

Budget Basics:

How to Calculate Your Costs

Leisurely budget planning is like a rainbow-hued unicorn. It's a nice idea, but it simply doesn't exist. Rather, exhibit mangers often have to conjure financial figures while under the gun — and crushing pressure. But don't fret just yet. When you need budget figures yesterday, turn to this handy guide with the stats, formulas, and guidelines necessary to accurately estimate expenses for your next show, including everything from average U.S. drayage rates to taxi prices in Tokyo.

By Linda Armstrong



Exhibition Spending Averages

How do your per-show costs stack up to firms of similar size and scope? Here are some stats from the Center for Exhibition Industry Research to help you assess your situation.

Average booth size of 401 square feet or larger:

\$43,438

Exhibitors participating in fewer than six exhibitions:

\$33,333

Companies allocating 50 percent or more of their marketing budgets to business-to-business trade shows:

\$31,250

Companies with annual revenues of less than \$10 million:

\$23,505

Companies with annual marketing budgets of less than \$250,000:

\$21,667

A Trio of Budgeting Techniques

Once you have the budgeting stats and guidelines at your fingertips, it's time to actually do the math. Use one or more of these three budgeting methodologies to calculate your total show costs.

1 Space-Cost Calculation

Multiple industry surveys suggest that exhibit-space rental accounts for roughly one-third of a typical exhibitor's total show costs. Use this average to easily estimate your outlay.

► Multiply the cost of your exhibit space at a particular show by three for a ballpark total show estimate. If your space costs \$25,000, then:

$$\begin{array}{r}
 \$25,000 \\
 \text{cost of space} \\
 \times \qquad \qquad \qquad 3 \\
 \hline
 \$75,000 \\
 \text{total show budget}
 \end{array}$$

2 Cost-Per-Square-Foot Calculation

The most accurate way to predict future exhibiting costs is to average past exhibiting expenses.

Step One

Determine the average cost per square foot your company spends on each trade show by adding the fees associated with the previous year's show (including amortized exhibit costs where appropriate) and dividing the total by your booth's square footage. Your answer is the average cost per square foot your company pays to exhibit.

EXAMPLE

$$\begin{array}{r}
 \$250,000 \div 1,600 = \$156.25 \\
 \text{total show} \quad \text{square-foot} \quad \text{Cost per} \\
 \text{costs} \quad \quad \text{exhibit} \quad \quad \text{square foot}
 \end{array}$$

Step Two

Use the preceding formula to calculate the cost per square foot for each show you attended last year.

EXAMPLE

► You exhibited at six shows in 2018. After performing the step-one calculation on each show, your cost-per-square-foot averages were \$156, \$86, \$111, \$99, \$75, and \$101.

Step Three

Add up those figures and divide by the number of trade shows to determine the average cost per square foot for your exhibiting program.

EXAMPLE

$$\begin{array}{l}
 \$156 + \$86 + \$111 + \$99 + \$75 + \$101 = \$628 \\
 \$628 \div 6 = \$104.67 \text{ average cost per square foot}
 \end{array}$$

Step Four

Multiply your average cost per square foot by the square feet of booth space you intend to rent at an upcoming show.

EXAMPLE

$$\begin{array}{r}
 400 \times \$104.67 = \$41,868 \\
 \text{square-} \quad \text{average} \quad \text{total show} \\
 \text{foot} \quad \text{cost per} \quad \text{budget} \\
 \text{exhibit} \quad \text{square foot}
 \end{array}$$

3 Cost-Per-Lead Calculation

Another way to predict costs is to multiply your average cost per lead by the number of leads you anticipate at the show in question.

Option A

If you know how much you typically spend on each lead, multiply the average cost per lead by the number of attendees you expect to attract at the upcoming show based on the event's audience demographics.

EXAMPLE

$$\begin{array}{r}
 \$160 \times 500 = \$80,000 \\
 \text{cost per} \quad \text{expected} \quad \text{total show} \\
 \text{lead} \quad \quad \text{leads} \quad \quad \text{budget}
 \end{array}$$

Option B

If you don't know how much you typically spend on a lead, use the average of \$164.91 that was determined by EXHIBITOR Magazine's Sales Lead Survey.

EXAMPLE

$$\begin{array}{r}
 \$164.91 \times 200 = \$32,982 \\
 \text{average} \quad \text{expected} \quad \text{total show} \\
 \text{cost per} \quad \text{leads} \quad \quad \text{budget} \\
 \text{lead}
 \end{array}$$

BUDGETING

U.S. Drayage Rates

(per CWT)

\$106.21

Advance shipments to official service contractor

\$99.00

Direct, crated shipments to exhibit hall

\$126.07

Direct, crated shipments with special handling to exhibit hall

\$142.54

Direct, uncrated, and loose shipments to exhibit hall

Canadian Drayage Rates

(per CWT)

\$90.00

Advance shipments to official service contractor

\$78.33

Direct, crated shipments to exhibit hall

\$103.83

Direct, crated shipments with special handling to exhibit hall

\$109.17

Direct, uncrated, and loose shipments to exhibit hall

SOURCE: EXHIBITION AND EVENT INDUSTRY LABOR RATES SURVEY, EXPERIENTIAL DESIGNERS & PRODUCERS ASSOCIATION (EDPA)





Labor Rates (per hour)



U.S.



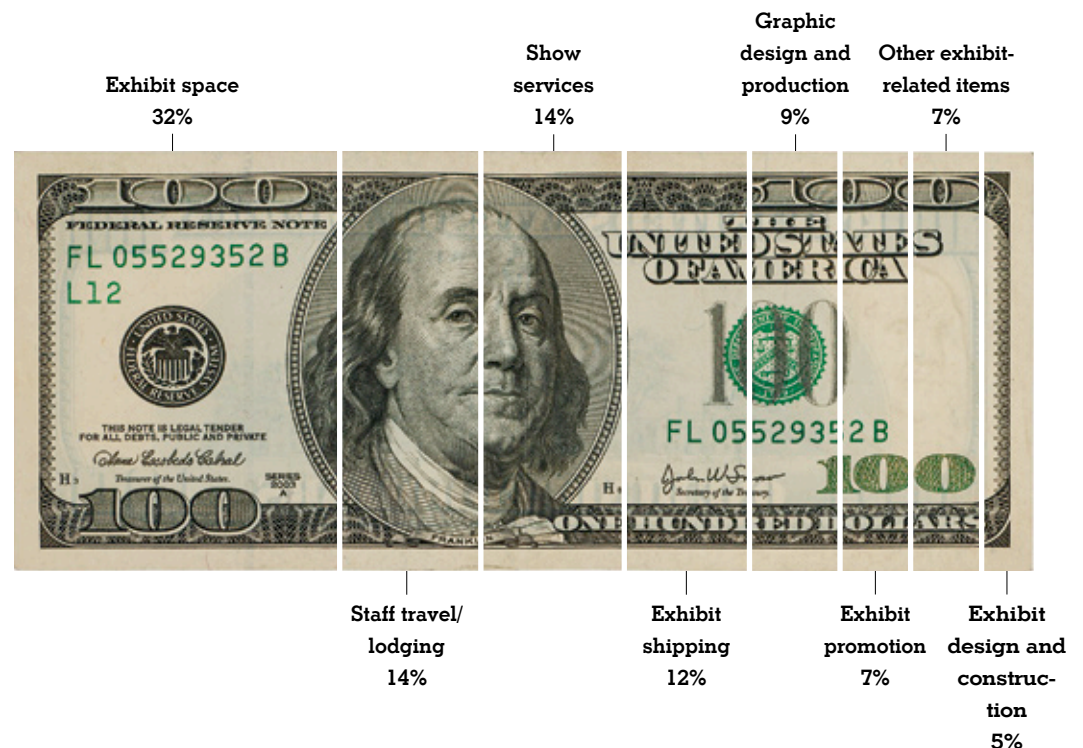
CAN

	Forklift with operator (lowest weight range)	Straight	\$215.55	\$192.80
		Overtime	\$294.78	\$252.91
		Sunday/holiday/other	\$333.07	\$316.55
	Electrician	Straight	\$98.22	\$96.00
		Overtime	\$173.47	\$128.00
		Sunday/holiday/other	\$185.89	\$128.00
	General display labor	Straight	\$103.50	\$104.05
		Overtime	\$165.32	\$147.91
		Sunday/holiday/other	\$201.52	\$191.74
	Plumber	Straight	\$96.95	
		Overtime	\$175.32	
		Sunday/holiday/other	\$190.08	
	Rigger	Straight	\$109.23	
		Overtime	\$170.67	
		Sunday/holiday/other	\$196.59	

SOURCE: EXHIBITION AND EVENT INDUSTRY LABOR RATES SURVEY, EXPERIENTIAL DESIGNERS & PRODUCERS ASSOCIATION (EDPA)

Budget Allocation

Where does the money go? According to EXHIBITOR Magazine's 2019 Economic Outlook Survey, roughly one-third of the typical trade show budget is spent on exhibit space. Staff travel/lodging and show services (at 14 percent each) tie for the second and third slots, with exhibit shipping (12 percent) ranking fourth. Meanwhile, exhibit design and construction takes a tiny 5-percent nibble out of the budgetary pie.



Graphic Production (per square foot)

While graphic-production costs range from \$17.51 to \$33.74 per square foot, the average price across all options is \$23.62 per square foot.

Inkjet nonbacklit	\$20.92
Inkjet backlit	\$23.95
Latex backlit and nonbacklit	\$22.14
Lamda nonbacklit	\$27.42
Lamda backlit	\$33.74
UV flatbed printing	\$17.51
Fabric printing	\$19.63

SOURCE: EXPERIENTIAL DESIGNERS & PRODUCERS ASSOCIATION (EDPA) 2019 ECONOMIC (CUSTOM) SURVEY, DATA COMPILATION BY DAN GREENE

Percentage of Total Marketing Spend

Per data from The Marketing Spend Decision Report conducted by the Center for Exhibition Industry Research, business-to-business exhibiting makes up an average of 41.3 percent of a firm's total marketing spend, and the average median spend per exhibitor is \$20,000.



I&D Averages

Setup — When it comes to setup time, here are some average requirements.

- ▶ 2 hours per 10 linear feet of a modular/custom exhibit
- ▶ 1 hour per 10 feet of a linear booth
- ▶ 1 hour per 5 square feet of a complex island, such as one with a double deck

Dismantle — Teardown should take approximately half as long as installation.

Silicone-Edge Graphics —

If your booth comprises mostly silicone-edge fabric graphics, deduct about 25 percent from your total I&D time estimates.

SOURCE: GARY SKENES, DIRECTOR, LABOR SERVICES, NTH DEGREE INC., DULUTH, GA

Installation Estimates

To give you some rough figures for larger exhibits, we asked Gary Skenes, director of labor services at Nth Degree Inc., to provide setup-labor estimates for two 50-by-60-foot booths with straightforward, standard installs.

Show Location: Austin, TX

Install Days: 3

Description: The stand comprises three angled arches that span the length of the space, as well as four demo stations, two stand-alone displays, and a reception desk. Flooring installation is included.

Day	# of Workers	Hours	Total Worker Hours
Wednesday	6	11	66
Thursday	6	11	66
Friday	6	8	48

Total Labor Hours = 180*

*Additional fees may be charged for overtime labor.

Show location: Orlando, FL

Install days: 4.5

Description: The footprint features a sizeable central element, a theater area, a rigged element, and three workstations. Flooring installation is included.

Day	# of Workers	Hours	Total Worker Hours
Wednesday	6	4	24
Thursday	8	8	64
Friday	8	8	64
Saturday	8	8	64
Monday	4	8	32

Total Labor Hours = 248*

SOURCE: GARY SKENES, DIRECTOR, LABOR SERVICES, NTH DEGREE INC., DULUTH, GA



North America

Average Daily Per-Diem Rates

Staff travel and lodging fees account for 14 percent of the average exhibit-marketing budget. But when shows change locales, per-diem rates can fluctuate dramatically. The following U.S. per-diem rates (including hotel, car, and meal expenses) will help you adjust your budget according to these geographic variations.

Hotel: \$169.86 Car rental: \$47.80
 Meals: 94.43 **Total: \$312.08**

City-Based Per Diems (Trade Show Hubs)

To explore the above figures a bit more, here are averages for 10 of the top trade show locations in the United States.

City	Hotel	Car rental	Food	Total
1. Atlanta	\$178	\$48	\$103	\$329
2. Chicago	\$253	\$54	\$116	\$423
3. Las Vegas	\$173	\$48	\$86	\$307
4. Los Angeles	\$254	\$60	\$94	\$408
5. Miami	\$194	\$46	\$115	\$355
6. New Orleans	\$189	\$52	\$87	\$328
7. New York	\$423	\$78	\$145	\$646
8. Orlando	\$171	\$39	\$93	\$303
9. San Francisco	\$362	\$53	\$119	\$534
10. Washington, DC	\$273	\$44	\$113	\$430

Mexico and Canada

City	Hotel	Misc.	Food	Total
11. Mexico City	\$159	\$12	\$60	\$231
12. Montreal	\$139	\$30	\$79	\$248
13. Toronto	\$160	\$41	\$110	\$311

SOURCE: BUSINESS TRAVEL NEWS, 2019 CORPORATE TRAVEL INDEX

International Per Diems

The global economy is alive and well, so more exhibitors are hitting the road — not to mention the friendly skies and high seas. To ensure your international affairs don't bust your budget, here are the per-diem averages (in U.S. dollars) for a host of international-exhibiting locales.

Average International Per-Diem Rates

Hotel: \$158.65 Taxi: \$48.71
 Food: \$99.63 **Total: \$306.99**

*Taxi rates are average one-way fares between the airport and the city center.



Europe

City	Hotel	Taxi	Food	Total
1. Amsterdam	\$204	\$51	\$127	\$382
2. Barcelona	\$190	\$45	\$126	\$361
3. Berlin	\$140	\$47	\$109	\$296
4. Cologne	\$177	\$28	\$109	\$314
5. Düsseldorf	\$166	\$28	\$94	\$288
6. Frankfurt	\$181	\$45	\$96	\$322
7. Geneva	\$273	\$60	\$162	\$495
8. London	\$284	\$110	\$147	\$541
9. Madrid	\$180	\$40	\$111	\$331
10. Milan	\$221	\$115	\$118	\$454
11. Moscow	\$164	\$20	\$97	\$281
12. Munich	\$203	\$80	\$102	\$385
13. Paris	\$265	\$63	\$164	\$492
14. Prague	\$156	\$31	\$119	\$306
15. Rome	\$194	\$55	\$134	\$383
16. Saint Petersburg	\$166	\$10	\$76	\$252
17. Zürich	\$233	\$65	\$158	\$456



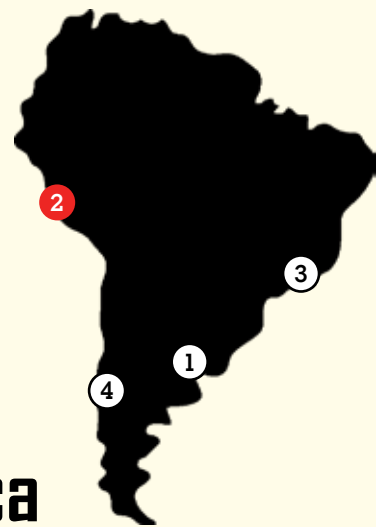
Asia/Middle East

City	Hotel	Taxi	Food	Total
1. Abu Dhabi	\$175	\$27	\$143	\$345
2. Beijing	\$136	\$14	\$114	\$264
3. Dubai	\$157	\$9	\$115	\$281
4. Hong Kong	\$229	\$19	\$87	\$335
5. Kuwait City	\$232	\$55	\$103	\$390
6. Mumbai	\$126	\$6	\$69	\$201
7. New Delhi	\$116	\$7	\$78	\$201
8. Seoul	\$134	\$40	\$151	\$325
9. Shanghai	\$150	\$22	\$160	\$332
10. Singapore	\$164	\$22	\$120	\$306
11. Tokyo	\$250	\$203	\$145	\$598



Africa

City	Hotel	Taxi	Food	Total
1. Cairo	\$134	\$3	\$41	\$178
2. Johannesburg	\$160	\$52	\$50	\$262



South America

City	Hotel	Taxi	Food	Total
1. Buenos Aires	\$167	\$27	\$63	\$257
2. Lima	\$199	\$25	\$79	\$303
3. Rio de Janeiro	\$141	\$16	\$80	\$237
4. Santiago	\$156	\$22	\$86	\$264



Australia

City	Hotel	Taxi	Food	Total
1. Melbourne	\$175	\$33	\$97	\$305
2. Sydney	\$210	\$33	\$103	\$346


 = Highest-priced city

Exhibit Storage (Warehousing)



SOURCE: EXPERIENTIAL DESIGNERS & PRODUCERS ASSOCIATION (EDPA) 2019 ECONOMIC (CUSTOM) SURVEY, DATA COMPILATION BY DAN GREENE

Custom U.S. Exhibit Costs

According to the Experiential Designers & Producers Association (EDPA), current custom exhibit costs average between \$145 and \$165.21 per square foot.

Square-foot prices

In-line: \$145/square foot (\$1,451/lineal foot)

Single-tier island: \$165.21/square foot

Industry averages

Single-tier 20-by-20-foot exhibit: \$68,392

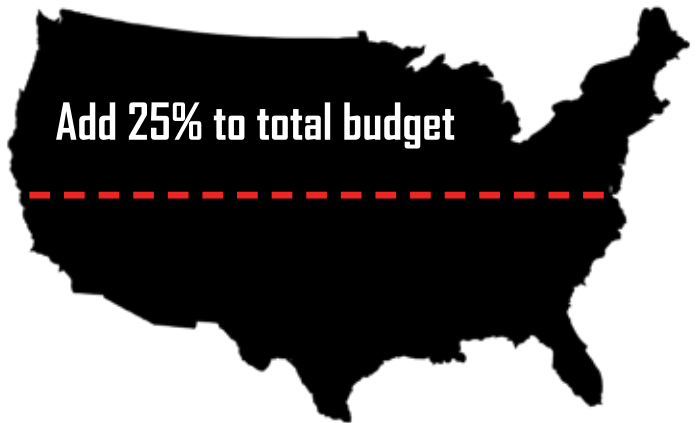
Single-tier 50-by-50-foot exhibit: \$358,412

Double-deck island (per square foot of total area): \$247

SOURCE: EXPERIENTIAL DESIGNERS & PRODUCERS ASSOCIATION (EDPA) 2019 ECONOMIC (CUSTOM) SURVEY, DATA COMPILATION BY DAN GREENE

Labor Unions

To estimate the additional cost of exhibiting in major cities with strong unions, imagine a line running across the United States between San Francisco and Washington, DC. Add 25 percent to your total budget for these two cities and all other major cities north of the line with the exceptions of Detroit, Chicago, and Boston. For this trio of trade show destinations, add 50 percent to your total budget.



SOURCE: GARY SKENES, DIRECTOR, LABOR SERVICES, NTH DEGREE INC., DULUTH, GA

Exhibit-House Charges



**Construction/
fabrication labor**
(hourly) \$94.40



Exhibit design
(hourly) \$114.17



Project management
(hourly) \$98.85



Account management
(hourly) \$94.23

SOURCE: EXPERIENTIAL DESIGNERS & PRODUCERS ASSOCIATION (EDPA) 2019 ECONOMIC (CUSTOM) SURVEY, DATA COMPILATION BY DAN GREENE

International Exhibit Costs

Voicu Sferdianu, CEO of Expo Design System (XDS) in Arad, Romania, and the past president of the International Federation of Exhibition and Event Services, offers the following exhibit-cost averages for Europe, the Middle East, and North Africa. (Averages are based on research compiled by XDS' internal marketing team.) Sferdianu notes that prices in Eastern Europe, Spain, and Portugal typically run 20 to 30 percent less than the figures listed here.



Shell schemes/stands (offered by show organizers):

\$170 – \$225/square meter (150 – 200 EUR/square meter)

Hybrids (systems with custom wood or fabric elements):

\$225 – \$455/square meter (200 – 400 EUR/square meter)

Custom exhibits:

\$455 or more/square meter (400+ EUR/square meter)

Exhibit-House Markups

If you subcontract transportation, show services, and installation-and-dismantle services through your exhibit house, the markup runs between 25 and 28 percent. But for construction materials, additional supplies, and subcontracted labor, the markup is a significantly higher 56 to 97 percent.

Raw materials used in construction/fabrication	97%
Subcontracted materials and special purchases	69%
Subcontracted labor	56%
Transportation	28%
Show services	27%
Installation-and-dismantle labor	25%

SOURCE: EXPERIENTIAL DESIGNERS & PRODUCERS ASSOCIATION (EDPA) 2019 ECONOMIC (CUSTOM) SURVEY, DATA COMPILATION BY DAN GREENE



Electrical

It takes an hour to install one to four electrical drops in the average 20-by-20-foot custom exhibit.

SOURCE: MELINDA STEWART, OWNER, ONSITE EXHIBITOR SERVICE, NAPA, CA



Detailing/drafting
(hourly) \$96.82



Graphic design
(hourly) \$106.34



Prep/handling labor
(hourly) \$90.83



Coordination of show services and logistics
(hourly) \$91.74
(per show) \$927.66



Field supervision
(hourly) \$94.40
(overtime hourly) \$136.55
(weekend hourly) \$178.43
(daily rate) \$768.93