

# BASICS FOR ORGANIZING TRADE FAIRS

## PART I

### **A glance at history: How trade fairs have evolved!**

Tracing the origin of trade exhibitions might be the work of archaeologists rather than of historians. While it is said that their roots are in the medieval European fairs, very ancient documents talk of trading places where merchants were selling or bartering a multitude of goods.

A reference can even be found in the Bible. Market places developed around crossroads of long-distance trading routes, such as in the case of the Phoenician city of Tyre, as early as the 8th century BC. Ancestors of trade fairs are also the ancient bazaars of the Middle East.

It was anyhow during the period towards the end of Middle Age in Europe that fairs started to flourish and acquire some connotations similar to what exhibitions are today, when cities began to develop together with the progressive urbanization of people. Previously, under the feudalism, the economies were largely autarchic. Products were consumed locally and little trade occurred outside the communities attached to castles and monasteries.

Marketplaces anyhow existed also in those times and fairs were taking place generally to celebrate religious festivities or the completion of seasonal phases of agricultural works. The word "fair" in fact comes from the Latin "feria", which means "holy day". The differentiating factor between market and fair can be related to duration: markets were regular and frequent happenings, fairs were commercial events organized on special occasions.

Not all fairs however originated from religious or cultural festivals. Certain trade fairs were created by royal decrees to benefit cities and other agglomerations of people, and also charters were granted to already existing fairs. In this way the authorities, through income taxes, kept control of the proceeds.

By and large preindustrial fairs were based on privileges granted by the civil or ecclesiastic authority to governing aristocracy. The significant growth of the cities, where people consumed without producing, helped to increase exponentially the trade traffic of food but also of non-food products: textiles and clothing, tools and pottery, hides and skins, leather products, horses and hunting dogs, some jewellery, arms and horse harnesses, etc., were sold alongside spices and other agro-based products.

The old small markets for the barter of products of the neighbourhood were becoming larger events to deal with trade in increasingly valuable goods, fostering at the same time the circulation of money.

Trade was of course at the core of the fairs, but a variety of people started to mingle with traders and customers, like acrobats, magicians, charlatans, inventors and minstrels. In this

extremely lively, heterogeneous and noisy environment, many activities were taking place and news and information exchanged, making the trade fairs a melting pot of cultures and social classes. It may appear that everything was chaotic, and indeed it was, but with the progressive control on the fairs by the municipal corporations and guilds (the ancestors of professional associations) rules were established to protect, to the extent possible, traders and buyers from fraud and extortion or even from cartels.

Fairs proved to be a powerful means to position growing urban settlements at the crossroads of trade traffic and contribute to their economic development, so they enjoyed a flourishing period. But the danger for the fairs was around the corner. More traded products went back to markets allowing weekly and even daily transactions. The natural evolution was the birth of “shops” which, during the Renaissance, made the fortune of some cities because of their capacity to attract travellers.

Multi-sector fairs started to languish and only continued at the periphery of the most advanced part of Europe, far from the main trade centres. Later on, the “industrial revolution” brought about a new physiognomy of fairs, which came closer to the concept of the modern trade fairs. The factors were mostly two: the increased production needed to expand the market and the industry was able to easily and limitlessly replicate goods. This constituted a major turning point in the history of fairs as the old “stocks” fair system – when goods were sold directly and the manufacturer had to transport bulky quantities of goods and take the risk of having to sell the unsold ones at discount price, without profit or at a loss, so as to avoid transporting them back – was replaced by the “sample” fair system. Manufacturers were able to display only specimens for later delivery. “Industrial exhibitions” became popular during the period of the industrial revolution when the authorities understood that such events were able to foster domestic entrepreneurship and enhance the competitive advantage of their towns, countries and regions.

Meanwhile the industrial development brought about major changes in conducting business. Inventions such as the telegraph and the telephone and new transport mode through railway and steamers bridged the distances between sellers and buyers. Specialized commercial houses, making available international networks, flourished. In the context of a free trade world, about the end of the XIX century, fairs had almost disappeared. It was only in the aftermath of the First World War that the powerful role of fairs to revamp the shuttered economies was rediscovered.

The number of fairs grew rapidly up to the point that by 1925 an international association was created, the “Union des Foires Internationales” (UFI), bringing together the cities and organizers of major fairs. It was a matter for the organizers of being on the map, and for the countries of obtaining visibility, market expansion and competitive advantage assertion. Not surprisingly, countries that moved later into market economies – Eastern Europe, the former Soviet Union and China – have immediately created trade fairs. It seems that trade

fairs have always been the response to changes in market patterns, economic recessions and “political” interferences to trade.

They also leveraged on economic expansion and contributed to it. The 1960s witnessed a trade fair boom as many trade associations were formed or expanded their role. It became standard for each industry to have associations and annual trade fairs, which helped showcase and execute strategies. With the introduction of marketing concepts in business, trade fairs were extensively and increasingly used as a prominent part of marketing strategies. Today they are also a key element of the communication strategies. It appeared that, entering into the digital era with the Internet global village, the destiny of trade fairs was doomed as they were replaced by other types of communication for the business. The reality has so far demonstrated that trade fairs have not lost their “raison d’être” and, on the contrary, the new media and technology have contributed to increase their efficiency and outreach. Organizers are anyhow challenged to make the events increasingly attractive and appealing and to compete in terms of marketing strategies and distinctive features.

### **Different types of exhibitions**

Many names are used to indicate events whose main purpose is to bring buyers and sellers together and promote trade. For example, the term Trade Fair, Trade Exhibition and Trade Show are often used to indicate the same type of event. They can be multi-sector (General Fairs) or, as it is becoming predominant, single-sector. In this case they are often referred to as Specialized Trade Fairs. This guide deals with these events that will be simply called “trade fairs”. It can be useful to review other types of trade Trade is one of the pillars on which economies are based and it dates back in time alongside the existence of human societies. Market places and trade fairs have always been present to facilitate exchange of events and, irrespective of the names for which anyhow there is no univocal meaning, to determine – to the extent possible – some sort of categories. The list does not pretend to be exhaustive. In fact, purpose and capacity are the factors that should underlie the decision on type and amplitude of the event, after consideration of other alternative means of trade promotion that have in common the same overall goal. A small regional fair in some instances can better suit a development objective than a large international fair.

**A specialized trade fair** normally occurs at regular intervals in the same place, even if in certain cases the event moves from one location to another, organized under the same sponsorship. It is sometime also called **Industry Fairs** to distinguish it from the **Consumers’ Fairs**. While admission to the former is restricted to professionals of the sector, the latter is open to the public. In relation to the targeted audience and therefore participation, the fair can be international, regional, national or even local.

**Commercial Exhibition** generally indicates the event organized by and for a representative number of companies and addressed to a specific target group of clients. Generally it does

not take place recurrently, but is organized ad hoc to cope with specific marketing or industrial needs and objectives of the companies.

**A Private Exhibition** is a display of products or services of one supplier targeted to a selected clientele, for example for the launching of a new product or for the positioning of the supplier in a new market area.

**Buyers' Fair**, similar to the commercial exhibition, is an event organized to promote businesses and facilitate contacts between suppliers pertaining to a homogeneous range of products (e.g. processed food, apparel, etc.) and invited buyers (e.g. distributors and buying offices of department store chains).

**Trade Mart** indicates a sizable and fixed commercial establishment made of many showrooms to promote and sell products and services of one or many industries on a continuous basis.

**Conference Fair** consists in a small trade show, mostly a display of a specific range of products that accompanies events whose main content are conferences and seminars.

At the lower end (intended in terms of scope and investment required) a **Market Fair**, where producers display and sell their products to visiting consumers, is a business promotion event that can have important return in the case of micro and small enterprises especially in developing countries. Often local in scope and based on agricultural products and their derivatives market fairs, can also have a national size and attract consumers from communities across the borders. At the highest end the **Universal Exposition (also called World Fair and World Expo)** is the largest undertaking. It has a tradition that goes back to 1851, when the first one was organized in London, and its nature has slightly evolved in time, but it maintained the essential connotations. It is a display of technological advancement and it is future-oriented, addressing themes and issues of cultural relevance to humankind.

Whilst trade is not the underlying purpose, it is a platform to emphasize the image of the host country and of those in the national pavilions. Many types of events fall under the **generic definition of trade exhibitions**. Purpose, contents, audience, periodicity, size and market breadth can vary, but all have in common the objective of promoting and facilitating trade.

**Rising and fading of exhibitions** – the example of the leather sector Points of gravity of the international trade, market forces influencing the demand, steady growth of a national industry becoming attractive for the worldwide market, and last but not least the professionalism and the marketing acumen of the organizers are the ingredients for success and sustainability of trade fairs. Other factors can also be taken into account e.g.:

- A fair needs to evolve with the requirements of the market;

- A strong local industry determines the attractiveness for participation;
- Self-reliance in the long run allows a fair to last and possibly to grow, since sponsors may shift interest and change their field of support;
- A proper fair organization gives a stamp of professionalism and reputation to a fair and to the sector;
- Reliable infrastructures and facilities as well as a safe and attractive environment of the hosting country play an important role;
- The cost of participation in a fair should be in line with what the fair can offer and with the participants' expectations. If the leather sector is taken as an example, most leather producing countries have made an attempt to organize international leather fairs, but only a few have been able to attract the industry and become an addition to existing fairs or a substitution of disappearing ones.

A look at some examples in the recent history of fairs in the leather sector illustrates how dynamic the context is and how changes occur. The “mother” of all leather fairs in the recent past was the Semaine International du Cuir (SIC), which was held at the Porte de Versailles exhibition centre in Paris, France. The fair made its debut in 1926 and was an amalgamation of business and holidays. From the business point of view it was the place where people from all over the world came to meet and do big business. It was unthinkable that a stakeholder, big or small, in the leather value chain would miss the SIC fair in Paris. SIC was a meeting place but also the most important market place from where a seller could return home with all stock sold and where a buyer was able to secure the supply from a company for several months to come. The market and its trend were established during the fair. Prices of commodities could rise or fall during the event.

Machine manufacturers brought their newest types of machines and chemical manufacturers showed the latest tanning formulas and products. Paris attractiveness added a lot to the success of the fair. In 1993 the fair was renamed Intersic and moved to an exhibition centre close to the airport in order to reduce costs. No machines were exhibited, floor space was drastically reduced and the attraction of the city was too far away, hence the fair quickly lost importance up to a point that it was discontinued and replaced later on by the biannual Le Cuir à Paris, started in 2001, held in the exhibition park of Paris Nord Villepinte.

The French organizer (SIC Group) focused on high quality leather and fashion rather than on mass production of basic quality leather, to meet the demand especially of the European industry. Therefore Le Cuir à Paris in its fashion concept responded to the evolved needs of the industry and it now takes place in concomitance with other six fashion-related trade fairs, thus offering a unique event under the “Premiere Vision Pluriel” label.

The Italian leather industry staged its leather fairs in a number of places. The most renowned exhibition is certainly Lineapelle. The first edition was held in 1981 in Milan, inspired by the Preselezione Italiana Moda shows (Italian fashion preselection) which had been held in Florence since 1971. Lineapelle moved to Bologna in 1986 and until today is the most important and largest leather fair in the world. Lineapelle is linked to the Italian union of leather industry, UNIC. In order to adapt itself to market requirements and reinforce its attractiveness, the fair has incorporated special sessions dedicated to materials' fashion trends and forecast, with the capacity of influencing the market with leading edge product solutions due to the dominant position of the Italian leather industry in this respect. Previews of leather designers' works offered by Italian and European manufacturers to fashion brands and top-range buyers are also organized under the "Anteprima" label. The capacity of attracting a very large number of exhibitors and visitors was further strengthened by two additional fairs organized back-to-back to Lineapelle in the same exhibition park: Tanning-Tech (technology for tanning) and Simac (technology for the footwear industry). Now these two fairs, the largest in the world in their respective fields, organized by the Italian association of leather industry machinery producers, ASSOMAC, take place together with the autumn edition of Lineapelle.

The industry segment-based approach to fairs in Italy is demonstrated by the existence of two additional highmarket exhibitions, Mipel and Micam, in Milan for leather goods and footwear respectively, complemented by the Expo Riva Schuh targeting lower segments of the market. Around the same time of the decline of the Semaine International du Cuir (SIC), the Pan American Leather (PAL) fair was launched in 1996 in Miami by APFL, which attracted a large number of visitors for the first two editions. Afterwards, the fair fizzled out since it had little to offer in terms of global encounters, like the fairs in Paris or in Hong Kong (SAR). Furthermore, the expenses for exhibitors at the fair were not sustainable compared with the business actually done. Miami was chosen as the point of gravity for the Americas hoping to bring the North and South American leather industries under one fair roof, but this did not work out as planned. It soon became clear that PAL was a local American event that attracted few international visitors.

Although the United States had an important tanning and footwear industry at the time, apparently it did not have sufficient appeal to continue to attract a large number of visitors and faced serious competition in the continent from senior American leather fairs in Mexico (ANPIC) and Brazil (FIMEC).

ANPIC is the Mexican leather fair held since 1980 in the tanning cluster city of León. It is a biannual event covering the whole supply chain.

Similarly, the Brazilian leather industry organizes a full value chain leather fair which is mainly a South American event held in Novo Hamburgo in the state of Rio Grande do Sul.

The tremendous expansion of major players in the worldwide leather industry, China and India, has determined the growing importance of trade fairs held in these two countries. In the People's Republic of China the early Canton (Guandong) leather fair held during the 70s and 80s was more a trade place than a meeting place.

Authorities established the sales prices of Chinese raw materials, mainly goatskins, for export to Europe based on deliberations with a selected group of traders in Europe before the fair. As a consequence of liberalization measures a more commercial Shanghai leather fair was organized for the first time in 1989. With the Chinese leather industry becoming the most prominent supplier in the world, both the Shanghai and Guandong fairs have increasingly attracted a larger number of international visitors and exhibitors. APLF, formerly the Asian Pacific Leather Fair, in Hong Kong (SAR) opened its doors in 1984 and was an immediate success. With the Chinese market growing in importance it quickly became an important competitor for the SIC fair and APLF became a steady star.

The SIC organizers were wise and joined forces with the then Hong Kong (SAR) leather fair. The costs for participation of the APLF are quite high, but being the most important trading centre in the Far East and the gateway to the whole region, participants are numerous. The attractiveness of the place adds to motivation for participation. The modern Indian leather industry believed it should have its own fair to promote the Indian industrial efforts. It is generally believed that leather shows and exhibitions in India are an innovation of the mid twentieth century, whereas the Madras Leather Fair was held as early as 1855. In 1964 the India Leather Technologists' Association of the Southern Region decided to hold an all-India based leather exhibition in Madras and on an international scale every year. The Madras Leather Fair became an annual event renamed the India International Leather Fair (IILF) – Chennai in 1985, organized by the India Trade Promotion Organisation (ITPO) in close collaboration with Council for Leather Exports (CLE) as the main co-sponsor, Central Leather Research Institute (CLRI), Indian Shoe Federation (ISF) and Indian Finished Leather Manufacturers Association (IFLMEA). A steady growth of international visitors, as well as country groups and individual exhibitors, is recorded. The

Istanbul Deri Fuarı (Istanbul leather fair) is an example of the capability to organize a successful event by using a niche of the market that is not covered. The fair is backed by a big local industry and is held close to its consumer market in Eastern Europe and the CIS. Started in 2005, it is an all-round fair where machine manufacturers and tanners exhibit along with garment manufacturers, who hold multiple fashion. The success of trade fairs is driven by market forces and by the ability of the organizers to seize such opportunities and to deliver top quality services. Continuous attractiveness and sustainability are the results of the capacity of the organizers to understand the changes of the demand and to offer innovative solutions.

Buyers especially from the CIS (Russian Federation and Caucasian countries account for almost 30% of the visitors) and Eastern Europe (about 18% of the visitors) attend this fair. The fair is typically a garment fair as about 70% of the exhibitors cover leather and fur garments.

The Meet in Africa initiative to create an all-African leather fair catered for a requirement that could develop the African leather industry. The project, funded by the Centre for the Promotion of Imports from developing countries (CBI), was a combined effort of the International Trade Centre (ITC), the African Federation of Leather and Allied Industries (AFLAI), and the Société Internationale du Cuir (SIC).

Meet in Africa, a biennial event moving from one country to the next, started in 1998 in Cape Town and it was a resounding success, proving the very positive response of the international market and the worthiness of the approach. The subsequent editions in Casablanca in 2000, Tunis in 2002 and Addis Ababa in 2004 witnessed a constant and considerable growth in size and participation, but then decline started.

Internal conflicts among regional organizers and the tension created by the choice of the hosting country – not always based on criteria of market attraction – along the principle of an itinerant exhibition, contributed to the weakening of vision and of the capacity to become self-sustainable, with a continuous dependence from foreign donors for fundraising. The last event was held in Khartoum in 2009.

Meanwhile the **Ethiopian leather industry association ELIA**, with a growing local industry and strong move upwards in the value chain imposed by a precise national leather value chain strategy, launched its first All African Leather Fair (AALF) in 2008. The fair is slowly expanding and attracting progressively more foreign visitors, striving to become a true international trade fair.

### **From the point of view of the participants**

There are many types of trade exhibitions. This paper however focuses on specialized trade fairs i.e. on events that deal with a specific sector and that are restricted to professionals. The general public is not commonly admitted, but in some cases the organizers of the trade fairs allows for an “open doors” session, generally towards the end of the exhibition, and it may give permission to sell products on display.

What really matters then are the professionals, from the trade fair hosting country as well as foreigners. It is important to have all the possible participants in mind, because this will allow to determine the groups that will be primarily targeted, based on the trade fair focus and the marketing objectives, notwithstanding the fact that all categories will likely be part



of the trade fair: Manufacturers; Traders; Agents; Suppliers of industrial inputs; Suppliers of components and accessories; Suppliers of services; Research and training institutes; Professional associations; Trade promotion organizations; Technical cooperation agencies; Institutions; Press; Other media. They can be both exhibitors and visitors.

Being able to attract the right type of exhibitors will normally entail that visitors will follow suit, provided that the promotion and communication campaigns are correctly and effectively done. The two groups are complementary. If a trade fair is not able to attract the audience (domestic and international) expected by the exhibitors, the event will not achieve its objectives even in spite of an efficient and spotless technical organization. National visitors are important and, in the case of a trade fair of finished products, the hosting country should have a strong consumption level for motivating the participation of foreign exhibitors.

An important segmentation is that of **domestic versus foreign participants** because a high percentage of foreign participation will determine the recognition of the fair as “international”. Otherwise the trade fair can remain a national or even local event, patronized by the domestic industry only.

### **Motivations of exhibitors and visitors**

Before any decision is taken with respect to organizing a trade fair, it is important to understand what determines the choice of participation by exhibitors and visitors, their needs and expectations. The success and failure of the event depend on that. The answer might appear obvious: to make business, but, if this is the core motivation, the reality is somehow more complex. Organizing a trade fair means to place on the market a service that is already widely available. The question therefore is what makes a new trade fair attractive, that is which distinctive features may differentiate it from others and generate the interest of the participants, knowing that participation can be fairly costly and participants would obviously expect a return from their investment.

A trade fair is a service, whose customers are exhibitors and visitors. The two are fundamental. Determining the right targets within these categories and the matching point of their interests is a key marketing factor.

Numbers are important: quite often data on participation (how many exhibitors and visitors) are used as a parameter of success and a selling factor. But the quantitative dimension is not the only one, and in any case not applicable to a new trade fair.

A qualitative asset is similarly important and it becomes essential in the case of a new trade fair. In this case quality is not intended as the value assigned by the customers to the

service, but it refers to the uniqueness or specialty of the event in the market and to the way the event is perceived and to its capacity to fulfil expectations.

A marketing approach needs then to be applied, whose starting point is evidently the “customer”. As seen in the previous chapter, a variety of participants can be expected in a trade fair. Anyhow two main actors are considered here and they constitute the audience axes of the event: the exhibitors and the visitors. The driving motivations for participation in a trade fair for an exhibitor is the opportunity to: Showcase its products or services and reach a targeted audience; Create or reinforce the visibility and raise the awareness and interest about its supply capacity; Attend to inquiries and disseminate information; Identify new potential customers or strengthen relations with the existing ones; Establish backward and forward business linkages; Identify agents; Negotiate offers which may result in actual orders; Develop the relationship network; Meet potential partners that can lead to business alliances. These motivations are shared by all exhibitors, whether they are from the industry itself or providers of products and services along the whole value chain. For example, trade fairs in the leather sector can accommodate, next to producers and suppliers of raw materials (hides and skins), intermediary products (leather) and finished products (footwear and leather goods), suppliers of equipment, chemicals and accessories, training institutes, publishers, designers, trade agents, trade promotion organizations, etc. For some exhibitors, participation is a question of prestige and a ‘must’ to show and reaffirm their place in the sector.

Motivation for participation in a trade fair anyhow is not only linked to the supplier-client relation, but it has many aspects of a more horizontal nature:

- Exploring the market and observing the trends;
- Exchanging experiences;
- Gathering information e.g.: – Keeping abreast of product and industry innovations; –
- Knowing what competitors do; –
- Learning latest sales and promotion techniques.
- Comparing quality, price, and marketing mix performance;
- Attending technical sessions/conferences/symposia and other similar functions organized within the trade fair as side events;
- Visiting local industry;
- Having the opportunity for some tourism.

The same motivations are shared by the visitors as well, who can also have some of the motivations of the exhibitors. One should not think in compartmental terms: e.g. on one side exhibitor = suppliers and on the other visitors = buyers.

The definition of visitors is rather heterogeneous. Visitors can be from any of the categories seen in the previous chapter. They can also be suppliers who decided not to participate as

exhibitors. Furthermore, the relation suppliers-buyers is found also among exhibitors: in the leather sector, where exports take place at many levels of the supply chain, from raw material, through leather, to finished goods, an exhibitor of footwear is the potential client of an exhibitor producing leather and accessories. Needless to say that exhibitors of machinery, chemicals and components, can find for example clients among tanners participating in the trade fair as exhibitors. Therefore a trade fair is a multi-task meeting point where, in a condensed period of time, many contacts can be established leading to business, partnership and knowledge development. In normal conditions most participants are from the hosting country, for which the trade fair is a promotion window.

Besides the general motivations seen above, it is important for the trade fair organizers to identify the most motivating factor to attract foreign participants which will determine the event's marketing and influence the promotion and communication campaign.

International trade is dynamic and its actors are constantly looking for new opportunities for business development and eager to explore new convenient avenues. A country can then value and lever on its assets, such as the abundance of raw materials, the untapped potential for growth which can attract international partners, the industry performance that shows its dynamism and expansion, the support provided by the Government through a sectoral development strategy and regulations that facilitate foreign investments.

While a country's competitive factors per se may not be sufficient to determine the success of a trade fair, market drives should also be taken into account which may be linked to the evolution of the international trade structure. At the time this paper is written for example, Africa's endowment of materials for the leather industry is increasingly attracting the attention of giant players such as China, India and Italy, whose industries more and more require access to external supply. Levering on this demand can be an asset of a leather-related trade fair in an African supplying country.

**Is an exhibition the right choice in the "global village"?** The big bang of Information-communication technologies and media facilities in the last thirty years have bridged distances and made an astonishing mass of information available, facilitating its transfer both in qualitative and quantitative terms.

Without any doubt, habits and behaviour have drastically changed also in the way of doing business, through Internet-based services and telecommunication networks.

Online marketplaces and business databases, companies' websites and industry portals are facilitating B2B and B2C linkages, and actual business transactions are possible through e-commerce.

It may appear that trade fairs are now inefficient compared with other communication means, some sort of superfluous heritage of the past. Understanding the needs and motivations of the customers (exhibitors and visitors) would allow positioning the trade fair as the right response and building its speciality or uniqueness to stand out from the crowd.

The attractiveness and the business readiness of the local industry are crucial. Doing business is the core driver of a trade fair, but customers expect more in terms of a knowledge and relationship development opportunity.

Is it really so? Surprisingly enough, a study conducted in 2001 by UNIDO, in cooperation with ITC, on the leather sector in Africa has revealed that one of the major problems reported by the operators of the sector is the insufficient access to information. This is particularly true in the case of South-South trade. Whilst even an excess of information is sometimes available on industrialized countries, many developing countries do not have sufficient visibility in the international market.

This means that the digital divide still penalizes the developing countries. Apart from the leading emerging economies of the BRICS group, who are also major players in the leather sector worldwide,

- how many companies from Africa and other LDCs have their websites? Very few.
- It is also worth considering: Are the online marketplaces regularly visited?
- Are the online databases and companies' directories regularly updated?
- Do the companies' websites provide an exhaustive and objective picture besides the promotional purposes?
- Do the research facilities allow identifying precisely the type of information required and the business partner sought?
- Do entrepreneurs in developing countries have easy access to advanced technologies and means for data and image transfer in consideration of the high rate of the needed connectivity speed? The intention is not to downsize by all means the importance and the tremendous support offered by the Internet-based facilities to identify, diversify and expand business contacts. Business anyhow is the result of a dialogue and negotiation among the parties that require developing mutual understanding and trust. ICT comes to the rescue of these needs through e-mail and mobile facilities, but what it cannot provide, not yet at least, is the face-to-face acquaintance-making, the person-to-person discussions, seeing, touching and feeling the products. [www.intracen.org/leatherline](http://www.intracen.org/leatherline)
- A trade fair has still an important place and a role in the global village, even just for doing business. It has anyhow the much larger scope of a dynamic meeting point and of a targeted and condensed platform for many activities that ICT means cannot match.

- ICT is again an ally of trade fairs when it comes to facilitating promotion, communications and management of the events. It also enables a more effective preparation by the exhibitors and visitors for example in planning meetings with potential business partners.
- Progress in terms of an expanded transport network and traffic is another helper of trade fairs as it makes participation easier. In such a context, the obvious question is “why organize a trade fair instead of participating in one that already exists?” One choice does not elicit the other. Participating in a foreign trade fair is a somewhat expensive undertaking which is not easily affordable by most small and medium-size enterprises in developing countries, which risk to be maintained at the periphery or outside the international business circles.
- Organizing a trade fair in a developing country is often the only opportunity for its many small and medium-size enterprises to obtain visibility, valorize their capacities, negotiate business, attract investors, and learn.
- Furthermore, it provides companies from developing countries with a forum for discussing and understanding their common needs, and eventually approach in a more coherent way and on stronger ground international technical cooperation agencies that may support development projects. A trade fair can also be considered a knowledge-based “temporary cluster”, of special relevance for developing countries where large industrial clusters do not exist and the exposure to advanced markets is often limited. The trade fair then offers a learning opportunity through the relations that local SMEs can establish with leading and innovative foreign companies participating in the event as exhibitors.

### **Goals of organizers and implications**

- **Initiators and driving purposes**

A trade fair can be a very profitable venture, at least in the medium and long-term, provided that it is able to firmly position itself in global market of exhibitions and create a surplus of revenues to cover the investment and generate profit.

Whilst the primary goal is to contribute to sectoral development, several industrial associations have been able to establish trade fairs that have become their core activity and, through their proceeds, have financed the associations’ growth and subsidize other activities and services.

Subsidiary goals of an industrial association, or a chamber of commerce, can also be promoting membership, raising its profile internationally and improving its network for joint initiatives, and positioning itself as an interlocutor of international technical cooperation agencies for project funding.

Given the potential ability of generating profit, a trade fair can also be the business project of a private investor or a group of investors. One should say that this scheme has proved to be more successful in several cases because it allows positioning and developing the trade fair more in relation to the demand, and therefore be market-oriented, rather than to the local industry objectives i.e. merely promotion oriented.

In other cases the government takes the lead, often through its trade promotion organization, and the trade fair initiative is part of the government's plans for sector and economic development and an element of the trade promotion policy. Secondary interest can also be valorising the existing fairground when this is part of a government's exhibition and conference park.

In some instances, foreign organizers of international exhibitions may wish to expand their business scope and enter into joint venture with local partners. When such organizers are foreign sectoral associations, the initiative can also be driven by an opportunity goal of the national industry that they represent, to visibly position itself in a promising national or regional area and create sustainable business ties with that sector.

Regardless of the main underlying goal, two aspects need to be taken into account: A trade fair requires a substantive investment if an international impact has to be achieved, which may not be granted by a single promoter and a careful risk management needs to be adopted.

The image of a national sector is exposed in a trade fair and, while it can be a powerful engine for growth, it can also have negative repercussions if the event is not up to expectations.

A new trade fair in a developing country should normally be the joint undertaking of the public and private sector. The government, if not the initiator, should endorse the project and ensure that it is aligned with the country's and the sectoral development goals. It may delegate fully or partly the implementation to private sector parties.

### **Choosing among alternatives**

Besides the different motivations behind a trade fair project, including the self-promoting goal of the initiator and the revenue generation stimulus, a specialized trade fair is first and foremost a trade promotion and an economic development tool for the hosting country.

In consideration of the complexity of its organization and the substantive investment required, it is worth considering whether the same results cannot be achieved by other means. They all have in common the objectives of raising the external awareness of the sector's supply capacity and of facilitating the development of business links.

### **Trend Selection Area**

A trade fair can be a public or private initiative, or a joint undertaking. Regardless of who is the initiator, a trade fair is a collective effort of a country, since it is capable of producing effects (positive or negative) not only on the way the local sector involved is perceived by the international market, but also on the image of the country as a whole. Public and private stakeholders must be co-opted and their active participation ensured.

Peculiarities that make it more suitable than others in a given context and for a specific purpose. Here are some succinct annotations: Business tours: a group of suppliers/exporters meet potential buyers or partners in selected foreign market(s).

This can be a powerful means for business generation and knowledge-building, provided that the programme and meetings are correctly targeted. The drawback is that a (very) limited number of suppliers/exporters can afford to participate and quite often they are from the business elite of the sector.

The vast majority of SMEs are excluded. The positive side is that the business elite can contribute to build a favourable image of the country. Other than for its intrinsic merits for export development, business tours are worth considering also as an exploratory and preparatory phase for a trade fair.

**Participation in international exhibitions:** It may consist of individual or group participation. Similar to the business tours in its pros and cons, it has the advantage of offering an exposure to a larger audience, even if not proactively selected. Participation in an international exhibition can also be an occasion to take the pulse of the market in respect of the planned trade fair and eventually promote the event.

**Promotion campaigns:** These may take various forms; from a communication strategy pursued through international sector specialized publishers, to a campaign involving foreign trade promotion organizations and sectoral associations. Such promotion campaigns, in spite of their strong imagebuilding impact, if properly conducted, lack the interactivity between the business operators. They should then be considered as support to other more direct promotion and business development activities, such as business tours, buyers-sellers meetings and a trade fair.

**Buyer-seller meetings:** This business generation approach aims at identifying trading opportunities in a systematic and methodological manner. Quite often of a regional dimension, it aims at bringing together potential trading partners from different countries who could take advantage of these opportunities.

The buyer-seller meetings, attended by carefully selected enterprises, provide a platform for conducting concrete business negotiations. Under this approach, which can be highly cost

effective, trade development services of support are generally provided to enterprises when they lack the resources to initiate individually expensive international marketing activities.

Buyer-seller meetings can be organized back-to back to a trade fair, thus facilitating business matching and increasing the joint outreach. This would also ensure a substantive participation in the buyers-sellers meetings, which is otherwise the risk factor in this trade promotion approach.

Trade promotion is not a time-bound and short-term activity, but a continuous and coherent effort of a country, where a trade fair can be one of the elements. Several sets of different activities can be implemented, having in common the trade development goal. Whilst each one has its own purpose and function, one does not elicit the other. Their blend, to the extent possible, can produce the best results in a holistic and integrated vision. The choice is rather a matter of opportunity costs. The decision is the consequence of the degree of development of the sector, of the objectives pursued and of the resources that can be mobilized. It is anyhow worth considering that a trade fair, whilst the most complex and risky event, it is the only one capable of generating revenues towards its sustainability.

A sectoral website can be a powerful shop window for a national industry, provided that its indexing allows for its easy traceability in Internet. It cannot however be considered per se a promotion instrument, capable of replacing those described above. It should rather be considered essential as a collective support tool for the other trade promotion activities at sector level, to enhance their sustainability and impact. The same applies also in the case of a trade fair, for which the availability of a website should be considered a must.

Things to be assessed before planning Organizing a trade fair is a marketing venture; therefore the starting point is the consumer. When the purpose is, and it generally is, to promote the local industry and attract investments as a means for sector development, two types of consumer groups of the event must be considered: the local industry and the foreign potential business partners.

A trade fair is a service and it has to meet needs and provide solutions. The local industry's supply capacity and international demand is the matching point between those needs.

A research – no matter how deep – is then necessary to enable decisions not distorted by unverified assumptions and unrealistic ambitions. Is there internationally a sustainable demand for the products of the local industry, and at which level(s) of the supply chain is it stronger? Is the local industry competitive in foreign markets and what would make it more competitive? The answers to such questions can be the result of a mix between desk and field research.



Statistics, both the country's exports and the international import data, can provide an initial support to determine the international market structure and trends, and determine untapped opportunities.

Qualitative information can be obtained from the exporters in the country to better understand their strengths and weaknesses through their export experience and the relevant business response of the regional or international markets. Research should also be conducted in a sample of importing countries, through contacts with their sectoral and industrial associations, to ascertain the awareness of the supply capacity of the country planning the trade fair and possibly the perceived comparative advantages and limits. The research can be sponsored or conducted by trade associations and may also encompass an analysis of the neighbouring countries' trade assets since overseas participants may see in the trade fair not only an opportunity to establish contact with the local industry but also to a larger scale with the regional supply.

The results of the research, depicted here in a nutshell, will enable to preliminarily assess the viable assets of the trade fair project and to help start focusing its objective, theme and market scope. It is worth keeping in mind that if the core participation in the trade fair is generally from the hosting country, the success of the event is measured on its capacity to attract external participation. Besides market conditions, others need to be analysed at the outset of the project, which are related to the capacity of the organizers to: Manage the event.

A trade fair requires a technical expertise which may be wholly or partly outsourced to the fairground authority and the service providers. The organizers must anyhow be in a position to negotiate the terms of reference with the service providers, and coordinate and supervise the inputs and activities. Many activities will be in the hands of the organizers who would need to assign sufficient and qualified manpower to the project.

The organizer must have the knowhow and expertise in organizing and managing trade fairs. If this capacity is not available inhouse, a "manager" with a substantive professional background should be hired. Mobilize resources.

Organizing a trade fair implies a substantial investment. Unless local or international promoters are prepared to finance the new venture entirely, the general case is that a new trade fair is subsidized by domestic (private and/or public) and international sources of financing such as technical cooperation agencies.

Besides good intentions and ambitions, a realistic and pragmatic approach is required before embarking on a complex undertaking such as a trade fair.

A preliminary research needs to be undertaken to assess the viable assets of the trade fair project and its capacity to ensure “participation”, both national and international, which is a key success indicator. A self-analysis is also required to determine the ability to manage the event, to mobilize resources and to develop and maintain the relations network.

**Mobilize local partnership for the event:** the organization and implementation of some of the trade fair’s elements can be taken care of at local level by private and public entities for tourism, transport, industry, commerce, customs, conference and other service providers. The coordination and management of the integrated set of elements should anyhow be ensured by the organizers.

**Mobilize local participation:** Local entrepreneurs and other sectoral stakeholders normally represent the major part of the participants. In a developing country the possibility to mobilize the full or a substantive representation of the local industry is essential. The organizers must enjoy credibility among the business community to ensure such participation.

**Risk assessment and mitigation:** Potential problem areas need to be identified as well as the expected measures to be applied to anticipate and avoid them, monitor the problem sources, and minimize the impact. Risks can be related to the objectives, the scenario, the operations, the costs, etc. and they can be domestic or external.

**Sustainability of the trade fair:** A trade fair generates revenues, especially in terms of stand rental and services provision, and possibly publicity. Nevertheless, self-sustainability – if ever full – can generally be only a medium or long-term objective, which progressively materializes alongside the growth of the event and the improved efficiency. Therefore, the organizers should base their plan on the premise that funding sponsors, local and international, are willing to provide a continuous, even if progressively declining support, for future events. An analysis of strengths and weaknesses with respect to the above-mentioned factors and the identification of ways to ensure that those requirements are met should be the initial assessment for the feasibility of the project. It is important also to determine whether convenient accommodation infrastructures exist in the country and if the hotels by number, quality and position are able to match the trade fair requirements.

### **Planning: Setting objectives and strategy**

When a decision to organize a trade fair is taken, after having assessed its overall purpose and expected results against other alternatives for trade promotion, the subsequent step is to define the precise objectives which are to be pursued and achieved. The definition of the objectives will of course influence the scope, the budget and the expected return of investments, and all the other related operational factors: management of the event, logistics, services, communication, etc. Such a decision then has far-reaching consequences.

A specialized trade fair is generally meant to promote an industry or sector and the logical conclusion is that it should encompass all the actors of the sector at once. As we have previously seen, its success depends on its capacity to mobilize participation: the exhibitors' and visitors' decision is based on their prospect of doing business i.e. the export readiness of the potential interlocutors at the fair.

A country may present different levels of development of the components of its supply chain. For example, in the case of leather, the industry can supply raw materials (hides and skins), intermediary products (broadly at the level of wet blue, crust or finished leather) or leather articles ((footwear, leather goods, garments, etc.).

The size and the level of development of the supply chain's components may determine the choice of the product/industry segments on which to limit or concentrate the scope of the trade fair. The alternative is therefore between a horizontal or segment-based fair.

A focused scope (for example leveraging on the tanning industry only) may be in some cases more productive. A compromise has to be found between the broad trade promotion goal pursued by the country and the realistic expectation for a successful marketing of the event.

Notwithstanding that one of the goals of a trade fair for a developing country is to attract investors and transfer of technical know-how as a development factor – and this can be mostly expected from Western countries and emerging economies in Asia – the size and the level of development of the local industry and its market propensity should also determine the choice of the geographic scope of the event: a regional or an international trade fair? Leather articles may have more marketing opportunities in the neighboring countries than in more demanding and competitive distant markets.

A regional trade fair would enable the organizers to test the attractiveness and efficiency of their products with a limited risk factor and evolve in time into a fully international event. There is no magic formula to assist in the definition of the two above-mentioned scope parameters.

A careful and pragmatic analysis needs to be undertaken, keeping in mind that a trade fair is just one of the trade promotion means, and its achievements depend at the start on its correct positioning and focus.

An unsuccessful event may have a boomerang negative effect in the perception of the market. There is no minimum threshold of participation that makes a trade fair worthy, especially in the case of a new trade fair.

The qualitative aspects should be considered preponderant with respect to numbers. It is anyhow necessary to work also on numbers (of exhibitors and visitors) because this will determine the expected return on investments, the size of the fair ground, the extent of services, the accommodation facilities (hotels) required, the ability to attract visitors, and so forth. The starting point is the exhibitor.

The core participation is generally from the hosting country and the local counting is relatively easy, but the success of the event is measured on its capacity to attract external participation.

A realistic projection should be made and set as a minimum target for external exhibitors. All promotional and communication efforts should then be deployed to reach the target. The projection should be based on the profiles of the potential external exhibitors.

A specialized international trade fair in the leather sector for example, focused on the tanning industry, can reasonably expect participation of tanners from neighbouring countries, of buyers of leather in foreign markets, be they traders or consumers.

All strategic and operational decisions are the consequence of the objectives that are pursued through the trade fair, which in turn are determined by the development goal of the local sector. A realistic assessment of its capacity to be a consistent partner of the external business community and of its strengths and weaknesses along the value chain would help to identify elements such as specialization, coverage, geographic scope and targeted participation that enter in the marketing plan of the event.

Materials, international suppliers of machinery, chemicals, accessories and components, engineering companies proposing ecological industrial solutions, technical research and training institutes, sector specialized press and media providers.

A trade fair may be just one component of a larger sectoral promotion strategy of a country. As part of an integrated set of diversified activities, it may be considered that the implementation of a single event fulfils its function. Against this approach one has to realize that promotion is not a time-bound push but rather a continuous process.

**So is a trade fair.** Doing things right from the outset is unlikely. Learning from lessons and introducing corrective measures in subsequent events will allow a progressive improvement and growth of a trade fair, bringing it even closer to the original mission and goals. In due course, even mission and goals can change based on experience. Furthermore, organizing a trade fair is a complex and demanding undertaking.

A one-off event would not be justified as it will not capitalize on the efforts made. Determining the periodicity comes as a consequence of the choice of planning the trade fair

as a recurrent event. Most of the well-established trade fairs are held annually, but nothing prevents organizing a trade fair on a biennial basis. This has to be realistically assessed on the basis of considerations such as the expected interest and reaction of the targeted market, the capacity of the organizers to assimilate the lessons learned and introduce adjustments (keeping in mind that promotion, communication and organization should start not less than one year before the event), the ability to mobilize and secure the required resources. As regards the decision on the duration, this is rather restricted: a trade fair has normally the duration of three days, rarely four, because reluctantly businessmen are prepared to devote more time.

The choice of the **timing (dates)** is extremely important. A number of factors need to be taken into account: avoiding clash with other trade fairs or sectoral events, break-for-holiday periods (for example between July-August in Europe), religious traditions (the month of Ramadan or Christmas) and other cultural festivities in the countries whose businessmen are targeted for participation.

The **climate** in the hosting country should also be taken into account to avoid discomfort. In the case of a trade fair of finished products, the dates should coincide with the buyers' procurement timing, such as in the case of fashion seasonal products.

A key element of the planning phase is naturally the decision related to the **fairground**. It can be anticipated that in many developing countries there are not many alternatives to be evaluated, but the analysis should be focused on the questions whether the available facilities respond to the requirements and, if adjustments and ameliorations are required, these are feasible and affordable.

As already mentioned in the chapter related to the motivations of participants, these may expect something more from a trade fair and the trade fair itself can be enriched in purpose and made more attractive by a series of side events.

The decision to be taken is related to the type of the events to be organized which should be logically connected to the theme of the trade fair and dependant again on resources available and management capacities.

Such side activities can eventually be assigned as self-contained projects to partners, who in some cases are able to sponsor such events, while the organizers ensure their proper integration in the trade fair. Among activities to be considered are:

- Buyer-seller meetings;
- Conferences;
- Technical seminars;
- Lectures;

- Company visits;
- Fashion shows;
- Folklore and touristic shows.

Other countries in a region may already be organizing or planning to organize trade fairs. Rather than competing, seeking for complementarity or eventually cooperation can be more productive. If the participation target is the same, exhibitors and visitors would need to make a choice which may entail weakening one of the two events or both. A distinctive theme and focus or an alternation in organizing the trade fairs may ensure success.

### **The building blocks of the organization**

Whether the promoter of the trade fair is an enterprise, a public institution, a trade promotion organization, a sectoral association or a combined private/public venture, an organism will carry the overall responsibility for coordinating the event. Quite often a specialized trade fair is the project of an industry representative entity i.e. a sector-specific association, a chamber of commerce and industry or a trade promotion organization.

Whichever is the principal trade fair authority – from now on called the Organizer – it will generally act upon mandate, permission or concurrence of the government and it will be bound to the local rules governing the exhibitions, where they exist. The Organizer must have the legal status to enable it to enter into contracts and agreements, and to deal with the administration of the event.

A National Coordinating Committee should be formed with the representatives of the major stakeholders in the country with the purpose of assisting the Organizer in decision-making and in organizational matters, overseeing the preparation of the event, mobilizing resources and facilitating the coordination of activities and the inputs of the parties.

Typically, the National Coordinating Committee is constituted by delegates from private sector representative bodies and government entities and public authorities for industry, commerce, transport, customs, tourism and service providers (e.g. fairground proprietor).

A Memorandum of Understanding would need to be signed specifying the terms of reference of the Committee and of the parties. The composition of the National Coordinating Committee will be determined on the basis of the theme, purpose and scope of the trade fair.

The cross-institutional National Coordinating Committee will play an oversight and facilitating role, whilst all practical matters related to the implementation of the event will be in the hand of the Organizer, who needs to set up a Management and Operations Team under its control.

The structure of the team should reflect the basic functions required in the organization and implementation of the trade fair. The following chart is provided as an example.

Organizational chart of the Management and Operations Team Promotion and communication are at the core of the project and they are key elements of the marketing mix for positioning the new service in the market and for attracting participation that is the measure of the success.

The availability of an information bureau able to answer all inquiries at the earliest possible stage of the project and of comprehensive promotion and information materials are the factors that will determine the expected response of the market. The Organizer will have to outsource several or many services, and will have to enter into contractual arrangements or agreements with a number of service providers. In some cases, a provider with experience in organizing exhibition or the fairground authority itself can cover most or some of them. Still it is important to keep in mind the services required and develop for each of them the pertinent terms of reference.

#### **Management Research Administration Communication and promotion Registration and customer services Logistics and service providers' relations**

A Welcome Desk has to be placed at entry point, generally the airport, with multilingual staff, able to provide information and facilitate entry formalities of foreign participants. It should be properly situated, visible and equipped with trade fair visuals. Materials such as trade fair catalogue, trade fair map, guide for participants, trade fair programme and country briefs should be available to visitors.

The welcome desk should also provide assistance for hotel identification, in the case of participants without a confirmed booking. Exhibitors will carry their samples for display at the trade fair. They can enter their samples in the country as items for re-export, when sales are not admitted in the exhibition. In any case they should possibly be admitted exempt of duties. Depending on the import regimen, a bonded warehouse may need to be made available.

The Organizer must reach an agreement with the Customs authority so as entry formalities are facilitated to the maximum extent possible. In the case of exhibitors bringing bulky samples (for example machinery can be among the displayed goods in a leather sector trade fair) the Organizer must ensure that transport contractor(s) are available for taking care of the goods from the port of entry to the fairground.

The Organizer should possibly appoint an official forwarding agent with a warehouse in the country, who will also facilitate and take care of all customs' procedures on behalf of participants. Taxis and shuttles must be made available. The Organizer should ensure the commensurate presence of taxi services at the port of entry of participants (generally the airport), at the fairground and at the recommended hotels. Taxi fees are settled directly by the participants, while shuttles are normally provided free-of-charge as part of the package made available by the Organizer.

A careful schedule needs to be worked out for the shuttles, according to the arrival of the participants and to the programme of the event. The itineraries to be taken into account are: port of entry-hotels or fairground (some participants may wish to go directly to the fairground), from/to hotels and fairground, from/to hotels/fairground to places of external receptions in case these are offered to participants. Participants need to be registered and receive an entry badge.

A registration desk, comfortable and well equipped with staff, multilingual to the extent possible, needs to be set up at the entrance of the fairground. Data of exhibitors and visitors that have contacted the Organizer ahead of time and registered themselves must have been already entered in the database system to facilitate and accelerate the process. Other visitors will have to fill out a form at the entrance and possibly provide a business card for subsequent recording in the database.

Entering data directly into the system at the entrance should be avoided as it slows down the process. The database is an essential instrument for monitoring participation and extract statistics for post event press releases and reports, as well as for communication to participants and promotion actions for subsequent trade fairs.

Badges should identify categories of participants: Organizer, partners, assistants, exhibitors, visitors, institutions from the host country and VIPs. The registration desk will also hand over packages with all the materials related to the trade fair to visitors.

Exhibitors should have normally received all the materials ahead of time. A Secretariat of the trade fair must be established at the fairground as the central information and inquiry point for the participants and for dealing with last-minute requests (e.g. furnishing materials for the stand). The Secretariat should accommodate the representatives of the key service providers or it should be able to be in direct and constant communication with them through mobile phones. Unless a separate area is provided in the fairground to enable participants to have access to facilities such as: Wi-Fi Internet, fax, photocopier, telephone and interpreters, a customers' service bureau can be attached to the Secretariat.



Participants quite often need to have access to bank and travel agency services e.g. for money exchange and for travel booking confirmation or rescheduling (some may also wish to organize). Many elements come into the organization of the trade fair, as self-contained pieces of a puzzle that should fit and compose the entire picture. The implementation of some activities will be directly handled by the Organizer, whilst others would need to be delegated to service providers and contractors on the basis of accurate terms of reference, under the purview and responsibility of the Organizer. Mapping all the elements at the outset of the project is essential for planning purposes and for an estimation of the required resources as part of the trade fair business plan.

**Sightseeing tours in the country.** Arrangements can be made with a bank and a travel agency, so as the relevant desks are made available to the participants. These organizations are often willing to do so for promotion and business purposes.

Unless the following services are part of the contract with the fairground authority, and they normally are, they need to be separately considered in the organization plans: Assistance crews, connected to the Secretariat of the trade fair by mobile phones, should be present and fairly distributed in the alleys and areas of the fairground to respond to inquiries from participants. Porters, electricians and other technicians are required by the exhibitors, especially during the stand installation. Their handy availability is anyhow needed throughout the trade fair to handle stand amelioration or repair requirements by the exhibitors and in general to ensure the proper functioning of the fittings and facilities in the fairground. Quality coffee shops and cafeterias/restaurants need to be planned and established commensurate in physical size and supply capacity of the expected crowd in the trade fair.

**External catering** providers can be contracted for the full service: equipment, supplies and staff. The catering offer should take care of the typology of expected participants and be able to provide food in line with the specific dietetic and cultural habits.

**Security** should be present throughout the event. 24hour coverage is required, since exhibitors often leave their displayed goods at the stand overnight. A general liability insurance to cover property damages and physical injuries needs to be established by the Organizer (or the fairground authority). Whilst a responsibility waiver can be stipulated in the registration/admission conditions of participants, who can be required to stipulate their own insurance, an insurance contract is nevertheless highly recommended as a risk management precaution for all participants. First-aid post or pharmacy.

As mentioned in the previous chapter, a number of side events are generally foreseen within a trade fair: e.g. buyer-seller meetings, conferences, technical seminars, fashion shows, cultural and touristic shows.

These may or may not take place within the fairground depending on the infrastructures and facilities available. When organized within the fairground, it is important to consider whether they distract attention from the trade fair or create disturbances. For example, blaring music during fashion shows has a negative impact, and the opportunity to organize them after normal business hours should be contemplated. In some cases, the side events are attached to the fair ground as they are part of the exhibition park of the country.

The choice of what to host as side events depends also on the logistic and organizational convenience. Given the many variables involved it is only possible to provide some hints regarding their basic organization requirements.

**Conference and technical seminar:**

- podium with name holders,
- seats (possibly with folding tablet for writing),
- sound amplifier or individual earphones,
- dais for speakers,
- multimedia system (PC and beamer),
- screen,
- flip chart,
- roaming radio microphones in the case of large assembling,
- refreshments.

Depending on the audience, facilities for simultaneous translations and interpreters may be needed. Buyer-seller meetings: hall with tables and chairs for one-to-one encounters and business negotiations, secretariat with office equipment for meetings coordination and documents reproduction, simultaneous interpreters if required by the audience, refreshments.

Fashion shows/folklore and touristic shows: stage (catwalk in the case of fashion show), lighting, sound amplifier. Foreign participants in a trade fair may wish to visit local factories of potential business partners. While individual visits can be privately organized by the parties, group visits to selected factories can be included as part of the programme for an acquaintance of the supply capacity of the sector and for promotion.

Generally a professional association should be in charge of organizing such group visits. Transport should be arranged and provided by the Organizer. Given the importance of a trade fair for trade promotion, the opening ceremony is normally held and conducted by highranked government officials.

Such a programme needs to be carefully planned. Protocol and security measures prevailing in the country must be applied. After the ribbon-cutting and opening speeches, the authorities would normally take a walk within the exhibition and stop at selected stands.

Press and television staffs are normally part of the procession. Several factors, either of force majeure or related to the organization of the trade fair itself, such as the insufficient number of participants, may lead to the cancellation of the event.

This decision may occur very close to the established date when expenses have already been incurred. In order to recover such expenses and eventually to deal with complaints for compensation by registered participants, a cancellation insurance needs to be stipulated.

### **The fairground**

Organizing an international trade fair means to conform to the extent possible to the prevailing international standards and requirements for this type of event. The following are just a few parameters that need to be taken into account: The total surface of the covered area is generally 2.5 – 3 times larger than the surface occupied by the stands i.e. if a total number of the targeted exhibitors is 150 (assuming that each stand has the basic dimension of 3 x 3 m), the total surface of the fairground should be between 3,500–4,000 m<sup>2</sup>.

It is anyhow advisable that premises are able to accommodate a larger number of stands than the targeted number of exhibitors in the case of a higher demand. The additional space is needed for gangways, and for accommodating all public utility services. In the case that side events take place in the context of the trade fair, the layout and space should be considered.

Suitable location and accessibility, rationality of the layout, level and consistency of quality standards of stands, public areas and amenities, comfort, security, and handiness of utilities and facilities are required from a fairground to contribute to the success of a trade fair.

Unless these can be accommodated in adjacent facilities, such as in the case of a fairground that is part of a larger convention and exhibition park. The whole layout should be designed to facilitate the easy flow of participants across the various areas. The basic stand dimensions are typically 3 x 3 m. Their partitions must be movable so as to accommodate requests for a larger surface from individual exhibitors. The partition should normally be constituted by 1 m. segments so as to allow a certain flexibility for smaller stands for categories of exhibitors with limited display e.g.: publishers, institutions and alike. These can eventually be grouped in a special section of the fairground.

As a general rule it is anyhow recommended to limit the options on fixed incremental modules so as to facilitate logistics and administration. In some cases, large individual exhibitors or a group of exhibitors e.g. a “country” delegation, may require a special design

and set-up of their stands. They may bring their own stand materials and fittings, together with the staff for the installation, or they may require the assistance of local designers, constructors and technicians. It is up to the

Organizer, in consultation with the trade fair authority, to determine the parameters and the feasibility of accommodating such requests and to provide the necessary services. This can be the object of special contracts to be negotiated and finalized at the registration process. Alleys must be numbered and each stand coded with position coordinates to facilitate tracing of exhibitors by visitors. A fascia on each stand must bear the name of the exhibitor. The fairground should comply with safety considerations.

Materials should be fireproof, especially carpets. Fire extinguishers must be handily available. The fairground should have a congruous number of easily accessible exits. Ventilation should be adequate. According to climate conditions, an air-conditioning system may need to operate for the comfort of the participants.

Each stand must be equipped with a standard set of furnishings, whose quality must be consistent throughout all stands, together with a proper lighting system and electricity sockets.

This standard set, to be decided by the Organizer, will constitute the so-called shell scheme or built-up booth which is included in the basic rental fee for the stand.

Some, or most exhibitors, may require additional furnishing items, for the comfort of their visitors or for special display needs. For example in the case of leather, special hangers and hooks are required for display of tanned hides and skins. The fairground authority must make such items available (which may also include TV and DVD, sets, multimedia, etc.), or, if this is not possible, they can be outsourced to a service provider.

They should be included in a priced catalogue and application forms as a reference at the time of the registration of the exhibitors. It is advisable anyhow to keep a reserve stock of items in a warehouse at the fairground to cope with last minute requirements. In the case that trade fair targeted exhibitors include also suppliers of machinery – which is a typical occurrence in a leather trade fair – a special attention should be given to the conditions that would enable their participation.

Access to high phase electricity, to compressed air, water and other fluids can be required at SIMAC, the stand. Furthermore, it is necessary to ensure that the floor can accommodate heavy and running equipment and that facilities to enter and move such equipment in the fairground for their installation at the stand are available.

An experienced fairground authority should be in a position, in coordination with the trade fair organizer, to deal with most of the above-mentioned aspects. Of course the existence of a fairground is a great asset, but its absence is not per se a deterrent for organizing a trade fair. For example, in the case of “Meet in Africa” in 2004 in Addis Ababa, the trade fair was successfully held in the basement of the United Nations Economic Commission for Africa (UNECA) complex and accommodated about 300 exhibitors. Such extraordinary events anyhow require a thorough analysis, a great coordination effort by the Organizer and a substantive risk taking.

### **Promotion and communication: Planning for selling the exhibition**

Full scale promotion should start not less than a year before the trade fair, possibly earlier in the case of a new trade fair.

Soft promotion can anticipate it to make the market aware of the new project.

Foreign participants must have the time to realize the worthiness of their participation, make a preliminary decision and take note of the dates of the event in their diary, where quite often other trade fairs are already booked.

When the promotion campaign starts, an information bureau (the Communication and Promotion unit within the Management and Operations Team) must be in place in the host country able to handle all inquiries by telephone, e-mail or fax.

A website should also be online. The website is not per se a promotion, but rather an information/ communication tool where also pre-registration and registration may take place. This means that all major settings of the trade fair must have been decided and established: theme, expected audience, place and venue, dates and programme, conditions for participation and stand rental fee, fee incentives for early registration or for categories of exhibitors. Needless to say that all the promotion and communication materials need to be ready and the strategy/work plan in place.

Promotion is both domestic and external. By the time the domestic promotion starts, the local industry is of course already aware of the trade fair plan as it has participated, mostly through its representative associations, in the shaping of the project. Nevertheless promotion is still necessary to keep awareness and strengthen motivations.

Sectoral and broad-based industry associations (e.g. chambers of commerce), industry’s opinion leaders, the press and the government are the main vehicles for domestic promotion. It is important to reach a fairly accurate projection of the number of local exhibitors at the earliest stage possible, since providing this information to prospective external participants is definitely a communication asset.

Things get somehow more complex for external promotion. Three levels can be pictured:

- a) Direct promotion (one-to-one): Communication reaches directly the prospective participants i.e. foreign enterprises, training and research institutes, trade promotion organizations, etc. depending on the determined target.
- b) Promotion through relays of communication (one-to-groups): Foreign sectoral associations, chambers of commerce and trade promotion organizations, for example, can operate as multipliers of communication to their members.
- c) Broad audience promotion (one-to-many): Communication in this case is channeled for example through international sectoral press, commercial ads and articles, or external websites, through participation in foreign exhibitions with a stand promoting the newly planned fair or in other events.

The three levels generally apply for exhibitors, whilst b. and c. are mostly apt for promotion to visitors; a. and b. can be operated in selected target markets, whilst c. can broaden the base of participation from other market areas. Additional promotional channels can be planned e.g. national embassies abroad or foreign embassies present in the country, international technical cooperation agencies or international NGOs, national air carrier. Other than for promotion, the latter can also be approached for obtaining preferential airfares to and from the event. This is a form of publicity for the airline company and at the same an incentive for

**Launching a new trade fair** takes a great deal of efforts to reach the pertinent and targeted audience, either directly or through partner organizations, and raise the interest for participation. Unless the promotion is effectively performed and a communication channel is promptly available to answer inquiries of potential participants, the event is bound to fail. Promotion and communication are in fact key factors of the marketing mix and adequate resources should be deployed to them.

Setting up and compiling a database of prospective customers (be they potential exhibitors or buyers) at the outset of the project is fundamental for performing and controlling the promotion and communication campaign.

Financially accessible airfares are important particularly to participants from less developed countries. Before the promotional campaign starts, a database must be compiled with the contact data of all entities to be reached (enterprises, institutes, press, etc.) properly structured by categories.

This database, which will be progressively refined and expanded until the event takes place, is an essential instrument for implementing promotional actions (e.g. mass-mailing), for analyzing and controlling the response, for facilitating the participants' application and registration process, and for extracting statistics for post-event reports.

- Basic field structure of the contact database
- ID number
- Exhibitor Visitor Name of company/organization
- Name of contact person
- Contact person: title, Address- City-Country -E-mail-Telephone-Fax-Website
- Activity category (ies)
- Product category (ies)
- Tagged for direct mailing
- Contacted by direct mailing
- Initial contact from: Initial request for info – date Application received – date Payment – date Confirmed registration – date Stand position (number)
- Stand surface Stand shell scheme Y/N
- Special requests for stand
- Special requests for services
- Hotel accommodation
- Hotel booking confirmed – date
- Participation in survey Y/N - Manufacturer - Trader - Agent - Supplier of machinery - Supplier of chemicals - Suppliers of components and accessories - Suppliers of services - Research and training institutes - Professional associations - Trade promotion organizations - Government institution - Financial institution - Technical cooperation agencies - Publisher - Press - Other media - Researcher/consultant  
Example for the leather sector: - Hides and skins - Leather - Footwear - Leather goods - Garments and gloves - Chemicals - Machinery - Direct mailing - Promotion partners - Press articles - Press ads - Promotion through trade fairs - Business grapevine - Websites - Other Items Approved by contractor Payment - - - -

### **Promotion and communication campaign**

A comprehensive promotion and communication strategy, and the effective implementation of the relevant work plan, are key success factors of the trade fair project.

Elements to be taken into account in the strategy are: The promotion and communication strategy is of course very much related to the overall goal and objectives of the event and it will be commensurate to the budget required and the resources available.

The latter will determine the choice and the extent of the campaign at the three levels described in the previous chapter (one-to-one, one-to-group and one-to-many). Such choice will depend on the scope of the trade fair (regional or international), the degree of the sectoral specialization of the event and the expected participants' profile. It is anyhow reasonable to envisage a mix of the three levels, even if the respective intensity may differ.

The target of the campaign is to ensure the fulfillment of the trade fair's target in terms of participation (quantitative and qualitative) of exhibitors and visitors alike, both domestic and external. Anyhow, the fulfillment of the target of exhibitors would be of special relevance with respect to the expected return on the investment for the event.

The promotion and communication campaign should also include lobbying for sponsors to foster participation. For example, international technical cooperation agencies can support it from their programmes, and foreign trade promotion organizations can include it in their agenda of international exhibitions to be attended by their members. Based on the overall goals and strategy of the trade fair, a branding has to be developed to communicate the essence of the new project so it stands out from the crowd of trade fairs. It highlights what makes it special and gives it a distinct "personality".

The values (strengths) of the new trade fair and the customers' needs are the two basic ingredients of the branding, which should then be recognized in all communication as core image and message.

Visual and verbal kits would then be designed and built accordingly. Other than as an external marketing instrument, branding is also important for creating a "corporate" culture for the new trade fair venture, where all staff and partners involved find their identity and motivation.

Many activities can be part of the promotion campaign, to be reflected in the work plan. A standard set is not available because of the many variables involved, due to the scope of the event and, not least, the available budget. "Not too early – not too late" in carrying out the activities is a vague rule of thumb, but it has however its value. In fact, in relation to the purpose of each activity the choice of the right time is essential. It is also worth mentioning that from a certain point the promotion campaign goes hand in hand with the registration of the participants.

The implementation of the promotion campaign is a task of the Communication and Promotion Unit of the Trade Fair Management and Operations Team. At international level Articles in international specialized magazines or in the sectoral magazines in the targeted countries. This activity can take place at an early stage to start raising awareness and interest in the trade fair project among the business community. Publishers must be provided with relevant press releases. At a later stage the same media can be used for inserting publicity in ad spaces.



The promotion campaign is a project in itself, whose elements are branding, means and timing. Branding is the attracting and convincing factor; it highlights why the event is special and gives it a distinct “personality”.

Many promotional means can be deployed, whose extent depends on available resources, and they should be put in motion at a very early stage of the project and continued throughout all its implementation according to the established plan.

Marketing control on the effects of the promotion needs to be consistently applied so as to assess the progression in attaining the participation objectives and to introduce reinforcing measures as required.

### **Promotion at international trade fairs and other events of the sector.**

A stand where inquiries can be attended and publicity material handed over can be an influential promotion means as the walk-in visitors may pertain to the same target of the planned trade fair.

Similarly, announcements made on the occasion of sectoral symposia or meetings can substantially contribute to promotion. Such participation can be planned at a fairly early stage of the trade fair project and possibly repeated at a more advanced stage of the promotion campaign.

In the latter case, applications for participation can already be collected. Visits to trade groups.

Meetings with foreign trade associations for discussing possible cooperation in promoting the trade fair can also be occasions for presenting the trade fair project to representatives from the local industries. Follow-up articles in the media of the institutions would contribute to raise awareness and interest.

Articles in the magazines of foreign trade promotion organizations and industry associations in the target markets. Press releases and other information material need to be provided. This is part of the collaboration to be developed and established with such bodies all along the promotion campaign to act as relays of communication and multipliers of communication to their members.

If obtainable, the same bodies in their own websites can also insert a link to the trade fair website. In addition or in substitution of the articles and web links, specific ad spaces can be acquired in the same media.

Embassies and international organizations. Embassies abroad as well as foreign embassies present in the organizing country can be a vehicle of promotion. International technical cooperation agencies should also be approached.

Through their programmes they can sponsor participation of exhibitors and visitors. Overseas agents. The Organizer may also appoint promotion agents in selected target markets.

Relevant contracts should accurately specify the minimum target assigned to the agent and the performance indicators.

**Direct marketing.** This constitutes the bulk of the promotion campaign. As mentioned earlier, a database must be set up which will constitute a fundamental tool for promotion, other than for managing the participation i.e. to assess the response, to handle the registration and each exhibitors' requirements, and to provide the customer services.

The database should encompass the domestic target (enterprises, institutions, private sector organizations, institutes, etc.) as well as the foreign enterprises and entities to be reached.

As for the foreign data, the database can be compiled from different sources, such as: already existing clients of local exporters, lists available in the national trade promotion organization and private sector associations, catalogues of international trade fairs that can be requested from the organizers, printed or online directories, web portals and the result of individual websites search on Internet.

The database should be selectively compiled based on the scope of the planned trade fair (target markets) and expected profiles of exhibitors and visitors. Direct marketing can take place by e-mail, fax or mail. Costs for the latter can be prohibitive and then limited to a very restricted audience.

The direct marketing campaign should normally be carried out twice, but it can also be repeated until the level of the response is satisfactory. E-mail has the advantage of enabling colour attachments and consequently the provision of more information.

A very large audience can be reached swiftly and at minimal cost. The drawback is that the communication may not raise the desired attention of the recipients, given the often very crowded email inbox of users. Fax can definitely have a stronger impact, but it has higher costs, more complex handling, black and white colours only, and limited possibility for attachments. Fax should then be selectively used.

It is certain that a combination of the different promotion activities described above would have the stronger impact as it will create in the targeted audience the mental associations to raise awareness and interest. As part of promotion, other means can be put in place by the Organizer, with the support of stakeholders: inviting overseas journalists and selected buyers, offering special packages to overseas industry associations, inviting overseas experts, etc. with the view of positioning the trade fair in the international context.

It is also important that recipients of promotional messages be informed of the accommodation facilities. Tie-ups with local hotels are to be established well in advance and information on their location, distance from airport and fairground, facilities available (e.g. Wi-Fi) and tariffs must be available. The result expected from the whole promotion campaign is to obtain from the recipients a written manifestation of interest for participation and/or for additional information, or directly their application for participation. The Registration and Customers' Service unit of the Trade Fair Management and Operations Team should then take over the relationship with the prospective participants and send the application form for registration and all relevant documentation.

At national level Domestic promotion is a combined effort of government, public and private sector trade-related organizations, industry associations and opinion leaders. Press conferences need to be organized to ensure the necessary media coverage. Media include national newspapers, economic magazines, TV channels and radio. An initial meeting of the industry and stakeholders should be convened to present the trade fair project.

Periodic meetings should also be held to keep the parties informed of the progress and to discuss issues at hand, so as to create and reinforce the sectoral ownership of the project.

The level of response needs to be assessed all along the implementation of the promotion campaign to ensure that the targeted results of participation are attained, and to intervene for reinforcing the response if necessary.

Furthermore, monitoring the response in relation to specific promotion activities allows measuring their appropriateness as a learning process for future events. The organizers should then chart the progress, whose concrete indicator is primarily the number of registered exhibitors.

The preparation of a new trade fair requires not less than one and a half years and the promotion should begin fifteen months before the event.

The cut-off date for registration is one month before the trade fair. It can be expected, based on experience, that in the case of a new trade fair, the bulk of registration takes place

between seven and three months before the event, and at the latter date the targeted number of exhibitors should possibly be very nearly secured.

**Launching of website Articles in international sectoral magazines** Agreements with trade promotion bodies in target markets:

First direct marketing mailing Participation in international trade fair for promotion Magazine ads Promotion through embassies and coop. agencies Second direct marketing mailing Additional ads and revamped cooperation with trade promotion bodies Sales blitz If required: Participation in international trade fair for promotion Registration closes Preparation of campaign Requests for info and manifestation of interest start Registration starts

**BASICS FOR ORGANIZING TRADE FAIRS SC-12-219.E 31 5.3.** Promotion and communication materials An effective promotion campaign, based on a strong branding both in terms of visual and verbal messages, plays a fundamental role. The organization of a trade fair is a costly exercise and it carries the responsibility of projecting the image of the country and the sector that can have a long-lasting effect. Furthermore, the size and quality of participation will determine the return on the investments which may influence the future and the sustainability of the event.

Promotion and communication ask for their share in the budget. Their weight on the total of the trade fair project can be estimated between 25%-30%.

A “do-it-yourself” approach by the organizers must be avoided. The service of an agency specialized in graphic design and marketing communication is required, which should develop and propose:

- The name of the trade fair;
- The logo;
- The slogan;
- The visual identity (that should underlie all promotion and communication materials).
- The following base list of materials and tools required for use during the promotion campaign:
  - Trade fair brochure;
  - Trade fair flier;
  - Programme;
  - Exhibitor guide;
  - Visitor guide;
  - Application form;
  - Confirmation of registration and invitation;
  - Country guide;
  - Magazine advertisements;

- Posters;
- Banners;
- Pre-event press releases;
- Stickers;
- Badges;
- Promotional message to prospect participants for direct marketing;
- A website;
- Trade fair catalogue (to be handed over at the start of the event).

The website deserves special attention. As previously mentioned, whilst it is a must for the trade fair, a website is not per se a proactive promotion tool, but rather a communication and information support.

The website should be in place when the promotion starts, in the understanding anyhow that it is a dynamic tool and its updating and enrichment can take place all along the process up to the trade fair and after it.

A possible basic data coverage – proposed as an example only – can be the following:

- The Country Guide can cover: tourist sites of interest and traveller’s information such as: visa and vaccination requirements, climate, time-zone, religious and cultural habits, security recommendations, electricity and other supplies’ standards, mobile networks and simcards, Internet access, private and public working hours, list of hotels, banks and travel agencies, information on taxis and other public transports) Design, clarity and comprehensiveness – and at the same time essentiality – are the successful ingredients of the information and communication materials.

- 

- A website, while not in itself a promotion tool, is a “must” for communication and information support, and its contribution to project the appealing image of the trade fair is fundamental.

- Website basic data coverage:

- ✓ Programme,

- ✓ Country,

- ✓ Sector

- ✓ Organizer

- ✓ Partners

- ✓ Fairground map

- ✓ Hotels

- ✓ Travellers’ info ..... PRESENTATION OF THE TRADE FAIR News and updating

EXHIBITORS VISITORS

### **Budget and source of financing**

Here comes the somewhat hard part of the planning exercise. An estimation of the total investment required, on the basis of all cost items, may confirm the feasibility of the project according to the defined objectives and strategy, or it may force a downsizing of the activities and even a revision of the objectives.

The planning process and the final definition of the project framework is the result of the interaction between objectives/targets, activities and costs. The trade fair will generate proceeds.

The analysis of the estimated costs and of the expected revenues will determine the capacity of the event to generate a profit, to break even, or to deal with an eventual shortfall.

In the case of a new trade fair, a pragmatic and rather conservative approach is recommended as far as the anticipated returns.

It should be anticipated that in most cases the event requires to be partly subsidized. In order to quote the estimated costs, the Organizer has to prepare the terms of reference for the service providers and obtain pro-forma invoices or an official estimated pricing.

While most of expenditures will be incurred close to the event (a down payment percentage can be required when placing the order and the balance settlement after the event), those for promotion and communication will have to be incurred far ahead of the event (see Work Plan).