

Small Business Expo 2006 Walks their Talk

4/9/2006

Over 1200 people, including exhibitors, attended the 8th Annual Minnesota 2006 Small Business Expo & Conference at the Convention Center, on March 29th, 2006, according to Amber Bullock, Administrator of the American Association of MicroBusinesses (AAM). Ron Wacks, President of the AAM, claims that the Expo is the largest small business event in the Midwest. Yet, he adds that not one penny was spent on traditional advertising.

The AAM is a professional association for microbusinesses, and firms that wish to serve the microbusiness demographic. The AAM defines a microbusiness as a business with 10 or fewer people. Although the AAM focuses on microbusinesses, the Expo caters to small businesses with 50 or fewer employees. The AAM produces the Expo.

One way the AAM differentiates their events from similar conventions is by not marketing to the general public. Wacks says only four types of people are targeted.

1. Owners of small businesses and microbusinesses, or entrepreneurs;
2. The nascent microbusiness owner (those in transition to self-employment);
3. The aspiring microbusiness owner (those planning or considering self-employment); and
4. Businesses and organizations that serve small businesses and microbusinesses.

According to Wacks, the lead ratio is much higher at the AAM's Expo than similar types of trade shows, because the AAM carefully targets their audience. "Other business conferences may attract more people, but exhibitors report very few quality leads," Wacks says. "Quality, not quantity, is the AAM's focus for Expos."

"Exhibitors have reported for years that their lead ratio is about 60% - about six conversations in ten result in a welcome contact after Expo. That's an extremely high rate of potential interest in a product or service at such an event," he adds.

Another reason why the AAM does not advertise is that, as a non-profit, they want to keep their costs down in order to be affordable and accessible to potential exhibitors and attendees. According to Wacks, the mean cost of exhibiting at a major event in a major metropolitan area for a 10 foot by 10 foot booth is \$1200 - \$1500. But the AAM's starting rate for exhibiting was an affordable \$385.

Similarly, tickets for the Expo were \$20 for a full day of speeches, mini-workshops and exhibits. Workshops consisted of two tracks, one for startups, and one for established micros. Many of the classes were so packed that people were standing in back and along the sides.

Over 80 exhibitors exhibited their products and services, from large companies like one of AAM's partner, Wells Fargo Bank, to micros like Calico Craft Co. of MN who was

selling homemade soap. The non-profit Minnesota Inventors Congress (MIC) offers services such as an annual Invention Expo where inventors may test-market their ideas and products.

A common theme of thrift was found in presentations throughout the day. BrandMother marketing expert Alex Von Allmen (<http://www.BrandMother.com>), one of the featured presenters, says that he acquired 50% of his business his first year, by joining a leads group. He believes that personal networking is the best way for micros to market their businesses, at least in the beginning.

Ken Belson, another featured speaker, said that Hello Kitty products have earned a billion dollars in sales, without advertising. Hello Kitty products are collectible and inexpensive, well suited for Japan's gift giving culture. Shintaro Tsuji, creator of Hello Kitty, tested his ideas by giving away his products to groups of children, who in turn inadvertently marketed the items to other neighborhoods of kids. (Belson presented via a live video link from Tokyo.)

Other speakers included Richard Schulze, founder and chair of Best Buy, and Kris Solie-Johnson, President and Chancellor of the American Institute of Small Business (<http://www.aisb.biz>).

How is the AAM going to reach beyond their Minneapolis headquarters, without spending money on advertising to the general public? The organization's leaders plan to begin by producing small business events all over the country and by continuing to expand the resources they make available to members. Perhaps there is a third characteristic of the AAM that sets them apart: their can-do, independent spirit is lighting the road for the millions of microbusinesses and entrepreneurs across this country.

For more information, see <http://www.AmericanMicroBiz.org> and <http://www.SmallBusinessExpo.org>.

(Thanks to Dawn Rivers Baker, and to Ron Wacks, for their editing suggestions. Also, note that according to SBA's Office of Advocacy, the largest type of business is the nonemployer business, with 18.6 million, in 2003. Further, of the total 24.4 million businesses in the U.S., 94.9% have 10 or less employees.)

###