



# Trade Shows as Sources of Competitive Intelligence

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Survey Results and Implications

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# Introduction

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- The study was conducted over three weeks in May and June of 2012
- A total of 408 respondents
  - 72% from the USA
  - 16% from Western Europe
  - 6% from Asia
- The purpose of the study was to gain greater insight into how Competitive Intelligence (CI) units use trade shows and congresses to support their competitive efforts
- A plurality of respondents are at manager level within their companies
- A majority of respondents (70%) collect some amount of Competitive Intelligence (CI) at trade shows
- Throughout the survey summary, the term “Trade Show” is synonymous with “Trade Congresses,” “Industry Events,” “Convention,” and “Medical Conference”
  - Refers to any public gathering of industry participants who seek to exchange information about developments in the industry
  - May or may not have an exhibitor show floor
  - May or may not be sponsored by a trade association



# Executive Summary

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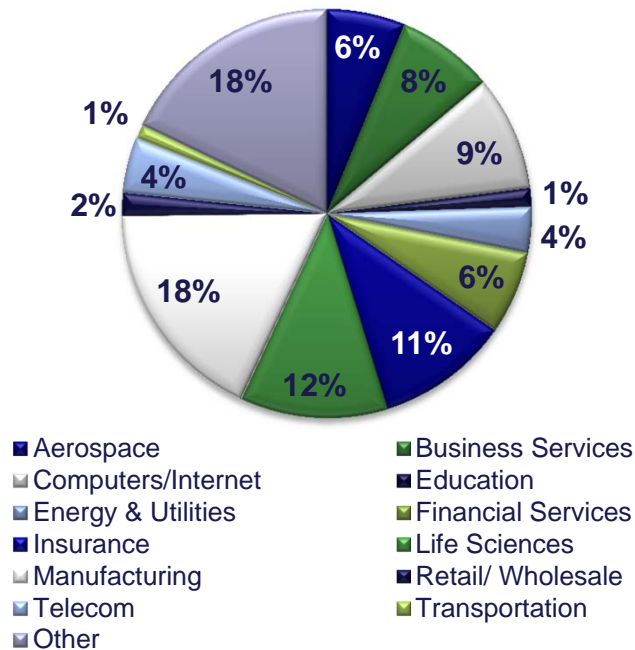
- The practice of collecting Competitive Intelligence (CI) at trade shows is quite common, but is limited in frequency of show attendance
  - A majority of respondents indicated that they use trade shows to collect CI
  - Most respondents who collect CI at trade shows go to fewer than 3 shows a year
  - Only 14% go to more than 7 shows a year
- Only 8.3% of respondents rated their Trade Show CI efforts as “Very Effective”
  - 29.4% of respondents rated their Trade Show CI efforts as “Effective”
  - 50.0% of respondents rated their Trade Show CI efforts as “Moderately Effective”
  - Effectiveness was defined as how integral Trade Show CI efforts were to organizational decision-making
- The majority of units who rated themselves “Very Effective” attend more than 4 trade shows per year, and engage in formal planning for Trade Show CI activities and formal reporting of findings
- Most companies target multiple types of information to be gleaned through CI at trade shows, but the most commonly targeted information relates to new products or general competitor insights
- The R&D and CI departments were the least cited users of trade show intelligence, suggesting that not all insights gained from Trade Show CI are leveraged on an organization wide basis
- Fewer than half of all respondents indicated that they provided counter-intelligence training for their trade show teams, which was linked to less formal planning and less effective outcomes
  - Over 80% of “Not Effective” units did not provide counter-intelligence training
  - Less than 4% of “Not Effective” units provided counter-intelligence training and utilized formal planning
- Use of third-party collection support was low, but those who use third parties ranked their organizations as “Very Effective” or “Effective” twice as often as those who do not use third parties
  - Over  $\frac{2}{3}$  of units who utilized third parties ranked themselves as either “Effective” or “Very Effective” compared to  $\frac{1}{3}$  of units who do not utilize third parties



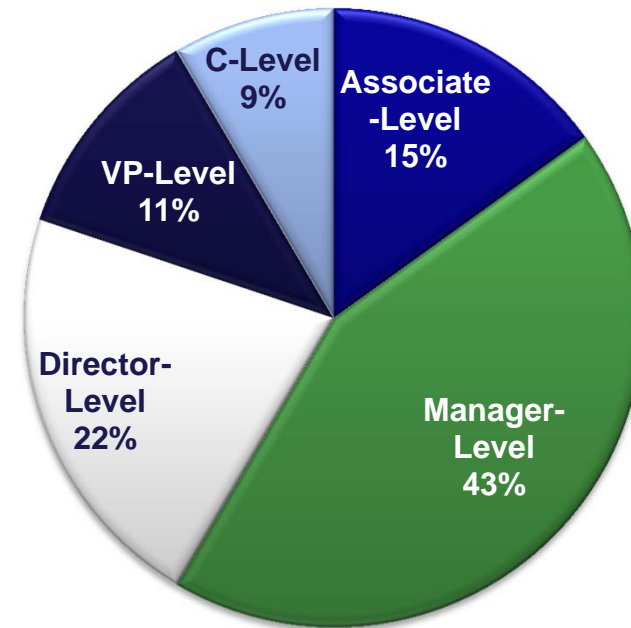
# Respondent Profile

A total of 408 people responded to the survey, providing a representative sample of how CI units use trade shows and congresses to support their efforts

## Industry Distribution



## Respondent Distribution



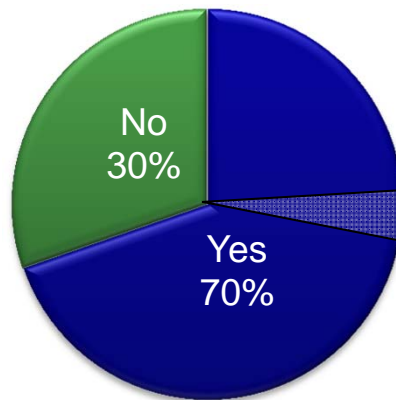
- A broad variety of industries were represented in the survey responses, with 13+ industry groupings being accounted for
- 85% of respondents held titles of Manager-Level or higher
- The United States was the most represented geography, accounting for 72% of respondents



# Who Uses Trade Shows for CI?

Trade Show CI is broadly used, but organizations that do not assign specific responsibility for this function often fail to capitalize on available opportunities

Do you perform Trade Show CI (also known as Conference Monitoring)?



Why don't you perform Trade Show CI?



- A majority of respondents indicated that they use trade shows to collect CI on competitors and markets
- Of those who do not perform trade show CI, the most common reason given was that there was no point person responsible for coordinating trade show CI within the company
- Respondents who indicated “other” most often cited lack of funds and resources as reasons not to collect CI at trade shows

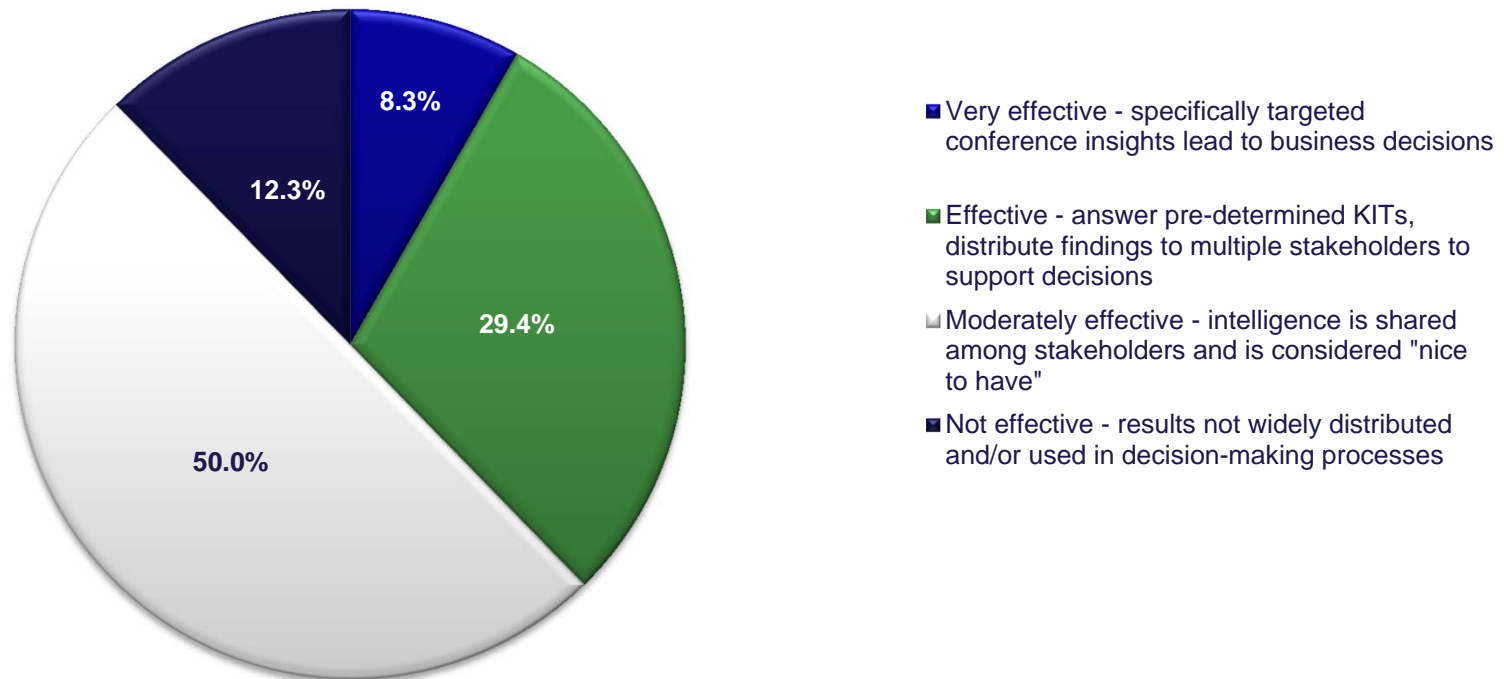
**Not having a point person in charge of conference CI often leads to the other reasons for not attending, and undermines effective Trade Show CI**



# How Effective are Trade Show CI Efforts?

Over  $\frac{3}{4}$  of respondents see some degree of effectiveness in their organization's Trade Show CI efforts, but most see room for improvement

How effective would you rate your organization's Trade Show CI efforts?



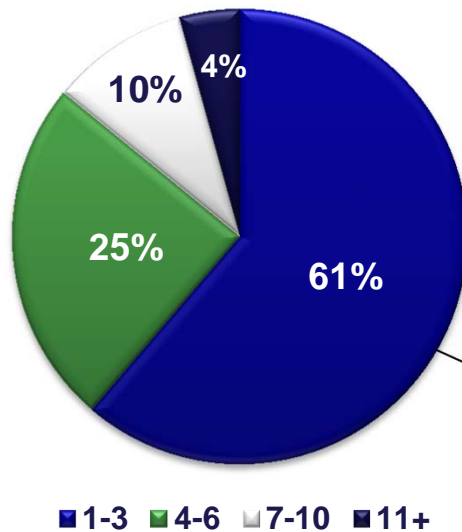
The vast majority of CI units recognize that their trade show CI efforts could be improved, but still focus their attention on attending a few events each year



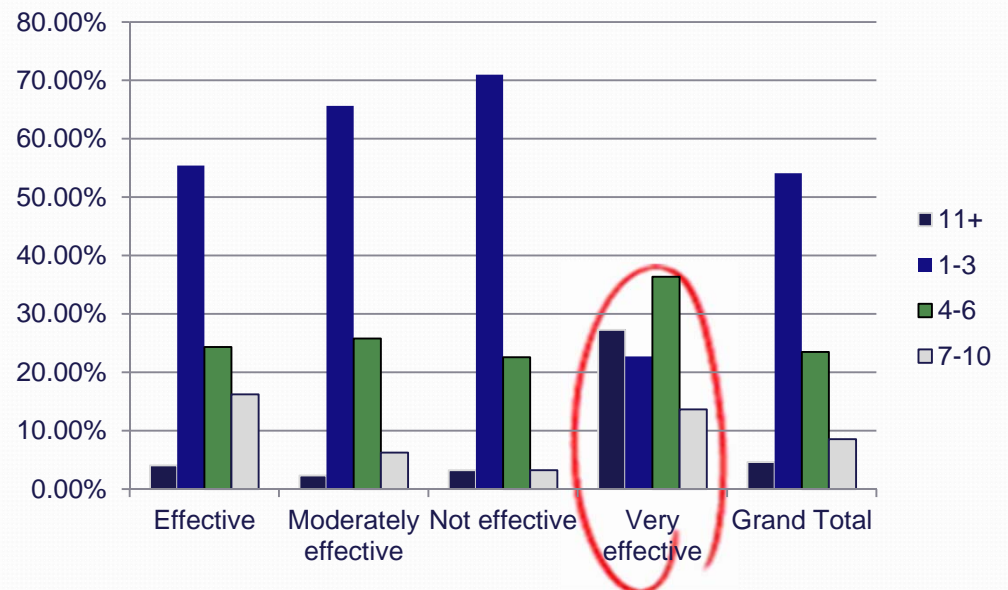
# How Many Trade Shows Do Most CI Units Attend?

The majority of respondents attend at least one show per year with the purpose of collecting CI, but effectiveness increases with increased show attendance

How many Trade Shows/Conferences do you attend each year for the purpose of collecting CI?



Frequency of Show Attendance by Effectiveness Rating



- Attendance of multiple shows is less common across the overall sample, but among the group rated “Very Effective,” the majority of units attend between 4-6, or more than 11 shows per year

More frequent use of trade show CI is linked to more effective results – familiarity and a formal process go with frequent use to produce better results

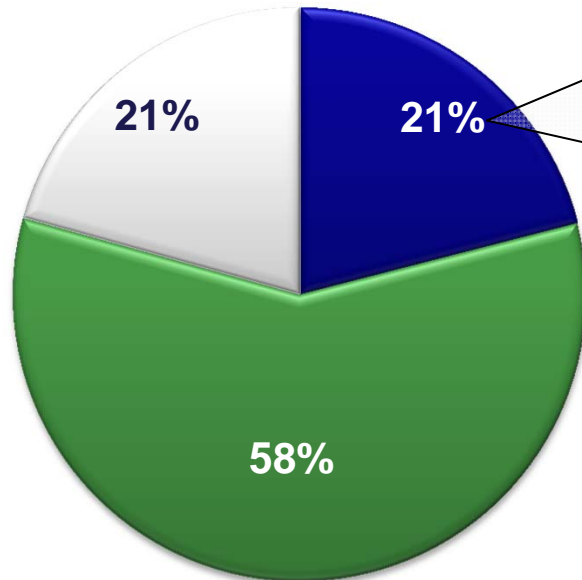




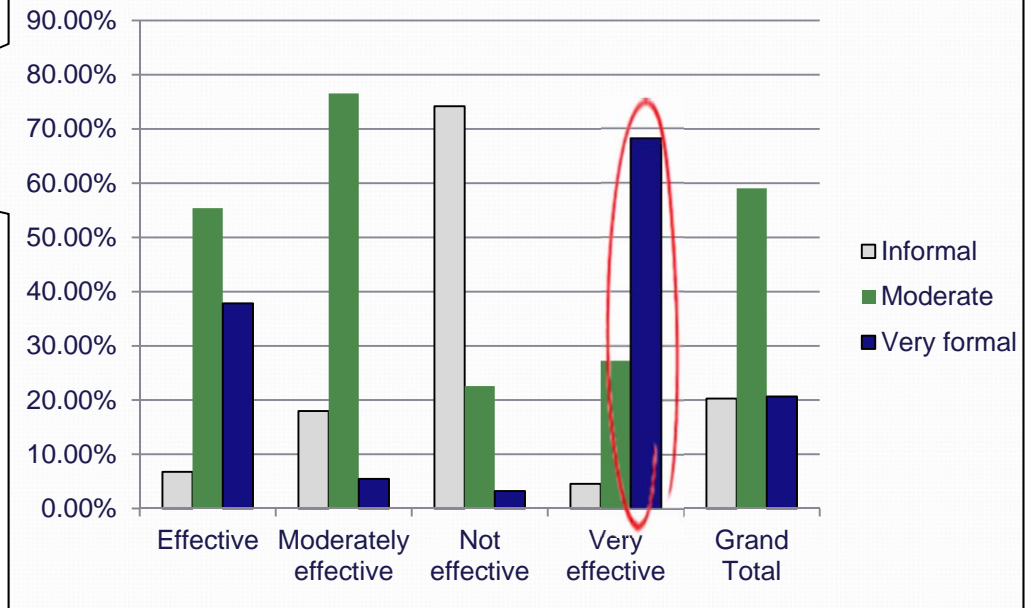
# Is Formal Planning Used for Trade Show CI Efforts?

The majority of respondents do not incorporate formal planning in their Trade Show CI efforts, although formal planning was linked to increased effectiveness

How formal is your planning for Trade Show CI?



Level of Formal Planning by Effectiveness Rating



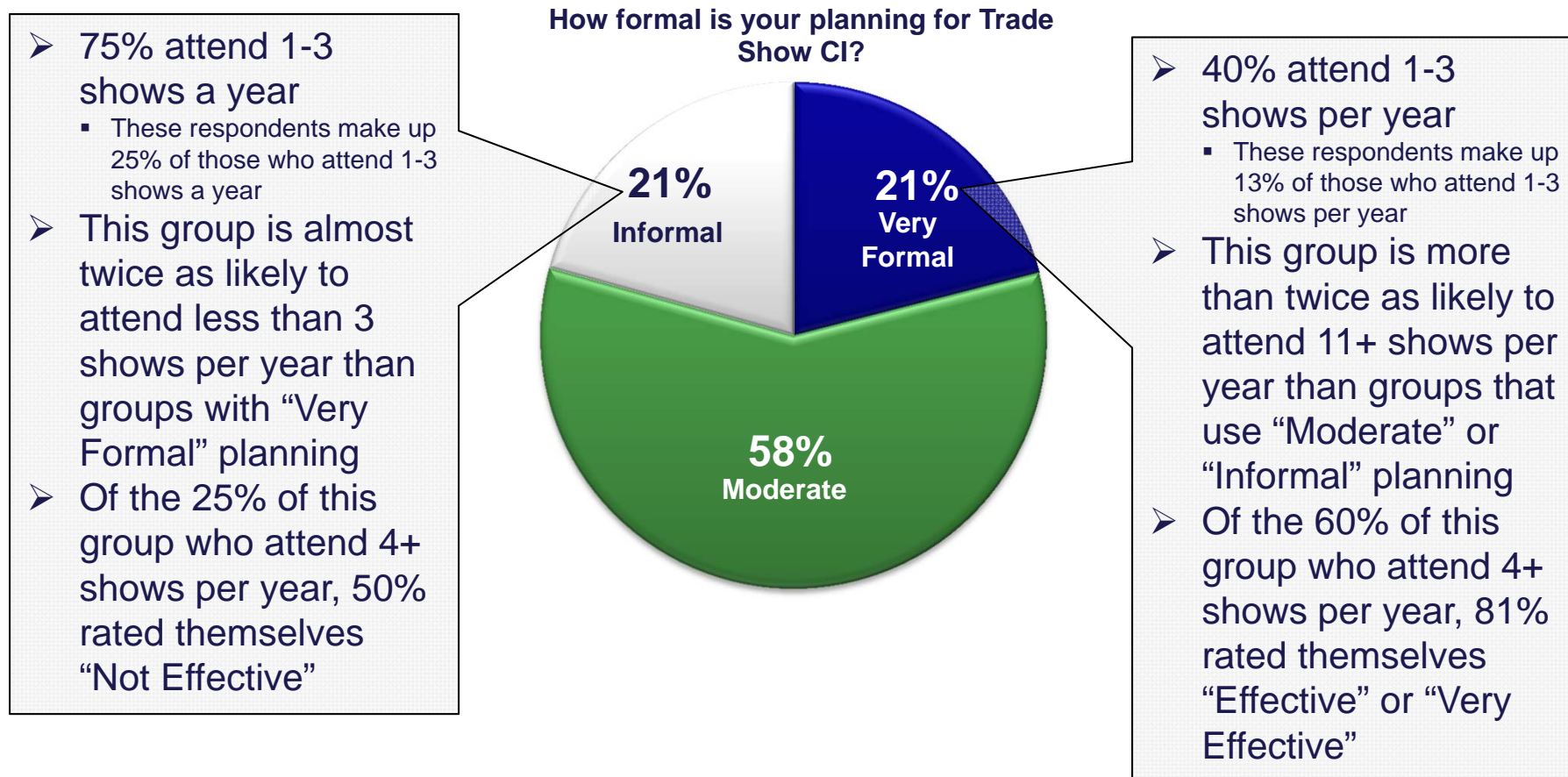
- 68% percent of the “Very Effective” group reported that their planning was “Very Formal”, as opposed to just 5% of the “Moderately Effective” group and 3% of the “Not Effective” group
- 93% of the “Effective” group reported using either “Moderate” or “Very Formal” planning
- 74% of the “Not Effective” group reported “Informal” planning or no planning

Formal planning is an indicator of effective Trade Show CI. A codified process produces desirable results, and may encourage more frequent show attendance.



# Does the Use of Planning Affect Use of Trade Show CI?

Groups that utilize formal planning are more likely to attend a greater number of trade shows on an annual basis, and utilize effective CI at those shows



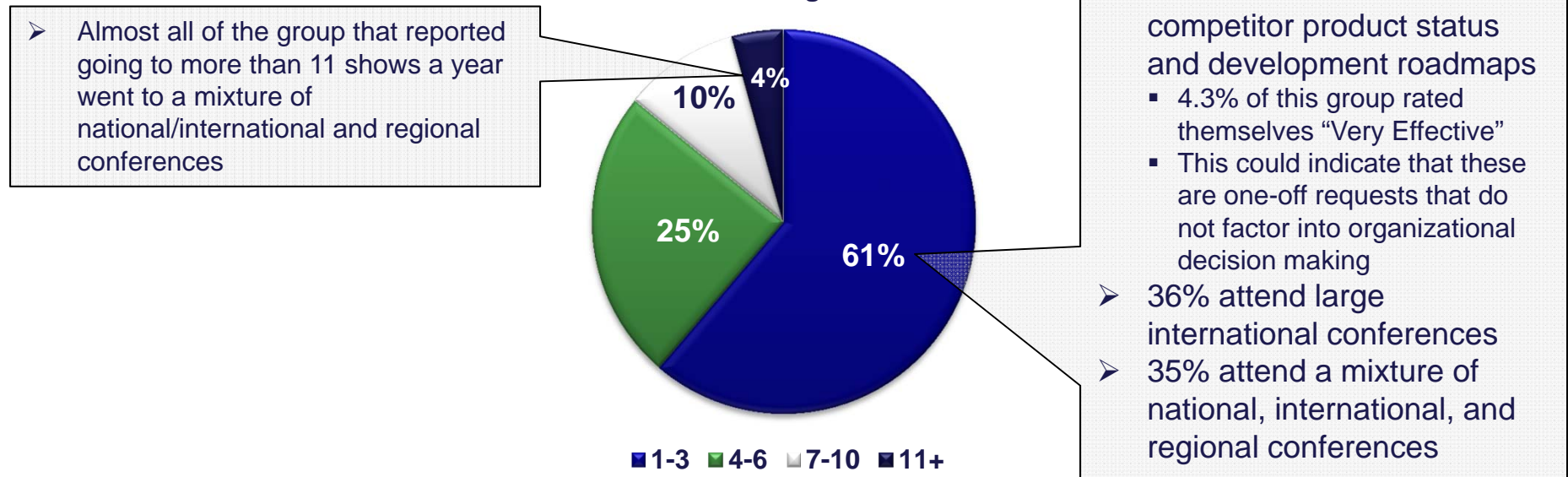
Formal planning increases comfort in using CI at trade shows, encouraging more frequent and more effective use, but does not affect the types of shows attended



# What Types of Trade Shows Do CI Units Attend?

Effective users of Trade Show CI attend a variety of shows, but units that attend fewer shows generally seek information on product status and development

How many Trade Shows/Conferences do you attend each year for the purpose of collecting CI?



- A plurality (44%) indicated that they attend a mix of national/international and regional shows
  - 55% of "Very Effective" respondents attend a mix of national/international shows, as opposed to 39% of "Not Effective" respondents

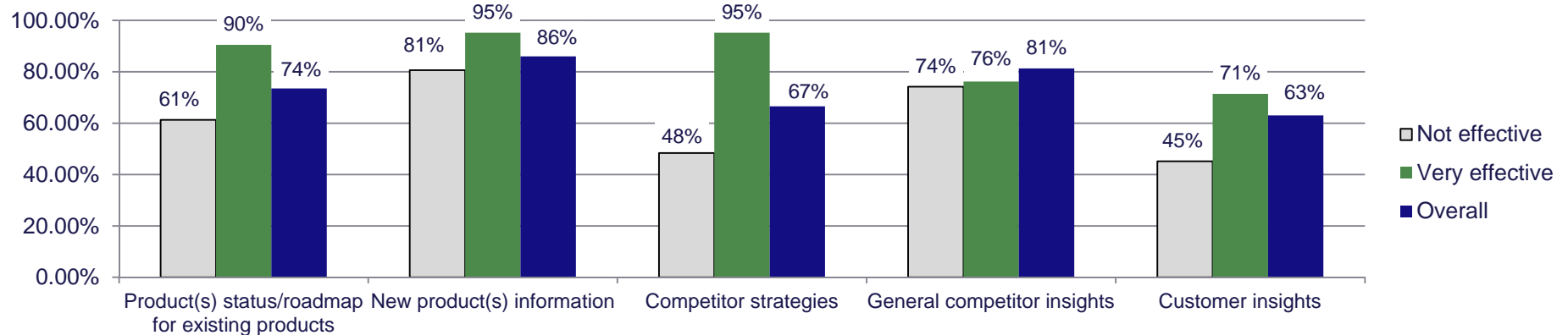
Best practices indicate that Trade Show CI users should attend a variety of events, but the mix of events is dictated by their research goals



# CI Collection Targets Multiple Intelligence Areas

Learning about new competitor products is a common objective of Trade Show CI, but “Very Effective” users recognize that various types of information can be collected from trade shows

Response Rate of Expected Learnings by Effectiveness Rating



- The most common goal of CI collection at trade shows is to learn more about competitors' new products
  - 95% respondents who go to 11+ shows per year expect to learn about new competitor products
  - Only 78% of those who go to 1-3 shows per year have similar expectations
  - Other stated learning objectives were to understand competitor morale, pricing insights, and to assess competitor strategies
- “General competitor insights” was the second most common response overall
  - This objective was less common among the “Very Effective” group
- The “Very Effective” group’s most common learning objectives were “New Product Information” and “Competitor Strategies”
  - “Very Effective” groups were twice as likely to focus on “Competitor Strategies” than “Not Effective” groups
- “Customer insights” was the least expected learning in the overall sample, although “Very Effective” units were more likely to focus on it than any other group
  - Use of third-party support lead to a higher incidence of customer insight selection (63% vs. 48%)

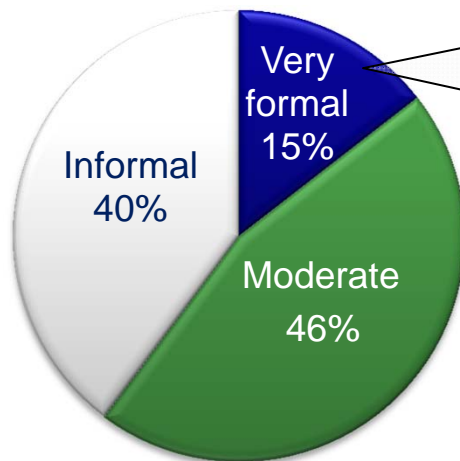
**Most programs target multiple types of intelligence at trade shows, as the wealth of opportunities leads to an ability to collect on multiple projects and priorities**



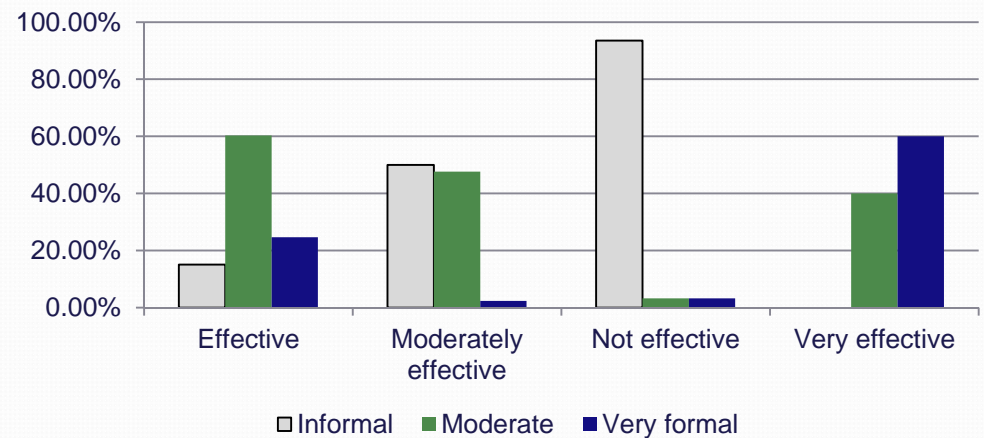
# Once at the Show, Management is Less Formal

Only 15% of respondents use formal management of CI efforts, despite the link between formal management and effectiveness

How formal is the management of CI efforts at the actual conference?



Level of Formal Management by Effectiveness Rating



- Formal on-site management processes include: a quarterback to coordinate collection, daily meetings to review findings, and regular review of intelligence topics
  - Of the respondents who indicated a very formal management of the effort, 82% indicated that their conference planning was also formal, and
- Of those that utilized a formal management of Trade Show CI efforts, 88% rated themselves as either “Very Effective” or “Effective”
  - 60% of “Very Effective” respondents utilized a formal management structure

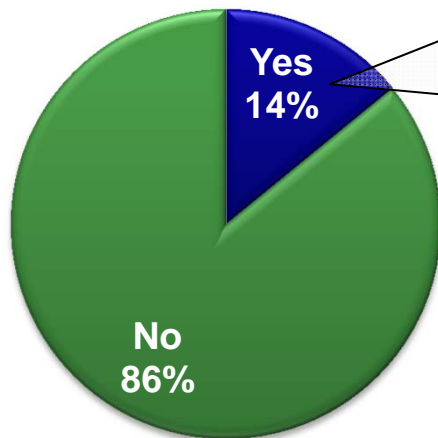
**Formal planning and management of the trade show CI effort produces better results, and use of formal processes increases when a 3<sup>rd</sup> Party is engaged**



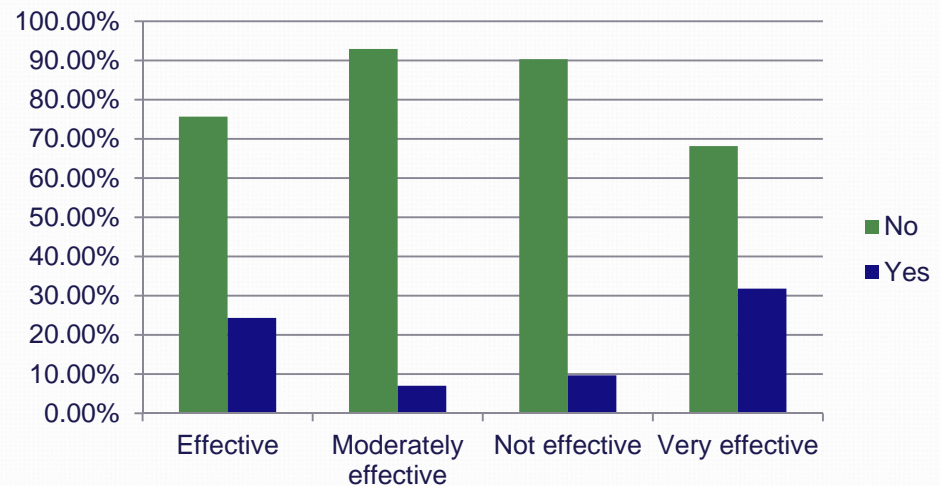
# Use of Third Party Vendors Not Common

Third party vendors are not commonly engaged for Trade Show CI efforts, although the use of a third party vendor dramatically increases effectiveness

Do you typically work with a third party vendor to support Trade Show CI activities?



Use of 3<sup>rd</sup> Party Vendor by Effectiveness Rating



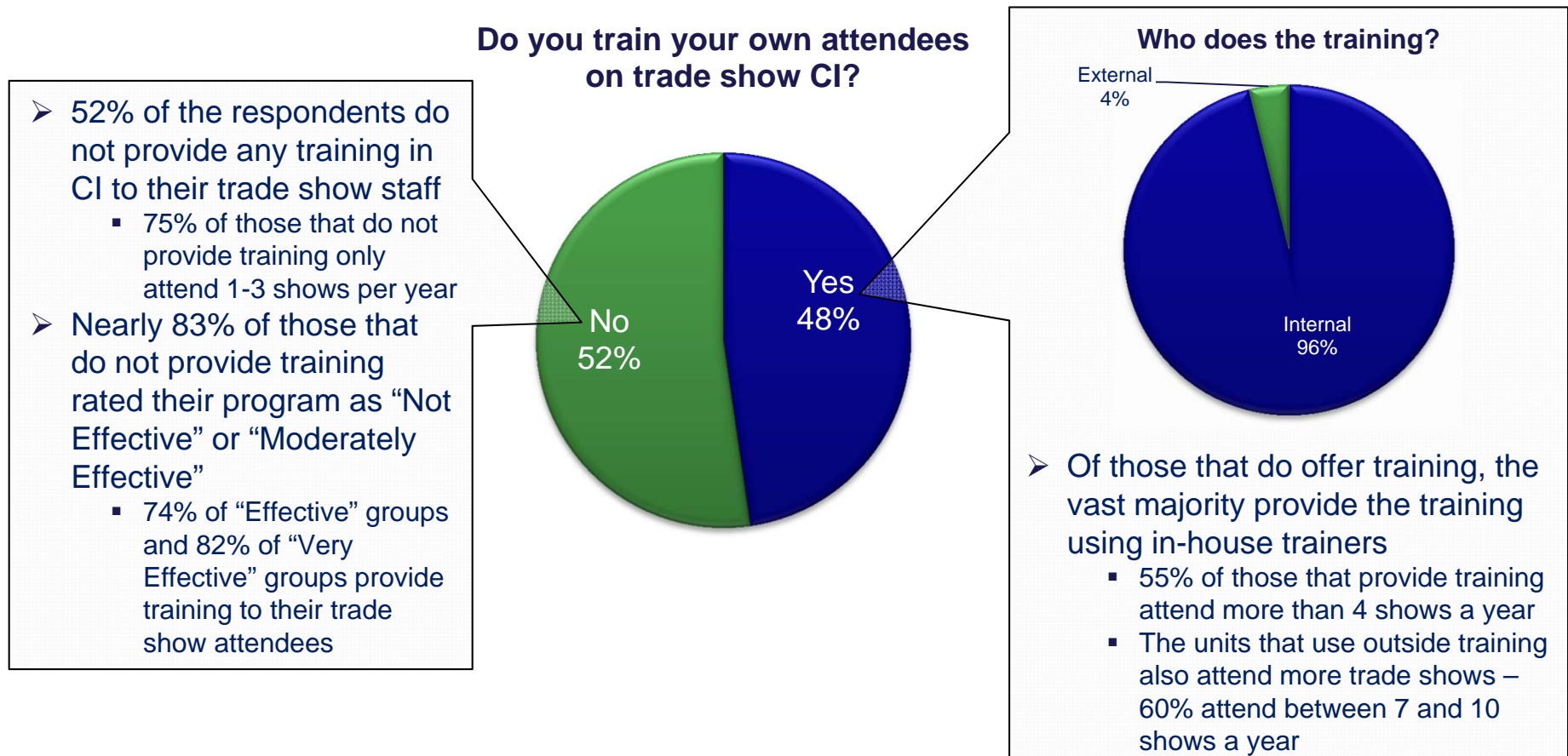
- “Very Effective” groups were 3 times more likely to use a 3<sup>rd</sup> party vendor than “Not Effective” and “Moderately Effective” groups
  - Effective groups were twice as likely to use a 3<sup>rd</sup> party vendor than “Not Effective” and “Moderately Effective” groups
- 53% of those that used 3<sup>rd</sup> party vendors had “Very Formal” planning for the show
  - 50% of those that use 3<sup>rd</sup> party vendors and “Very Formal” planning also had “Very Formal” management of the effort
  - Third parties were responsible for over 50% of the collection effort
- Of those that reported using 3<sup>rd</sup> party support, 66% reported that their programs were either “Effective” or “Very Effective,” compared to 30% of the respondents who reported not using 3<sup>rd</sup> party support

Use of a third party vendor for Trade Show CI support is minimal, and this extends to CI training for trade show staff



# Training for Trade Show CI is Mixed

Respondents were split in their use of internal training for Trade Show CI, but those that did engage in training their attendees elected to do so internally



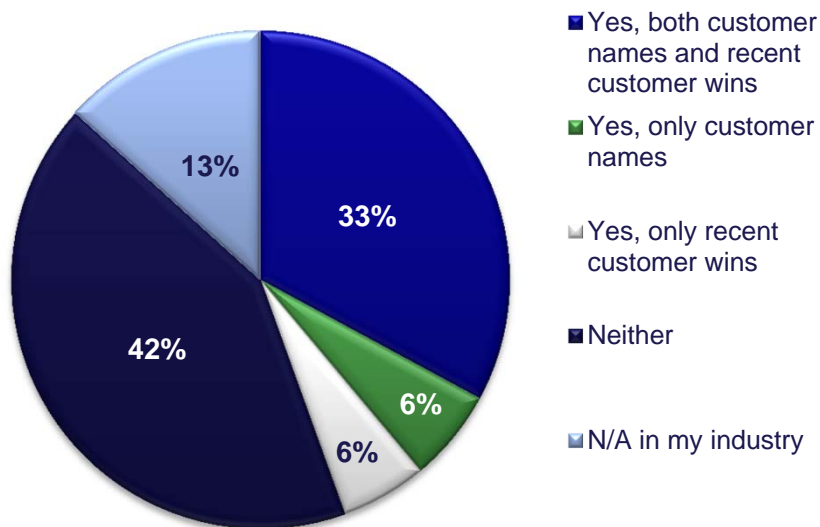
Effective units generally attend more shows, and provide CI training to their attendees. They may also derive more focused insights from shows.



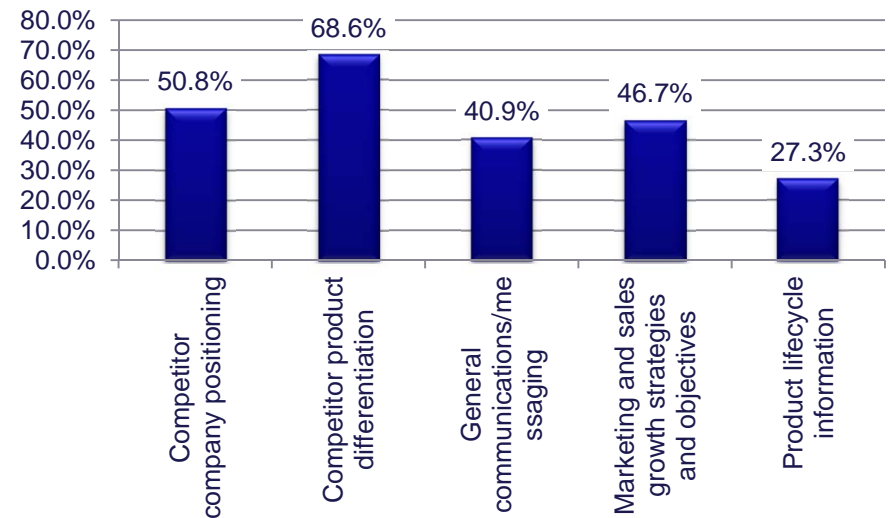
# Customer Names are Not as Important as Product Differentiation

Respondents seek to obtain competitor customer names, but a much larger share of the respondents indicated that product insights are more important

Do you try to obtain your competitors' customer names and/or recent customer wins at shows?



What trade show insight concerning commercial strategies and tactics is most meaningful to your organization?



- “Very Effective” groups were almost twice as likely to attempt to obtain both customer names and recent customer wins than “Effective,” “Moderately Effective” groups
  - “Very Effective” groups were nearly 3 times more likely to attempt to obtain this information than “Not Effective” groups
- “Competitor Product Differentiation” was identified as the most meaningful insight sought at trade shows, with a response rate of 68.6%
  - This response rate jumped to almost 81% among the “Very Effective” group
  - The next most common response among the “Very Effective” group was “Marketing and Sales Growth Strategies and Objectives” with a response rate of almost 67%, compared to 46.7% for the overall sample

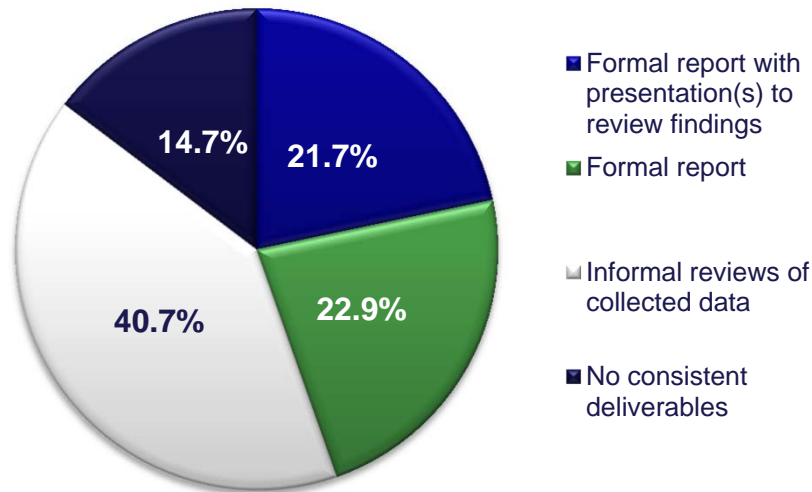




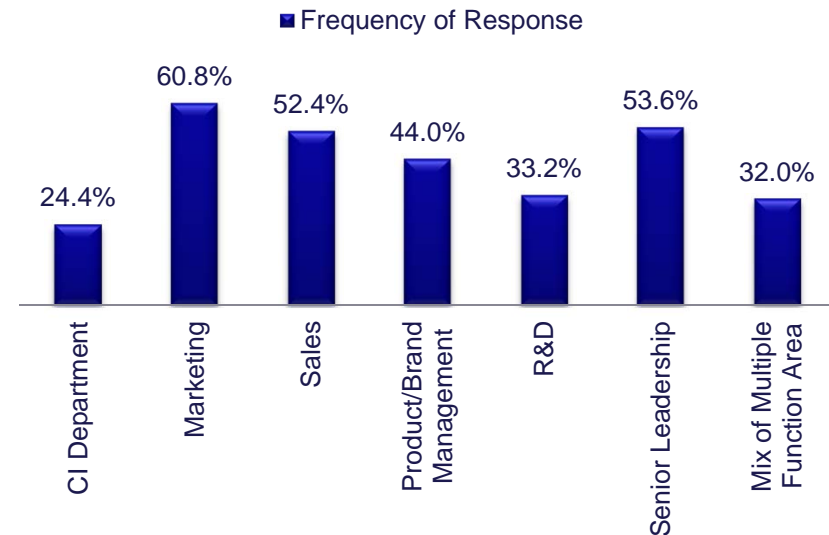
# Most Present Trade Show Findings Informally

The majority of respondents do not use a formal reporting process, and deliver their results to Sales, Marketing, and Senior Leadership

What are the normal deliverables for Trade Show CI efforts?



Who are the typical "internal customers" for Trade Show CI?



- Slightly less than half the respondents have a formal reporting system, but 86% of "Very Effective" groups utilize a "Formal Report with Presentation(s) to Review Findings"
- Among internal customers, Sales (45.5%) and Marketing (41.6%) had the highest usage of informal report types, while CI (24.2%) and R&D (30.6%) had the lowest usage of informal reports
- The most common internal customers for "Very Effective" groups were R&D (71.4%), Senior Leadership (66.7%), and Marketing (61.9%)

**Companies that use a formal reporting process deliver more effective results and work across more internal user groups**



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# To Learn More about Trade Show CI

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