

CAPITALIZING ON CUSTOMER EVENTS



For successful customer events, it's important to focus on educational content that's carefully matched to the needs of your target market. And pro AV companies often defray the costs of events by selling booth space to manufacturers or asking for sponsorships.

by Don Kreski

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Focusing on educational content and aggressive marketing can help integrators run successful customer expos.

HAS RUNNING successful customer events become more difficult in the past few years? For some AV companies, the answer is yes. "We've been questioning our program," says Nellie Blair, president of Industrial Video Corporation, a Cleveland-based full-service broadcast and AV dealer. "In years past we did several shows a year, but we were getting less and less of an audience. We cut down drastically."

David Lopez, vice president and sales manager of Houston-based AV integrator Industrial Audio/Video Inc., says he's experienced a similar drop in attendance – his company's annual expo has declined by about half since its peak attendance of almost 800 in 1990.

Yet at least one pro AV integrator, San Rafael, CA-based Snader and Associates, continues to see growth in its annual Visual Solutions Expo. "Last year it really took off," says Snader marketing manager Kristen Pearce. I shot for, best case scenario, 650 - 700 people, but we had 804."

Although the expo is Snader's largest marketing effort each year, the company also runs other customer events throughout the year. "We average two to three group demos a month – some as simple as a small demo day in one of our offices," Pearce says.

At Industrial Audio/Video, despite a 56 percent decline in attendance since 1990, Lopez remains satisfied with the results of his annual expo. "The show is the single most important marketing event for us," he says.

After a three year hiatus, Blair says Industrial Video has started experimenting with customer events again and has been successful using a more market-driven approach.

If you want to put on successful customer events at your company, there are a few lessons you can learn from these integrators. Each has made a long-term effort to shift these events from simple product demos to more educational content. The companies also aggressively promote their events, pushing to bring in new prospects as well as their regular customers.

An educational approach

The first lesson these AV pros stress is that it's important to pay careful attention to the content of your show. "It can't just be, 'hi, this is our stuff and this is why you need to buy it,'" Pearce says. "Right now we're doing a quarterly high definition seminar series. We started with a session focused on acquisition, that we held on a local sound stage. We had Sony and Panasonic HD cameras and a professionally lit set with classic cars and motorcycles. Attendees were able to shoot the cameras in a real-world environment. We also provided lunch and had a roundtable discussion with local cinematographers talking about their experiences with HD." She says she most often uses existing customers as presenters for these events.

Lopez agrees that content is key. "You have to make sure you select seminars and workshops that will grab the end user, the AV guy on campus, or the wedding videographer," he says.

Blair's approach is to bring in speakers with an engineering background who can explain technical subjects. "The best thing we've done in several years was an all day session on test equipment," she says.

Sara Eberhardy, senior marketing coordinator at Ford Audio-Video Systems of Oklahoma City, says her firm offers monthly, one-day training sessions at each of its seven offices. Topics include sound

mixing, lighting techniques and system design, at both basic and advanced levels.

While the other AV companies offer their seminars and shows for free, the demand is so high for this type of training that Ford has been able to charge up to \$125 per person to attend. "We only have 70 seats available at each seminar and they're always sold out," says Heather Lutz, Ford's training coordinator. That number translates into a total of about 490 attendees each year.

AV pros should also consider promotional hooks that help grab a potential customer's attention. For example, Pearce says she markets her expo as a networking event. "The Bay Area was hit pretty hard by the recession. So our show has also become a place to come and bring resumes."

Target markets

It's also important to carefully match each event to the needs of the customers you're targeting. Blair says her company often separately targets broadcast, production or education markets for its smaller seminars.

Pearce says systems integrators should make an effort to reach out to new markets as well. "We're seeing a shift where presentation equipment is becoming the responsibility of IT departments," she says. "So we're targeting more seminars to IT people."

Partnering with other organizations can also help build attendance at customer events. Pearce spends a lot of time courting user groups and associations to help promote her events. "We support one another in the interest of cross-promotion," she says. "For example, we have a local Final Cut Pro users group that I support financially. In return, they help promote our expo events at their meetings."

Pearce, who also supports a local film arts foundation and a northern California production community, says these relationships can help spread the word to potential attendees. "Word of mouth is the best advertising we can ask for," she says.

Aggressive promotion

Each of these AV dealers relies on more than one marketing method for promoting its customer events. Eberhardy says the Ford AV seminars are in such high demand that a simple mailing is enough to fill them.

For Industrial Audio/Video's last expo, Lopez says the company began by sending an e-mail invitation and posting details on its website about two months before the event. It followed up with a mailing, a second e-mail blast, and also asked its sales force to make calls to their better prospects.

Blair says her company has used mail, e-mail and telemarketers in the past, although she typically relies on her sales force to spread the word about these events.

For the Snader expo, Pearce does two mailings, multiple e-mail blasts and runs display ads in the Bay Area production and business press. For the corporate marketplace, she focuses on AV-related seminars; for video production her ads focus on the exhibitors as well as seminars. She, too, asks

her sales reps to make calls and distribute invitations, and she runs ads in the newsletters and on the websites of the various groups she sponsors.

Costs and benefits

The cost of these events can vary widely.

Because Blair and Eberhardy usually run small seminars in their own facilities, the labor costs are typically the most significant.

Lopez says the opportunity cost—the cost of sales calls, service calls and other work not done because the staff is busy with the expo—can be substantial. "Everybody in the company gets involved," he says. "The warehouse people, the support people, even the accounting people. We chase them out of their area so we can serve lunch there."

For Pearce, the hard costs are much more significant—more than \$100,000 to produce the Snader Expo. "And the labor going in the show drives the costs up much higher," she says. "I have to start months in advance and rely heavily on our sales and technical staff."

None of these companies, however, reports a major hit to its marketing budget in producing customer shows. They typically find ways to charge vendors for the cost, either by selling booth space or asking for sponsorships. "The manufacturers are very good in that, if they can't help us out with co-op, they give us credit memos on equipment purchases," Lopez says.

These integrators also report that the benefits far outweigh the costs. "Sometimes we'll get one sale that's worth all of the time that was put into the show," Blair says.

Lopez agrees. "If I have 50 -350 people come into our facility on any given day and they meet the people who take care of their needs—whether it's the sales person, the accounting people, or the various service people—I think that's a major success," he says.

"I know that a lot of relationships start at the show," says Pearce. "And while maybe the sales cycle is a month or two down the road, ultimately if we hadn't had the show to get someone introduced to the product, that sale would never have happened. We've done millions of dollars of business because of this trade show."

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