

EFFECTS OF PARTICIPATING IN A TRADE FAIR 2000-2001



CONDUCTED BY
NORDISKA UNDERSÖKINGSGRUPPEN /
SCANDINAVIAN SURVEY GROUP
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Fairlink is a professional and industrial council for Scandinavian trade show organizers and works, among other things, to support research and education that is beneficial to the line of trade show.

> info@fairlink.se, www.fairlink.se, ph +46 36 71 53 56 <

Facts from Fairlink

Effects of Participating in a Trade Fair

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NORDISKA UNDERSÖKNINGSGRUPPEN

ASSIGNOR: FAIRLINK AB



POSTAL ADDRESS Slottsgatan 14, SE-553 18 Jönköping Sweden

VISITING ADDRESS Slottsgatan 14 Jönköping

PHONE +46 36 71 53 56 FAX +46 36 71 27 26

Summary

This survey has been carried out on behalf of Fairlink AB. Similar surveys were performed for both 1993/94 and 1996/97.

The objectives of this survey are:

- 1) To evaluate the size of a trade-fair budget and how related costs are spread when participating in a trade fair.
- 2) To obtain a picture of the impact on exhibitors as a result of participating in a trade fair regarding the number of contacts and the number and size of orders that they lead to.

A total of 785 interviews were performed with 307 different exhibitors on three different occasions: directly after participating in a trade fair, and then three and six months respectively after the fair. Only companies that have exhibited in professional trade fairs have taken part in the survey.

An average of 28 percent of the marketing budget is used to exhibit at trade fairs. The largest individual item in the budget is the exhibition stand, which represents 33 percent of the budget, while the stand's actual surface takes 30 percent.

96 percent of the exhibitors hold one or several invitation activities prior to participating in a trade fair. The most common is to send out an invitation followed by advertising and a visit booked in advance.

After a trade fair, nine of ten exhibitors are satisfied with the visitor quality, and one in ten are dissatisfied. Among the exhibitors who actively worked with invitations prior to a fair, the degree of satisfaction is greater than among those who did not work with invitations.

Six months after a trade fair, the average sales of the exhibitors are almost three times greater than their budget for the fair. A relatively large proportion of exhibitors also discover new effects of having participated in a fair for quite a long period of time afterwards. The most common effects (apart from sales) are:

- Strengthened brand name.
- Feedback from the market.
- Inspiration.

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Objectives, method and reply frequency

Assignor

This survey has been performed on behalf of Fairlink AB.

Objectives

- 1) To evaluate the size of a trade fair budget and the spread of related costs when participating in a trade fair.
- 2) To obtain a picture of the impact on exhibitors as a result of participating in a trade fair regarding the number of contacts and the number and size of orders that they lead to.
- 3) To follow-up similar surveys performed by Fairlink for the years 1993/94 and 1996/97.

Method

The exhibitors have been interviewed by telephone on three different occasions – directly after participating in a trade fair, three months later, and then six months later – in order to be able to follow up the exhibitor's anticipated and actual results. A questionnaire was sent to the exhibitors prior to each telephone interview being made. The method was the same as that used on previous occasions.

Selection

Fairlink AB subjectively selected nine Swedish professional trade fairs organised in 2000. The prerequisites for being selected were at they were professional fairs arranged by one of Fairlink's members, plus that they were held during a certain timeframe. A random selection of exhibitors was then made from these trade fairs. Fairs included in the survey were Maintenance/Industrial Cleaning, Scanplast, Computer World Expo, SUM, e.com ITexpo, NTLE, Elmia Truck, Elmia Waste & Recycling, and SkogsNolia.

Reply frequency

In the first round of interviews, the questionnaire was sent to 650 exhibitors. Each exhibitor was interviewed on three different occasions – directly after participating in a trade fair, three months later, and then six months later. A total of 785 interviews were performed with 307 different companies.

Reply frequency:	Round 1:	47% (of 650 companies)
	Round 2:	38%
	Round 3:	35%

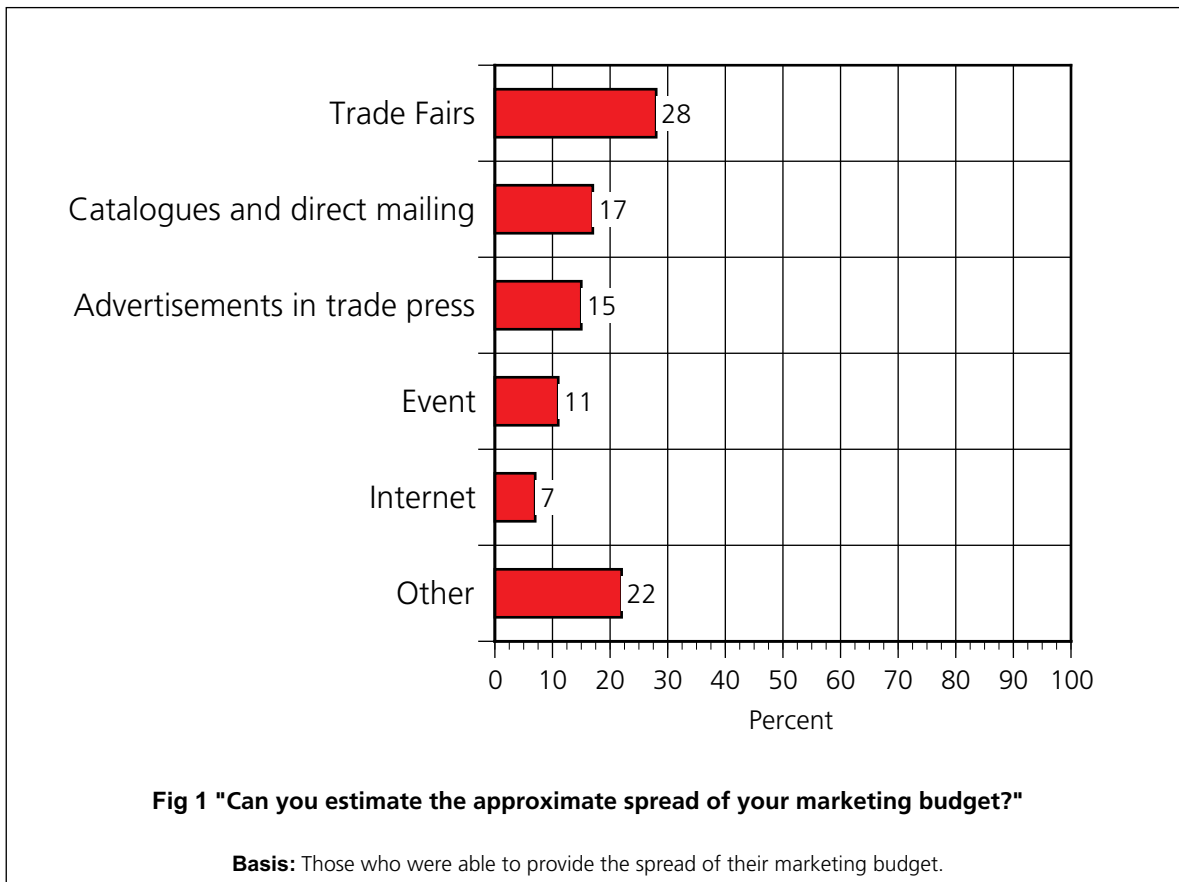
Nordiska Undersökningsgruppen

Nordiska Undersökningsgruppen (NU) is one of Europe's leading trade fair survey companies. Since its formation in 1986, NU has built up a large number of unique services that assist both organisers and exhibitors in their development processes.

Project manager: Mikael Jansson
Tel: +46 (0)36-34 62 30
e-mail: mikael.jansson@nugruppen.se
www.nugruppen.se

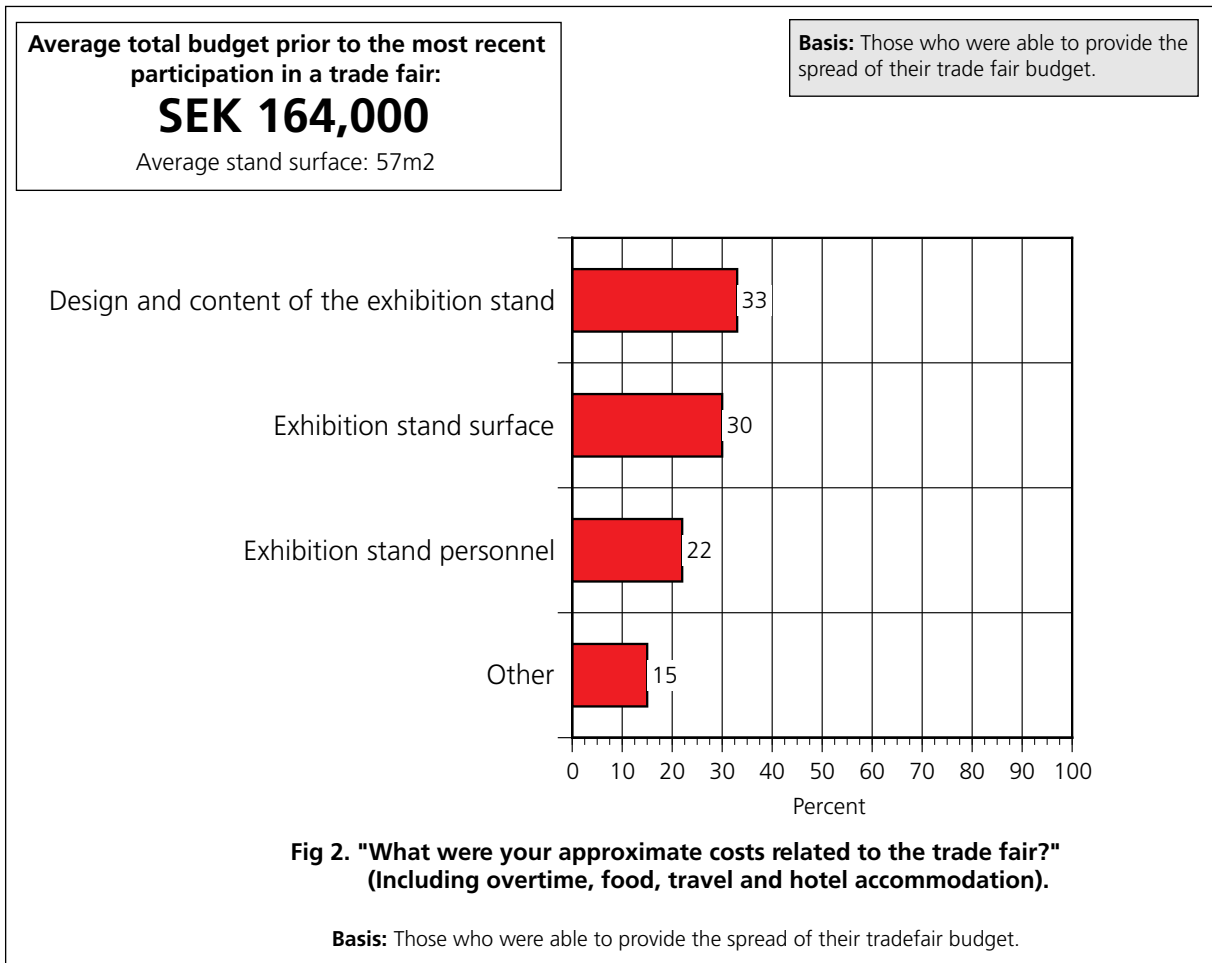
Budget

Marketing budget



TREND COMPARISONS			
	<u>93/94</u>	<u>96/97</u>	<u>00/01</u>
Trade Fairs	25%	26%	28%
Events	-	-	11%
Personal sales visits	39%	35%	-
Catalogues and direct mailing	15%	16%	17%
Advertisements in trade press	14%	14%	15%
Internet	-	-	7%
Other	7%	9%	22%

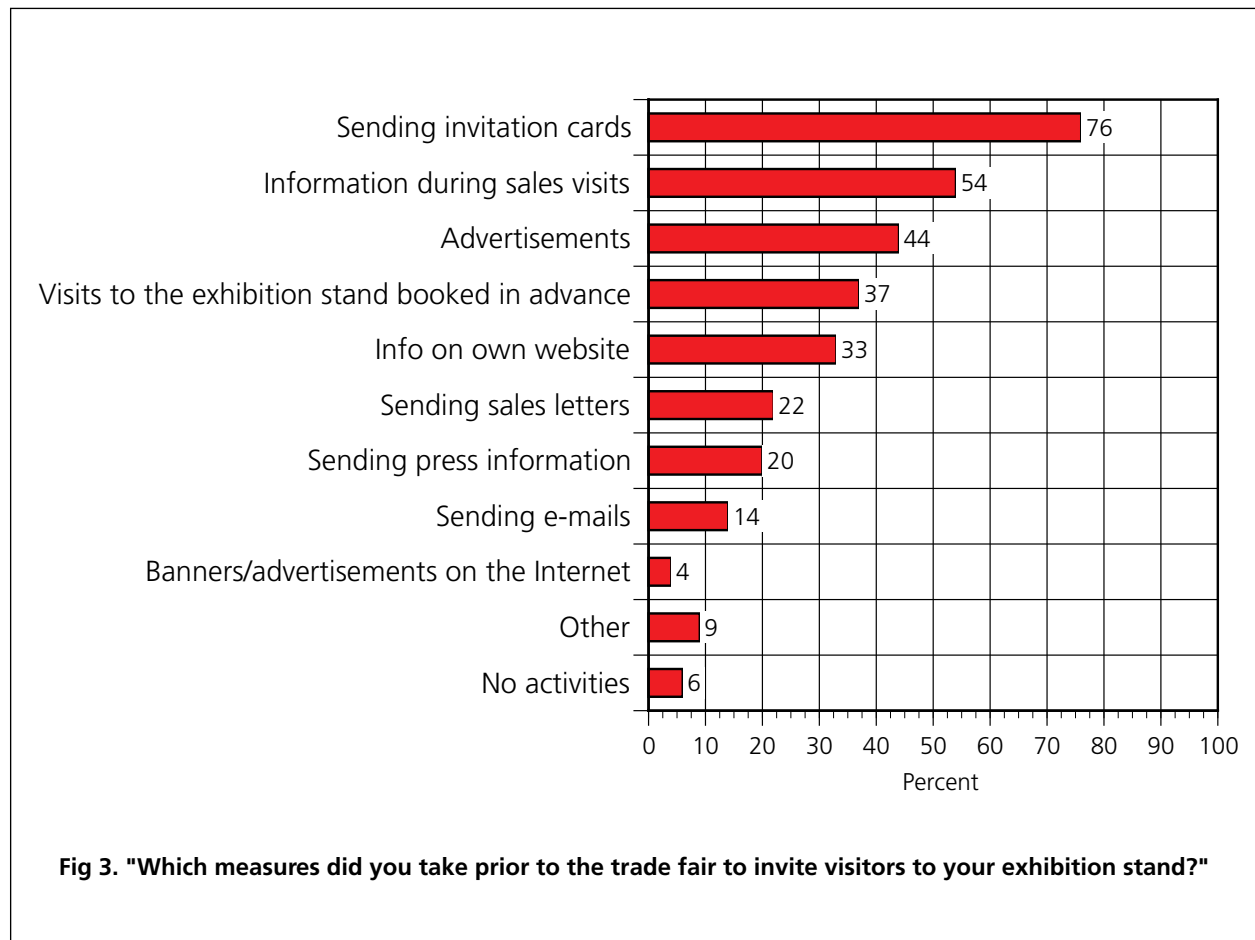
Trade fair budget



TREND COMPARISONS			
<u>SPREAD OF TRADE FAIR ITEMS</u>	<u>93/94</u>	<u>96/97</u>	<u>00/01</u>
Design and content of the exhibition stand	30%	31%	33%
Exhibition stand surface	38%	29%	30%
Exhibition stand personnel	22%	23%	22%
Other	10%	17%	15%
Total cost	109,000 SEK	128,000 SEK	164,000 SEK

Activities prior to a trade fair

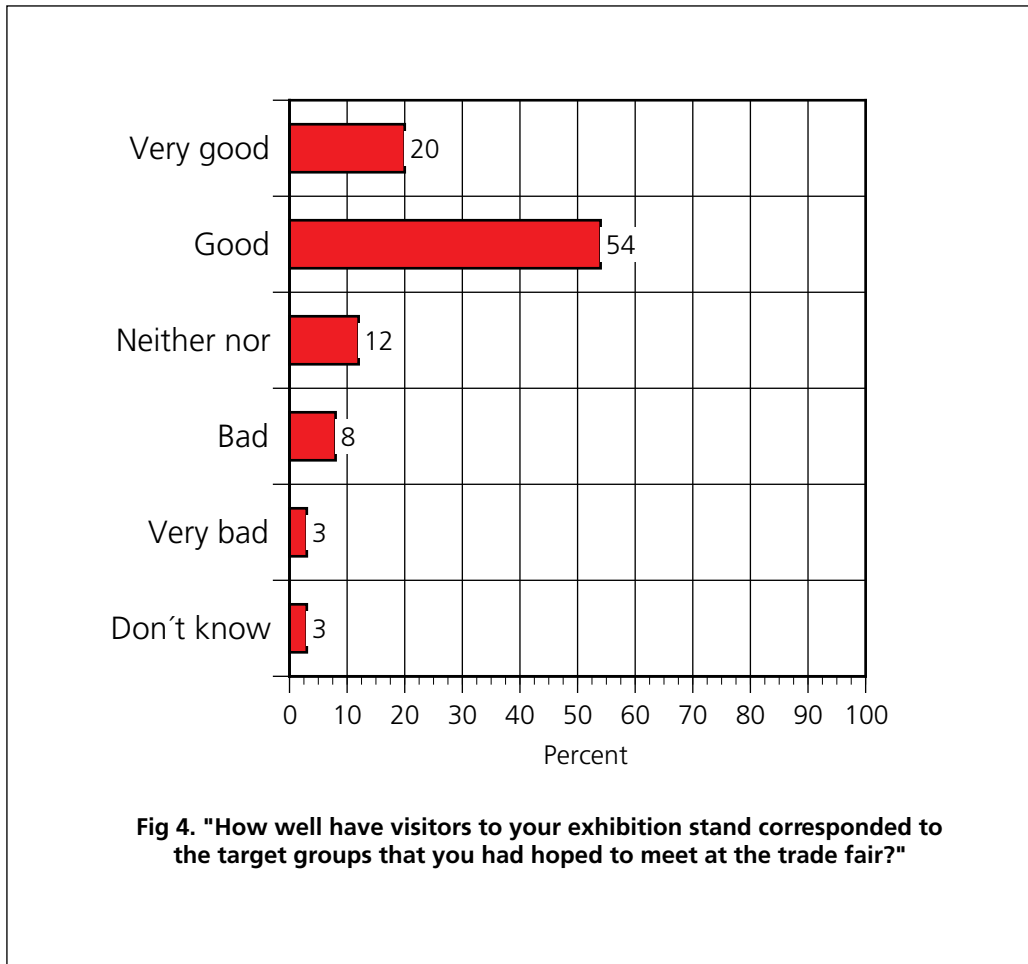
Activities prior to a trade fair



TREND COMPARISONS			
	<u>93/94</u>	<u>96/97</u>	<u>00/01</u>
Invitation cards	66%	81%	76%
Sales visits	67%	69%	54%
Advertisements	37%	26%	44%
Visits to the exhibition stand booked in advance	43%	34%	37%
Own website	-	-	33%
Sales letters	17%	19%	22%
Press information	24%	21%	20%
E-mails	-	-	14%
Banners/advertisements on the Internet	-	-	4%
Other	11%	9%	9%
No activities	9%	6%	6%

Resultats of participating in a trade fair

Right visitors to the exhibition stand



TREND COMPARISONS			
	<u>93/94</u>	<u>96/97</u>	<u>00/01</u>
Very good	21%	32%	20%
Good	39%	35%	54%
Neither nor	29%	20%	12%
Bad	7%	8%	8%
Very bad	3%	3%	3%
Don't know	1%	2%	3%

Significance of invitations for visitor quality

Measures taken for invitation activity (see page 7)	How well have visitors to the exhibition stand corresponded to the target group (see page 8)			
	Very well/well	Satisfactory	Bad/very bad	Don't know
Visits booked in advance	78%	11%	11%	0%
Sending invitation cards	75%	12%	12%	1%
No activities prior to the trade fair	50%	17%	12%	21%

Table 1: Relationship between activities prior to the trade fair and degree of satisfaction with visitors to the exhibition stand.

The 93/94 and 96/97 surveys showed exactly the same tendencies.

Results of participating in a trade fair

	Results of participating in a trade fair (Average total budget: SEK 164,000)			
	Directly after fair	3 months after	6 months after	12 months after
Orders from new contacts	22% ¹⁾	14% ²⁾	16%	? ³⁾
Average generated order (total amount for an exhibitor, SEK)	320,000:-	430,000:-	440,000:-	1,400,000:- ⁴⁾

1) Directly after a fair, exhibitors estimate that 22% of new contacts will lead to an order.

2) After 3 months, 14% of new contacts led to an order.

3) No estimations have been made of what happens after 12 months. The proportion of orders has probably continued to rise.

4) An estimation directly after a trade fair.

**Table 2: Development of the proportion of new contacts that led to an order.
Development of the total amount of orders for an individual exhibitor.**

	Surprisingly positive trends			
	3 months after a fair		6 months after a fair ¹⁾	
Results compared with what one believed in the previous interview	Much better/better	20%	Much better/better	11%
	Unchanged	69%	Unchanged	67%
	Worse/much worse	6%	Worse/much worse	9%
	Don't know	5%	Don't know	13%

1) Compared with what one believed in the previous interview

Table 3: "Do you believe today that you will obtain better results than you believed in the previous interview?"

