

The importance of trade fairs and exhibition as an effective marketing tool

Kateřina Masnerov

Bachelor Thesis
2009



Tomas Bata University in Zlín
Faculty of Humanities

scanned submission page 1

scanned submission page 2

ABSTRAKT

Cílem této práce je analyzovat veletrhy z hlediska jejich efektivity jako marketingového nástroje pomocí literatury a poté totéž dokázat průzkumem názoru samotných vystavovatelů. Teoretická část nejdříve zkoumá historii veletrhů, poté historii marketingu a následuje část, která se snaží vysvětlit pozici veletrhů v marketingovém mixu, porovnat výstavy s ostatními nástroji marketingu, snaží se zdůvodnit, proč je vlastně tento nástroj označován jako jedinečný a na závěr uvést pár informací a rad, jak se hned na počátku vyvarovat chyb při vystavování. Praktická část se snaží celou teorii podpořit statistikami získanými průzkumem, který byl zodpovídan vystavovateli na veletrhu Styl & Kabo, únor 2009. Závěrečné doporučení dává pár rad a tipů budoucím vystavovatelům, které jsou založeny na studiu odborné literatury a výsledcích výzkumu.

Klíčová slova: veletrh, výstava, vystavování, marketing, marketingový nástroj, průzkum

ABSTRACT

This thesis' purpose is to analyse the trade fairs as an effective marketing tool with the aid of special literature and after that it is supposed to prove the theory by the research of actual exhibitors. Firstly, the theoretical part investigates the trade fair's and marketing's history, secondly it studies the position of trade shows in marketing mix, compares it with other marketing tools and gives reasons for marking the exhibitions actually as an unique tool and finally it provides some information and tips, how to avoid mistakes while exhibiting. The practical part grasps to support the theory by research, which has been answered by exhibitors on the Styl & Kabo exhibition, February 2009. The final recommendation gives few tips and advices to the future exhibitors, which are based on the studies of special literature and research results as well.

Keywords: trade fair, exhibition, exhibiting, marketing, marketing tool, research

ACKNOWLEDGEMENTS

On this opportunity I would like to thank first of all to my family for their support during my studies, as well as I would like to thank to all my teachers for the knowledge they provided me with. Secondly I would like to thank to my supervisor, doc. Ing. Miloslavě Chovancové, CSc. Without her help it would be much more difficult to write this thesis. Last but not least I would like to thank to BVV Veletrhy Brno for letting me run my research on one of their exhibitions.

DECLARATION OF ORIGINALITY

I hereby declare that the work presented in this thesis is my own and certify that any secondary material used has been acknowledged in the text and listed in the bibliography.

January 16, 2009

.....

CONTENTS

INTRODUCTION	9
I THEORY 10	
1 THE HISTORY OF TRADE FAIRS AND EXHIBITIONS	11
1.1 The trade fairs before Christ	11
1.2 Middle Age markets	12
1.3 The 20 th century's, the break point for trade fairs and exhibitions	13
1.4 The 21 st century – the On-line Era.....	13
2 MARKETING HISTORY	16
3 TRADESHOWS, EXHIBITIONS AND MARKETING.....	17
3.1 The shifts in reasons of providing tradeshowes	17
3.2 Why are exhibitions such a unique marketing tool?.....	18
3.2.1 Tradeshowes and exhibitions as a communication tool	18
3.2.2 Tradeshowes and exhibitions as a sales promotion tool	19
3.2.3 Tradeshowes and exhibitions as an advertising tool	20
3.2.4 Tradeshowes and exhibitions as a personal sales tool.....	20
3.2.5 Tradeshowes and exhibitions as a branding tool.....	21
4 THE TRADE SHOW AND EXHIBITION CONSIDERING	23
4.1 Reasons to exhibit.....	23
4.2 What to do for successful exhibiting	24
4.2.1 Establishing the core values and objectives	24
4.2.2 Selecting the right exhibition.....	25
4.2.3 Setting the right budget	26
4.2.4 Promotion and pre-show communication.....	27
4.2.5 Staffing the booth	27
4.2.6 Take part in the supporting program	28
4.3 The negative sides of fairs and exhibitions	28
II ANALYSIS	30
5 RESEARCH	31
5.1 The research methodology.....	31
6 RESEARCH – STYL & KABO, COSMETICS, S 1	32
6.1 Why did your company decide to participate in this fair?.....	33
6.2 During the preparation period you did:	34
6.3 How many times did you take part in any exhibition?	35
6.4 Mark your company's budget to this exhibition:.....	36
6.5 Mark the importance of marketing tools in goals achieving	38
6.6 Mark the importance of separated factors during the fair	39
6.7 The satisfaction versus the importance according to exhibitors.....	40
6.7.1 Important attributes with mildly higher satisfaction.....	41
6.7.2 High importance and higher satisfaction	42

6.7.3 Low satisfaction and importance as well.....	43
7 RECOMMENDATION.....	45
CONCLUSION	46
REFERENCES.....	47
LIST OF GRAPHS	50
APPENDICES.....	51

INTRODUCTION

“The fairs and exhibitions are festivals of senses.”

The quotation of Marek Baluška was chosen to introduce this bachelor thesis due to it is completely not marketing as well as non-business statement, although this thesis actually explores the fairs and exhibitions from the marketing point of view only. The main aim of following text is to prove the importance and the uniqueness of trade shows and also to persuade the disbelievers about importance of fairs in marketing mix. To tell the truth, the goal is quite ambitious, but both the theoretical and practical part was written in the best possible way to fulfil this goal.

The theoretical part will establish the basic principles for the practical research, because both texts are actually closely connected. At first it was necessary to gain deeper specialised knowledge about the fairs' history and the exhibition's position between the marketing tools. While studying all the literary sources there came some ideas and questions to my mind, which will actually later appear in the research. Basically the practical part is supposed to support the information from all the marketing books and articles about exhibiting. The research was done by questionnaire which was constructed to prove the theoretical statements and was responded on Styl & Kabo, Cosmetics and S1 exhibitions. The organizers were very kind and actually were interested in the research's results. After the evaluation of results it is actually possible to say when are the books right and when the exhibitors do not share the opinion with exhibiting specialists at all. Although I have expected some of the results, the other were surprising and most probably also pleasant for the fair organizers.

The thesis is finished not only by conclusion, which will sum up both parts as well as all the work on this thesis. However before the final summary there will be also recommendation which will express my opinion about the research's results, the exhibitors' behaviour and the exhibition as a whole.

I. THEORY

1 THE HISTORY OF TRADE FAIRS AND EXHIBITIONS

In fact, the contemporary trade shows and exhibitions are anything more than an analogy of the Middle Age's markets of the handicraftsmen and farmers. However, the history of trade fairs and exhibitions is far longer than since the medieval times, it is basically extending to the times before Christ. The development of this phenomenon lasts actually for more than 2 500 years – since the ancient era, throughout the Middle Age up to the 20th century, when the popularity and its importance as a marketing tool has increased rapidly. Nevertheless, to understand the importance of this extraordinary marketing tool properly it is necessary to know also the beginnings and the development throughout the centuries up to the present. As Alfred Alles wrote, “the history of an exhibition provides valuable background information within the frame of the assessment of its general and individual marketing merits,” (Alles 1973, 40).

1.1 The trade fairs before Christ

The very first “markets” were logically developed from the time of labour division, when people began to produce more than they really needed and they tried to exchange their goods and products for products of somebody else, which they actually needed. In contrast to contemporary tradeshows, the ancient sellers had to display all of their goods, because all of them were originals (Svoboda et al. 2002, 3; my translation). The system was based mainly on the seller's voice loudness and his ability to attract the buyers, since the time, place and communication of those markets were limited (Vysekalová et al. 2004, 17; my translation). Of course it is not exactly known what was happening so long time ago thus the ideas above are just guess-works. Fortunately there are many references to something what can be called a trade fair in the Book of Ezekiel, written in 588BC. This part of the Old Testament mentions among others the city of Tyre – the centre of international trade and commerce during the ancient time (Articlesbase – Free Online Articles Directory).

Nevertheless, according the facts above it is possible to deduce that the trade fairs and markets in their primitive form begun round 600 BC. Thomas Peder Bakken paid in his diploma thesis a special attention to the connection between the public markets and religion, especially religious holy days such as Christmas and Easter. Anyway, Bakken is also mentioning a quote from the ancient Rome: “The fairs were held on Saints' days in order that trade might attract those whom religion could not influence,” which strongly supports the theory about connection between trade markets and religion of that time (Bakken 1997, 13 - 14).

According to the publication Trade Fairs and exhibition, the effective presentation for successful sale, was the influence of ancient markets very limited, as it is mentioned also above. The effectiveness depended on the space, occasion and time when the market was held thus they were mostly held on crossing of trade roads or together with religious and social celebrations. Even more, there was no form of mass communication, which was developed much later (Vysekalová et al. 2004, 17; my translation) thus it was extremely difficult to announce event like this.

1.2 Middle Age markets

The medieval era - 5th century AD – 16th century AD - noticed a great development of markets in its primitive form, in comparison to present mediums. The general scientific opinion declares that the north Europe has learnt how to organize a market from the Romans (Bakken 1997, 16). It is very logical, indeed. The Roman Empire was close enough to the Lebanese city of Tyre, where the very first markets and fairs were held and where was the assumed centre of trade (Articlesbase – Free Online Articles Directory). Basically the Romans have stolen the idea of trade market and have spread it further to the whole Europe and from there to the rest of the world.

Anyway, another very important event during the medieval age was the communication's development in the 15th and 16th century. During these years have the members of aristocracy begun to send written messages to each other with the purpose to exchange the important information about the life and events in their manor or to invite each other to celebrations and festivals (Vysekalová et al. 2004, 17; my translation). Due to this first way of communication it was much easier for all people, sellers particularly, to take part in the markets and fairs in different towns. For example Frankfurt, the main centre of trade fairs round 1240's (Alles 1973, 12), which was followed by popular cities Champagne and Brie in France (Bakken 1997, 16).

Although Industrialism came in the 19th century, the very first industrial exhibition was actually held in the 16th century, to be specific in Nuremberg, 1569. Similar exhibitions were organised for next 300 years all over the Europe and America as well, until the demand began to require wider world markets (Alles 1973, 12). The world wide trade exhibition seemed to be the only answer to these requirements. Although it was based on a French idea, the British Henry Cole, Joseph Paxton and Albert, Prince Consort, have established the very first international exhibition, the Great Exhibition of 1851 in London's Crystal Palace (The Inside Track inc).

1.3 The 20th century's, the break point for trade fairs and exhibitions

The century of wars and important technologic invents has noticed some changes also in the exhibition area. The World War II meant the shift of exhibitor's purposes which they came to the trade fair with. Moreover, the design and art began to play an important role in the exhibition industry.

In the 1950's has the situation round exhibitions changed rapidly. The competition became tougher, mainly because manufacturers were rather spending money for television's advertising and generally "became more selective in participation in shows and exhibition," (Alles 1989, 32 - 33). This decrease of exhibitor's interest led the organizers to think how to cut the expenses and fees and attract the sellers again. Afterwards they have finally realized they should open the trade fairs also to public visitors and let them to see what is going on in the industry as well. The non-qualified community will voluntarily pay for the entrance, most probably spend some money for goods on the booths or refreshment and therefore it would be possible to cut back the exhibition fees. Although the public was allowed to enter an exhibition only in certain days (Alles 1989, 34), as a rule these people are interested in the specific field of industry and enjoy the exhibition even more than the exhibitors and specialists. For instance, the tradeshow Styl & Kabo, where the further research has been done, provided the statistics about visitors in separated days. The numbers shows, that this fair have been visited all together by 15 600 paying visitors within 3 days. During two days dedicated for the experts there were 7 920 visitors but on Thursday, when the fair was opened also for the non-professionals, there were 7 571 attendees thus almost the same number as in both previous days together (BVV Veletrhy Brno). However, since the 1960's became trade fairs to be generally acknowledged as a marketing tool and important selling medium (Articlesbase – Free Online Articles Directory).

1.4 The 21st century – the On-line Era

It would be definitively the strangest thing ever, if there were not any new tendencies in the 21st century, the time of new technologies and Internet. Moreover, Chris Fill wrote in his publication Marketing communication: "The idea of trade shows was used to explain how the Internet works. Internet is described as a virtual flea circus, a forum where buyers and sellers can meet, browse, discuss, find out more information and buy if it is profitable for them" (Fill 2005, 794) thus there was established a completely new and revolutionary trend – the on-line tradeshowes and exhibitions. The trend is dealing with establishing of

such difficult events as the exhibitions are on-line and both visitor and exhibitor can take part in from their home or office comfort. The only they need is the fast Internet connection and some time to spend there (eWeek.com).

One of several definition of this event asserts that “a virtual show is an online version of an event at which goods and services for a specific industry are exhibited and demonstrated” (The Leading IT Encyclopaedia and Learning Centre). Although these business events do not lean to replace the traditional ones, as well as it did not happened with the e-shopping (Vysekalová et al. 2004, 25; my translation), their popularity zooms and due to the economical crisis it seems they will be popular more and more due to lower costs.

The virtual tradeshows has developed from the virtual conferences and seminars, all with the same goal – to educate, discuss or sell with costs and waste time cut on the minimum. However, there are of course some positives and negatives in comparison to the real exhibitions. At first, the main virtual tradeshow’s advantage is the cut of costs either for exhibitors and visitors. For example, “the attendee can view demos, pick up booth’s literature and chat with sales representatives in real time,” (The Leading IT Encyclopaedia and Learning Centre) just for the price of his Internet connection. The exhibitor has to pay lower fees for the booth and place, not counted the expenses for transport, accommodation and refreshment for the booth staff. On the other hand the virtual tradeshows lack the personal meetings and business negotiations as well as the socializing with the competition and customers. In fact the real fairs offer the personal presentations “face to face” for bigger group of customers than any other marketing tool does (Vysekalová et al. 2004, 44; my translation).

Secondly, there is no doubt about the time reduction for the attendees. In contrast to the real-time exhibition, the “virtual tradeshows run one and half of day but are still accessible for three months following the event” (Marketing Pilgrim). On the other hand while participate the real exhibition, the visitor usually has to pass all booths thus there is a chance also for the competition to attract him. Moreover, the real exhibitions offer to the visitor the possibility to touch, try, hear, lift, taste or smell the products displayed (Alles 1973, 14), the functions of it can be demonstrated, explained and in addition the products are also usually sold there as well. In fact people come to the exhibition because they want to see and try new products, to see their function and “not just read about them” in magazine or brochure (Alles 1989, 36).

Finally there is also the proclamation of Bruno Meissner, the chairman of the FAMAB’s board of directors, who told: “The new media are not a danger for the trade shows and

exhibition industry, they are a challenge for us. This new media encourage us in being interested in the human behaviour and the behaviour in connection with information,” (Svoboda et al. 2002, 7; my translation).

In Czech Republic there are the on-line tradeshows’ providers as well. The most well-known servers are particularly <http://veletrh.info> and <http://www.e-veletrh.cz> (Vysekalová et al. 2004, 25; my translation).

2 MARKETING HISTORY

Due to the fact it is not possible to think about tradeshows without marketing and when the history of tradeshows has been explained, it is important to describe the history of marketing as well.

There are two points of view at the history of marketing – the marketing practise and the marketing as a recognized discipline. The difference between these two parts is that the marketing activities are dated about 7000 B.C. while the marketing discipline began to be acknowledged in the late 19th century (Sheth and Parvatiyar 1995) and its own history has started with the new century (Bartels 1976). Either thousands of years or several decades, the basic goal of marketing is still the same – to let people know about goods, to make them to want these goods and sell as many of products as possible. However, for this thesis' purpose is more important the marketing discipline history so let's be concentrated on this one.

Although one century seems to be quite short time for developing a discipline of science in comparison with tradeshows, it was, in fact, long enough to establish marketing in the best possible way. Robert Bartels has described the development of marketing thought subsequently:

- 1900 – 1910 the discipline of marketing has risen and got its name
- 1910 – 1920 “classification and definition of marketing terms”
- 1920 – 1930 principles of marketing were established
- 1930 – 1940 marketing divided to more specialized parts
- 1940 – 1950 “new needs for marketing knowledge”
- 1950 – 1960 marketing became more managerial, social and quantitatively oriented, new concepts introduced
- 1960 – 1970 the marketing thought became different – more managerial, environmental, systematic and international
- 1970 marketing begun to have big influence upon society (Bartels 1976)

The previous chronological survey clearly shows how was short the history and how fast the development of marketing as a discipline of science actually was. However, since the 1970's has marketing developed a lot due to new ways of communication, new ideas in marketing and later mainly due to the Internet. During the years of growing influence came lots of new ideas how to promote, advertise or sell and actually the question is whether there is still anything else what can be made up, discovered or established.

3 TRADESHOWS, EXHIBITIONS AND MARKETING

The last century has noticed a rapid growth of tradeshows and exhibitions as well as the development of marketing as a discipline. During last 100 years the exhibitions have formed an industry brand and the marketing experts were coming with newer and better methods how to sell, promote and advertise. However, the modern industrial exhibition and marketing are not connected only by their short history in fact they have more in common than one can see for the first sight.

First of all, from the lexical point of view there is certainly a connection between marketing and trade fairs. The basic part of the word marketing is market, the medieval name for exhibitions and trade events. In fact, the modern trade shows are still similar with the middle-age ones, now they just belong to marketing tools and are more developed with more and better services provided. In addition, “marketing is nothing more than a glamorous name for selling” (Alles 1973, 14) Secondly, the exhibitions became to be a unique and an important marketing tool, they are a part of marketing mix and even more, they have a specific position in all forms of marketing communications what is more described below (Vysekalová et al. 2004, 38; my translation). Marketing as a discipline would have it much harder without exhibitions due to these events include almost all marketing tools in one. Last but not least, although trade fairs and exhibitions together with marketing discipline are nowadays badly influenced by the economical crisis, they will both keep going on because the industry cannot dig out of the crisis without professional marketing and his tools.

3.1 The shifts in reasons of providing tradeshows

The original reasons for arranging markets were to exchange goods, which were overflowing to some which were needed. Nowadays the reasons why the exhibitors are investing a lot of money and why they take part in exhibitions are basically the same as they were in the past. In fact, today’s tradeshows and exhibitions are focusing on demonstrating the maximum number of goods and services in one time and on one place as they have done in the medieval age, just in more fancy and developed way and also the name trade show and exhibition sounds better than simple market.

However, on the other hand there are some big differences in today’s fairs and exhibitions. Firstly, they have shifted their signification from the profit gaining to the business meeting events. Secondly, exhibitions became to be mostly B-to-B oriented events as well as they are the image-supporting and the contact exchange tool, thus they became to be more

important from the marketing point of view than ever (Vysekalová et al. 2004, 42 - 43; my translation).

3.2 Why are exhibitions such a unique marketing tool?

In almost every book about tradeshows or exhibition it is possible to find a phrase about the uniqueness of tradeshows and exhibition as marketing tool such as following: “the uniqueness of tradeshows and exhibitions stems from the comparison with other marketing tools, which showed that they are better in all or at least most of the aspects” (Vysekalová et al. 2004, 43; my translation). The fairs are generally described as a fabulous, worthy, superb or great opportunity for exhibitors, but on the other hand there is the question why they are considered to be such a perfect way of promotion? What makes the exhibitions to be better than the other tools? Let’s analyse the trade fairs and their functions as a separate marketing tools and find out whether they are really such a great way indeed. This analysis is based on information, which are abstracted from the specialised literature and the factual analysis based on research follows in the second, the practical part of this thesis.

3.2.1 Tradeshows and exhibitions as a communication tool

Actually there is no doubt that tradeshows are a communication tool, in fact they are “the oldest known one” (De Pelsmacker et al. 2001, 374). The exhibitors and other booth’s staff have to speak with the visitors and deal with them face-to-face what means they have to be trained properly in personal negotiation and their speech should be understandable and clear but it should not evoke the feelings of factitiousness.

In addition, they have the chance to influence visitors and customers non-verbally as well - the company is communicating with people also by the body language, by the design of their booth, by the colours of dress or by the atmosphere on the booth. This kind of communication helps to impact on all human’s senses and sub-consciousness of the visitors as well. Moreover, the non-verbal communication makes the customer to deal with particular company due to his good feelings and impressions. This means that in fact tradeshows combine the traditionally dependent communication tools all together to reach the best effect on the visitor – this is called the integrated marketing communication IMC (Vysekalová et al. 2004, 40 - 41; my translation). Moreover in the sense of product and services communication, the exhibition can perfectly promote or advertise either new either old products (Alles 1989, 41).

However, one more communication channel is unfortunately not mentioned so often and that is namely the visitors themselves. Chris Fill wrote: “Very often the customers will be opinion leaders and use word-of-mouth communication to convey their feelings and product experiences to others” (Fill 2001, 794). There is actually no doubt that either experts either non-specialist will not share their experiences, impressions and feelings with their colleagues, executives or friends. In fact a statistics about the flow of information after the end of exhibition has been published and it shows how many people can be informed just by one visitor. Particularly it says that 35% of visitors tell about the exhibition usually up to 3 people and the next 35% share their experience with 4 to 6 colleagues. On the average 10% of visitors share their impressions with 7 to 10 people and what is actually a great number, whole 20% of visitors say the information from exhibition to 11 and more co-workers (TheMarketingSite.com). This statistics proves the importance of dealing politely and professionally with all visitors because you never know who they are and with how many people they will share their experience with.

3.2.2 Tradeshow and exhibitions as a sales promotion tool

The publication *Vel'trhy a ich marketingové funkcie* mentions an interesting statement, that the fairs build well-arranged trade market, in fact an ideal market (Baluška 2001, 12; my translation). Every exhibitor has the possibility to sell his products or services directly on the booth and the statistics shows that 87% of exhibitors actually prefer to use tradeshow as a sale promotion tool than b-to-b advertising or other direct selling tools (TheMarketingSite.com). This is also a reason why “the exhibitions are number one source for visitors who make the final purchasing decision” (TheMarketingSite.com). The enormous concentration of overture and demand in one place and under one roof offer to the visitors the opportunity to choose the best supplier or suppliers and close contract with them in one day, that means with minimal wasting of time by negotiation via e-mail or phones. In fact, 100% of visitors are coming to exhibitions because they are voluntary and competent as well to buy or close contracts (Alles 1989, 42 - 43). On the other hand, the exhibitors should make the visitors want to have their products and think they need to buy the goods, not simply buy them because they are on exhibition and they are supposed to close contract (Velarde 2001, 2).

The other side of direct selling are the non-specialists visitors, who are mostly coming to exhibition to make the best of the possibility to buy goods in advance, not in stores yet and usually for better price. These visitors are valuable for the exhibitors as well and maybe

even more, due to fact they will use new products, will share their experiences with others and recommend or not particular company, as was told in the previous part.

3.2.3 Tradeshows and exhibitions as an advertising tool

Among others, while exhibiting there is also a very special occasion to give a press conference or organize a workshop while exhibiting. The advantages of doing so are smaller expenses than organize it separately, higher interest of professionals and journalists and, of course, time savings of the particular company and the press as well. These conferences are a perfect way how to advertise completely new or already existing products and services, demonstrate them and let people to try them and thus make their own opinion about it. The fairs are not called to be “a festival of senses” without any reason (Baluška 2001, 12; my translation). Anyway, what is even better, journalists will probably write in their magazines about this workshop or some TV channels could shot a short spot about it. Due to this opportunities there is kind of free promotion for the company, which is able to “target its endeavour to create a positive company image and brand awareness of product or service” (The Tradeshow Coach.com).

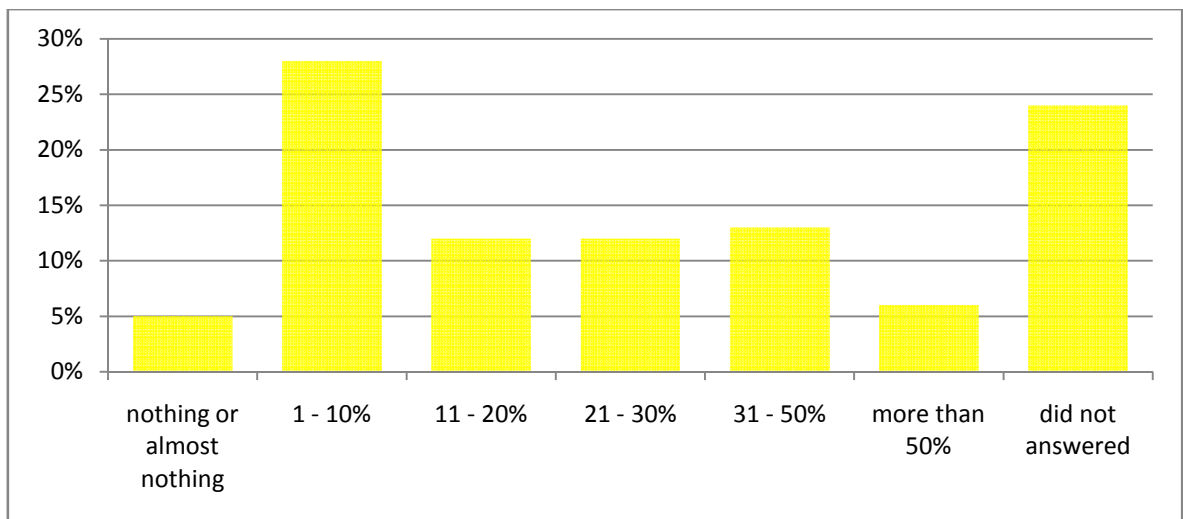
However, for those, who are not interested in press conferences or workshops there are different ways of possible advertising provided, such as support program sponsorship, ads in fairground’s radio or special place in fairground brochure (The Tradeshow Coach). On the other hand, those are almost every time charged and usually not as effective as possibility to try products.

3.2.4 Tradeshows and exhibitions as a personal sales tool

Unfortunately, nowadays had the personal contact from business almost disappeared due to modern technologies, internet and mobile-phones. Although it is cheaper and probably more comfortable for both sides, this kind of communication lacks the incidence of body language or the warm of smile. The absence of human touch is in fact one of the main reasons, why are exhibitions so appraised – there is actually the unique chance for personal contact with the booth staff or executives, which can become the basement for loyal and long-term customer relationship (Baluška 2001, 13; my translation).

Nowadays there is actually an urgent demand of human touch in business (TheMarketingSite.com) and personal dealing could afford assistance to the enclosure of many deals. This simple fact is proved also by the statistics from BVV Veletrhy Brno – the Graph 1 shows the share of deals on the fair from the point of view of the year profit. Thanks to face-to-face negotiation, body language or personal communication it have been

admitted by voluntary executives, that within three days they have enclosed from 1% to over 50% of one year deals. The more detail look to the Graph 1 discovers that about 28% of exhibitors have enclosed 1-10% of their one year contracts. Whole 12% of respondents mentioned either 11% - 20%, either 21% - 30%, in other words 12% of exhibitors admitted, they enclose one fifth to one third of contracts from their actual annual average. Anyway, 6% of the respondents have enclosed more than 50% of annual contracts within the run of an exhibition. These numbers not only shows the importance of the personal negotiation, but also proves that tradeshow are crucial for the tool of personal sale and marketing as a whole.



Graph 1- The share of deals on the fair from the point of view of the year profit (BVV Veletrhy Brno)

3.2.5 Tradeshow and exhibitions as a branding tool

Although branding itself is not a part of marketing mix, it could be possibly considered as a part of company’s demonstration or improvement of the corporate image thus it definitively belongs to advantages of exhibitions. The following arguments try to explain more in detail the enlistment of branding to the advantages of fairs.

Firstly, the company, which is building, developing or creating its own image through the fair, has the chance to appeal to all public groups, which are important from this point of view (Vysekalová et al. 2004, 48; my translation). According to the Susan Friedman’s definition, “branding defines and refines corporate culture and unique identity and it is actually the brand what people buy when they buy a product. Everything the company

stands for is being exhibited on the show floor” (The Tradeshow Coach) thus the company’s performance has to be perfect and well-prepared as well.

Secondly, the customers’ actual and subconscious knowledge about the brand is created by their personal pleasant feelings, good experiences and positive recommendations of the others. Good branding should invoke these feelings in consumer’s sub-consciousness by seeing the company’s logo, slogan, name or character (Keller 2002, 69) and for good branding it is also important to provide the personal contact with customer, to make him to experience the brand in the best way and this is actually one of the exhibition’s big advantages.

Finally, fairs are very useful while the exhibitor wants to create with customer a loyal relationship to specific brand (Baluška 2001, 13; my translation). Moreover, customer’s loyalty could be crucial for the company in time of crisis thus it is not advisable to underestimate it.

4 THE TRADE SHOW AND EXHIBITION CONSIDERING

The well-known truth is that exhibiting is a very expensive way of promotion and company's presentation. This is simply the matter of fact, which is acknowledged by all exhibitors participating in any exhibition. Although the expenses depend on many factors such as the distance from the fairground, necessary size of the booth or the booth's design, the average cost of exhibition usually does not go under 100 000Kč anyway (see the results of research, question 4, p. 37). This average sum differs company to company, because of different budgets and financial sources but it is definitely a high price anyway. However, the question is, if the specialised literature and fairground's promotion is persuading enough for the companies to invest their money and time to take part in an exhibition.

The following information are based on detailed studies of the literary sources and are supposed to absolutely support the idea of exhibiting.

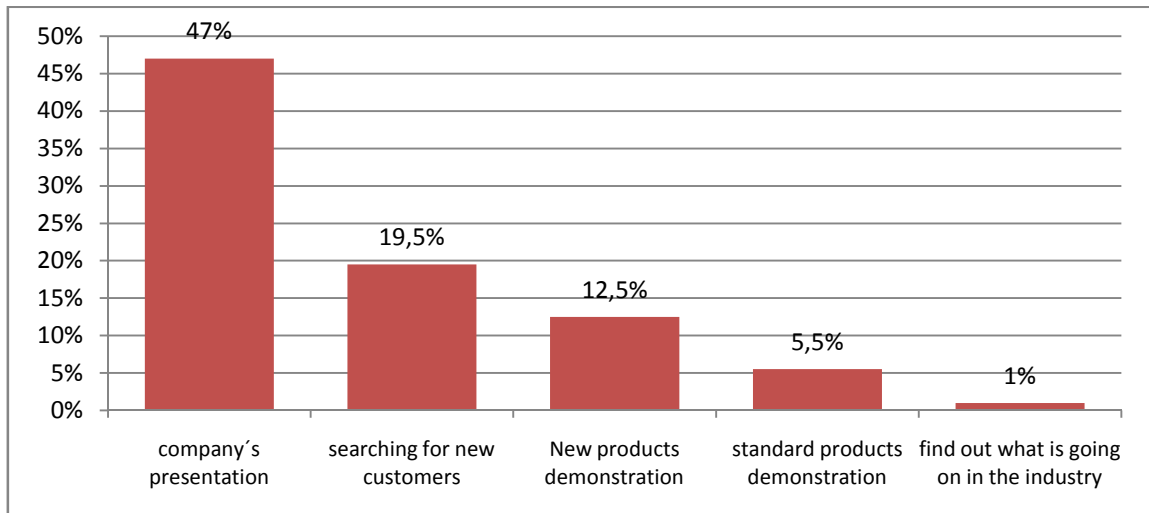
4.1 Reasons to exhibit

Due to the fact there is not just one, generally acknowledged main reason why to exhibit and even the literature mentions five to ten different points, there is a high probability that each company will have a different argument why to take part in. Anyway, the most common reasons were summed up and responded by the exhibitors during the year 2003 (Vysekalová et al 2004, 43 - 45; my translation). As it is visible in the Graph 2, the most often mentioned reason is the presentation of company as a whole, namely in 47% of cases. This top reason is followed back-to-back by searching for new customers in between the visitors. Further the graph shows that in 2003 were the companies not so interested in what is going on in the industry, as they were probably supposed to – only 1% of respondents named this as the main reason for their participation.

On the other hand according to the literature, for many companies is probably the most important argument the prestige they gain due to exhibiting as well as new information about the competition, the client's wishes, products and trends (Burda et al. 1999, 8; my translation). Other firms actually like the occasion to deal with customers face-to-face, as well as “the opportunity to see the customer's reaction to demonstrated goods or services and to occasion to ask and provide an immediate feedback to particular exhibitor” (Svoboda et al. 2002, 10 - 12; my translation).

The special literature presents other reasons to exhibit, such as the prices comparison and matching with new clients or contacts (Burda et al. 1999, 8; my translation), the unique business atmosphere with perfect sale support (Vysekalová et al. 2004, 43; my translation)

or even the fact “the competitors are there” thus they can not to miss it (Fill 2005, 795). Anyway each exhibitor will come to fair because of different reasons and arguments.



Graph 2 – The reasons of participation on exhibition (Vysekalová et al. 2004, 44; my translation)

4.2 What to do for successful exhibiting

At the beginning the company must be decided that they surely want to participate and why. It is necessary to base this decision on careful analysis of marketing questions and marketing goals – this is more explained below (Baluška 2001, 10; my translation). Unfortunately, lots of companies are participating in exhibition with the only reason – the competitors do so and thus we have to as well (Alles 1973, 71). These exhibitors usually do not pay enough attention to preparation, at-show behaviour and follow-up thus logically they are unsatisfied and in the worse case they can resign to any improvements. Due to inefficiency like this the exhibitions are found to be not effective or waste of time and money. The further text is supposed to sum up the most important things, which are necessary to do to exhibit successfully.

4.2.1 Establishing the core values and objectives

When are the executives absolutely sure about the participation, they can move to the next step, to establish the core values and goals which are supposed to be achieved or improved by exhibiting. These goals should be concrete and measurable, thus after the exhibition it is possible to evaluate whether the participation was successful, good or worthless. The goals should stem from the marketing goals of particular company, their market research, the type of exhibition or the product's quality and potential (Vysekalová et al. 2004, 58; my

translation). The question is how to set these goals to make them effective and worthy? Probably the easiest way is to update the objectives from last year, but the way how to establish goals for the first-time exhibitor should actually be answered by the following questions:

- 1) Why to exhibit?
- 2) Who is the target group and what is the message we want to communicate?
- 3) How many key customers meetings, new business leads and follow-up meetings will equal to success for this show?

Managers and executives should be sure that the company's core values will be specific, focused, timely and measurable, but even more – achievable (DMA solution inc). Unfortunately, about 71% of exhibitors skip this part of preparation and thus there is no wonder they consider the exhibition to be a waste of time. For future exhibitors it could be motivating to establish them, because companies with certain objectives are more successful (UFI, The Global Association of the Exhibition Industry).

4.2.2 Selecting the right exhibition

Due to the enormous number of various tradeshow and exhibitions it is quite a problem to pick up the most suitable and fitting one for particular company. On the other hand the special literature offers many advices how to choose the best fair. Firstly, it is crucial to fit the subject field of fair as closely as possible to company's products and core values. The name of the fair is usually telling enough, but anyway the executives should contact the organizers and ask them about the fair or they can easily visit the fair's web-sites. The Internet is actually a very helping tool, particularly in picking up an exhibition is the website www.veletrhyavystavy.cz, where are the tradeshow divided according to field, time, place and country. There are also links to web-sides of each exhibition thus one can find out even more information.

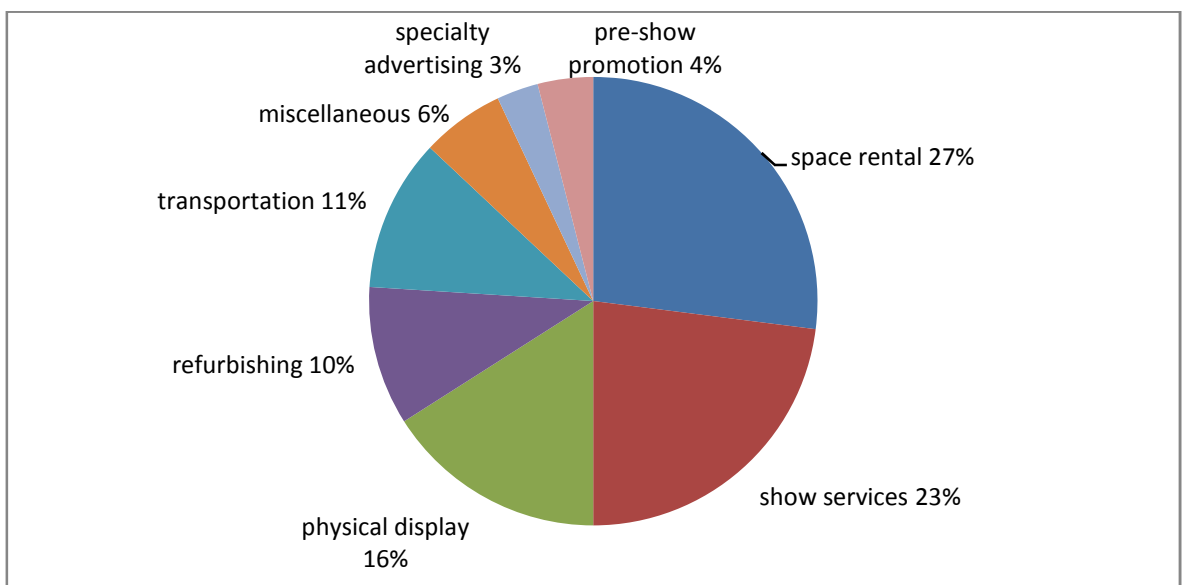
Next step which a company should do in a picking-up process is actually to visit the exhibition. The executives should try the role of professional visitors and evaluate the exhibition according to the competitors' participation, the quality of supporting program or the media which take part in. Very important is to notice the facilities of the fairground, whether there is internet, electricity, refreshment and other services provided. As an outside observer, the executives should find out if there is some tradition of the specific fair, if it is publically well-known and how experienced and professional are the organisers (Svoboda et al. 2002, 23 - 24; my translation). As a crucial information could be

considered also the number of visitors, which is usually published after the exhibition in the final report, usually published on fair’s web-sites.

4.2.3 Setting the right budget

The well-balanced and properly planned budget is an important step to successful exhibiting. There are two way, how to decide about the amount of invested money – the easy one and the hard one. The first way consists only in updating and refreshing the budget from previous year, while the hard way is supposed to be used by the first-time exhibitor and thus to begin establishing everything from the zero point (Bakken 1997, 70). Fortunately, there are plenty of books, articles or websites helping to the newcomers with whole process of preparation, including the budget establishing as well. For example, the Graph 3 describes the lay-out of financial sources for exhibiting, as it is used by most companies (Trade Show Expert). It is clearly visible that half of all money should be spent for the rental and show services fees, while the second half should cover promotion, advertising, transport or actual physical display of company.

However, there are other advices about how to deal with the money as well. For example the budget should be decided about 12 months in advance thus there is enough time for changes and possible non-expected costs (Asia Pacific a small business guide to exporting). Alfred Alles wrote that the budget should be able to cover all expenses while exhibiting and still have some reserve for other expenses. Moreover, the executives should be able to manage money and not overstep the budget (Alles 1973, 84).



Graph 3 - The lay-out of financial sources for exhibiting (Trade Show Expert)

4.2.4 Promotion and pre-show communication

Both promotion and communication are the key tools during the preparatory period, because the fair is only effective, when the company is able to prepare correctly (Vysekalová et al. 2004, 13; my translation). There are actually two ways how to promote and communicate in the preparatory period.

Firstly, the company should promote its participation widely in public, if it actually wants to focus mainly on gaining new customers. It is recommended to mention the participation in special magazines, radio or other kind of media. Due to this it is likely that more people will come and see the company's booth (Baluška 2001, 14; my translation).

Secondly, the company should take care that the established customers will come and see the booth as well. The reasons are simple - there is different business atmosphere on the fair-ground than in any office, the customer can meet more employees of particular company and he can also try the news and make his own opinion. For this kind of communication is most suitable the direct mail, because it is personalized way how to invite a customer to your booth as well as how to promote your participation on an exhibition (UFI, The Global Association of the Exhibition Industry).

4.2.5 Staffing the booth

The booth's staffs are as important as the objectives are. They are representing the company and are the middle-men between the company's core values and its customers, "they are indeed performing all the elements of personal selling" (Asia Pacific a small business guide to exporting). The matter of fact is that CEOs, executives or clericals as well should be on the booth, thus the customer has the option to speak with high management, professionally trained in dealing and communicating, as well as with somebody, who knows the company from the production's point of view and is able to explain the production process (UFI, The Global Association of the Exhibition Industry). Moreover, they are expected to use badges with their name and position in the company, thus the customer knows immediately, who he is speaking with (Asia Pacific a small business guide to exporting).

As it was mentioned above, the booth's staff should not only be trained in communication and proper dealing with customer, but also they should be able to provide the customer with perfect and understandable knowledge and explanation of any product or service. In addition, the staff should always look interested in answering questions and they should be inviting the visitors to their booth, because the customer will mostly remember the mood

on the booth, the energy from staff and their attitude to him than the provided information, which are anyway published in the booklets, leaflets and on-line as well (Asia Pacific a small business guide to exporting).

4.2.6 Take part in the supporting program

The supporting program is not only important while deciding if participate, it is also a great opportunity to advertise and promote new products through their demonstration at workshops or press conferences. The good supporting program should offer activities for four groups of visitors - journalists, non-professionals, VIP and clients and professionals, such as competitions and entertaining shows or workshops and conferences, thus the supporting program will be interesting for each visitor.

Nevertheless the most important group for the exhibitors is actually the journalists, who can provide them with free-promotion or free notice in their magazines. Anyway, the whole purpose of supporting program is to make the exhibitions more interesting for everyone (Vysekalová et al. 2004, 92 - 96; my translation).

4.3 The negative sides of fairs and exhibitions

Unfortunately there is nothing just perfect and full of positives. Even the extolled exhibitions have their negatives, which will be described in following text. For example research, which was mentioned by Alfred Alles, had interviewed about 110 executives and was supposed to find out their attitudes towards exhibitions. Mostly it was classified as “all the same” or the exhibiting activities were found to be unpleasant and exhibiting as a whole process was found worthless (Alles 1973, 71).

Moreover, the team round De Pelsmacker has published more negative sides of fairs. For example they found out that although the exhibitions are proclaimed as a perfect personal communication tool, in fact there is “very superficial contact with the visitors in a hectic atmosphere.” Even worse, there are too many information and impressions to remember and catch up thus the visitors are exhausted in couple of hours and at the end of the day they want just to be far away from the fair ground.

Anyway, as the probably biggest considered disadvantage is actually not the cost of the exhibition, although it costs a lot, but the fact the visitors have the comparison with competitors and can easily switch from one company to the next one, which is cheaper or provide better services (De Pelsmacker et al. 2001, 385 - 386).

Last but not least there is also the problem of fair's perplexity. The possibility of general failure should be considered while deciding about the participation, because there are factors, which are not possible to influence, such as the atmosphere or number of visitors. As it is mentioned in Baluška's publication, "an over complexity of the participation and comprehensive impact of the implementation on the successful exhibiting is a big disadvantage of trade shows. This depends not only on company's pre-show preparation, but also on cooperation with other exhibitors, visitors, organizers, and services providers" (Baluška 2001, 14; my translation).

II. ANALYSIS

5 RESEARCH

In fact, there is no common prove whether are tradeshows and exhibitions worthy to the costs, time and endeavour or are not worthy. Although one CEO finds it as worthy as possible, another's opinion is the right opposite. In fact the opinion about the effectiveness differs company to company, tradeshow to tradeshow and thus it is not possible to say anything broadly. While the primary function of this thesis is to work out the literary sources, the for secondary purpose it was necessary to make a research at a real exhibition and ask the executives and the booth staff why they took part in and if they actually think the exhibition is worthy for them, actually if it is so worthy that they will consider the participation next time as well. With a kind agreement of the fair's organizer, BVV Veletrhy Brno, was the research for this thesis made on exhibitions Styl & Kabo, Cosmetics and S1 and about 60 companies responded to its questions.

5.1 The research methodology

Any research needs to be organized and made according to regulations. The following schema was used while researching for this thesis:

- 1) Explorative research of literature sources to gain the necessary factual knowledge about trade fairs as a marketing tool, to establish the base for questions constructing and also to have theory to prove
- 2) Questionnaire construction – the questions are supposed to support the theoretical part, refer to the main reasons of exhibiting and to prove that exhibitions are actually so effective what about spending time and costs that the exhibitors are participating again and again (see appendix P1)
- 3) Sixty respondents from Styl & Kabo, Cosmetics and S1 exhibition have anonymously answered the questionnaire
- 4) Five companies are unofficially asked about their opinion to exhibiting, their attitudes are used as a contrast or support to the results
- 5) Analysing data, creating a column graphs and putting the research results in connection with the theory
- 6) Recommendation for exhibitors

The practical part is finished by final recommendation, which is addressed to exhibitors as well as to the fair's organizers and expressed my opinion about the trade show as a whole.

6 RESEARCH – STYL & KABO, COSMETICS, S 1

Research, which belongs to this thesis, took place on Styl & Kabo, Cosmetics and S1 on 17th February 2009. The actual purpose of it is to prove the importance and uniqueness of exhibition as a marketing tool as well as to find out the opinion of exhibitors to different factors of exhibiting and whether they are voluntary to repeat their participation on the specific trade show. The following information characterizes the fairs and uses some of the statistics from official web-site of these fairs provider, BVV Veletrhy Brno.

First of all, Styl & Kabo are two well-known and popular fashion and leather fancy-goods trade shows, where the visitor can find new trends in clothing, shoes or accessories. There is actually Czech and international participation, namely there have been 522 exhibitors this year who have represented brands from 22 countries. In addition a prestigious contest for young and talented designers is given during the Styl exhibition, which makes it even more interesting either for exhibitors, either for visitors. In the final report was published, that 70 companies have participate for the first time and also that about 88% of respondents are considering to come next time (BVV Veletrhy Brno).

Although the Cosmetics exhibition is a very young, in fact one-and-half-year-old exhibition, it became to be prestige and popular as well. There were 49 exhibitors from 4 different countries, who represented 85 cosmetic's brands and visitors were able to buy their products, experience all-body massager or let their hair cut by hair-designers from Italy. There is given also Czech make-up – the master class, what makes this exhibition highly interesting and almost as prestige as Styl is.

Last but not least, the S1 exhibition is six months younger than Cosmetics but it absolutely does not mean it is worse. S1 is actually the only B2B exhibition for outdoor and winter sports in Czech Republic. This year was the participation taken by 52 exhibitors from 4 countries and according to the final report 86% of them plan to participate next time as well (BVV Veletrhy Brno).

To tell the truth, there is one simple reason, why it was decided to make the research on these exhibitions - the research wanted to focus on established fair as well as on new and young ones, what was perfectly fulfilled. The next purpose was to collect as many different information and opinions as possible to get interesting results. This purpose was reached by asking booths of different size, with different number of staff and mainly in either simple, either fancy design. Due to the fact all three fairs were given in one time and on one place it seemed to be the best and fastest option for this research.

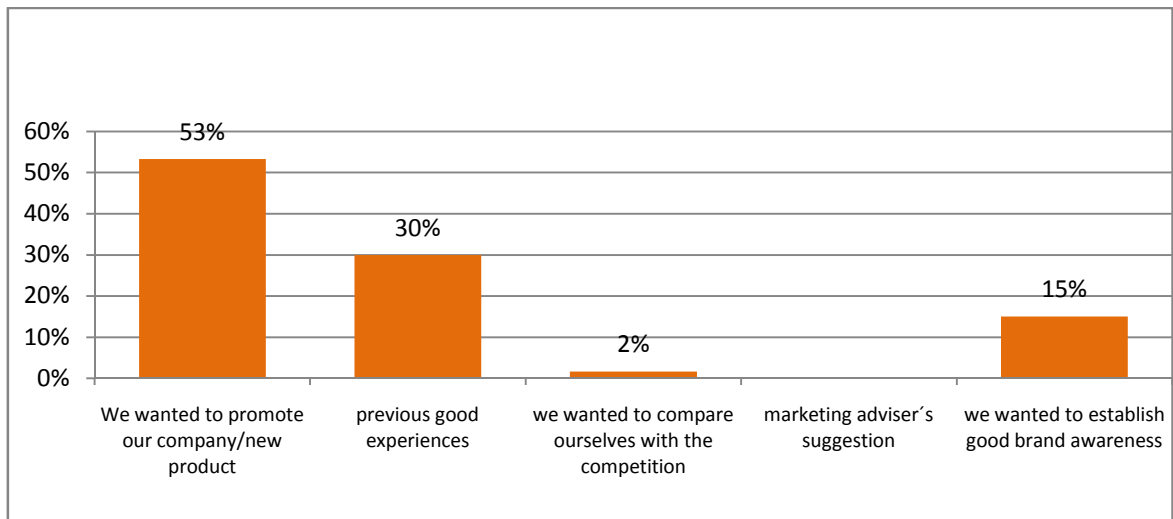
6.1 Why did your company decide to participate in this fair?

Not surprising question for the very beginning of the research and even more, not surprising results as well. As it was expected, the necessity to promote new product or to increase the awareness of particular company is the number one reason to take part in exhibiting. This trend lasts for several years as you can see also in the Graph 2. This one shows the research's results of BVV in 2003 (see page 20) and basically the results has not changed so much during the last six years. However, for the exhibitions organizers it must be a quite pleasant fact that 30% of exhibitors are participating due to their previous good experiences. In other words the exhibitors were actually so satisfied with their last results of exhibiting that they have found it worthy to repeat the usage of this marketing tool. The question is whether they have found it as a really good marketing tool or they were simply too comfortable to search for other way of promoting.

Unfortunately, none of the responding companies were on the fair because they were advised to do so by any of the marketing specialists. It actually seems that Czech companies are not using these advisors or literature at all and while preparing they mostly consider only the CEO's and managers' knowledge and experiences – in fact in 80% of cases, as it is shown in Graph 5. On the other hand one can ask, what is actually the level of specialised knowledge and experiences of those managers? This question is partly answered by the following task and Graph 6 as well.

On the other hand whole 15% of respondents answered they took part in because they wanted to establish or to increase their brand awareness. This statistics not only proves the theory about brand awareness mentioned in the theoretical part, it also points out that Czech companies are aware they should try to be in the sub-consciousness of their customers, particularly in the moment of purchasing, because as Susan Friedman wrote, “the brand is what people buy when they buy a product” (The Tradeshow Coach).

One way or another, this question has mostly supported the theory in way that exhibitions are a perfect tool for company's or product's promotion, but also it has been shown that companies are not using the fairs to find out what is new in the industry field.



Graph 4 – The reasons of participating on exhibition (my findings)

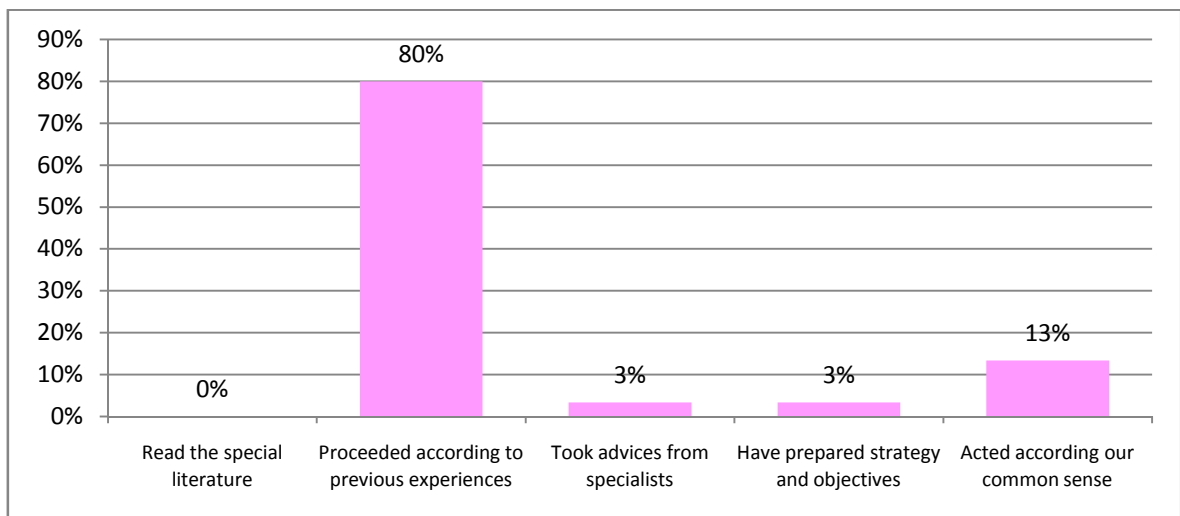
6.2 During the preparation period you did:

The second task was supposed to explore how companies do prepare to the exhibitions, whether they are taking advices from specialists or reading special literature. Unfortunately, the results have only confirmed, what the organizers were afraid of, namely that the most often used source of advices stems from the previous experiences, concretely 80% of respondents have answered so. The main marketing problem with this result flows from another experience - if you do something in the same and not anyhow improved or changed way for couple of years, you become most probably old-fashioned and not attractive for new customers. However, the fairs are proclaimed to be a marketing tool and thus they are supposed to assist the company in its image improving or in increasing its sale, what is actually almost impossible to reach only by previous experiences and no improvements at all.

However, the second most often mentioned method was the common sense of particular executive or company, which can deal with the similar problems as the experiences do. On the other hand the experiences are most probably based on at least some knowledge of marketing while one's common sense usually stems from his presuppositions how things are supposed to be done.

Anyway, quite surprising was the fact that only 3% of responding executives admitted any strategy or plan before exhibiting and indeed the same number had taken any advices from specialists. As is mentioned in the theory part, the strategy and clearly established values are crucial for successful exhibiting. On the other hand the executives would have known this if they have actually read any special literature or have asked anybody to help them,

what they obviously did not – this is simply a matter of fact which stems from the Graph 5 as well. The reluctance to actually improve company’s performance on any exhibition probably comes from the manager’s unofficial attitude - many representatives of chosen companies, which were interviewed out of this research, are indeed very sceptical towards exhibiting as a whole and they actually accept the fairs as a necessary evil just because the competition will take part in it. This is de facto the best attitude to waste all the time, energy and money invested.



Graph 5 – The preparation activities for exhibiting (my findings)

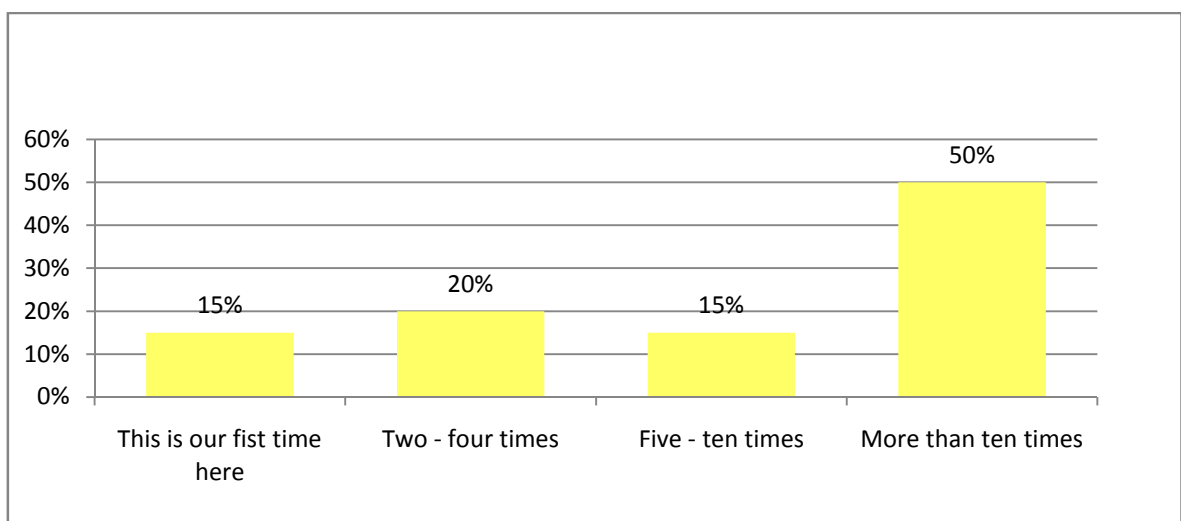
6.3 How many times did you take part in any exhibition?

As the special literature proclaims, the exhibitions are so effective for the company’s marketing and presentation, that it is definitively worthy to take part in it time after time. Moreover, the two previous questions asked the exhibitors whether they consider their previous experiences while deciding if to participate or not and in fact the experiences were undoubtedly confirmed as one of the main reasons to exhibit. Nevertheless, this task wanted to find out, how far the exhibitors are actually experienced, how many new and first-time exhibiting companies took part in the fair and finally, how often the exhibitors consider the exhibiting so paid off that they are willing to take part in again. Is the theory going to be proved or are there better ways of company’s promotion to invest money and other sources in?

The very first look at the Graph 6 will discovers that actually 85% of respondents are participating for their second time and even more. Moreover, whole 50% of participating companies (punctually 30 responding firms) have already exhibited for more than ten times

thus it seems that these companies have more than enough experiences to draw from. On the other hand the quantity does not always mean the quality, thus the level of one's skills depends whether the experiences are based on specialists' advices, exhibiting literature or the common sense of the exhibitors. Anyway, the theory about paying off and iterative participation is so far proved and acknowledged.

Secondly the Graph 6 shows the number of new exhibitors. Based on author's research about 15% of participating companies were actually on any exhibition for their very first time. Nevertheless according to the final report of BVV Veletrhy Brno there were in fact 70 new exhibitors all over the four trade shows. These newcomers were also not officially asked how they find to be a part of the fashion celebration and mostly were the answers very positive and enthusiastic, indeed. Nowadays it is even better result due to the financial crisis and cost-cutting measures in any company so fortunately the exhibiting industry do not have to be afraid about its future.



Graph 6 – How many times the company took part in a fair? (my findings)

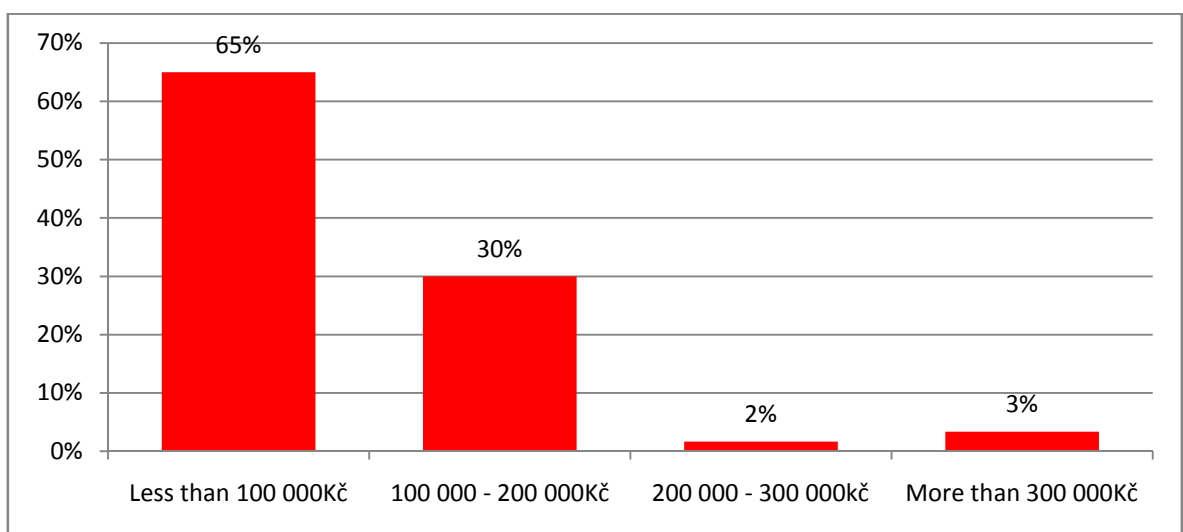
6.4 Mark your company's budget to this exhibition:

Although there was usually no problem for many executives to answer this question and thus to admit their company's budget, on the other hand there were few companies who have found it to be a very personal and internal information and they actually refused to answer. One way or another, for this thesis is the question quite important because it actually shows how generous is actually the goodwill to invest any sum of money in this kind of promotion and how expensive the participation can be in comparison to the other marketing tools.

Although some exhibitors actually did not answer, it was evident that although most of the companies tried to save their money and cut their costs due to the financial crisis, they wanted to participate anyway. The evidence of their willingness to exhibit, but not spend so much is the fact that there were 65% of exhibitors who has spent less than 100 000 Czech crowns. This bird-seed means small booths with worse position, only the most important products displayed and one or two persons responsible for the communication. On the other hand, the company has been seen on the exhibition and this is an incalculable advantage against the saving competitors.

However, the interesting result was actually the fact that the Styl & Kabo, Cosmetics and S1 exhibitions have visited about 3% of well-established companies, which could even in present-day economic crisis afford to invest more than 300 000 Czech crowns in their booth and its equipment. The truth is it was visible for the first sight, the booths were bigger, there were more displayed products and even the design looked fancier. Unfortunately these exhibitors were mostly from abroad and thus a big part of their budget was taken by travelling and shipping costs.

Furthermore, about 30% of responding companies have put in the exhibiting between 100 000 and 200 000 Czech crowns, what is actually surprising and pleasant sum of money due to fact it was invested by 20 polled companies. In contrast to this quite high number, only 2% of participators had their budget between 200 000 and 300 000 Czech crowns, what is again confirming the trend of cost-cutting measures and savings.



Graph 7 – The approximate budget (my findings)

6.5 Mark the importance of marketing tools in goals achieving

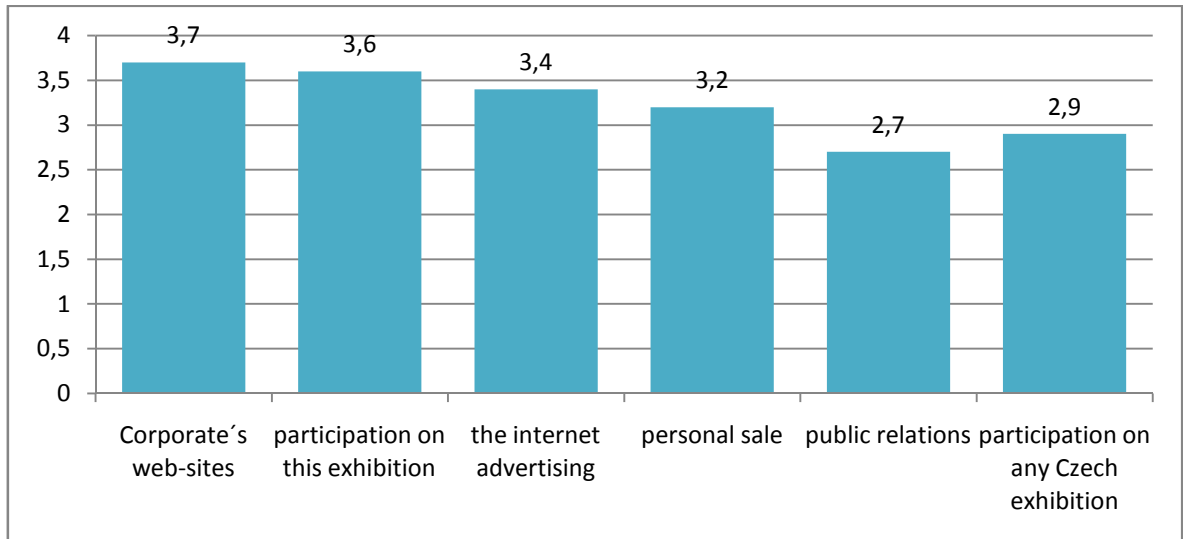
The uniqueness of the tradeshows as a marketing tool has been stated in the theoretical part several times and has been partly proved in the previous graphs. Actually while exhibiting, the booth staff and executives as well have the chance to use all of the marketing tools and moreover all in one time and on one place. In fact, each company prefers to achieve its goals and objectives by different marketing tools thus logically the exhibitors were asked which one of the tools is the most important for them and which ones are used less. They were supposed to mark the importance on a scale 1 to 4, when 1 stands for definitively not important and 4 for the opposite opinion.

Not surprisingly, as the most important tool was chosen the company's web pages, back-to-back with the participation on Styl & Kabo, Cosmetics and S1 exhibitions. The internet is the number one media, which is possible to access almost anywhere either from mobile phone, either from personal computer. Even more it is probably the cheapest and most effective way how to promote a company or a product because it is indeed used by billions of users every day, even though not all these users are visiting the corporate's web-sites. Even more, the internet advertising was evaluated by 3,4 points – the third place in this statistic thus it has confirmed the previous result of Internet effectiveness.

Anyway the second place of Styl & Kabo, Cosmetics and S1 exhibition as a marketing tool was evaluated by mark 3,6 out of 4, what must be pleasant sign for the fair organizers. It also absolutely proves the previous theory about the unique position of exhibition in marketing mix, although the exhibitors have specified that for them is important participation on this specific fair. Although this trade show falls a bit behind the Internet advertising, it is still undoubtedly important for marketing of many companies and in addition it has beaten down the Prague Fashion Week exhibition.

In contrast to the best results of Internet and exhibitions there stand tools such as public relation or participation on any other Czech exhibition. Let's start with the reluctance of companies to exhibit on another fair than in Brno. The truth is that in Czech Republic there are other exhibitions in the field of fashion, cosmetics or sport equipments - the list of them is available from www.veltrhyavystavy.cz - thus there is the possibility of participating somewhere else. On the other hand they are not as promoted, prestigious and as well-known as the exhibitions in Brno, what is most probably the main reason why exhibitors prefer to come here.

The last position of public relations was quite surprising, in spite of the supporting attitude of specialised literature. It is clearly shown by the Graph 8 that companies prefer to invest in Internet and on-line advertising than to public relation tools.



Graph 8 – The most important marketing tools for goals achieving (my findings)

6.6 Mark the importance of separated factors during the fair

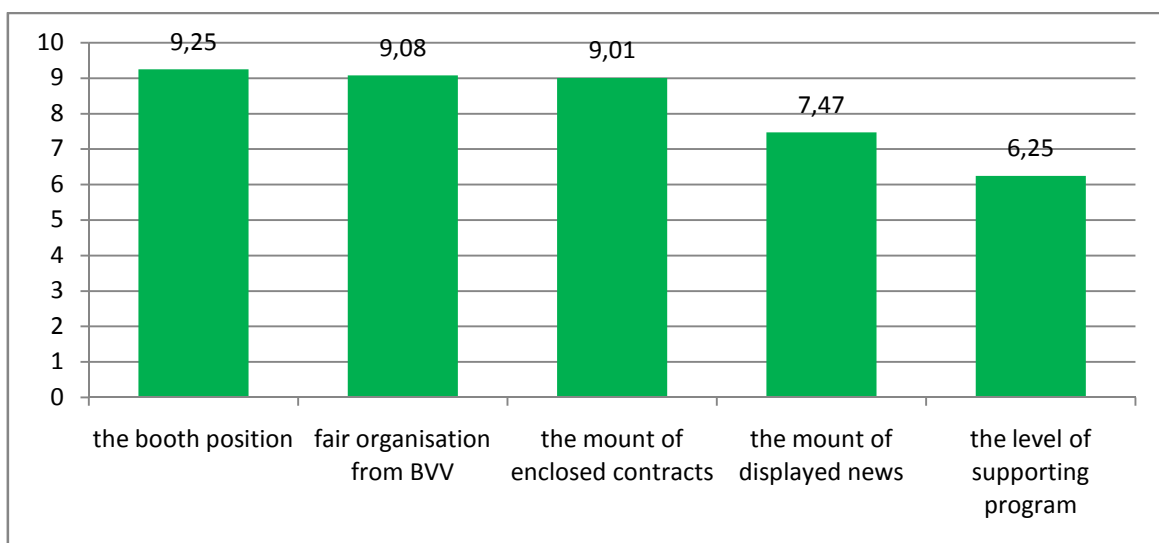
The marketing tools, which are usually used while exhibiting, are definitively not the only important thing for the success of each exhibitor and the fair's success as well. The question about the separated factors explored the importance of points such as the level of supporting program or the amount of enclosed contracts. The executives were asked to mark the significance of those factors on the scale 1 to 10 when 1 stands for not important at all and 10 for definitively important factor.

First of all there is the booth's position, which was evaluated by 9,25 point from 10 and thus it seems to be the most significant part. According to the further research (Graph 11), the satisfaction goes together with the importance what in fact means that the exhibitors want to place their booth on the most prestige, visible and frequent place in the fairground. This result supports the literal thoughts as well, because any exhibiting article about the show preparation advices to choose the most visible and frequent place in the hallway.

While exhibiting the participators found the organisation from the provide BVV Veletrhy Brno to be very relevant, in fact is not surprising at all. However, with the lack of good organisation skills and background of experiences there is no point to try to give such a difficult trade event thus this factor was quite logically evaluated by 9,08 points. Anyway, the importance and exhibitors satisfaction are more described below by Graph 11.

The option of the number of enclosed contracts was marked by more than nine points as well, while it is one of main reasons why to participate on exhibition. Nevertheless, so far have the results definitively proved the theory.

In contrast to the high marks of previous factors is the level of supporting program not as important for the exhibitors as the literature actually thinks and learns. It is, of course, effective in a way of promotion and advertising, but on the other hand just the participation is, according to the literature, the best promotion for particularly company, so why should any company invest more time and money in supporting program anyway? The statistic has indeed shown that although the literature advices to take part in the supporting program and even it describes the press conferences and workshops to be a unique opportunity while exhibiting, the experiences of the exhibitors advice them to rather spend their money for better place in the fairground and wider pre-show promotion. In this case has the reality absolutely overlaid the information in all literary sources.



Graph 9 – The importance of separated factors while exhibiting (my findings)

6.7 The satisfaction versus the importance according to exhibitors

Following tasks were supposed to find out what marketing opportunities are the exhibitors satisfied with and which ones are important for them. Unfortunately there was not found any marketing tool provided by exhibitions, which would fulfil both requirements, what is actually shown by the following results. The managers and executives were supposed to evaluate given options by marks 1 to 10, when the highest mark means the highest importance or satisfaction and the number 1 was used for the opposite attitude. The results were averaged and put into the graphs for better orientation in the results.

6.7.1 Important attributes with mildly higher satisfaction

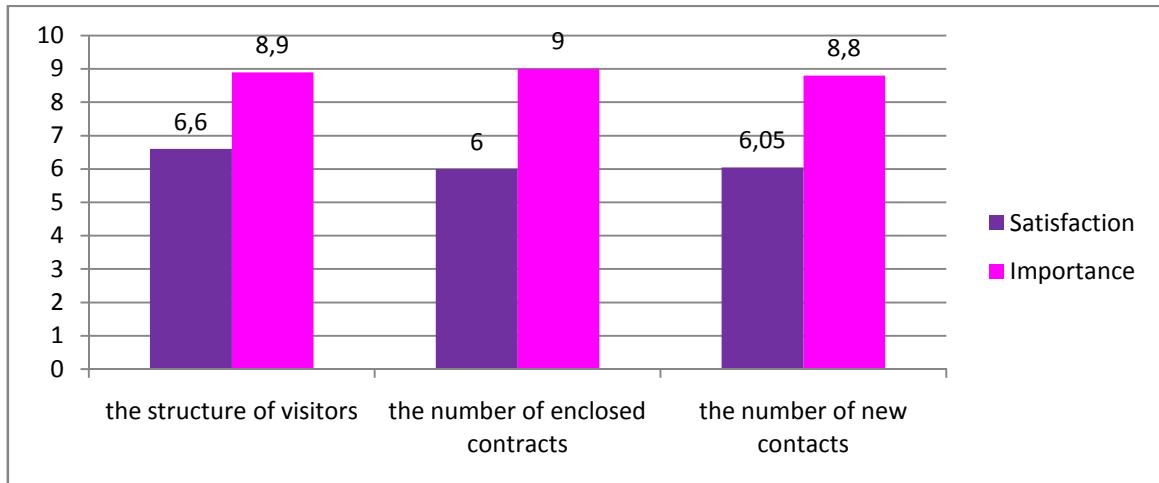
First of all it should be mentioned what is actually important and what the exhibitors were higher satisfied with in one time, because this is the good news for the fair's organizers. As it is clear from the Graph 10, the number of enclosed contracts leads the statistics and therefore it became the most important factor for participating exhibitors. Unfortunately they were not as highly satisfied as they have probably expected, in fact their satisfaction was evaluated by the lowest mark in this question, namely by 6,0 points. Here comes actually again the problem of fair's complexity, mentioned in the negatives of fairs – who should be blamed for this dissatisfaction, the booth's staff, organizers, better competition or not interested customers?

Anyway, as a contrast to the susceptible factor there stands the structure of visitors as well as the number of new contacts, which are back-to-back to the factor of enclosed contracts. For the visitor's structure quality it is a big improvement that the exhibitors care who is coming to the booth and who is interested in their company. In the ideal word there would be only professionals with the right of purchasing decision coming to the booth, but on the other hand the exhibitors should always remember, that any visitor is a potential customer and they never know who is standing in front of them. Unfortunately this is thing which the exhibitors, neither the organizers, are not able to influence so much, although there is the option to invite potential and established customers to visit this company's booth on specific exhibition while pre-show promotion. The another option how to get more specialists is to advertise in specialized magazines.

On the other hand the second factor, the number of new contacts, depends only up to the booth's staff and their ability to attract the visitors, that is why the executives should pay high attention to the proper pre-show training of those employees who are going to represent company on a fair. They should be highly skilled in communication, body language and dealing with customers as well. A man has to actually wonder how they cannot be dissatisfied with this, when it is indeed a result of their booth work, their communication with visitors and their ability to deal with them – does it mean they are not satisfied with themselves?

One way or another, these factors are actually not dependent on fair's organizers because they cannot influence the booth staff's work, although they can help to train them. For example, BVV Veletrhy Brno provides number of workshops and seminars which includes the advices how to succeed on exhibition, how to create successful booth's design or how to properly communicate with the fair's visitors during the actual show. The list of these

courses is available at official web-sites of BVV Veletrhy Brno, in section of provided services – the education. It depends only on the exhibitor whether he will or will not take part in these courses and thus intensify the possible success of company.



Graph 10 – What is important for exhibitors and what are they mildly satisfied with (my findings)

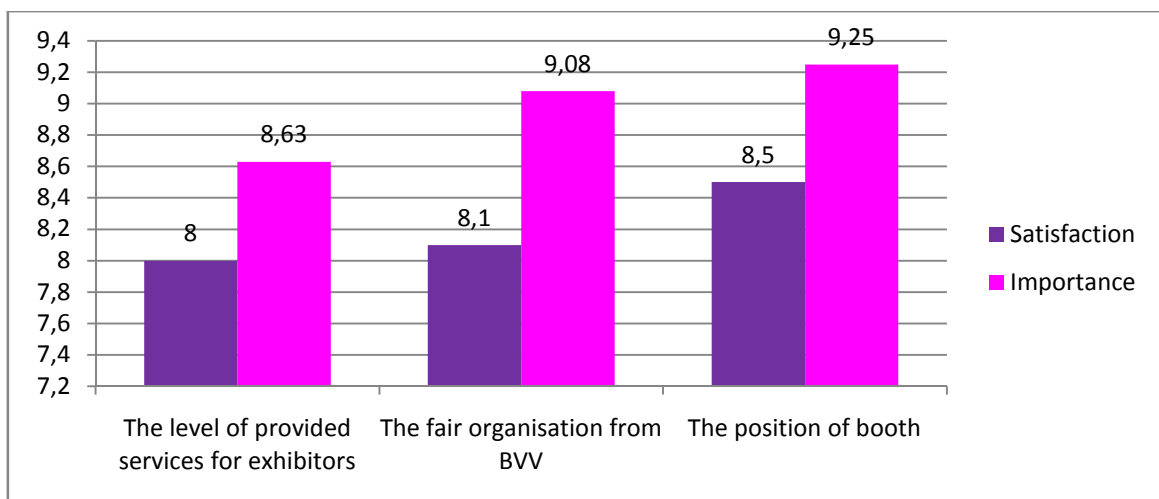
6.7.2 High importance and higher satisfaction

What can be actually more pleasant feeling for the fair's organizers than the knowledge that there are highly important factors which are the exhibitors also very satisfied with? Most probably nothing, due to the fact that answers to this question proves the hard work, organisation skills and experiences of the fair's provider.

However, according to the exhibitors' opinion is the most important to have the best possible position of company's booth. Even the special literature recommends to the exhibitors to rather pay more money, but become more visible than the others and thus attract more visitors and potential customers. The most popular and frequent places are on the corners, because the company is visible from two corridors and the booth is accessible from two sides. The good point is that the exhibitors were quite satisfied with their booth's position, but on the other hand it is not surprise. If they were unsatisfied with the place, they could blame only themselves due to the fact the fairground provides the possibility to choose the booth's position while sending the application form. Although the company has to usually pay higher fees for the attractive placement, it is definitely worthy for them, not only because of the option to gain new contacts and slightly higher sells, but also due to the higher visibility.

As the second most important factor was evaluated the fair organisation from the provider, in this case from BVV Veletrhy Brno, and it got 9,08 points out of 10. There is again the connection with fair complexity. However the biggest Czech fairground is highly experienced fair's organizer and there is no wonder that the exhibitors were pleased by provided services as well as by the pre-show promotion and organisation as a whole thus they have marked it with 8,1 points out of 10.

Last factor, which the managers were asked to evaluate, was the level of provided services for them. The importance was marked by 8,63 points what means this factors is definitively not as important as the previous two.



Graph 11 – High importance and higher satisfaction with separated factors (my findings)

6.7.3 Low satisfaction and importance as well

For the first sight it might be not important category at all, but on the other hand you can find out a plenty of interesting information from following statistics as well. Anyway, the good message about this question is that the organizers do not have to deal with these factors immediately, but on the other hand they should take care about their improvements for the next time anyway.

However, the Graph 12 shows that from two options - the direct sale profits and the number of displayed news, is for the exhibitors undoubtedly more important the second mentioned one. This statistics is not surprising at all while the new products' promotion is also the most often used reason why companies are actually participating on the trade shows. Although the satisfaction is quite low, the organizers are not to blame, because it wholly depends on booth's designers or executives who are fully responsible for the

booth's lay-out and thus for the products' displaying. On the other hand, BVV Veletrhy Brno provides also the booth's design, implementation and whole customer service as well. Although the direct sale profits are not as important as any other marketing tool, they are definitively pleasant subsidiary financial source for any selling company. Moreover it is also the reason of quite high satisfaction of the executives, namely it was evaluated by 6,75 points. Even more this factor strongly supports further sale of particular product and it can also work for the company in the way of non-direct communication tool. Any visitor, which will buy any product on the fair, will definitively share his experience with the product according to the research mentioned in the theoretical part – see p.19, and thus spread the information about company, product or service as well.



Graph 12 – Not so important factors with low satisfaction (my findings)

7 RECOMMENDATION

The last but one part of this bachelor thesis will express my opinion about the experienced exhibition, the research's results and their connection with the theoretical findings, as well as I will recommend to exhibitors and organizers few improvements for their future participation or organization.

First of all I would like to concentrate on exhibitors because they were actually the subject of my research. For me it was in fact very surprising, that none of the responding companies have read any exhibiting literature and they bargain mostly on their previous experiences. Of course I do not know whether their experiences were based on theoretical information, but on the other hand the lack of specialised knowledge was possible to recognize just from dealing with some exhibitors. According to my opinion should at least the first-time exhibitors try to get some useful information from books and specialized websites, if they do not want to spend money for advisors or preparing courses provided by BVV Veletrhy Brno.

Secondly I definitively think that the exhibitors should have clear strategy and goals which are supposed to be achieved, but they probably do not think so – at least according to the research's results. How can anybody come to trade show, invest lots of money and even not to be sure what he wants to reach and for what he came for? My advice is very simple: do not participate just because the competitors do so, go to the exhibition because YOU want to be there and because you KNOW why it is good for you.

Thirdly it came to my mind that the exhibitors should care more about the budget for exhibiting. This year it seemed to me they tried mainly to cut their costs due to the crisis, but honestly, I have seen many booths, which could be decorated better for few money and thus to be more attractive for the visitors. I think that the exhibitors should rather spend some money and ask the designer for advice than waste all budget for not interesting and not easy-to-remember booths where the visitors do not want to come, although there could be some interesting goods or services.

However, I have to admit that the exhibition was for me as a visitor a jolly experience which I have fully enjoyed also due to great organisation and pleasant atmosphere. There is nothing I could recommend to the organizers.

CONCLUSION

In the introduction there was established the main purpose of this thesis – “to prove the importance and the uniqueness of trade shows and also to persuade the disbelievers about importance of fairs in marketing mix.” The goal was supposed to be achieved by the information gained from research of literature as well as by practical research on real exhibition.

First of all I had to get some theoretical knowledge about the history as well as about the fair’s preparation and importance. Many literary sources have been read and explored as well as I have spent hours and hours on Internet by searching for suitable and fitting information but on the other hands I have enjoyed this part as well because according to my opinion I have learnt a lot about the marketing of trade shows and I have done my best to appraise all knowledge in the theoretical part and thus I was able to contrast the results of research with the theoretical thoughts.

Secondly I had to prepare the questionnaire, contact the BVV Veletrhy Brno because of my research and actually come to Brno and ask 60 randomly chosen exhibitors to answer my questions. I tried to choose as variable booths and companies as possible – small ones as well as the big booths, simply designed and fancy too. Most of the exhibitors were very kind and provide me with lots of further information about their attitude or opinions.

Finally I was supposed to work up all results and put them in connection with the theoretical thoughts, contrast them or compare to get the practical part. According to findings from the research I honestly think that this thesis has fulfilled its goal and has proved that the trade shows are in fact important for one company’s marketing and in certain way they are unique marketing tool because they comprehend several other tools all together.

In my opinion there is a certain hope that due to the above mentioned facts my thesis could be considered as a successful work. It has proved the importance and effectiveness of exhibitions as a marketing tool and even more it has shown that the exhibiting industry is in Czech Republic on very high level.

REFERENCES

Book references:

- Alles, Alfred. 1973. *Exhibitor: universal marketing tools*. London: Associated Business Programmes Ltd.
- Alles, Alfred. 1989. *Exhibition: a key to effective marketing*. London: Cassell Educational Limited.
- Baluška, M. 2001. *Vel'trhy a ich marketingové funkcie – úspešná prezentácia firmy na vel'trhu*. Nitra: Stredisko prípravy katalogou a tlače Agrokomplex - Výstavnictvo.
- Bakken, T. P. 1997. *Trade Fairs – the value creation in Value Networks*. Final thesis, Bodo University College.
- Burda, K., Galkaněvič, I., Výtisk, T., and Tyleček, D. 1999. *Jak být úspěšný na veletrhu, manual pro přípravu a realizaci*. Ostrava: Výstavy Ostrava – organizace, s.r.o.
- De Pelsmacker, P., Gevens M., and Van den Bergn, J. 2001. *Marketing Communication*. Harlow: Pearson Education Limited.
- Fill, Ch. 2005. *Marketing Communications – engagement, strategies and practices*. Harlow: Pearson Education Limited.
- Svoboda, V., Foret, M., Kolářová, K., and Zumrová, L. 2002. *Vystavujeme na veletrhu – jak expozicipřipravít a realizovat, aby splnila všechny požadované cíle*. Praha: Computer Press.
- Velarde, Giles. 2001. *Designing Exhibition*. Hants: Ashgate Publishing Limited.
- Vysekalová, J., Hrubalová, M., and Girgašová, J. 2004. *Veletrhy a výstavy, efektivní prezentace pro úspěšný prodej*. Praha: grada Publishing, a.s.

On-line brochures:

- Asia Pacific, a small business guide to exporting. *Successful International Trade Show Marketing*. Asia Pacific.
<http://www.bcexportasiapacific.ca/pdfiles/Trade%20Show%20Marketing.pdf>
- Bartels, R. 1976. *The history of Marketing Thought*. Columbus: Publishing Horizons.
<http://www.faculty.missouristate.edu/c/ChuckHermans/Bartels.htm>
- Sheth, Jagdish N. And Parvatiyar, A. 2001. *The Evolution of relationship marketing abstract*. Final draft for the International Business Review, Special Issue on Relationship Marketing, Emory University, Atlanta.
<http://www.jagsheth.net/docs/Evolution%20of%20Relationship%20Marketing.pdf>.

On-line references:

Articlesbase, Free Online Articles Directory. History of Trade Shows & Exhibitions.

Articlesbase. <http://www.articlesbase.com/business-articles/history-of-trade-shows-exhibitions-370542.html>.

BVV Veletrhy Brno. Styl & Kabo - Výsledky průzkumu vystavovatelů a návštěvníků, únor

2009. BVV Veletrhy Brno. [http://www.bvv.cz/i2000/Akce/b-styl.nsf/WWWAllPDocsID/IEXP-](http://www.bvv.cz/i2000/Akce/b-styl.nsf/WWWAllPDocsID/IEXP-7RAEZ8?OpenDocument&LANG=CZ&NAV=1&ID=0)

[7RAEZ8?OpenDocument&LANG=CZ&NAV=1&ID=0](http://www.bvv.cz/i2000/Akce/b-styl.nsf/WWWAllPDocsID/IEXP-7RAEZ8?OpenDocument&LANG=CZ&NAV=1&ID=0).

BVV Veletrhy Brno. Závěrečná zpráva – STYL – KABO, únor 2009. BVV Veletrhy Brno.

[http://www.bvv.cz/i2000/Akce/b-styl.nsf/WWWAllPDocsID/IEXP-](http://www.bvv.cz/i2000/Akce/b-styl.nsf/WWWAllPDocsID/IEXP-7Q7B3G?OpenDocument&NAV=1)
[7Q7B3G?OpenDocument&NAV=1](http://www.bvv.cz/i2000/Akce/b-styl.nsf/WWWAllPDocsID/IEXP-7Q7B3G?OpenDocument&NAV=1).

DMA solutions inc. Tradeshow Exhibition: The Importance of Promotion. DMA solutions

inc. http://www.dma-solutions.com/docs/WP_TradeshowExhibition_Promotion.pdf.

EWeek.com. Virtual Tradeshow On the Rise. EWeek.com.

<http://www.eweek.com/c/a/Security/Virtual-Tradeshow-On-the-Rise/>.

Marketing Pilgrim. Trade Shows go Virtual. Marketing Pilgrim.

<http://www.marketingpilgrim.com/2007/11/trade-shows-go-virtual.html>.

The Inside Track, Smart Resources for Trade Show, Meeting & Event Professionals.

History of Trade Shows – The Great International Exhibition of 1851 – The Crystal Palace Exhibition. The Inside Track. <http://www.theinsidetrackinc.com/History-of-Trade-Shows.aspx>.

The Marketing Site.com. Exhibitions are a direct response medium. The Marketing Site.

http://www.themarketingsite.com/live/content.php?Item_ID=3033.

The Tradeshow Coach – Secrets to Successful Trade Show Exhibiting. Building Brand

Awareness Through Tradeshow. The Tradeshow Coach.

<http://www.thetradeshowcoach.com/article07.html>.

The Tradeshow Coach – Secrets to Successful Trade Show Exhibiting. Using the Media

effectively. The Tradeshow Coach.

<http://www.thetradeshowcoach.com/article19.html>.

Trade Show Expert, articles and information for trade show exhibitors. Budgeting For

Trade Show Success. Trade Show Expert.

<http://www.lobbydisplays.com/tradeshowexpert/blog/default.aspx?id=900&t=Budgeting-For-Trade-Show-Success>.

UFI, The Global Association of the Exhibition Industry. Successful Exhibit Marketing.

UFI, The Global Association of the Exhibition Industry.

<http://www.ufi.org/media/thetradefairsector/howtoexhibit.pdf>.

WhatIs.com, The leading IT encyclopedia and learning centre. Virtual trade shows.

WhatIs.com. http://whatis.techtarget.com/definition/0,,sid9_gci1301865,00.html.

LIST OF GRAPHS

Graph 1 – The share of deals on the fair from the point of view of year profit (BVV Veletrhy Brno)	21
Graph 2 – The reasons of participation on exhibition (Vysekalová et all. 2004, 44; my translation)	24
Graph 3 – The lay-out of financial sources for exhibiting (Trade Show Expert)	26
Graph 4 – The reasons of participating on exhibition (my findings)	34
Graph 5 – The preparation activities for exhibiting (my findings)	35
Graph 6– How many times did the company take part in an exhibition (my findings)	36
Graph 7– The approximate budget (my findings)	37
Graph 8– The most important marketing tools in goal achieving (my findings)	39
Graph 9 – The importance of separated factors while exhibiting (my findings)	40
Graph 10 – What is important for exhibitors and what are they mildly satisfied with (my findings)	42
Graph 11 – High importance and higher satisfaction with separated factors (my findings)	43
Graph 12 – Not important factors with low satisfaction (my findings)	44

APPENDICES

P I Styl & Kabo questionnaire

Účast na ostatních veletrzích v ČR										
------------------------------------	--	--	--	--	--	--	--	--	--	--

6) Obodujte důležitost následujících faktorů body 1 – 10 podle toho, jak jsou pro vás během vystavování důležité, když 1bod znamená nedůležitost a 10bodů absolutní důležitost.

Faktor	1	2	3	4	5	6	7	8	9	10
Umístění stánku ve výstavní hale										
Organizace ze strany BVV										
Počet uzavřených smluv										
Úroveň doprovodného programu										
Množství vystavených novinek										

7) Obodujte důležitost a také Vaši spokojenost s následujícími faktory body 1 – 10, když 1bod znamená nedůležitost a 10bodů absolutní důležitost.

Faktor	Spokojenost	Důležitost
Úroveň poskytovaných služeb		
Organizace ze strany BVV		
Umístění stánku ve výstavní hale		
Struktura návštěvníků na veletrhu		
Množství uzavřených smluv		
Počet nových kontaktů		
Zisk z přímého prodeje		
Množství vystavených novinek		