybrid events may play in the visitor journey

3. Exhibitor views on future spend at digital events

4. Strengths and weaknesses of the current digital proposition

Methodology

A quantitative survey of trade show visitors and exhibitors, gaining 9,000 responses, in 10 languages, representing trade show participation in over 30 countries.

Fieldwork in late summer 2020

Comparisons with GRI Part 1 and previous Global Insights reports where available, these reports are available to UFI members at www.ufi.org/research

A second phase of research will be conducted in January 2021 to determine any change in sentiment and the impact of budget planning.

SECTION 3

Key Findings

Visitors and exhibitors have a strong preference for live events

As of late summer, half of regular trade show visitors and exhibitors had experienced a digital event. They reported that they preferred live events across all aspects, especially for networking.

Visitors recognise some strengths in digital

Audiences do recognise the time and cost benefits of attending an event digitally. They also find them an effective was to access content, with 53% of visitors feeling that digital events were the same as, if not better than live events for providing quality content.

Return of investment is lacking for exhibitors in digital

Exhibitors overall feel that live events offer better return on investment, driven by the better networking opportunities (86% prefer live) and ability to generate leads (80% prefer live).

Dedicated sponsor experiences improve exhibitor perceptions

Where a company has participated in a third-party digital event as a sponsor or exhibitor, they tend to have a somewhat more favorable view of digital events vs. those who have organised their own event or been a speaker or content provider at a third-party event. Their likelihood to spend at future digital events is also increased.

Digital events could maintain audience connection

There is an increased preference (30% vs 19%) for attending the digital element of a hybrid event amongst visitors who are particularly concerned with safety and travel disruption, suggesting digital elements could play an important role in helping show brands to stay connected with portions of their audience who are unable, or unwilling to attend in-person.

Digital events have the potential to attract new audiences

Audiences have an increased interest in attending a hybrid event digitally when it is a new event to them (35% vs 19%) suggesting that organisers can use the digital elements of their hybrid events to attract new audiences. This could be especially important when visitors are reporting they will favour familiar events when it comes to participating in-person.

SECTION 4

Uptake of digital events

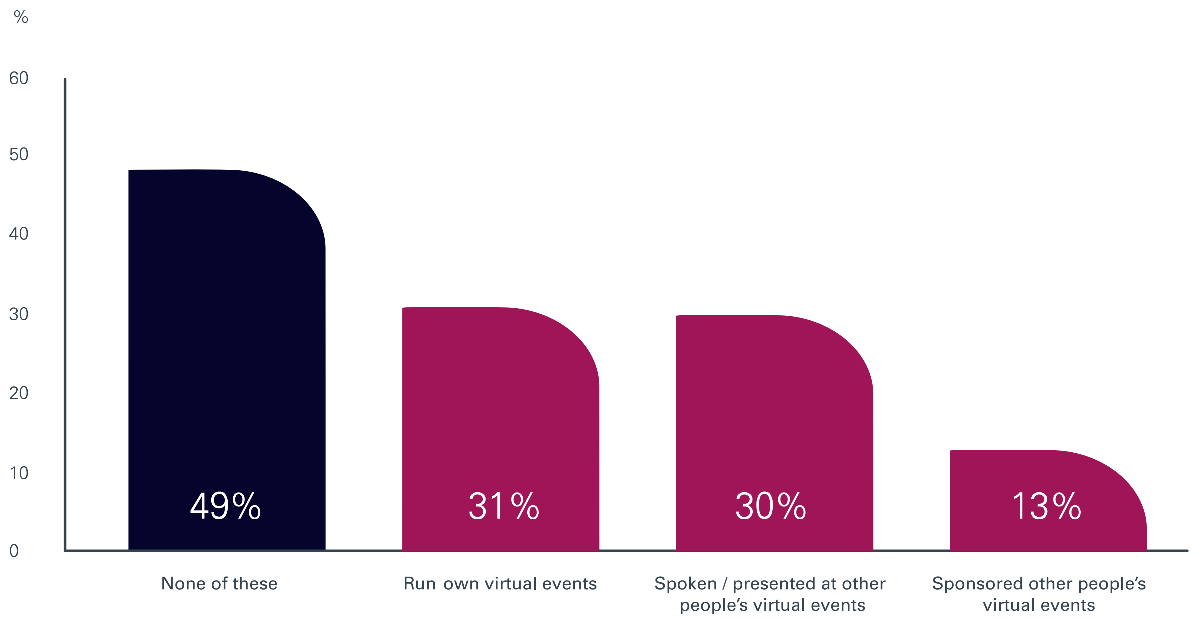
As of late summer, half of regular trade show visitors had participated in a digital event of some kind. Exhibitors had also participated in similar numbers. However, many exhibiting companies had chosen to organise their own virtual events, with only a small proportion (13%) choosing to sponsor or exhibit at a third-party event at that point in time.

Only 13% of exhibitors had sponsored or exhibited at a 3rd-party event

The low barrier to entry for digital events could present a challenge to traditional event organisers who may be faced with increasing numbers of exhibitors choosing to organise their own digital events. This is a trend we will examine more closely in the second phase of Global Recovery Insights.

Over half of exhibitors have now used digital

Since the start of the COVID-19 crisis, have you...



SECTION 5

A strong preference for networking at live events

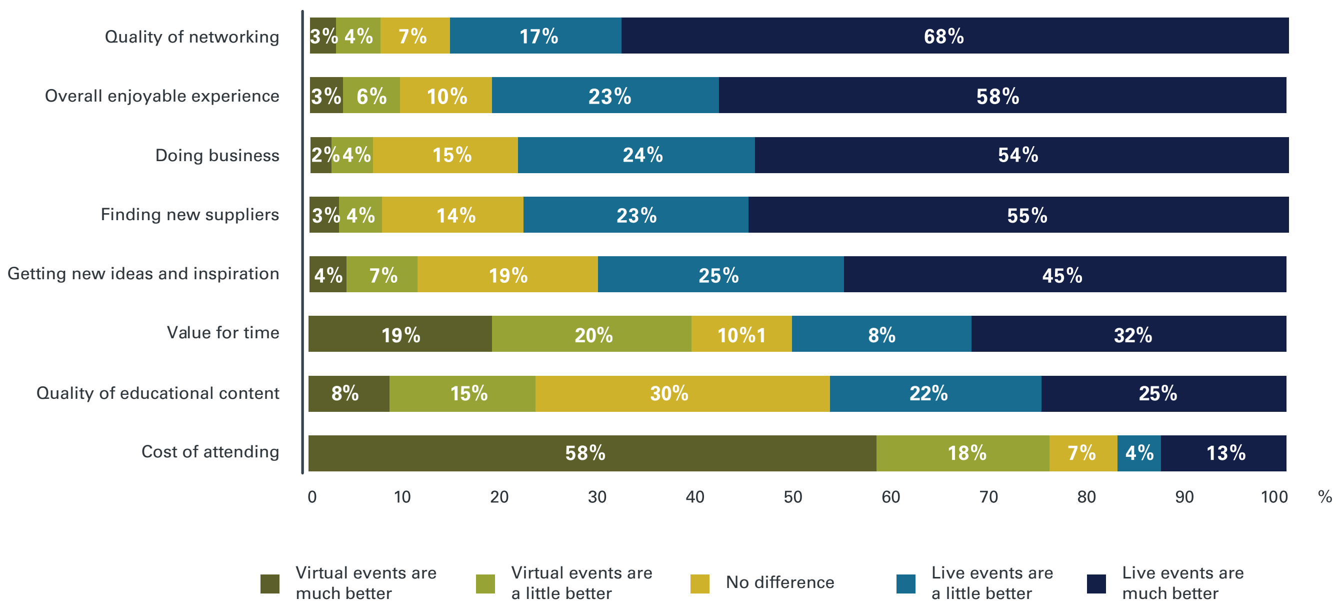
Both visitors and exhibitors strongly prefer live events across almost every aspect. They particularly rate the networking aspect of face-to-face events - an element that digital models were struggling to successfully replicate through the middle of the year.

However visitors are starting to recognise the strengths of digital events in meeting some objectives.

Visitors view digital events as being more time and cost effective than traditional events and feel they are equally good at delivering quality content. But live events are still their preferred channel for "doing business" and finding new suppliers, with only 6% of visitors currently preferring digital events for their sourcing activities.

Visitors recognise some value in digital events

In your opinion, how do virtual events compare to live events when it comes to...

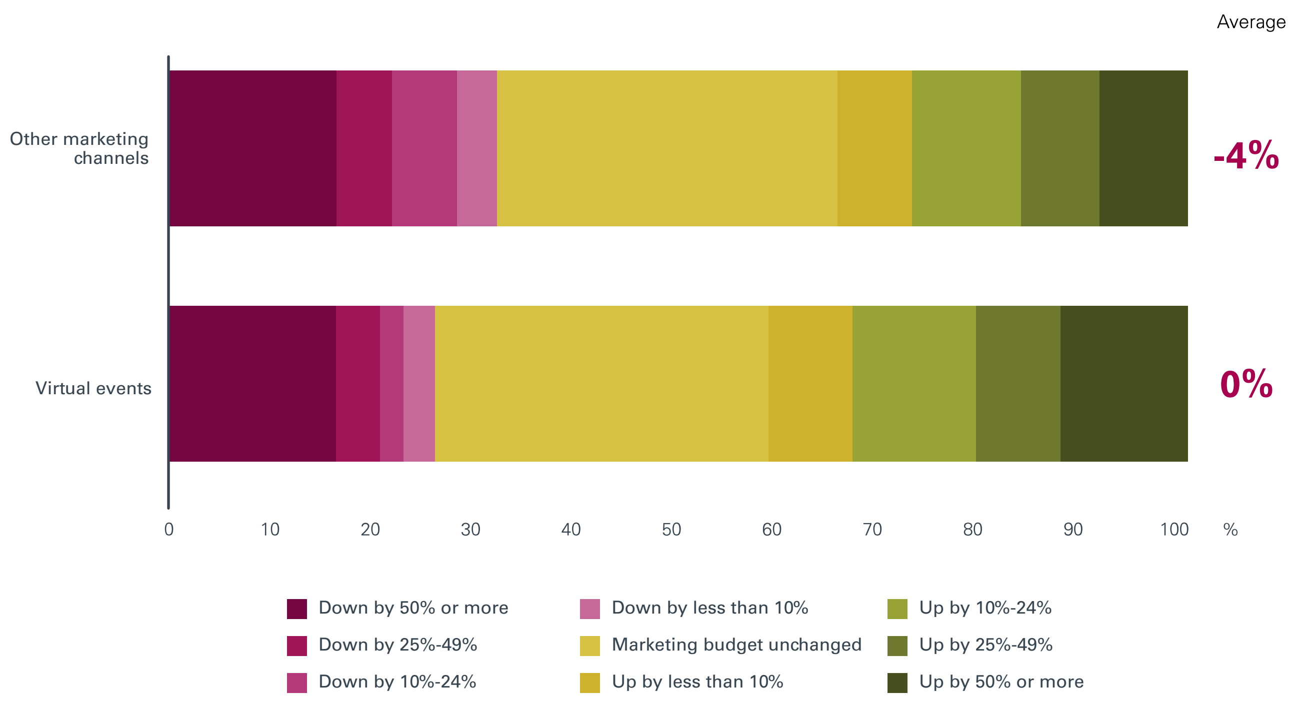


SECTION 6

Return on investment is a challenge for exhibitors

Whilst budgets for live events have been temporarily frozen by many companies, marketing budgets for other channels had yet to be subjected to large cuts as of late summer. Budgets for digital events had even increased in some instances, suggesting that there were pots of money available for digital event organisers with a compelling proposition.

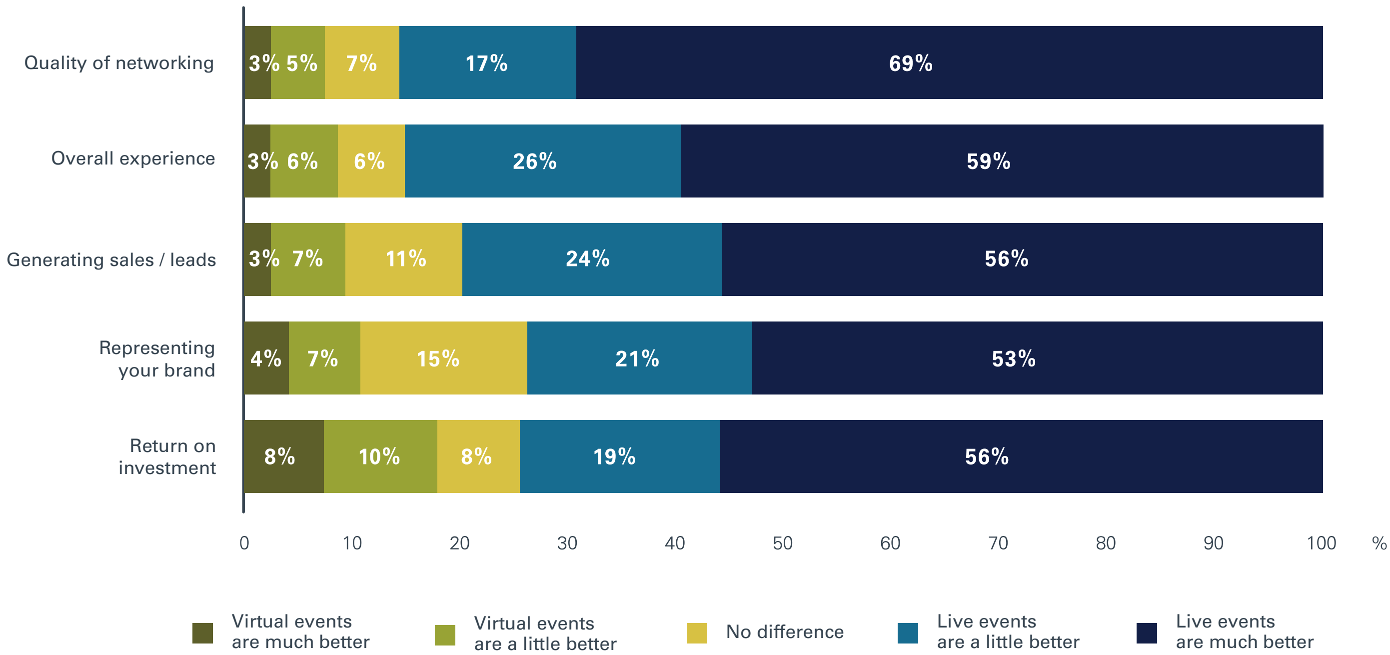
Since the start of the COVID-19 crisis, to what extent have your marketing budgets for the following channels changed?



But exhibitors are reporting concerns about the return on investment available to them through digital events, rating them poorly for generating leads, with only one in ten respondents rating digital events as better than live events in this aspect. Three quarters of exhibitors feel live events still offer them better return on investment.

Exhibitors prefer live events across all aspects

In your opinion, how do virtual events compare to live events when it comes to...

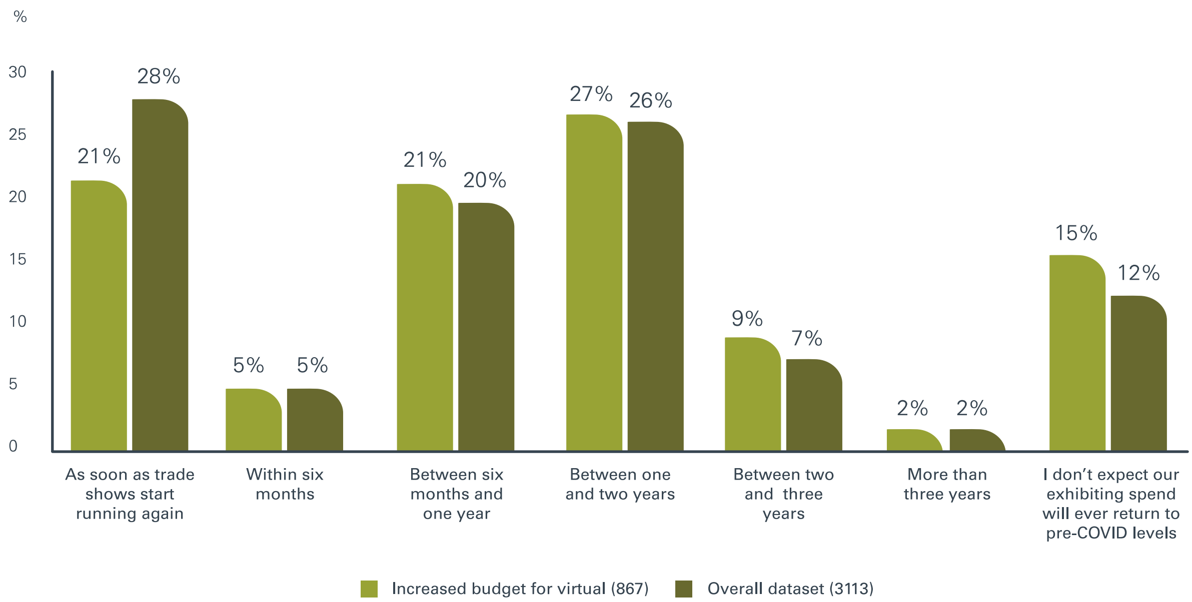


Digital as a short term fix?

Companies that have increased their budget for digital events are less likely to see their spend returning to live events immediately. (21% of those who have increased their digital event budget state their live event spend will return immediately vs 28% overall). However these companies are only marginally more likely (15% vs 12%) to think their budget for live events will never return to pre-covid levels, suggesting that their digital events will tail off or run alongside their live events rather than replace them over the longer term.

Even where budget for digital events has been increased, live events are still the preferred channel.

Return of live event budget by spend on digital events



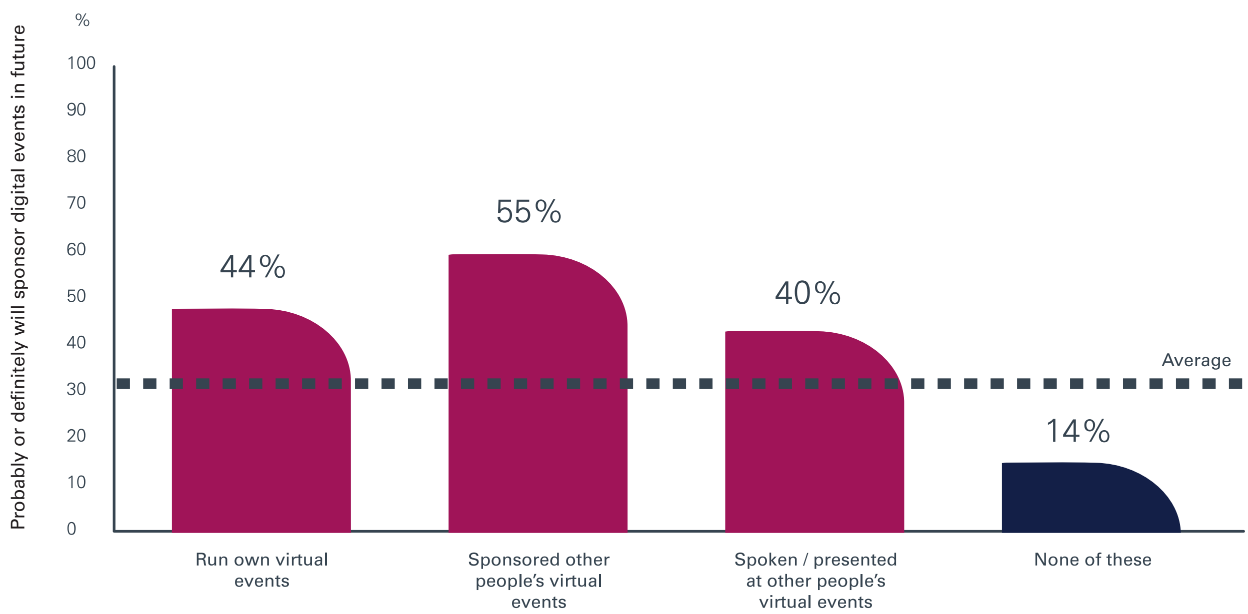
SECTION 7

Familiarity increases comfort with digital

As of late summer, only a small percentage (13%) of exhibitors had experienced a dedicated exhibiting or sponsorship experience at a third party event. For the majority who had participated in a digital event, it was as a content provider or by organising their own event. Any experience of digital has increased the likelihood of exhibitors to spend in this area in future, suggesting that organisers should continue to find ways to let exhibitors get a good sense of what their digital propositions offer to encourage them to commit financially.

Likelihood of sponsoring a digital event in the future, split by past behaviour

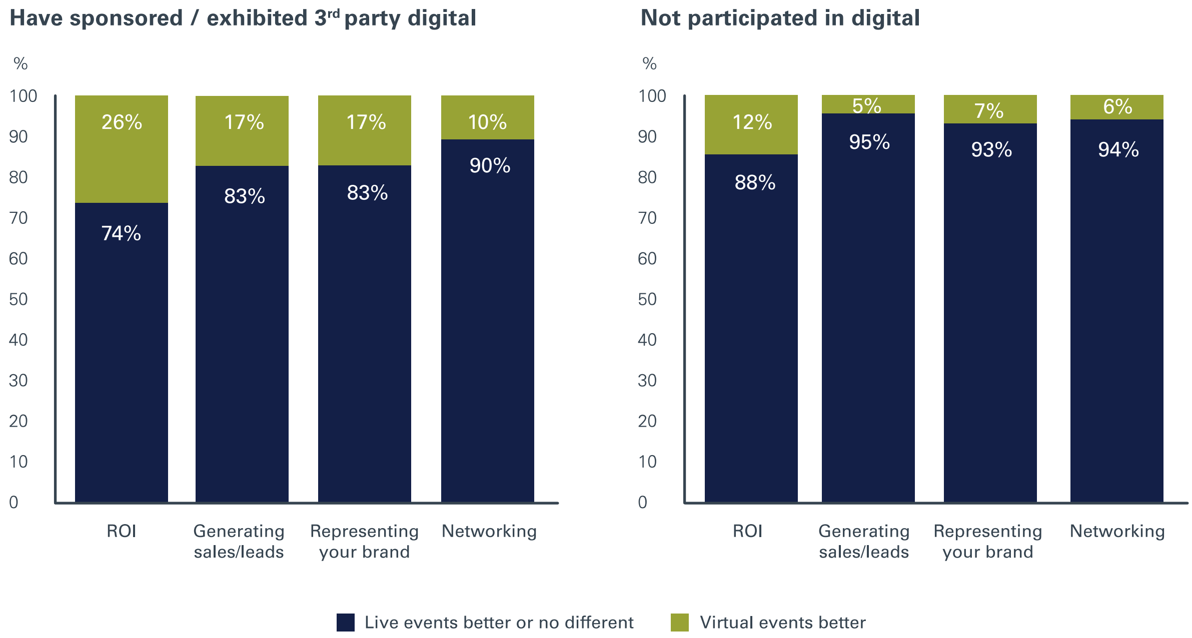
Those who have participated in a digital event are notably more likely to sponsor digital events in the future, in particular those who have already sponsored other people's digital events.



But interestingly, those who got a dedicated sponsor or exhibitor experience, now hold the most favorable views of digital events. They rate them notably more highly for generating leads and delivering ROI. However networking remains an area they view as weak and they still prefer live events across all aspects.

Now exhibitors have a more nuanced understanding of the types of digital experience available to them, this will be a key topic of study for the second phase of research to determine what aspects are adding particular value.

Exhibitors' views of digital vs. live events for achieving different objectives

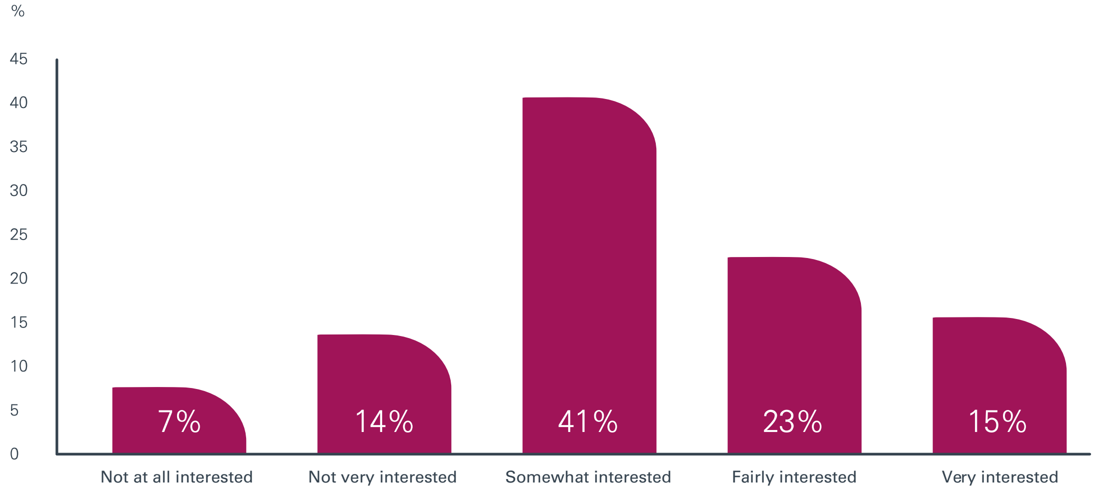


SECTION 8

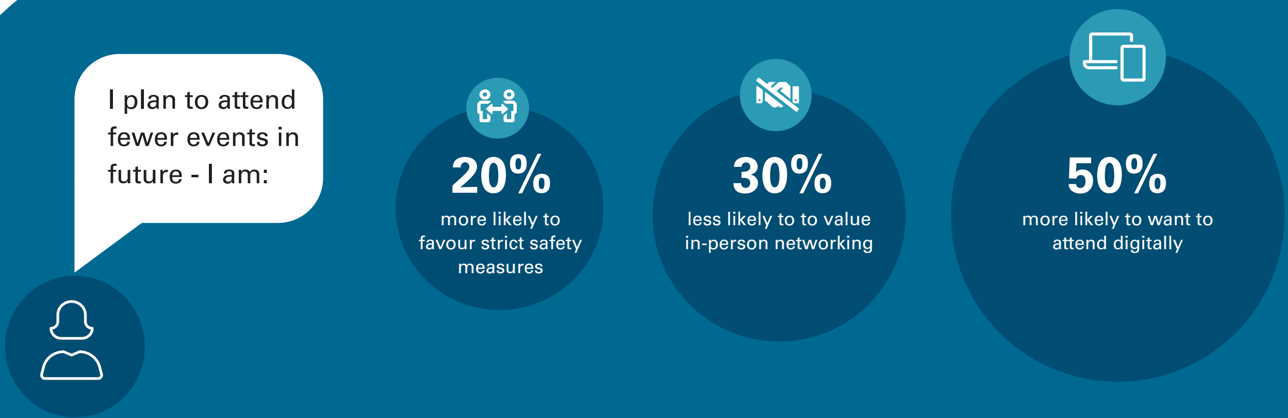
A safety conscious option?

As they prefer live events, our current audience are undecided as to whether they would still attend a hybrid event digitally, if the option to attend in-person were available to them.

To what extent would you be interested in attending a hybrid event, i.e. a live event that also can be attended virtually?



But when we examine the group of visitors who believe their attendance at live events may reduce, we see an increase in interest for digital attendance. This group is much more likely than average to express concerns about safety at a live event and in the surrounding city and to be concerned about travel disruption. They appear to see digital attendance as an option to help them continue to participate in events, whilst they still have short-term concerns about attending in-person.



SECTION 9

Attracting new audiences

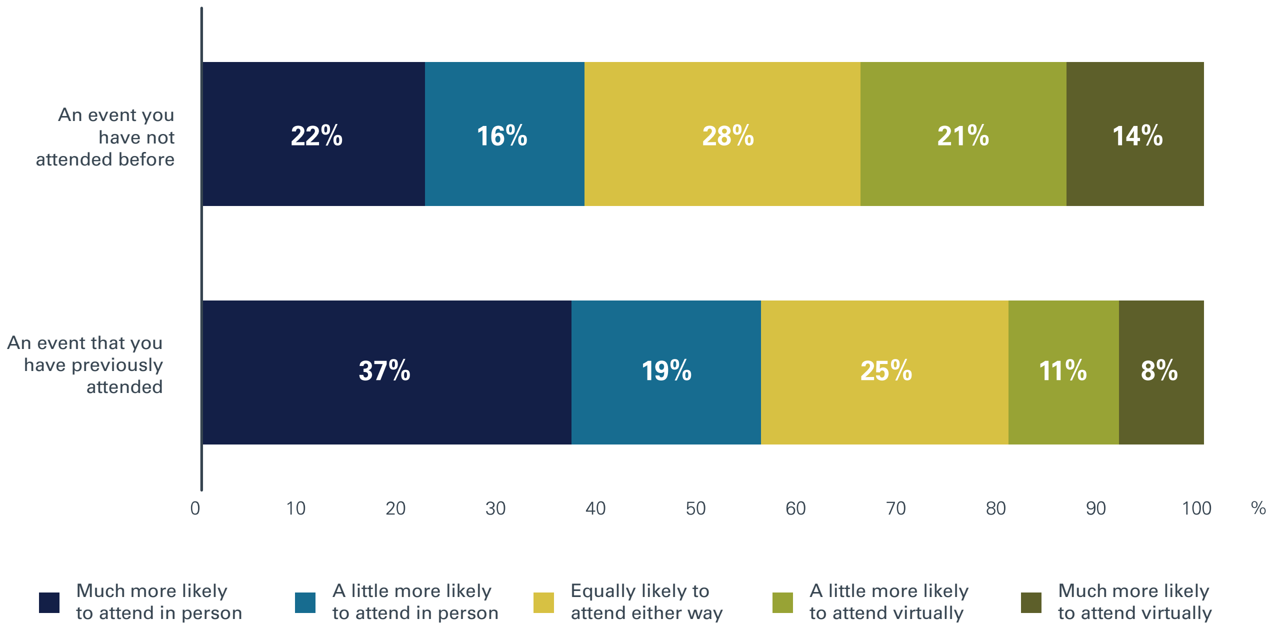
We reported in part one of Global Recovery Insights that both visitors and exhibitors planned to rely on previous experience when deciding which events to return to in-person - this suggested that familiar and trusted show brands would be best placed to attract their audience back.

There is a strong preference for attending a familiar event in-person (56% feel they are more likely to attend in-person vs 19% digitally). However when considering an event they have never attended before, visitors' interest in attending virtually increases (38% preferring to attend in-person, vs 63% who would at least consider attending digitally).

This suggests that digital events could form an important part of the marketing funnel for driving new attendees to live events in future. They could also have a valuable role to play in creating connections with individuals who may never consider attending the event in-person due to time or distance restrictions.

Visitors are more interested in attending online if the event is new to them

If the following were organised as hybrid events, would you be more likely to attend in-person or virtually?



SECTION 10

Conclusion

Whilst the strong preference for live events among our customers suggests that digital events are not seen as a substitute for getting face-to-face, there appear to be areas where they will continue to add value.

The digital event of the future will:

Not try to replicate a live event

A typical trade show caters to a wide range of visitor and exhibitor objectives. In fact, many see that as a unique advantage of a trade show, as they can accomplish many goals in a few intense business days. It is yet to be proven that lifting this generalist model and replicating it in a digital environment is either possible or desirable.

The digital event of the future may add value by focusing on single objectives for attendees and exhibitors such as education or generating top-of-funnel leads, allowing other channels including live trade shows, to meet other needs more effectively.

Guide its audience through a new journey

Unfamiliarity with the new ways of working around digital events is breeding discomfort among exhibitors. They are unsure of the value of digital events and lack the experience to make the most of the opportunities they offer. The more familiar they become with the channel, the more highly they rate it.

We have seen organiser driven initiatives such as exhibitor training and collaborative sales relationships consistently associated with higher exhibitor Net Promoter Scores at live events (Global Exhibitor Insights 2017). Show teams will need to find effective ways of encouraging potential exhibitors to consider digital, then guiding them to make the most effective use of it.

Contribute to an engaged community

The interest in participating in a new event as a digital attendee suggests digital has an important role to play in an organiser marketer's toolkit, bringing fresh audiences to the show brand who may become the physical attendees of the future. But they may also offer additional ways to engage existing audiences, providing more personalised content that can be consumed frequently throughout the year. Attendees recognise the advantages of digital events for providing quality content and may be ready to participate more frequently in sessions that are more tailored or more timely than can be provided at an annual trade show.

Meet an audience where they are at

However, there are potentially valuable audiences for digital events who may never wish to, or be able to, attend the event in-person. Whether this is pressure on time or travel budget, or shorter-term concerns around travel safety, digital events offer show brands a new way to connect.

With many trade show audiences skewing towards an older, male demographic, (Explori global benchmarks) digital has the potential to access new audiences that do not currently consider a trade show floor as a place for them.

About Explori

The official research partner of UFI

Explori provides scalable research solutions for exhibition organisers all over the world. With a global client base including Hyve, Clarion Events, Informa, Comexposium, Messe Frankfurt, Emerald, Diversified Communications and many others contributing to their global data set of industry benchmarks.

Explori's research platform is designed to support organisers in gathering meaningful customer experience insight across multiple territories and languages. Over 3,000 events worldwide now work with Explori including trade shows, digital events and conferences. As part of their partnership with UFI, Explori produces annual reports giving insight into the customer experience of visitors and exhibitors across the industry.

Explori is independently owned by its founders, directors and employees and is headquartered in London.

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Thank you to all research participants

UFI and Explori would like to thank the trade show organisers and UFI members and partners who supported the wide collection of data that made this research possible. The authors also wish to thank the research teams at Explori, GRS and GRS Explori, and in particular Charlotte Penn and Mitch Deeming for the significant work that has gone in to producing this report.

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About UFI

The Global Association of the Exhibition Industry

UFI is the global trade association of the world's tradeshow organisers and exhibition centre operators, as well as the major national and international exhibition associations, and selected partners of the exhibition industry.

UFI's main goal is to represent, promote and support the business interests of its members and the exhibition industry. UFI directly represents more than 50,000 exhibition industry employees globally, and also works closely with its 60 national and regional association members.

More than 800 member organisations in 83 countries around the world are presently signed up as members. Around 1,000 international trade fairs proudly bear the UFI approved label, a quality guarantee for visitors and exhibitors alike.

UFI members continue to provide the international business community with a unique marketing media aimed at developing outstanding face-to-face business opportunities.

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