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Site Selection for ATA Trade Show: A Dart-Board Game or An Evaluation of Facts and Data?

PART III: Selecting Cities as Future ATA Show Sites

Welcome to Part III of our three-part series on the ATA Trade Show. If you read Parts I and II, you're familiar with the process the ATA Board, Trade Show Committee and Staff use to manage the show. You also know the attendance data for Indianapolis in 2005 and Atlanta in 2006.

In this article, we'll detail how we evaluate cities for future shows. The process, in part, is based on the distribution of independent archery retail shops in the United States, past attendance patterns of our retailers/buyers, the degree to which each city can accommodate the show, and the costs of holding the show in each city.

The Dealer-Shop Market

Talk to any exhibitor and they will say the value of the ATA Trade Show hinges on the quantity and quality of dealers and buyers who attend. Exhibitors also like to see a mix of familiar faces who return to write orders and new faces to whom they can pitch their product line and hopefully increase their market share.

Thus, the market for the ATA Archery Trade Show consists of the retail shops in the continental United States. To reach these dealers, we developed a database of retail shops by cross-referencing lists provided by trade magazines, distributors, buying groups, archery companies and our own show-attendance lists. By studying the list's geographic distribution, we developed a dependable view of archery dealers nationwide.

Here's what we've learned about the location of retail shops and how it affects the trade show.

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- We determined there are 5,578 shops in the continental United States whose names appear on at least two of the lists we reviewed.

- About 78% of the shops are located in the East (the states east of the western borders of Minnesota, Iowa, Missouri, Arkansas and Louisiana), and 22% of the shops are in the West.

- If we divide the Eastern U.S. into Northeast and Southeast, 17% of the shops are in the South or states south of the northern borders of Arkansas, Tennessee and North Carolina; while 61% are in the North or states north of the southern borders of Missouri, Kentucky and Virginia.

Estimating the Potential Attendance of Dealers

From our surveys we've learned that nearly all Western dealers fly to the trade show regardless of where it's held. That's not surprising, given that the show has only been in Columbus, Indy, Louisville, Nashville and Atlanta. As a result of the distance and lower number of shops in the West, this region represents between 10% and 13% of shops attending each show.

Our surveys also reveal that more than half of Northeastern and Southeastern dealers who attend the show drive there. Because Southern dealers represent 15% to 30% of the shops at the show and Northeastern dealers comprise 57% to 75% of shop attendance, hosting the show in Eastern cities has always been desirable. Moreover, because Northeastern dealers who drive to the show represent from one-third to one-half of the total shops at the show, it is best to hold the show within a day's drive — 400 to 600 miles — of most Northeastern dealers.

Comparing Dealer Distribution Around Potential Sites

In our analysis in Part II of this series, we found that dealers within driving distance can make or break a show. As a result, we focused this analysis of potential cities on the number of dealers who could drive to the show in a half-day (200 miles) and in one day (400 miles).

We evaluated nine cities from the Northeast, four from the Southeast and four from the West, all with facilities capable of hosting the show. We used a geographic information system procedure, which gave us the number of shops within 200 and 400 miles of each city. We then ranked the cities based on proximity to the greatest number of dealer shops (see Figures 2 and 3).

Figure 2: Number of Archery Dealers Within 200 Miles of City

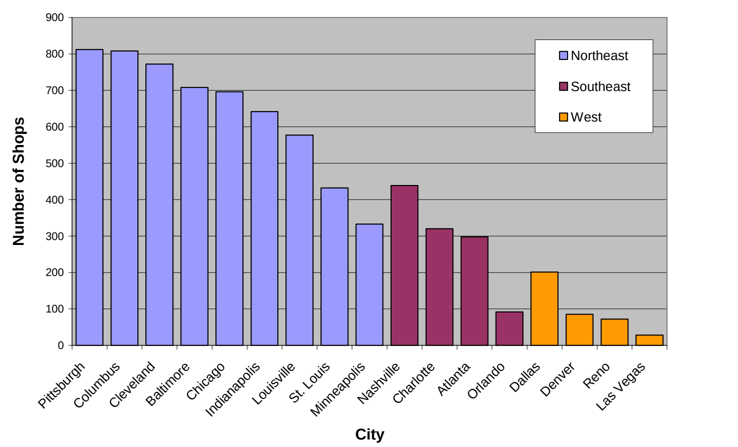
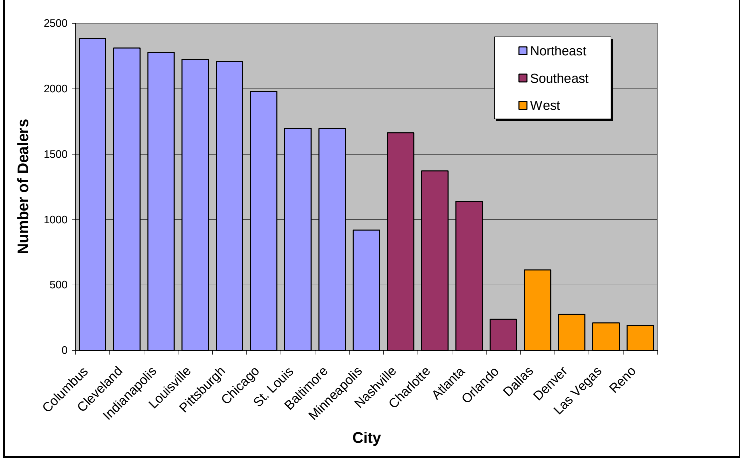


Figure 3: Number of Archery Dealers Within 400 Miles of City



The top seven cities for shops within 200 miles were in the Northeast, while four of the bottom five cities were from the West (see table). Of the cities the ATA Trade Show has never visited, Pittsburgh, Cleveland and Baltimore ranked first, third and fourth overall. Of the cities that have hosted our show, Columbus ranked second, Indy sixth, Louisville seventh and Atlanta 12th. Nashville at No. 8 was the highest-ranked city in the Southeast, while the highest-ranked city in the West was Dallas at 13. Unfortunately, Nashville no longer has a convention center large enough to host our show.

When we compared shops within 400 miles of the candidate cities, the top eight were from the Northeast (see table). The top city in the Northeast was Columbus, followed by Cleveland, Indy, Louisville and Pittsburgh. Baltimore dropped several spots compared to the 200-mile analysis, but that was because of Baltimore's location on the East Coast. Obviously, there are few, if any shops east of Baltimore.

Nashville and Dallas topped the Southeast and West, respectively, while the far Western cities of Denver, Las Vegas and Reno only had about 10% of the shops found in each of the top five Northeastern cities.

Assuming dealers who drive to the show continue this pattern — regardless of the cost of gasoline — the best cities for the ATA Trade Show will be in the Northeast. Any capable city between Chicago and Pittsburgh and between St. Louis and Baltimore would be within reasonable driving distance of a substantial number of shops.

Using the same criteria, the ATA would have to see a major change in dealer-travel habits to hold a Western show. In fact, a successful show in the West would require nearly 80% of dealers to fly to the show or drive more than 600 miles.

The evaluation of show attendance at Atlanta in 2006 was presented in Part II of this series. The conclusion from Atlanta 2006 was that in order to stage a successful show in the Southeast, we must promote the show to dealers within 200 and 400 miles while also providing travel incentives for dealers from more distant sections of the Northeast.

Factors Associated with Selecting Cities

Selecting a site for the show begins three to five years before a show can actually be staged. ATA has a few requirements for cities to become candidates:

- ✓ A convention center with exhibit space of at least 300,000 square feet.
- ✓ Show space that is contiguous. Some centers have split floors, which are a problem. An example of this is Pittsburgh, and many ATA exhibitors remain upset about the year the floor was split between the Indy Convention Center and the RCA Dome.
- ✓ Ideal show dates between January 10 and 25. We occasionally are forced to accept earlier or later dates.
    - ☞ Our interviews and surveys of exhibitors and dealers have found that most members want the ATA Trade Show to occur shortly after Jan. 1.
    - ☞ Conflicts with other shows are inevitable, because all shows are scheduling years ahead, just as we are. We avoid conflicts with the SHOT Show and try not to conflict with the SCI, Henry's and Ellett Brothers shows.
- ✓ A hotel package with a few large-capacity hotels near the convention center and a sizable block of hotel rooms under $100 per night. We also need a selection of hotels with low to moderate prices within five to 10 miles of the convention center.
- ✓ An array of restaurants and dining options within four to six blocks of the convention center, as well as food options and function space inside the convention center and major hotels.
- ✓ The cost of being a business guest in each candidate city. Using the government calculated daily per diem rate, which is the amount agencies reimburse their staff for lodging, meals and other business expenses while staying in a city, the least expensive cities include Columbus ($114), Charlotte ($119), Indy ($128), and

Louisville ($129). Cities in the mid-range include Pittsburgh ($145), Reno ($146), and Cleveland, Nashville, Orlando and St. Louis at $150. The most expensive cities are Baltimore and Chicago ($200), Minneapolis ($177), Las Vegas ($176) and Denver ($168).

Once major concerns are met, we check a host of smaller details during a site visit. We provide potential hosts a detailed and specific overview of the ATA, the archery and bowhunting industry, and the importance of our show to ATA members. We also visit hotels, tour convention centers and discuss the show's operation with every contractor or manager responsible for each aspect of the show.

In the final analysis, we evaluate bids from each city based on the quality of the space for the price, and the capability of the combined show contractors in each city. As you might guess, we always look for deal-breakers, such as a requirement to use union labor, which is considerably more expensive than nonunion labor.

Trade Show Cost Factors

If all factors appear equal after our review, we make our decisions based on anticipated expenses in a candidate city. Surprisingly, the costs of the ATA Trade Show can range from $450,000 to as much as $900,000. These costs include all ATA staff time, the time of contractors, show administration and operations, and support provided for all show programs.

Our experience shows that personnel costs and benefits of about $100,000 and operating costs of $10,000 are relatively fixed for each show. This means time and administrative support of ATA staff are similar no matter when or where the show is held.

Contractual services usually exceed $100,000, and cover everything from legal and financial support to Web and technical expertise. Contracts that increase show costs significantly are shuttles, and marketing and promotions. In years where an extensive shuttle service is required and when we periodically revamp the "look and feel" of the show, the cost of contracted services can exceed $200,000.

The most variable cost portion of the show is program support, which can range from $200,000 up to $500,000. Key features in this area include catering, promotions, rental of the convention center, audiovisual and technical services, the show decorator and registration, and exhibits and displays. Depending on the year, these costs can vary considerably, although convention center rental is significant.

In cities where we've committed to several show dates, we've negotiated very low convention center rentals. In a new city where we've not considered future dates, the convention center rental can be $200,000. Clearly, cities appreciate our scheduling multiple shows while, alternatively, we must gauge our industry's reaction to a new city before scheduling additional dates. When we locked in 2003, 2004 and 2005 with Indy, they literally gave us the convention center when we agreed to the third year.

The Bottom Line
The ATA Trade Show is a business support service provided to the archery and bowhunting industry. The show's benefits vary depending on the exhibitor, but writing orders, increasing market share, creating product excitement, and networking within the archery and bowhunting industry are valuable reasons to support the show. Another valuable benefit is contributing to the future of archery and bowhunting. Money generated from the ATA Trade Show is used to build ranges, start in-school and after-school archery programs, partner with state and federal agencies to increase shooting and hunting opportunities, and more.

If you have an interest in the show, a complaint or a concern, then contact the ATA and help us improve your show. Better yet, join the ATA Trade Show committee and help shape the show's policies and programs. Contact Kelly Kelly at 866-266-2776 ext. 3.