



messe frankfurt Start-Up & New Business Model Development

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TEAM MESSE FRANKFURT



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Questions in scope

1

When is the tipping point when millennials will move into decision making positions?

2

What criteria will influence their decision making process?

3

How are trends disrupting the trade show industry?

Primary research: online survey results & interviews

- The 15-question online survey was distributed to our personal networks and to EBS students. 98 people completed the survey.
- Interviews with 6 young professionals



Generations Y respondents showed equally divided attitudes

Basic demographics

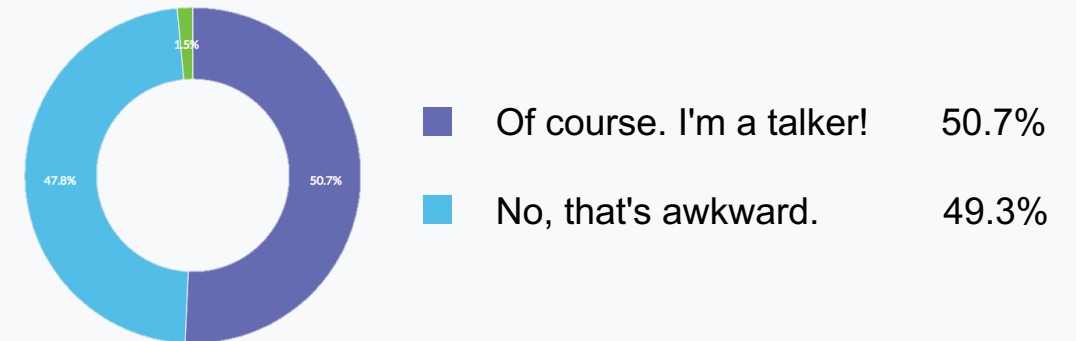
Age	%
18 -22	20.5%
23-27	70.5%
28 and above	9%

Country Representations	
China	26%
Germany	16%
India	16%
Italy	15%
	73%

The other 17%:
Canada
Hong Kong
Taiwan
USA

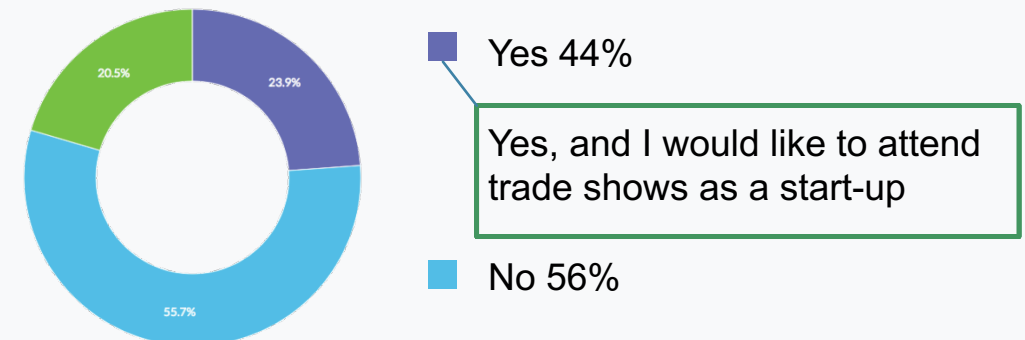
Approaching a stranger

Do you feel comfortable approaching strangers at an event without prior communication/introduction?



Aspiring entrepreneurs

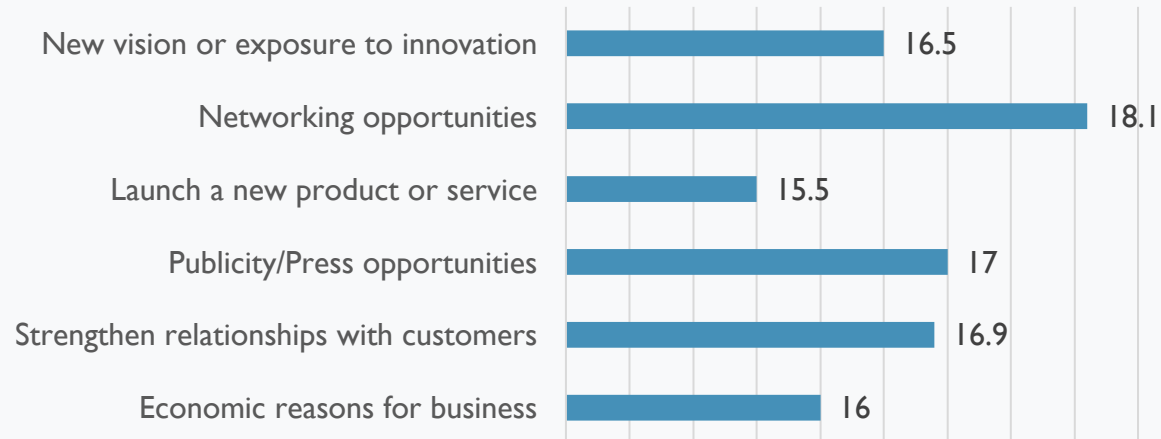
Are you considering building your own company?



Yet, they show mutual interests in tech, innovation and social topics

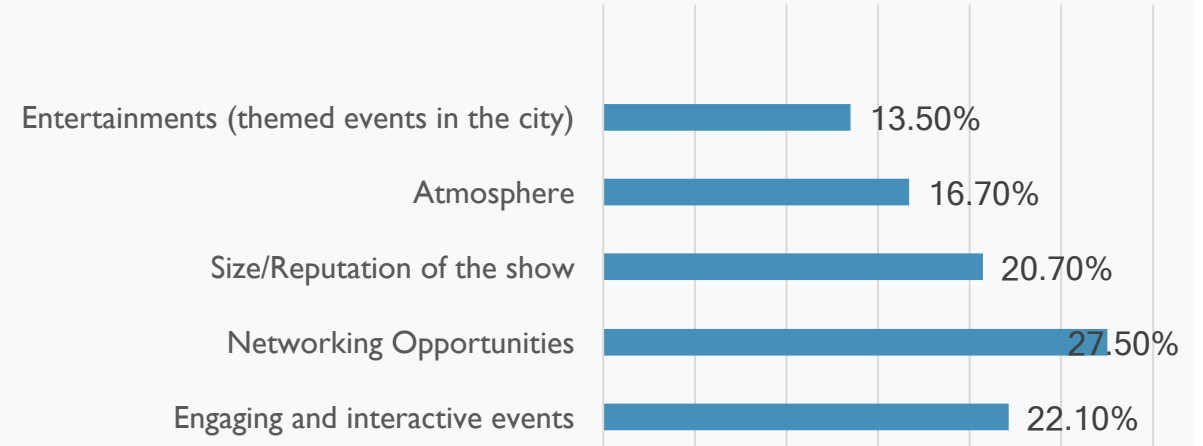
Importance

How much importance do you give to the following elements in an event?



Deciding factors for attending trade shows

What would be important to you in deciding which trade show to participate in?



Top three favorites

Tech & Auto



Start-ups & Millennials

MILLENNIAL ²⁰/₂₀

RISE

web summit

COLLISION

Social Causes



Tipping point: millennials are growing older and gaining responsibilities in workplace



In 1 year, Gen Z will be the junior marketers and contributors and influencers to exhibitor marketing teams.

Today

2019

Future

Generations (Year of birth)

- Generation Z (1998-2001)
- Generation Y.I (1990-1996)
- Generation Y.II (1980-1989)



In 1 year, Gen Y.I will be between 25-31 years old and starting to be responsible for making exhibiting investment decisions.

The importance of personal values into workplace

Deloitte.

The 2016 Deloitte Millennial Survey
Winning over the next generation of leaders

87 %

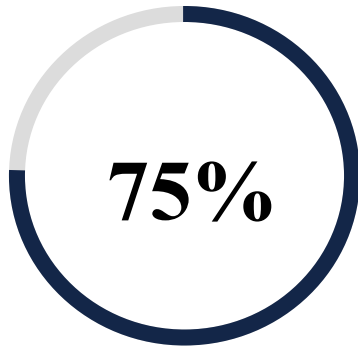
believe that “the success of a business should be measured in terms of more than just its financial performance.”

“We can expect Millennial leaders to base their decisions as much on personal values as on the achievement of specific targets or goals.”

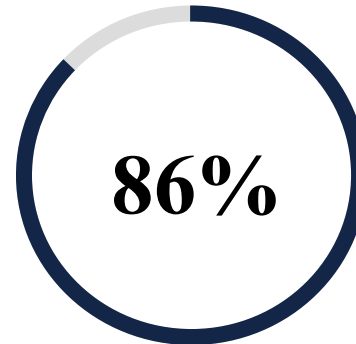
How much influence do the following factors have when you are making decisions at work?



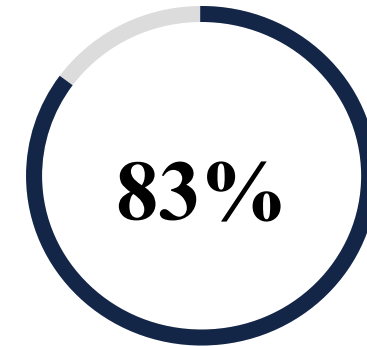
Importance of corporate social responsibility exceeds monetary objectives



Millennials say they will take a pay cut to work for a responsible company

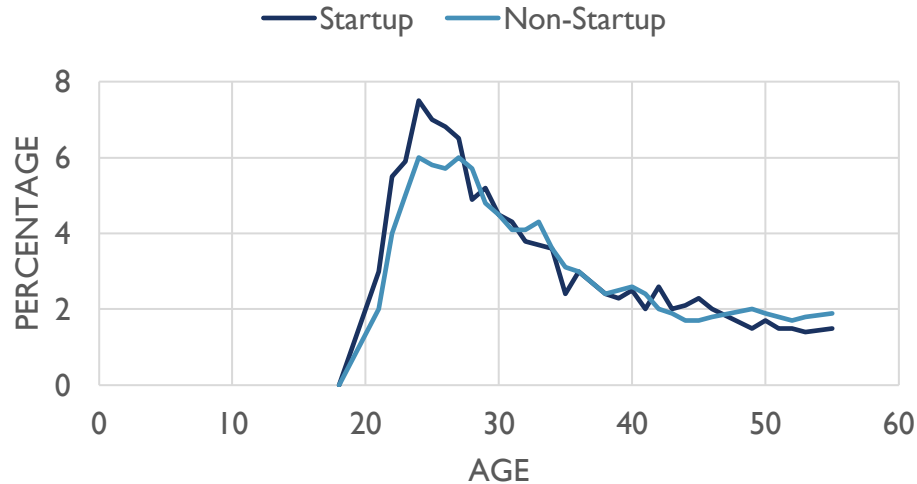


Almost 9 in 10 millennials believe that financial performance shouldn't be the only yardstick of business success



Millennials believe business should be involved in social issues

Startups are strongly influenced by millennial culture



(The Atlantic, 2018)

Amount of Millennials in Start-ups

- Most employees at startups are Millennials
- Strong representation of the young generation
- Strong cultural impact
- Influences work culture and



Startup culture among Millennials

- Strong connection between startup culture and millennials
- **38%** of millennials have worked in a startup
- **30%** currently own a small business of some type, which could include the gig economy
- **49%** hope to start a business within the next 3 years
- **54%** would be willing to quit their job to start a business if they had the resources

Consistent trends across industry reports and articles that MF must address



Impacting the Exhibitions and Events Industry 2016 Update



UFI's 5 trends to watch in 2018, Kai Hattendorf, CEO at UFI



2018 Event Trends

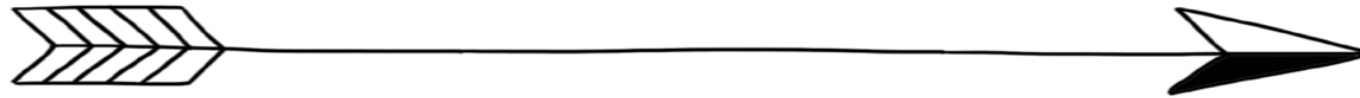


1. Going all out with engagement
2. Virtual & augmented reality
3. Infusing local elements to events
4. Customization creates personalized event experiences
5. Artificial intelligence provides much needed event assistance
6. Big data and crowdshaping: onsite data capture
7. Foster sustainable events
8. Blockchain: Loyyal uses blockchain for loyalty programs

Disruption will make inert old businesses become obsolete

INNOVATION

DISRUPTION



DOING THE SAME
THINGS A BIT
BETTER

DOING NEW
THINGS

MAKING THINGS THAT
MAKE THE OLD THINGS
OBSOLETE



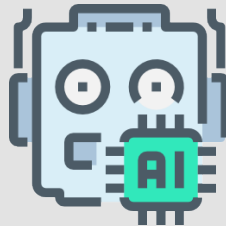
The Kodak Moment



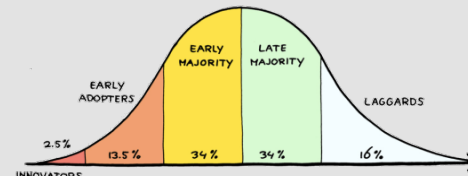
Internet Infrastructure



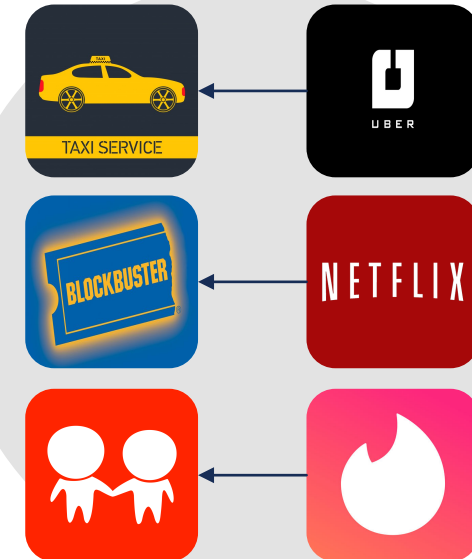
Disruptive
Business Model



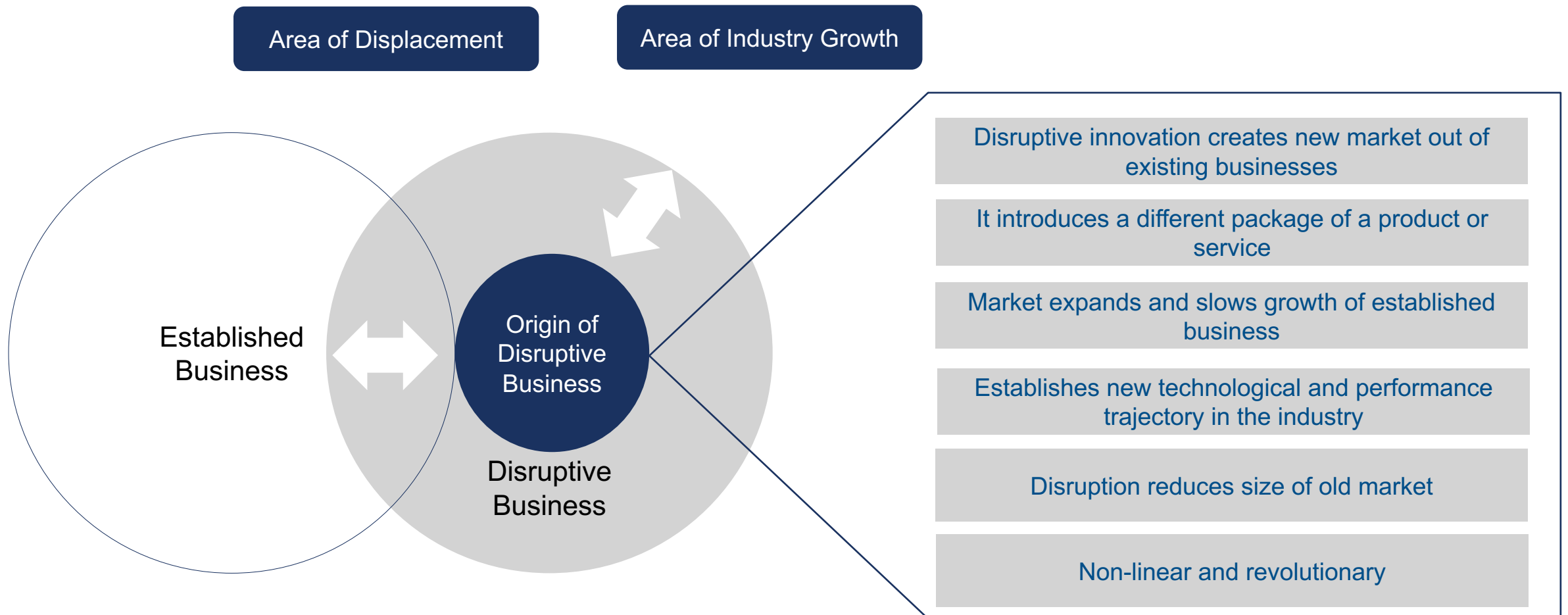
IoT & AI



The Adoption Curve



Disruptive Innovation creates a new category and replaces the established market



Established firms are inert since they have incentives not to pursue disruptive technologies

Current Dilemma

Know and fulfil the expectations of your most demanding customers

Strive for continuous improvement of product or services

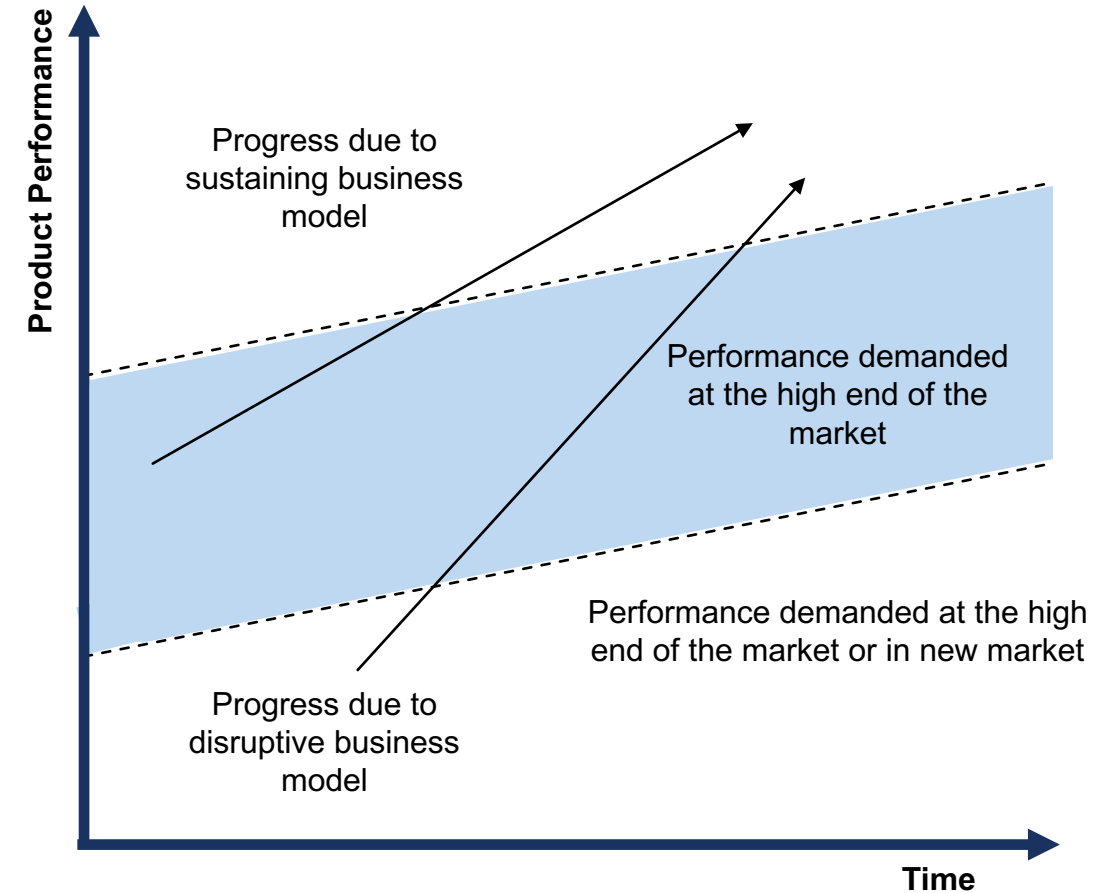
Invest in business that offer the highest return

In Disruptive Situation

Threat starts with migration of over-served customers and not mainstream customers

Threat starts with initially inferior products

Threat starts at the lower end of the markets where margins are small

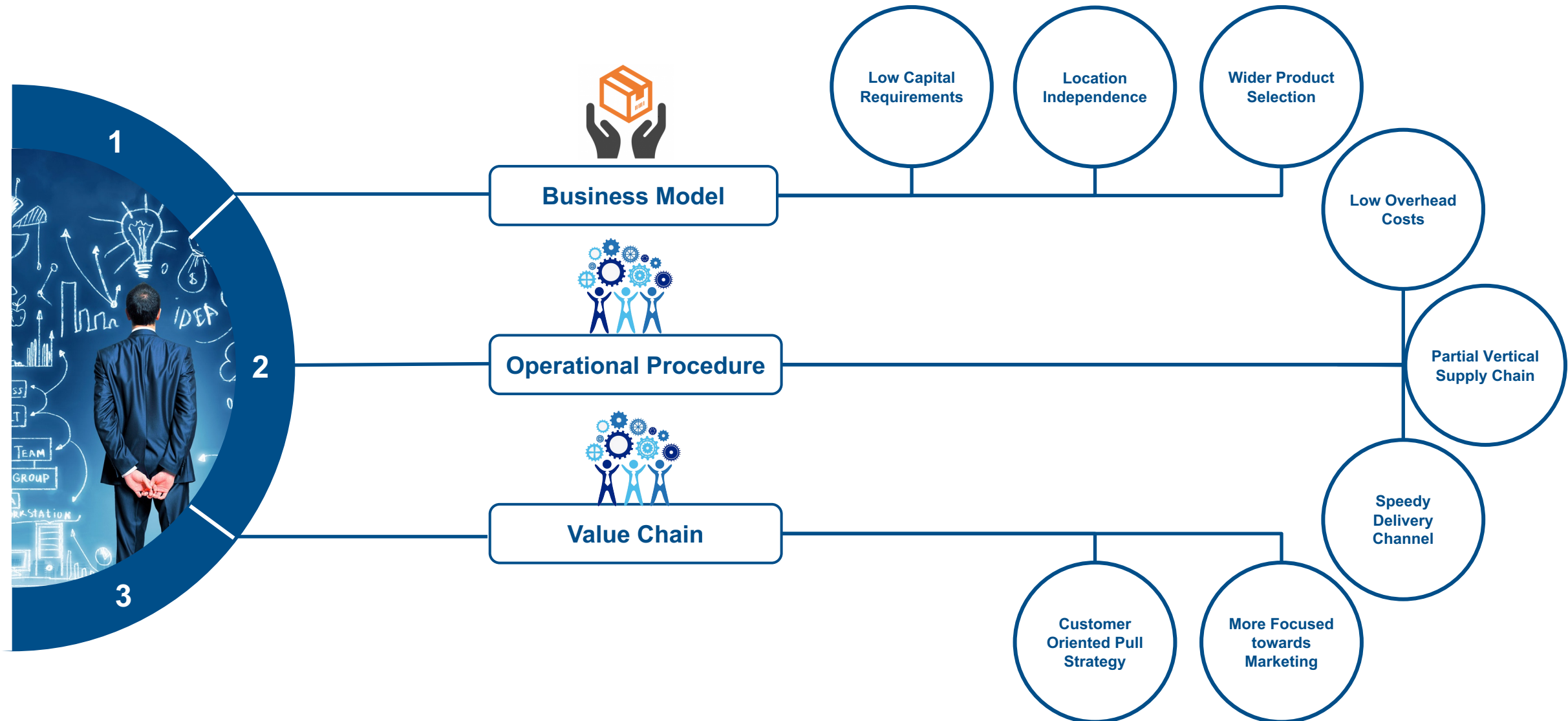


Process Flow of Drop Shipping

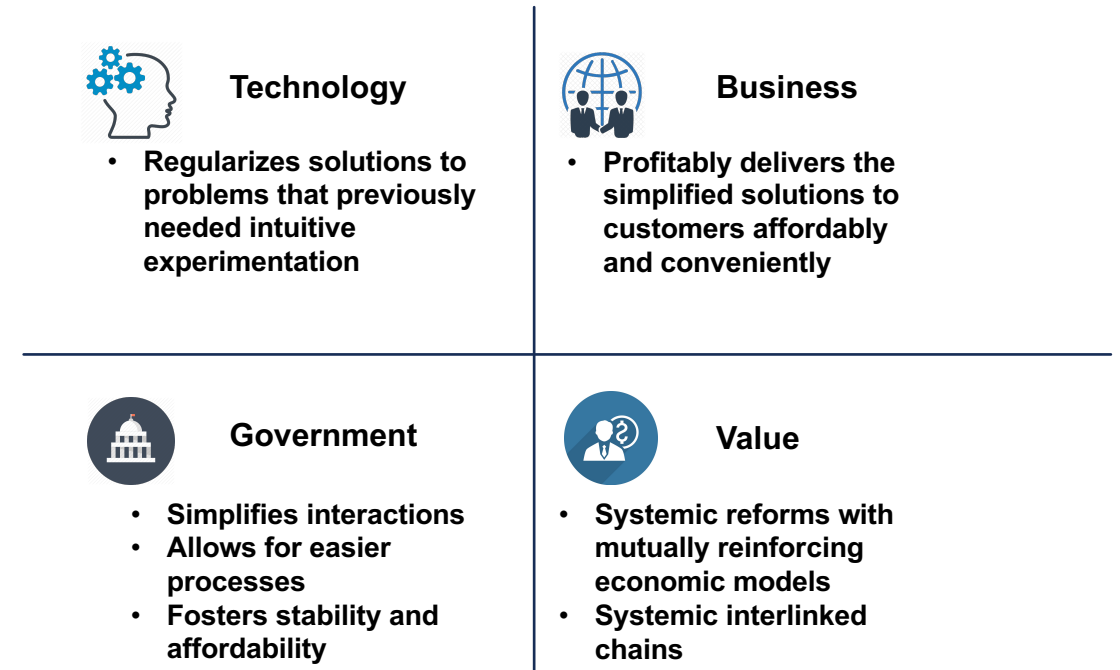
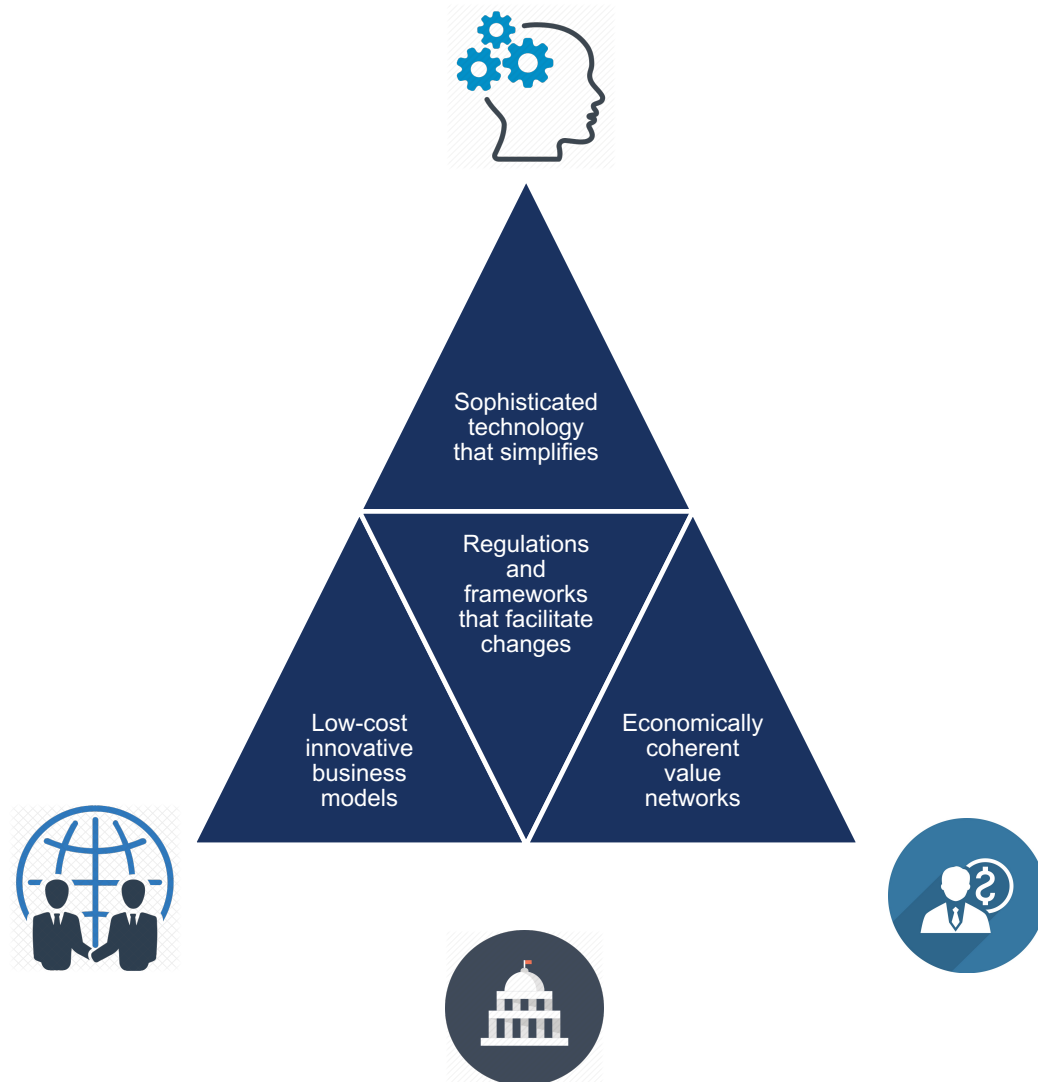
How Drop Shipping Works?



Drop Shipping could be a disruption that threatens conventional trade shows



Disruptive innovation either in technology or business model is effective in four parameters



Digital disruptive innovation changes the customer journey for producers

Before Drop Shipping

Platform



After Drop Shipping

Online Common Platform



Value addition over physical

1

Cultural balance between traditional values and new approaches

2

Engage fast-moving, flexible ways of working

3

Coping with changed capability requirements