

# Getting the Most From Your Marketing Events: The ROI of In-Person Seminars, Trade Shows and Webinars

An Osterman Research-QLM White Paper

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## Executive Summary

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Marketers and marketing departments are under increasing pressure to deliver more sales leads and more qualified leads. The pressure is greater still given that many marketing budgets are flat or declining.

Marketing events, like trade shows, in-person seminars and Webinars have traditionally been very good sources of quality sales leads for organizations in a wide range of industries. However, many decision makers have not had quantitative guidance to help them direct scarce marketing dollars toward the venues and activities that will help them to generate leads in the most efficient and effective manner.

Consider that:

- Marketing budgets and staff have been cut significantly during the past 18 months, and that in most organizations every investment in time, people, money and opportunity costs is being examined more closely than ever.
- At the same time, resources devoted to travel and training have been cut back compared to past years. Participants save time and money with online meetings compared with in-person seminars or trade shows.
- There has been a growing trend in the past decade to replace in-person meetings and events with online or remote events.
- Marketers need to cost-effectively reach a larger or more expanded target audience and leverage popular online media and marketing.

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Events of various types continue to be an excellent method for generating new sales leads, but not all events are created equal in terms of their ability to create new prospects and revenue opportunities. How can marketers and marketing departments create their event strategy within the marketing mix? What are the major costs of different types of events and how does an organization calculate the ROI of individual events or their event program?

### ABOUT THIS WHITE PAPER

This Osterman Research and Quantum Leap Marketing white paper, sponsored by Citrix Online, discusses the results of a recent survey of marketers using different types of events in the marketing mix, offers quantitative formulae for calculating your own event marketing ROI, and offers guidance for marketers and organizations to create an optimum event marketing strategy for their organization so they achieve the greatest return from their marketing resources.

## Survey Results

Osterman Research and Quantum Leap Marketing conducted a primary market research survey specifically for this white paper. The goal of the research was to determine how much organizations spend on three types of events designed primarily to generate marketing and sales leads: trade shows, in-person seminars and Webinars. The average employee count at the organizations surveyed was just under 2,000. Further, in order to qualify for participation in this survey, respondents had to have generated leads from one or more of the three event types noted above.

### EVENTS AS A PRIMARY LEAD GENERATION METHOD

The survey found that in-person, one-on-one sales calls are the primary method used for generating leads, followed by telemarketing activities, Webinars and in-person seminars, as shown in the following table.

*Time investments by type of lead-generation event can vary widely. For example, a trade show normally requires a median of 4.0 staff members and a median of 4.0 days out of the office for the event itself.*

Methods Used to Generate Leads

Activity	Primary Method	Secondary Method	Tertiary Method	Do Not Use
In-person, one-on-one sales calls	60%	20%	11%	9%
Telemarketing / telesales	31%	19%	21%	29%
Conducting Webcasts / Webinars	30%	27%	18%	25%
Conducting in-person seminars or executive breakfasts	18%	32%	30%	20%
Exhibiting at trade shows	15%	24%	28%	33%
Key people in company speak at trade shows	12%	30%	29%	28%

### MARKETING EVENTS CONDUCTED OVER THE PAST 12 MONTHS

Marketing decision makers report that their organizations exhibited at a mean of five trade shows, conducted eight in-person seminars, and held 20 Webinars. However, in-person, one-on-one sales calls were much more common than other methods for generating leads.

### INVESTMENTS BY TYPE OF MARKETING EVENT

Time investments by type of lead-generation event can vary widely. For example, a trade show normally requires a median of 4.0 staff members and a median of 4.0 days out of the office for the event itself, travel to and from the event, etc. By contrast, an in-person seminar requires a median of 2.0 staff members and only 2.0 days out of the office.

Further, the typical out-of-pocket expenses required for a trade show total a median of \$11,000, whereas median out-of-pocket expenses for an in-person seminar total \$2,500. These expenses include things like airfare, hotels, meals, venue fees and the like. A summary of the time investments and expenses for trade shows and in-person events is shown in the following table.

**Time Investments and Costs for  
Trade Shows and In-Person Seminars**

<b>Cost</b>	<b>Trade Show</b>	<b>In-Person Seminar</b>	<b>Webinar</b>
Staff members sent to event / working on the event	4.0	2.0	2.0
Days required per staff member working on the event	4.0	2.0	1.2
<b>TOTAL PERSON-DAYS REQUIRED</b>	<b>16.0</b>	<b>4.0</b>	<b>2.4</b>
Out-of-pocket expenses (does not include labor cost)	\$11,000	\$2,500	\$100

*Our research found that Webinars require significantly fewer investments of time and out-of-pocket expenses than either trade shows or in-person seminars.*

### **THE COST OF WEBINARS**

Our research found that Webinars require significantly fewer investments of time and out-of-pocket expenses than either trade shows or in-person seminars. For example, we found that the median investment of staff time for a typical Webinar is 10 hours for two staff members, which includes presenter and other staff preparation and participation in the event itself.

### **TOTAL COST OF ORGANIZATIONAL TIME TO HOLD AN EVENT**

If we assume an average, fully burdened cost of \$80,000 annually for staff members who would be involved in lead-generation activities, we find that Webinars are dramatically less expensive than either in-person seminars or trade shows:

- Trade show total labor cost: \$4,923
- In-person seminar total labor cost: \$1,231
- Webinar total labor cost: \$769

It is important to note that the significant time investments required by trade shows, and to a lesser extent in-person seminars, can also impact individuals and departments outside of those directly involved in the off-site events, and so can have a productivity impact well outside of marketing and sales.

## **NUMBER OF QUALIFIED LEADS BY TYPE OF MARKETING EVENT**

The survey found that the typical in-person seminar generates 15 good, qualified leads, while the average trade show creates 76 leads, and the average Webinar will produce 27 leads. That said, each organization will have different marketing opportunities, competencies, and a different target audience. Therefore, we have developed a cost-model for marketing events using the survey data as its basis that will help organizations to compare the results from their own marketing events and help them make better use of their marketing resources.

*To help weigh the benefits of a marketing event and improve results and ROI from limited marketing resources, it is necessary to determine both the true cost of an event, as well as the cost per lead.*

## **Developing a Cost Model for Events to Optimize Your Event Dollars and Strategy**

To help weigh the benefits of a marketing event and improve results and ROI from limited marketing resources, it is necessary to determine both the true cost of an event, as well as the cost per lead. While these are not the only considerations that go into deciding how to spend marketing dollars, they provide a good starting point as decision makers plan how to make the most efficient use of their marketing dollars.

Just as many organizations mistakenly use the “salary” of an employee instead of the “fully-burdened salary” of an employee (the latter includes salary, benefits, bonuses, training, workspace-related costs, etc.), most marketing organizations until now have failed to include one major cost component in event leads – employee time. However, time is one resource that marketing departments and organizations can never get more of, so it is critical to measure when evaluating the success and cost of any marketing event.

Toward this end, here are the major elements our event cost model took into account in order to generate a true cost-per-lead so that decision makers can evaluate the effectiveness of individual events, as well as the overall event strategy:

- **Determine Number of People and Total Time Involved in an Event**  
It is important to determine just how much total time is involved in a given marketing event. One can do this by adding up the total number of days each person spends on the event, or by multiplying the number of people involved times the average time each spends. So if two people spend two days each on a seminar, that would be a total of four total days spent. If four people each spent one-half day on a Webinar, then the total time would be two days. It is important to include any travel time in these estimates, as well.

- **Determine the Average, Fully-Burdened Salary of Those Involved in the Event**  
This can be tricky for the average marketer, but since marketing events are predominately executed by an internal or external marketing specialist or manager, a fully burdened salary of \$80,000, or \$400 a day, is a good starting point. If executives or higher-salaried speakers or salespeople spend significant time, be sure to include this as well.
- **Include the Promotional Costs of the Event**  
These marketing costs include external promotions, direct mail, or telemarketing to drive event attendance. For some events, there may be little or no actual money assigned specifically to this activity. Note the actual marketing or promotional costs of the event are often considered as constituting the entire event budget, but this is typically not the case. And, one of the reasons that every organization can incur vastly different costs by event type or per event is that this number is highly variable. For example, many Webinars can have no budget set aside specifically for external promotions, while others could have tens or thousands of dollars, or more.
- **Include the Room or Space Costs for the Event**  
Booth space or room rentals can be a significant percentage of an event budget, while some venues, such as hotels, will charge only a per-breakfast cost, for example. Some Webinar room or delivery costs can be part of an overall Web collaboration contract by the organization, while others can be specific for the event or per attendee. Be sure to include these room or “virtual room” costs in your overall event costs calculations.
- **Add Any Related, Event Delivery Costs**  
Don’t forget to consider related costs like travel, airfare, hotels, meeting rooms, outside personnel or speaker fees, audio-visual staff and equipment rentals, and media development costs of a presentation, or fees associated with collateral, giveaways or event materials.

A major disadvantage to participants of trade shows and in-person seminars are the cost and time involved.

Once these costs have accurately been captured and summarized, the costs of individual events or types of events, the cost calculator then typically takes the number of good, qualified leads from each event to generate a cost per lead by event or type of event.

For example, your organization may currently participate in four trade shows, six in-person seminars, and 12 webinars per year. Our model

allows a marketer to compare the events by generating the cost of each event individually, which then rolls-up to create true cost by event type per year, and the cost per lead by event type. A sample summary output is generated below using representative numbers from our survey.

Cost per Lead by Type of Event



*While it may be good to benchmark a marketing event against industry averages, keep in mind that virtually all published “cost-per-event” or “cost-per-lead” figures do not offer an accurate estimate because they do not incorporate what can be the largest cost component – time spent by salaried employees.*

### SUMMARY OF THE COST CALCULATOR

While it may be good to benchmark a marketing event against industry averages, keep in mind that virtually all published “cost-per-event” or “cost-per-lead” figures do not offer an accurate estimate because they do not incorporate what can be the largest cost component – time spent by salaried employees.

As a result, it is important to keep in mind that the true power of this new decision-making tool is to help organizations get the most from their marketing budget AND resources, and help identify which event types are working best for YOUR ORGANIZATION.

In the next section, this white paper will outline key ways to use this new information to help make your marketing more competitive and discusses the new opportunities available to your organization based on having this powerful data.

## The Potential Power of Knowing the True Costs Behind Individual Events and Overall Event Strategy

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While the information above presents an interesting comparison between different types of marketing events, it is important to understand that the information must be put into action rather than being left as a theoretical exercise.

Here are some ways to help harvest this new information's potential into valuable actions and results for your organization.

### CONSIDER ALL OF YOUR MARKETING RESOURCES AND COSTS IN THE SAME LIGHT

*Knowing the true cost of an event and its benefits allows a decision maker to analyze both individual events and marketing event categories against their budgets and other resources available.*

Many marketers will consider the cost to create a qualified lead on a marginal basis. For example, a lead generated from a search engine optimization system through a Web site will have no incremental cost because there may be no additional effort which goes into the creation of the next lead. Also, a Google Ads lead may cost \$25 in advertising to generate the next one, with no cost assigned to creating and managing this campaign or creating any Web pages or content requested.

In addition, all leads are not created equal. We have used a definition of a marketing event lead of "good, qualified lead" – a simple way of describing the numbers of event leads regardless of the way they are generated. So, not every "booth swipe" at a trade show or Webinar registrant will qualify as a good lead that has the potential to turn into a sales opportunity. Similarly, you may want to have a standard way of comparing leads across different events or types. Thus, a typical white paper download or e-newsletter subscriber may need further qualification to be considered on par with these types of event leads.

As a result, the bottom line as you compare costs by marketing source or type, use a common definition. This might be simply cost per raw lead, cost per sales opportunity, cost per proposal or trial, or cost per sale.

### WEIGH OVERALL EVENT MARKETING COSTS AS A PERCENTAGE OF THE RESOURCES OR BUDGET AVAILABLE

Knowing the true cost of an event and its benefits allows a decision maker to analyze both individual events and marketing event categories against their budgets and other resources available. Constant re-evaluation of marketing budgets, costs per lead and the quality of leads

generated from various events is critical to optimizing scarce marketing resources.

## **IMPROVE THE EFFECTIVENESS OF YOUR EVENTS**

Once decision makers have a true picture of their inputs and outputs for marketing events, only then can they understand which ones are the most effective, and it also gives them the opportunity to analyze why some events may be under-performers, what to improve next time, and what is a baseline ROI for the next event.

Marketing events are dynamic activities, and no two events will ever be exactly the same. So, it is important to use these numeric tools to help improve the parts of events where the smallest changes will have the biggest impact in an organization's favor.

## **CONSIDER ADDING MORE WEBINARS TO THE MARKETING MIX**

Since our research determined that Webinars offer – by far – the greatest return on the marketing dollar when looking at an all-in cost, consider adding more Webinars to the marketing mix to get more from a marketing budget and staff. Based on our surveys, some organizations could add many more Webinars by simply reducing participation in events that are the least successful, thus getting more qualified leads and sales with the same resources for 2010 and beyond.

*Events of various types continue to be an excellent method for generating new sales leads, but Webinars offer the highest Return-On-Investment for marketers today.*

## **Summary**

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- Events of various types continue to be an excellent method for generating new sales leads, but Webinars offer the highest Return-On-Investment for marketers today.
- A major disadvantage cited by those who sponsor trade shows and in-person seminars are the costs and time involved in setting up and participating in a typical event. Webinars, on the other hand, require a fraction of these commitments and offer a cost per lead that is dramatically lower than for in-person events.
- A [Return-On-Investment calculator](#) has been developed as part of this white paper program that can help organizations to calculate their own cost of participating in various types of events.

## About Citrix Online

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Citrix Online, a division of Citrix Systems, Inc., is a leading provider of easy-to-use, on-demand applications for Web conferencing and collaboration. Its award-winning services include GoToMeeting Corporate, a complete collaboration solution that satisfies all Web conferencing needs ranging from large Webinars to small online meetings.

With GoToMeeting Corporate, organizations of any size can use GoToWebinar for do-it-yourself Web events and GoToMeeting for smaller, more interactive online meetings. For a free evaluation of GoToMeeting Corporate, please visit [www.gotomeeting.com/corp](http://www.gotomeeting.com/corp).

## About the Authors

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