

Developing and Maintaining a Realistic Budget

The trade show budget is just one line item in the total sales and marketing budget.

The total trade show budget allotment may be preset for you to spread across the program. Or, you may be in a position to create and present a proposed budget reflecting your overall trade show program.

Either way, according to a study by the Trade Show Bureau, some of the following guidelines represent average percentage costs. Keep in mind that as you approach the "big picture" and develop your trade show with fund allocations, costs will vary according to show locations, the size of the shows, the size of your exhibit, the costs to own it and the size of your on-the-road staff.

Floor space rental	24%
Exhibit Design/Production/Refurbish	23%
Show Services (Electricity, Labor)	22%
Exhibit Transportation and Drayage	13%
Other	18%

Some considerations and pitfalls of budgeting:

- The larger the exhibit, the larger the costs of owning it. Shipping the components of your display, hiring labor to construct it, and drayage (moving the exhibit from the loading dock to your exhibit floor space), all impact the bottom line.
- Trade show booths represent capital investments; therefore, the costs of designing and building your company's exhibit may not be included in the trade show budget. Check with your chief financial officer.
- Some companies set trade show promotional and marketing costs into the marketing budget and aside from the trade show budget.
- Special events connected with the show, such as training seminars, sales meetings, and hospitality functions, may be budgeted separately from the trade show budget.
- Always add a 10 percent contingency to the total estimate.

See Section 2 for additional budget information and samples.