

Table V: Sources of income.

Source	Percentage
Trade show-related	67.77%
Permanent/museum-related	8.88
Mobile exhibit-related	1.90
Special events/sales meetings	10.52
Other types	10.73

have significantly affected the trade show part of the business in particular. The picture appears from anecdotal responses to be that uncertainty leading up to the war on Iraq made many clients unwilling to expend funds to purchase new exhibits. Tightened security measures in the war on terrorism, such as those implemented at airports, have made it less convenient for people to travel to trade shows and, thus, exhibitors are seeing less return on their marketing investments and are willing to use exhibits longer.

But, as one respondent noted, good times should be ahead because so many clients are putting off construction of new exhibits that at some point in the future their existing exhibits will be worn out.

The Exhibit Builder Economic Survey gives a broad picture of the economic state of the industry, taken at a given point. It deals with averages and, therefore, the picture it gives is not likely to match any particular exhibit house's results. Still, the picture is clear that the industry has had two challenging years. Even so, as always, the responding exhibit builders remain optimistic that next year's sales volume will increase.

That may be so, but it won't happen as if by magic. Nearly 92% of

responding companies are taking specific steps to reduce their costs and three-quarters are diversifying their operations. More than 71% of those who are diversifying are doing so to guard against downturns in their primary business operations. That is a significant figure since never more than half of the respondents in the previous surveys have said their diversification strategies were aimed at avoiding downturns in their primary sources of income.

No matter what the industry's cheerleaders say, the exhibit business is not recession-proof. It will take proactive steps by exhibit builders themselves to make this exhibit industry economic recession go away.

How The Survey Was Conducted

The Exhibit Builder Economic Survey is mailed to potential respondents, selected from a master database. Three-hundred potential respondents were selected to receive the survey. Over the years, the size of the database has varied from between approximately 750 and 1,500 records. While the selection of individual companies is random, the database itself has been maintained to reflect the national statistical segmentation of the exhibit design and fabrication field.

The regional distribution of companies receiving the survey and, thus, which respond, is determined by the relative frequency with which they appear in the total base of potential respondents. The regional distribution of the database is roughly approximate to the regional distribution of exhibit designers and builders. Generally, builders from between 35 and 40 states receive the Exhibit Builder Economic Survey questionnaire each year.

Responses from each category of exhibit design and construction generally represent their distribution in the larger population. It is important to note, however, respondents are able to list themselves under multiple categories. For example, a custom builder might also be a modular dealer and/or a structural system manufacturer. Companies in the database are categorized according to what the researchers know their primary business operations to be. So, for example, a company whose primary business is custom construction, but which also handles a modular system, is considered to be a custom builder for the purposes of categorization in the master database.

Responses are analyzed using a variety of descriptive and inferential statistical techniques, as appropriate, along with tests to determine the reliability and validity of the data. Results reported have at least a 95% level of confidence. *eb*

Comprehensive Results

A report of comprehensive results of the Exhibit Builder Economic Surveys from 1991-2003 is available for \$350. The report contains detailed tables about a variety of economic trends in the industry, including analysis of its various segments.



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Archaeopteryx reconstruction
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and painted for the Miami Metro Zoo, 2003.