

# OXFORD ECONOMICS

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## The Economic Impact of International Non-Participation in the Exhibition Industry Due to US Visa Issues



Center for Exhibition Industry Research

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# 1 Introduction

The exhibition industry is integral to US business performance. Executive decision-makers consistently rank exhibitions as their "number one" choice for obtaining purchasing information. They are an indispensable forum for buyers and sellers to come together and are particularly beneficial to international trade.

Increasing international attendance is one of the top challenges for US exhibition organizers. Exhibition organizers continually receive complaints from foreign nationals who are unable to attend exhibitions in the US. This challenge is compounded by the difficulty of obtaining US visitor visas for business travelers. When people are unable to attend an event, business does not happen, sales are not closed, and opportunities are lost. There appears to be consistency in the information exhibition organizers hear from foreign nationals in trying to obtain a visa including:

- Interviews at consulate offices lasting less than two minutes each
- Applicants were not asked any questions related to their professional background or business need/interest in attending the exhibition
- No review of the extensive paperwork that they were required to prepare and bring with them for an interview (bank statements, property statements, etc.).

While the US government is targeting a doubling of exports over the next five years<sup>1</sup>, visitor visa barriers are hindering global participation in US-based exhibitions. As a result, the US economy is forfeiting substantial export opportunities and related job creation.

The Center for Exhibition Industry Research (CEIR) commissioned Oxford Economics to assess the broad economic losses of non-participation in US-based exhibitions as a result of visitor visa issues. This analysis quantifies two broad categories of US export losses from business-to-business (B2B) trade shows (exhibitions). The first category includes foregone spending by would-be attendees—affecting international demand for hospitality services as well as a wide range of spending at the event itself. (These are measured as service exports in balance of trade measures). The second category includes lost exports of US companies who are unable to meet with current or potential prospects.

To understand these impacts, Oxford Economics worked with Synovate, a global market research firm, to survey exhibition organizers of the top exhibitions in the US. A total of 41 responses were received, representing 47 large events and 1.3 million attendees. Oxford then projected these results based on the total size of the exhibition industry and benchmarked these results against US Department of State data on visa refusals by country.

The key findings of the analysis are presented in the following *Executive Summary*. In *Section 3*, the survey findings describe the importance of the international market to US exhibitions. In *Section 4*, the results of the surveys are projected to the universe of the US exhibition industry and wider economy. Finally, a conclusion is provided on the implications of the findings.

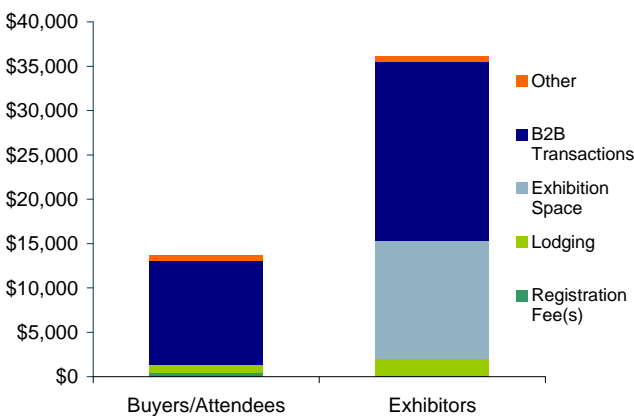
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<sup>1</sup> "A critical component of stimulating economic growth in the United States is ensuring that U.S. businesses can actively participate in international markets by increasing their exports of goods, services, and agricultural products." President Barack Obama, 11 March 2010, Executive Order - National Export Initiative

# 2 Executive Summary

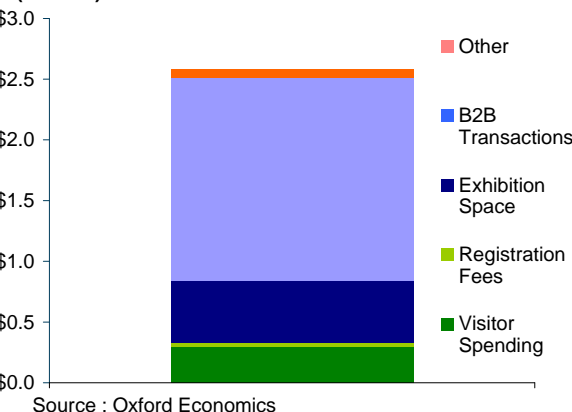
- Visa barriers preclude 2.5% of potential international attendees from participating in trade shows and exhibitions.
- Foreigners attending exhibitions in the US contribute to the economy both by their development of foreign trade and their tourism dollars. Average spending by each international buyer and attendee exceeded \$13,600. Average spending by an international exhibitor was greater than \$36,100.
- Without visa barriers, total business sales at these exhibitions would increase \$2.6 billion. Business sales to US companies would increase \$2.4 billion from the incremental attendance of international exhibitors and attendees.
- The \$2.4 billion sales increase to US companies includes \$1.5 billion in increased business-to-business trade, \$540 million in registration fees and exhibition space spending, and a \$295 million boost to visitor spending.
- The new \$2.4 billion in sales would be able to sustain more than 17,500 jobs directly, 43,000 jobs overall, and generate three-quarters of a billion dollars in state and federal taxes.
- This potential international participation would increase the foreign trade associated with exhibitions by 14%.

**Average Foreign National Spending**



Source : Oxford Economics

**Business Gains  
No Visa Barriers  
(Billions)**



Source : Oxford Economics

### 3 Key Event Statistics

Oxford Economics and Synovate, with input from CEIR, designed and fielded a survey of B2B exhibition organizers for 200 US-based exhibitions. Detailed event characteristics were gathered from 47 events (a 24% response rate). The survey requested specific figures and ranges which have been analyzed to assess the importance of international markets to exhibitions and, in turn, to the US economy.

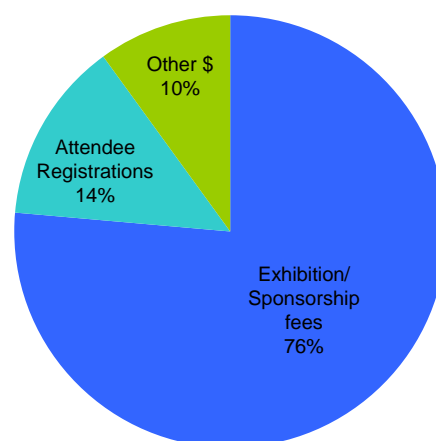
Specific questions were asked about overall attendance and the origin markets of international participants. Spending questions followed with a focus on foreign nationals' spending and attendance. These details were followed by questions about the US visa process and issues which hinder the participation of exhibitors and other attendees from countries where a visa is required.

The following summarizes the results of all responses.

#### 3.1 US exhibitions reach and attract millions

- Each event's average marketing outreach went to about 130,000 people. This includes outreach to more than 17,500 prospective exhibitors, 73,500 buyers, and 39,000 others contacted per event.
- Average attendance at each event was almost 31,000, including 7,800 exhibitors, 14,600 buyers and 8,500 other attendees.
- The average event lasted 4 days with events ranging from a low of three days to a high of six days.
- Events gained 14% of revenue from registration fees, 10% from other services, and 76% from exhibition and sponsorship fees.
- The average event received \$1 million in registration fees and \$5.5 million in exhibition and sponsorship fees.
- The average respondent's trade show created \$82 million in business-to-business sales among the exhibitors and attendees. Business-to-business transactions were, on average, 15 times greater than total registration fees.

**Event Spending**



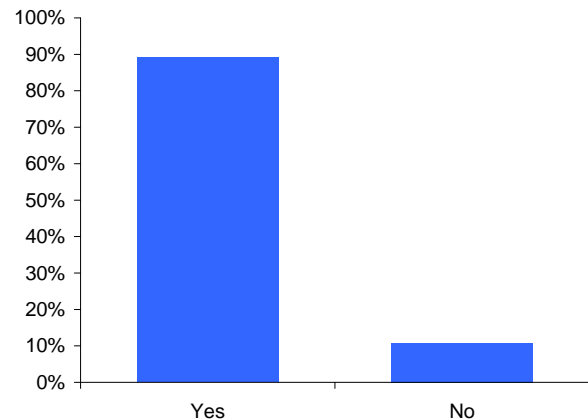
Source : Oxford Economics

### 3.2 International participation is important

- The majority of surveyed exhibitions depend on international registrants, buyers and exhibitors. Based on the survey respondents, nearly 90% of events draw visitors from outside the US
- Direct marketing per event reached an average of more than 3,500 people in countries requiring a US visitor visa.
- Average marketing efforts in visa waiver regions reached 15,500 people; Canada and Western Europe each represented approximately one-third of the total. The remaining one-third was equally spread between Mexico and visa waiver countries in Asia.
- The average show attracted 2,600 participants from visa waiver countries. In total, surveyed events attracted more than 100,000 participants from countries with visa waiver status.
- Western Europe and Canada sent approximately 39,000 people each to the shows providing survey results. Mexico and Asia both sent approximately 13,000 attendees, buyers and exhibitors to these shows.
- The average exhibition attracted 1,550 participants from countries whose visitors require a visa—a significant return on marketing efforts. Of that total, the average show attracted 1,150 buyers/attendees and 400 exhibitors from countries requiring visas.
- 32,728 buyers/non-exhibitor participants came from the top 20 countries whose visitors need a visa to enter the US. Brazil and China were the top two countries of origin from visa-required markets, together accounting for approximately 41% of the attendance from these countries. Other significant countries of origin include India, Colombia and Taiwan.

#### Dependence on Foreign Attendees

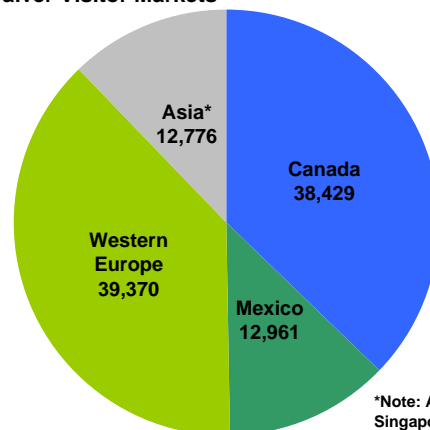
Share of Respondents



Source : Oxford Economics

#### Origin of Foreign Attendees

Visa Waiver Visitor Markets



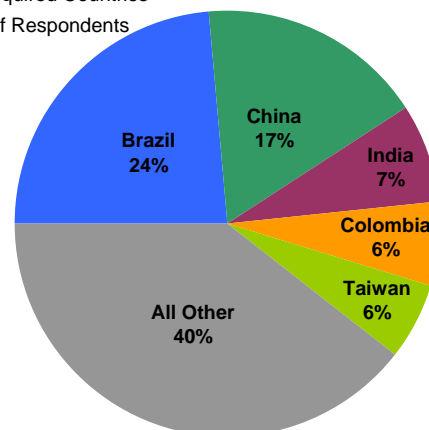
\*Note: Asia is South Korea, Singapore, Australia/New Zealand only

Source : Oxford Economics

#### Origin of Foreign Buyer/Attendee

Visa Required Countries

Share of Respondents



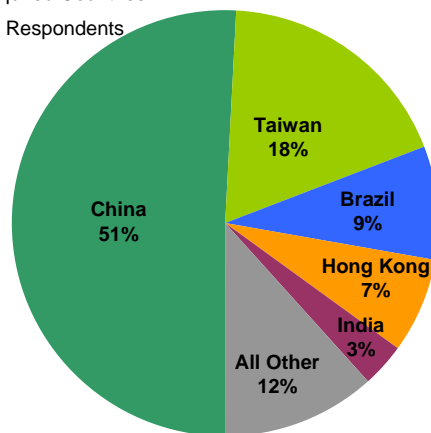
Source : Oxford Economics

- Among the exhibitions surveyed, more than 8,500 exhibitors came from visa-required countries. The majority of exhibitors came from China with just over half of the 8,510 exhibitors from these markets. Overall, Asian exhibitors represent four of the top five visa-required origin markets for exhibitors. Taiwan ranked second with Hong Kong and India rounding out the Asian exhibitor market.

### Origin of Foreign Exhibitors

Visa Required Countries

Share of Respondents

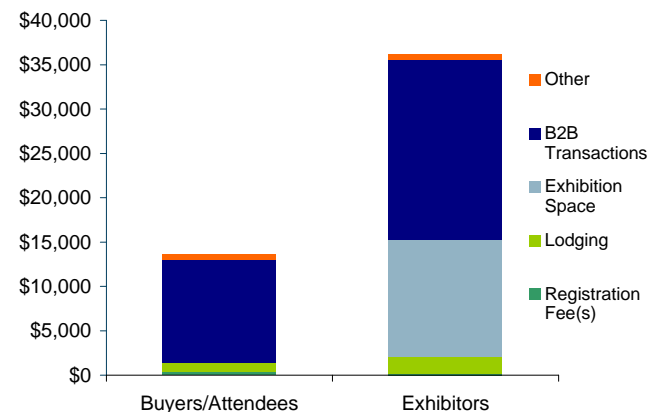


Source : Oxford Economics

## 3.3 Foreign business is substantial

- Internationals attending exhibitions in the US contribute to the economy both by their tourism dollars and their business activity. Average spending by each international buyer and attendee exceeded \$13,600 at these surveyed events. Average spending by an international exhibitor was greater than \$36,100.
- International buyers and attendees spent the vast majority placing orders for goods and services with exhibitors and other businesses on site. Of the \$13,600 in per attendee spending, \$11,600 (85%) was attributable to B2B transactions. Local lodging expenses averaged over \$950 per international attendee.
- B2B transactions involving international attendees represented 56% of their average spending in the US. Expenses related to setup, rental and the space itself were 37% of average international attendee spending of \$36,118 with lodging averaging \$1,866 per exhibitor.

### Average Foreign National Spending



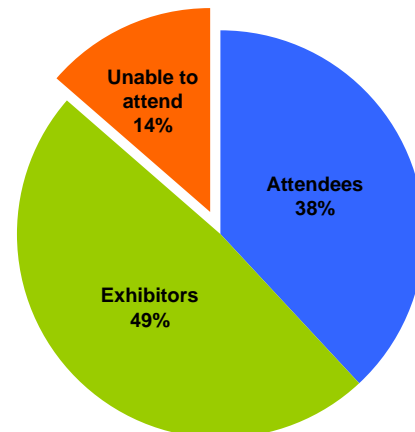
Source : Oxford Economics



### 3.4 Visa restrictions limit the impact

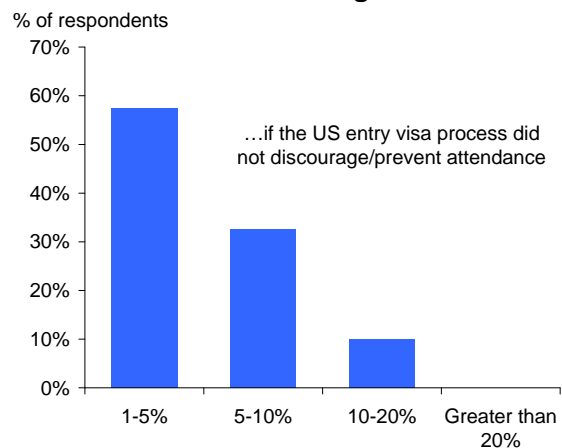
- Using the survey results, 8,400 attendees/buyers (3.1% of the total attendance of those shows) could not participate in the event because of visa issues. In addition, 2,142 exhibitors (1.3% of all exhibitors) were not able to attend the 15 events that responded due to visa problems in attendance at those shows.
- If there had been no visa impediments, foreign business sales would have been 14% higher.
- The survey estimates match the anecdotal views of event organizers. When asked what percentage increase in international attendees/buyers and exhibitors they would have if the US entry visa process did not discourage/prevent attendance, almost 60% of the events felt they would see a 1% to 5% increase in international attendance. About a third of the respondents believed the event would attract 6% to 10% more international attendees with 10% claiming the event would attract 10% to 20% more international attendees.

### International Participant Spending



Source : Oxford Economics

### Potential Increase in Foreign Attendance



Source : Oxford Economics

**Case:** For IMTS 2010, there were a total of 378 people who interviewed at the U.S. Embassy in Beijing and Consulates in other cities in China for their visas to enter the U.S., of which 64 people were rejected. Among the people who were able to obtain a visa, 23 people obtained their visas through "SAO" systems which took much longer. Five people from two exhibitors –Tengzhou Zhongtai Machinery Manufacture Co., Ltd. and Shandong Taifeng Baoyuan Numerical Control Machine were rejected. These companies had paid the booth and registration fees, and shipped their machines to the IMTS.



## 4 Impact of Visa Restrictions on the US Economy

The previous section examined the importance of foreigners to the surveyed exhibitions in both attendance and spending. This section expands on the survey results to encompass the universe of exhibitions and trade shows to answer the question, “What would US exhibitions and businesses gain if visa issues were not a barrier to attending an exhibition?” With this information, the impact to the US economy can be assessed.

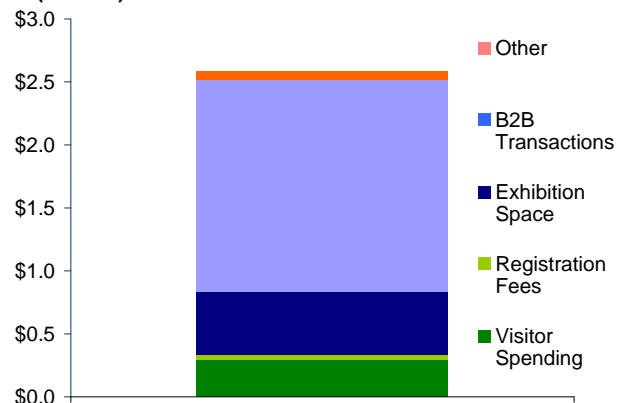
### 4.1 At stake: \$2.4 billion in sales to US companies

- Based on the survey results and the *CEIR Exhibition Industry Census*, Oxford Economics estimates that out of the 8,400 B2B total shows there were 149 shows with attendance greater than 50,000.
- US exhibitions attracted 70 million participants in 2009, with large shows (over 50,000) attracting 10.7 million participants.
- Visa issues precluded 116,000 international participants from attending US exhibitions. This includes 78,400 international attendees and 37,900 international exhibitors who were hindered from participating.
- With no visa barriers in place, the US economy would realize increases in visitor spending, exhibition revenues and business sales tallying \$2.6 billion.
- The total gain to the US economy from the increased attendance at exhibitions and trade shows is \$2.4 billion, net of the business sales to international exhibitors.
- The \$2.4 billion in increased US output includes \$1.5 billion in increased sales to US business, \$540 million in registration fees and exhibition space spending, and a \$295 million boost to visitor spending.
- Hotels would see added sales of nearly half of the \$295 million increase in visitor spending. Spending at restaurants from the additional 116,000 attendees would increase \$60 million with retail purchases and ground transportation spending of \$60 million.

#### Business Gains

##### No Visa Barriers

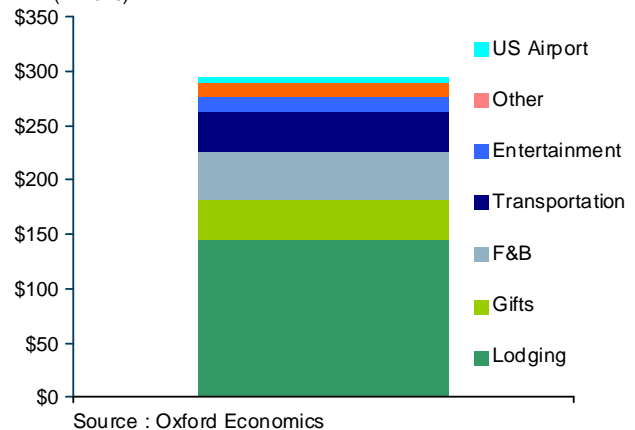
(Billions)



#### Increased Visitor Spending -

##### No Visa Barriers

(Millions)



## 4.2 The opportunity: thousands of jobs and millions in taxes

- Based on an industry-by-industry economic impact analysis, \$2.4 billion in sales would directly generate a total of 17,500 jobs and would increase US GDP by over \$1 billion.

- Additional benefits would be experienced by suppliers (indirect impacts) and as employee incomes are spent (induced impacts). The total impact of visa hindrances for US exhibitions reaches 43,100 jobs and \$3.3 billion in US GDP. Without visa-related hindrances, total business sales in the US would expand \$6.7 billion, including indirect and induced activity.

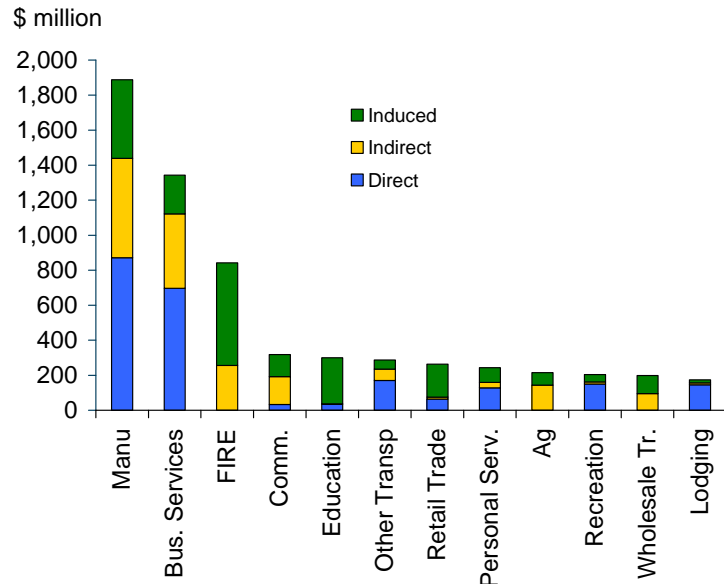
- Sales would increase the most in the manufacturing and business services industries. These sectors would benefit from both the direct increase in sales from new international attendees AND from being part of the supply chain to other industries that directly gain sales.

- Financial and real estate firms, while having little direct benefit, show the third largest increase in sales due to indirect and induced impacts.

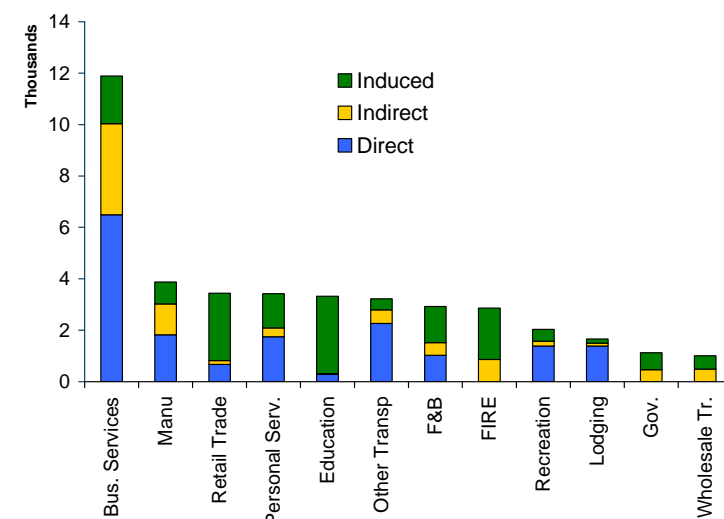
- The business services industry would do the most hiring to support increased business sales. This industry would add 11,900 jobs to support its larger revenue base.

- Sectors which benefit directly from visitor spending would also be adding jobs. Both hotel companies and entertainment venues would add 1,200 jobs in response to the additional visitor spending. Restaurants would hire 867 employees to support the additional visitor spending at their establishments.

**Increased Sales - No Visa Issues**



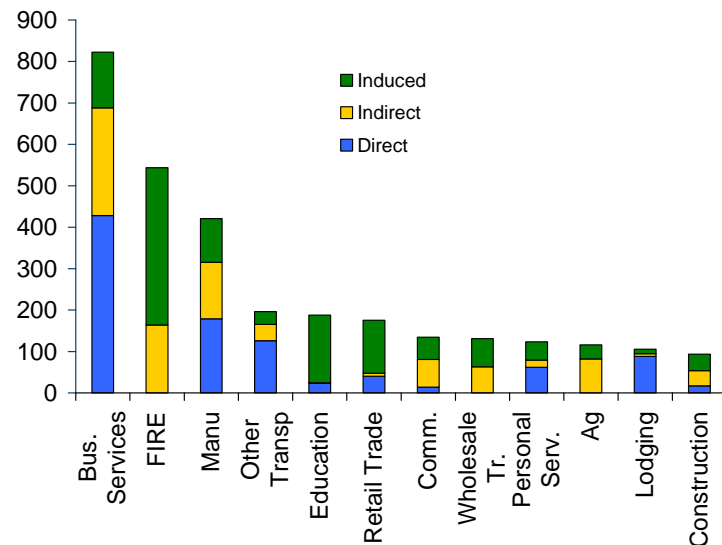
**Employment Additions by Industry**  
**No Visa Issues**



- The business services sector would add the most to US GDP, representing about a quarter of the total increase in GDP. Financial firms and the manufacturing industry would contribute another \$830 million to total GDP.

### Increased GDP by Industry - No Visa Issues

\$ million



- Tax receipts would grow by \$777 million and all levels of government would see increases in tax receipts from the additional spending and business sales.
- The federal government would gain \$464 million in new revenues, mainly from Social Security and personal income receipts.
- State and local governments would see revenue increases of \$312 million. Sales taxes from additional business activity would be the largest category, gaining \$95 million. Property taxes, corporate taxes and personal income taxes would also contribute significant revenue increases.

Tax Receipts (US\$ Million)	
Tax Type	2009
<b>Federal Taxes</b>	<b>464.2</b>
Corporate	45.6
Indirect Business	29.9
Personal Income	165.9
Social Security	222.7
<b>State and Local Taxes</b>	<b>312.3</b>
Corporate	64.6
Personal Income	46.3
Sales	94.8
Property	88.8
Excise and Fees	12.6
State Unemployment	5.2
<b>TOTAL</b>	<b>776.5</b>

**Case:** The CONEXPO-CON/AGG is the largest trade show in the US. The exhibition is held every three years with the next event taking place in 2011 in Las Vegas, Nevada. The last exhibition held in 2008 covered more than 2.28 million net square feet of exhibits, with more than 143,600 industry professionals from around the world. Even with record-breaking numbers, many could not attend because of visa issues including 50 persons from India and 40 from Nepal, resulting in lost sales and tourism dollars.

### 4.3 Detailed Impact Tables

Increased Sales No Visa Barriers (US\$ Million)		
	Total	US Companies
<b>Event Spending</b>	<b>613</b>	<b>570</b>
Registrations	39	39
Exhibition Space	503	460
Other	71	71
<b>B2B Transactions</b>	<b>1,678</b>	<b>1,534</b>
<b>Visitor Spending</b>	<b>295</b>	<b>295</b>
Lodging	146	146
Gifts	37	37
F&B	43	43
Transportation	37	37
Entertainment	14	14
Other	14	14
US Airport	5	5
<b>Total</b>	<b>2,586</b>	<b>2,398</b>

Impacts - No Visa Barriers (US\$ Million)						
	Sales	GDP	Employment	Labor Income	Taxes	
					State/Local	Federal
Direct	2,398	1,073	17,509	802	85	164
Indirect	1,917	939	9,365	572	83	126
Induced	2,417	1,306	16,234	753	144	174
<b>Total</b>	<b>6,733</b>	<b>3,319</b>	<b>43,108</b>	<b>2,128</b>	<b>312</b>	<b>464</b>

Increased Sales - No Visa Barriers				
(US\$ Million)				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	144.3	71.3	215.6
Construction and Utilities	42.7	62.2	65.0	169.8
Manufacturing	871.6	567.3	448.5	1,887.4
Wholesale Trade	-	96.0	102.9	198.9
Air Transport	-	7.3	12.5	19.7
Other Transport	170.8	64.5	51.8	287.2
Retail Trade	64.0	11.2	188.8	264.1
Communications	33.4	159.1	126.3	318.8
Finance, Insurance and Real Estate	-	256.4	586.3	842.6
Business Services	697.0	424.9	221.5	1,343.4
Education and Health Care	34.8	2.0	263.7	300.5
Recreation and Entertainment	150.8	11.4	41.5	203.8
Lodging	145.5	11.0	17.3	173.8
Food & Beverage	59.8	29.0	81.8	170.6
Personal Services	128.0	32.0	83.8	243.8
Government	-	38.6	54.5	93.1
<b>TOTAL</b>	<b>2,398.4</b>	<b>1,917.3</b>	<b>2,417.5</b>	<b>6,733.1</b>

Increased Employment - No Visa Barriers				
	Direct	Indirect	Induced	Total
Agriculture, Fishing, Mining	-	399	415	814
Construction and Utilities	306	181	162	649
Manufacturing	1,819	1,201	857	3,877
Wholesale Trade	-	488	522	1,010
Air Transport	-	25	42	67
Other Transport	2,260	534	433	3,227
Retail Trade	669	154	2,620	3,442
Communications	128	355	303	787
Finance, Insurance and Real Estate	-	862	1,998	2,860
Business Services	6,492	3,541	1,855	11,888
Education and Health Care	288	25	3,009	3,322
Recreation and Entertainment	1,389	184	463	2,036
Lodging	1,390	105	166	1,660
Food & Beverage	1,024	498	1,401	2,923
Personal Services	1,744	350	1,330	3,424
Government	-	465	657	1,122
<b>TOTAL</b>	<b>17,509</b>	<b>9,365</b>	<b>16,234</b>	<b>43,107</b>

## 5 Conclusions

Increasing sales is the goal of any business. It is their job to build a profitable business model, communicate their brand identity and market their wares. But there are times where external barriers limit the ability of companies to conduct business. The inability of foreign entities to receive visas in a timely and convenient manner in order to attend US exhibitions is one such barrier. Eliminating that barrier would help increase international attendance at US exhibitions and trade shows along with increasing the buying and selling of goods at those shows.

Without visa barriers, this study concludes that the US exhibition industry would generate an additional \$2.6 billion in business sales, with \$2.4 billion accruing to US businesses. This economic activity would flow through the US economy creating and supporting 43,000 jobs and three-quarters of a billion in local, state and federal taxes. And, as the business created would be with foreign firms, this business would have the added benefit of increasing access to foreign markets and contributing to US exports.

Easing access to US exhibitions and trade shows for international attendees and exhibitors will create significant business sales, stimulate economic growth and improve the opportunities for US companies to conduct business in the global marketplace.

## 6 Appendix

### 6.1 Case Studies

#### 6.1.1 Messe Frankfurt North America

Owned and produced by Messe Frankfurt North America, Texworld USA is the largest exhibition in North America for apparel fabric buyers, R&D and product development specialists, designers, merchandisers and overseas sourcing professionals. Buyers attend and meet with mills and manufacturers from Asia and around the world showcasing their collections for women's, men's and children's wear. Texworld USA was held 13-15 July 2010 at the Javits Convention Center in New York, NY, USA, with 282 exhibitors from 16 countries and 3,390 buyers from 36 countries.

Messe Frankfurt issues visa letters to all foreign exhibitors who need a visa to enter the US. In some instances, the consulates are contacted directly for any exhibitor that may be having an issue securing an appointment in time for the event. However, the response is usually a generic "thank you for contacting us, but there is nothing else we can do for you or your exhibitor at this time" response.

Fourteen exhibitors from China were either denied a visa to enter the U.S., or were not able to secure a visa. Feedback received from Messe Frankfurt's partner in China provided the following insight into the difficulties:

- Exhibitors typically will apply at least two months prior to the trade show dates.
- Often, reasons are not given to Chinese applicants why their visas are denied.
- Chinese applicants are generally told right away, during the interview process, if their visa has been accepted or denied.
- Most applicants are interviewed in groups of people unrelated to each other. If one person in the group is denied a visa, then the rest of the group is denied a visa.
- If the key person such as the owner or senior manager is denied a visa, the rest of the people in the company will not participate in the show because the key person is essential to their exhibit participation.

#### 6.1.2 AMT – The Association for Manufacturing Technology

AMT represents and promotes the interests of American providers of manufacturing machinery and equipment. Its goal is to promote technological advancements and improvements in the design, manufacture and sale of members' products in those markets. AMT acts as an industry advocate on trade matters to governments and trade organizations throughout the world. AMT owns and produces IMTS - The International Manufacturing Technology Show. IMTS is held every even numbered year in Chicago, Illinois, USA, and is the largest industrial show in the Americas. IMTS 2010 was held 13-18 September 2010.



For IMTS 2010, there were a total of 378 people who interviewed at the US Embassy in Beijing and Consulates in other cities in China for their visas to enter the US, of which 64 people were rejected. Among the people who were able to obtain a visa, 23 people obtained their visas through Security Advisory Opinions (SAO)<sup>2</sup> systems which took much longer. Five people from two exhibitors: Tengzhou Zhongtai Machinery Manufacture Co., Ltd. and Shandong Taifeng Baoyuan Numerical Control Machine were rejected. These companies had paid the booth and registration fees, and shipped their machines to the IMTS.

Mr. Gu Xuan is the key representative of the CMEC pavilion. He placed all orders, including electricity, labor, equipment and booth construction, and is a good English speaker for the pavilion since he has travelled to many other countries. He was investigated beginning on 16 July. By the end of August, he still had no reply from the US Embassy. He ended up having to give up on obtaining a visa as he needed to attend another exhibition in Argentina in September.

Exhibitors and visitors have had to wait more than three months before they had their interview at a US Embassy, which means that if they applied for a visa after 15 June, they would not have a chance for an interview at the US Embassy. Due to the three-month waiting period and SAO system, some of AMT's valuable potential buyers and visitors, for instance from the aircraft industry did not even attempt to apply for visas. Exhibitors and visitors from the Chinese aircraft industry have to follow an administrative process that adds extra time to the visa application process. AMT has been informed that these exhibitors and buyers have indicated strong intentions to switch their attention to competitors in Germany, Japan and others.

For the US machine tool industry, the current US visa policy has become the most critical obstacle for US machine tool companies doing business in China.

### 6.1.3 Association of Equipment Manufacturers

AEM is a trade association headquartered in Milwaukee, WI USA. AEM provides services on a global basis for companies that manufacture equipment, products and services used worldwide in agriculture, construction, forestry, mining and utility. It owns and produces the largest trade exhibition in the U.S, CONEXPO-CON/AGG, which is held every three years in Las Vegas, Nevada, USA. The 2008 CONEXPO-CON/AGG show covered more than 2.28 million net square feet of exhibits (211,966 net square meters), with more than 143,600 industry professionals from around the world attending - the largest in show history.

Even with such record breaking numbers, many foreign nationals were unable to attend because of visa denials.

- 50 people were denied visas from India (part of a non-international Buyer Program (IBP))
- 40 denied from Nepal (non-IBP delegation)

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<sup>2</sup> An initiative of the US Department of State and Department of Homeland Security. An electronic transmission of information designed to improve interagency security clearance accountability and response times.

- Numerous complaints from would-be Chinese attendees

AEM also owns and produces Ag Connect. Following AEM's 2010 Ag Connect 2010, AEM received numerous complaints from foreign nationals that visa interviews lasted less than two minutes, the applicants were not asked any questions related to their professional background or business need/interest in attending the show, and there was no review of the extensive paperwork that they were required to prepare and bring with them for review (banking statements, property statements, etc.).

Due to large a number of visa denials from India to attend, AEM staff met with the US Chief Visa Officer at the US Embassy in Delhi and were told, in person, by the officer that they do not even review the information on the application if the region was Punjab. Delegations from 23 different countries with 260+ attendees pre-registered to the show through the US Department of Commerce IBP program. Final counts included 20 international groups. Three delegations reported huge losses due to visa denials (India, Iraq and Ecuador). The India delegation registered 78 and only 5 attended due to visa denials. The total show registration for international was 1,464 with 480 reported visa denials

## 6.2 Survey Background

Oxford Economics and Synovate, with input from CEIR, designed and fielded a survey of exhibition organizers for the largest 200 US-based exhibitions that draw international participation. Detailed event characteristics were gathered from 47 of the largest events, a response rate of 24%. The survey requested specific figures and ranges which have been analyzed to assess the importance of international markets to exhibitions and, in turn, to the US economy.

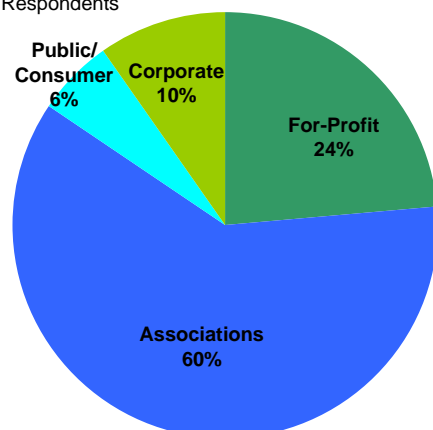
In particular, the survey asked each organizer to provide information on the largest exhibition(s)/show(s) their organization either manages or organizes. Specific questions were asked about overall attendance and the number of attendees and exhibitors, the origin markets of international participants and the value of exhibitors to the event. Spending questions followed with a focus on international visitors' average spending for both buyers and exhibitors. These details were followed by questions about the US visa process and issues that arise with attracting exhibitors and attendees from countries whose travelers require a visa.

### 6.2.1 Summary of Survey Base

- The survey was sent to exhibition organizers of the largest 200 US-based exhibitions. The largest respondent base came from Association Show Organizers (31% or 60%) with For-Profit organizers second (12% or 24%). Other respondents came from business-to-consumer (B2C) Organizers and Corporate Events.
- The responses came from very senior practitioners. More than 90% of the respondents

#### Organization Type

Share of Respondents



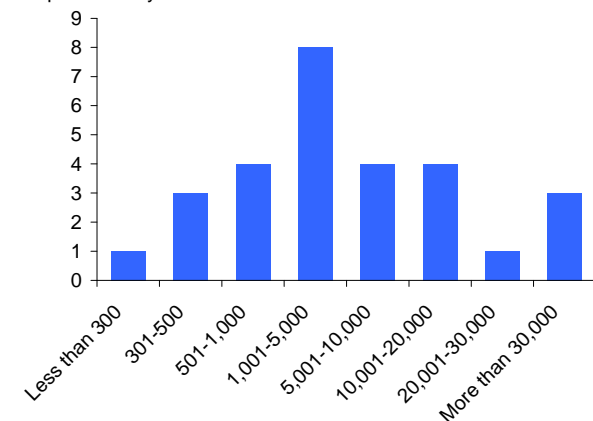
Source : Oxford Economics

were either Managers, Directors or higher.

- The majority of the respondents were either Senior Executives/Owners in their organization or in Show/Event Management. Event Planners and Event Operations constituted the remainder of the respondents.
- Most of the respondents worked in small organizations, exactly half worked in organizations of less than 50 employees. Another quarter worked in mid-sized firms of 101 to 300. Only 10% worked in firms larger than 500.
- The Association respondent base formed an almost perfect two-tiered distribution with half claiming fewer than 5,000 members and half with greater than 5,000 members.
- Together, the survey respondents manage/organize 290 exhibitions annually, representing 1 million attendees and 350,000 exhibitors and a revenue base of \$4 billion.

### Association Membership Base

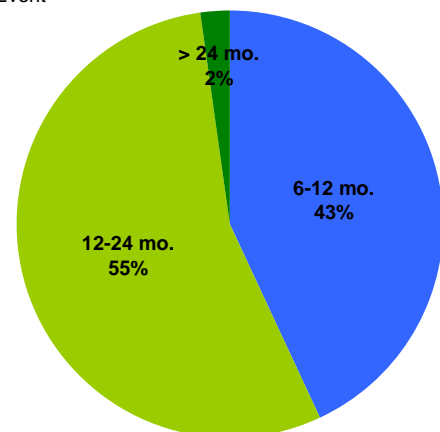
Respondents by Association Size



Source : Oxford Economics

### Start of Exhibit Selling

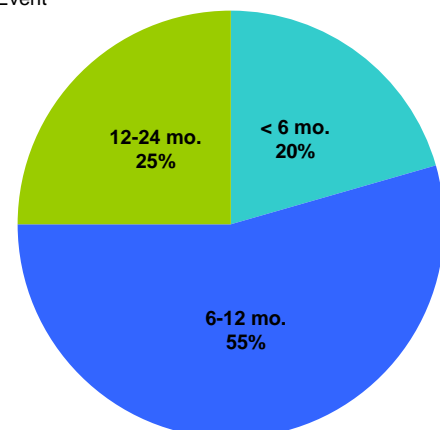
Time to Event



Source : Oxford Economics

### Start of Buyer/Attendee Marketing

Time to Event



Source : Oxford Economics

## 6.3 Recommendations and Insights for Business Practices (Applied Usage)

### 6.3.1 Event Marketing

All respondents were asked about the general marketing of their events along with an understanding of how they find and reach out to foreign nationals. An understanding of this process can lead to a better understanding of how and when to reach out to foreign nationals and possibly some 'best practices' on how to get foreign nationals to an event.

- Exhibition organizers reach out to different types of attendees at different times in the planning process and in their marketing communications.
- Exhibitors are pursued first with the majority of respondents saying they begin the exhibit selling process one to two years in advance.
- A small percentage of event organizers start the selling process more than two years in advance with the rest starting somewhere between six and 12 months in advance.

- Buyers and attendees can be marketed to at a shorter lead time. The majority of the event organizers start the invitation or marketing outreach six to 12 months in advance. A quarter of the exhibition organizers start the process one to two years in advance with one-fifth of the organizers operating with a shorter lead time, less than six months.

### 6.3.2 Visa Related Assistance

As can be seen in the following table, exhibition organizers use several different marketing channels to reach international attendees. Among the most popular, for reaching both exhibitors and buyers, is including the event information on the event's Web site, advertisements in trade media and internal databases of prospects. In the second tier of marketing outreach, is the targeting of industry associations in international markets; contacts from current exhibitors and the event's own marketing and sales outreach are used by approximately half of the exhibition organizers. Fewer organizers use governmental resources or look to local sales representatives for help in attracting attendees.

Help Provided by Organizers		
Visa Related Assistance		
	Exhibitors	Buyers/Attendees
Include event information on main Web site	72.7%	79.5%
Advertisements in trade media	68.2%	77.3%
Internally developed database of prospects	75.0%	75.0%
Contact industry associations in key international markets	50.0%	59.1%
Prospect contacts provided by current exhibitors	40.9%	54.5%
Engage own international marketing/sales operations	43.2%	50.0%
Prospect contacts provided by U.S. Department of Commerce and other U.S. agencies	29.5%	34.1%
Hire local marketing/sales representatives in key markets	40.9%	29.5%
Other	18.2%	13.6%
Prospect contacts provided by foreign governments	20.5%	13.6%
None of these	9.1%	6.8%

Exhibition organizers are trying to help foreign nationals forge through the visa process. Approximately three-quarters of the exhibition organizers provide foreign nationals some help in dealing with US Customs. Most of those organizers issue letters of invitation to international attendees once they have registered for the event. Half of the respondents reach out to US Consular officials overseas with information about the exhibition.

Fewer are more active in helping foreign nationals. This group may either visit with US Consular officials periodically or communicate with them for persons

known to them. A minority of organizers will even go as far as to use an agent in a nation to represent their interests at US Consular offices.

Respondents were also asked for the primary reasons that foreign nationals gave for not attending an event. The following table shows that, while travel or exhibit costs were cited by

about half of the respondents, visa issues were cited by over a third of the respondents. And, foreign nationals had several issues with visas.

Not only was the process discouraging to many foreign nationals, but the

visa process also took too long and many were just outright refused a visa.

Interestingly, very few of the respondents were given a reason that the event would not help the attendees' business as a major reason for not attending. It appears evident that foreign nationals view these events as ones that can help their business but either the expense of setting up the trip and exhibition participation, or visa issues, cause many foreign nationals to give up on attending these events. While costs are a business decision that cannot be rectified by policies, improvements to the visa process would seem to help events attract foreign nationals to the US.

**Case:** A member company of the Association of Equipment Manufacturers had a Russian customer who applied to visit the US to view and purchase equipment. The customer was denied a visa. To make the sale, the U.S. company representative had to fly to Russia to make the sale. Companies have better success in sales when they are able to demonstrate product in their plant in the US.

Primary Reason for not Attending Event	
Foreign Nationals	
They cannot afford the travel expenses to visit the U.S. to attend the event	47.7%
They cannot afford the exhibit cost	45.5%
They were in the process of applying for a tourist visa to enter the U.S., but did not receive a response from the U.S. State Department in time to attend the event.	43.2%
The process of obtaining a visa was discouraging	36.4%
They cannot take the time away from their business to travel to the U.S. and attend the event	34.1%
They did not currently hold a tourist visa to enter the U.S., and could not obtain one due to being refused by the U.S. State Department.	34.1%
Travel advisories/travel safety and security issues	20.5%
They do not think attending the event will improve their business	15.9%
They cannot afford the registration costs	13.6%
Feel unwelcomed in the U.S./Poor customer service from U.S. Customs officials	11.4%
Other reasons	11.4%
They are not able to obtain any or enough business appointments at the event	9.1%



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