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Methods of Evaluation of Trade Fairs Results Employed by Exhibitors – an Overview and Scope of Application

Summary

The aim of this paper is to review the evaluation methods of a company's trade fairs performance and to present the scope of application of these methods as illustrated by participants of the selected trade fair events which were held in Krakow. A review of the main available literature on the methods of evaluating the results of a company's participation in trade fairs constitutes a theoretical introduction. In the empirical part, the results of questionnaire surveys carried out among exhibitors participating in Krakow trade fair events on the evaluation methods of trade fairs outcomes, which they applied, are presented.

Key words: economic fairs, trade fairs, exhibitors, evaluation, fair outcomes.

JEL codes: D22, L29, M39

Introduction

A rapid growth of the trade fairs industry and a multitude of available options for the realisation of both entire events and particular presentations have enhanced the role of trade shows in the marketing policy of enterprises in recent years. At the same time, the development of these tools makes it more difficult for exhibitors to prepare their companies for the participation in trade fairs in such a way that it would maximise the outcomes of these activities. On the one hand, entrepreneurs declare high expectations in connection with trade shows (Lin 2016, pp. 2630-2653), but on the other hand they are aware of the fact that it is almost impossible to meet particular marketing goals, considering the large scale of these events. Therefore, today it is increasingly more frequently assumed that trade fairs serve as a tool of building confidence towards a given brand and maintaining client loyalty and not as a means of increasing brand awareness among consumers (Kirchgeorg, Springer, Kästner 2009, pp. 63–72). Thus, the areas of a company's operations that are influenced by its trade fairs participation are changing and, as a result, its preparation process, the very nature of its participation as well as the evaluation of the resultant outcomes are also being modified. A large spread of these events in time and their diverse character pose additional difficulties in evaluating trade fairs results. So apart from enthusiasts of trade fairs participation, there are also those who question the purposefulness of such activities (Santos, Da Silva 2013). It is necessary to verify the hitherto applied methods and to attempt to elaborate new ones which would be capable of reflecting the actual impact of the company's participation in a trade show on its situation.

The aim of this paper is to review of the evaluation methods of a company's participation in trade fairs and to present the scope of their application by participants of today's trade fairs on the basis of selected exhibition events organised by "Targi w Krakowie" in the years 2015/16. Based on questionnaire surveys carried out among 535 enterprises (exhibitors), the evaluation methods of the trade fairs performance which are most frequently employed by them were verified, and the most significant limitations of these methods as well as the most probable directions in their development were indicated.

The vast majority of the available literature on the evaluation of the results of participation in the fair presents the assessment methods and their potential usefulness for the exhibitors. But there are not analysis checking if the methods proposed in the literature are used by market practitioners. This paper is an analysis of how exhibitors participating in the relatively small fairs are trying to assess the results of participation in these events. It is based on the methods described in the cited sources and checks whether and possibly how they are used.

Evolution of the evaluation methods of trade fairs performance employed by exhibitors – literature review

Historically, trade fairs are deeply rooted in the past. Events which resembled exhibitions in their character were already held in antiquity (*Biblia Tysiąclecia. Księga Estery 1: 3-4*, 1983). Originally, the direct and fundamental aim of trade fairs participation (basically, until the times of organised, institutional commerce) was the sale of products (Kałduński 2002, pp. 3-25). Therefore, the results of participation in the past trade events were assessed relative to the sales volume. Despite the changes in the perception of the trade fairs function observed over the successive years (Figiel et al. 2000, p. 36; Proszowska 2015b, pp. 313–326), elements of the economic analysis of the effectiveness of the trade fairs participation dominated in the field of measurement and evaluation of its results. It refers also to the way in which the attractiveness of trade events was assessed. (Wojciechowski 1986, pp. 106-108) quotes two most commonly used methods for measuring this effectiveness, i.e. the Milan system and the Leipzig system. Both of them consisted in estimating the turnover volume (or the volume of the placed orders) of the exhibitors taking part in a particular trade event. Also exhibitors themselves when evaluating the results of their participation took into account only quantitative effects. It was regarded that the basic benefit resulting from trade fairs participation was concluding a transaction, directly or indirectly connected with the trade event¹. The formula for computing the effect of industrial trade fairs participation boiled down to calculating the ratio of the summative value of the transactions concluded during the trade fairs and within a specified time after it to the direct and indirect costs incurred by the participation. Similar parameters took into account indicators of the profit volume which was achieved due to the transaction as a result of the participation in given trade fairs (Wojciechowski 1986, pp. 114-115).

¹ i.e. concluded at the trade show or due to further talks and agreements which were initiated a trade show (Wojciechowski 1986, p.110).

At the end of the 19th century, broader criteria for the evaluation of trade fairs performance were proposed, e.g. evaluation within specific categories (Drab 1995, pp. 316-318) such as the commercial benefits, costs, personnel efficiency as well as the effectiveness of the trade fairs itself and of the trade fairs stand. Detailed criteria distinguished within these categories were, inter alia, new customers, agreed orders, new business contacts established and different aspects of the costs incurred in connection with the participation in a trade show. Examples of evaluation indicators presented in other sources include (Mruk, Kuca 2006, p.136): the cost of providing a single customer with the company's promotional materials, the cost of exchanging contacts and obtaining the data from a single visitor to a trade show, the cost of conducting a single conversation, the proportion of visitors who had conversations at the stand. Similar algorithms for evaluation were proposed by trade fairs organisers and operators, as well (<http://www.auma.de/en/SuccessfulParticipationinTradeFairs>)

However, towards the end of the 20th century more and more numerous opinions started to appear that such an approach was insufficient and it was necessary to employ indicators that would account for marketing and branding effects such as increase in brand awareness, image boosting, or establishing relationships with market participants who are significant from the exhibitor's point of view (not only with end-consumers). Considering that a sales transaction has the nature of a process, the usefulness of industrial trade fairs has to be analysed with regard to particular stages of this process (Li 2007, pp. 360–370). The trade fairs objectives of a particular exhibitor will be defined in relation to their market situation and the level of the customers' awareness of their offer, and, what results from that, the measurement of their trade fairs performance will also vary (Proszowska 2015a). An example of such a multi-stage model of the evaluation of trade fairs participation is a three-stage model of performance evaluation proposed by S. Gopalakrishna and G.L. Lilien (1995, pp. 22–42), within which the following evaluation indices were distinguished:

- attraction efficiency index (of the target audience);
- contact efficiency index (with visitors from the target audience);
- conversion efficiency index (the ratio of effective sales conversations to the number of visitors who established contact).

The authors of this model emphasized the fact that trade fairs are most effective at the beginning of the sales process, i.e. at the stage of particular needs recognition and looking for the ways of satisfying them, when the awareness of the product originates and customers come to realise its functional features. At the same time, the authors indicated that the remaining stages of the sales process are more effectively implemented by means of other marketing tools.

The next models of trade fairs performance assessment which were developed at the turn of the 20th and 21st centuries (Hansen 1999, pp. 1-12; Hansen 2004, pp. 1–12), apart from aspects directly related to sales performance, include also behavioural variables connected with information gathering, relationship building, image boosting and motivating. Besides there are among the parameters of evaluation criteria such as an assessment of the work of the staff, or the analysis of the other exhibitors presentation (Solberg Søylen 2013, p. 126).

The today's approach to trade fairs treats them as multi-dimensional phenomena or events, combining entertainment, product demonstrations and facilitating the buying process for visitors (Gottlieb, Brown, Ferrier 2014, pp. 89–107). Therefore, their performance assessment should also be multi-dimensional, that assumes the analysis of the relations in a triangle exhibitor-visitor-organiser, what makes this assessment more difficult and ambiguous (Lin, 2014, pp. 146–152). Numerous authors describe contemporary industrial trade fairs as a source of trade information (Gębarowski 2015, pp. 15–24; Leszczyński, Zieliński 2011), but others indicate the fact that the nature of information sought during trade fairs is extremely varied and the assessment of their usefulness immediately after these trade events is impossible since it depends on how they will be utilized in the company decision-making process (Bettis-Outland, Cromartie, Johnston, Borders 2010, pp. 268–271). The only unambiguous fact is that the benefits resulting from information acquisition during trade fairs are intangible by nature and have impact at different periods and on numerous areas of a firm's operations (Bettis-Outland, Johnston, Wilson 2012, pp. 384–391). Increasingly, the long term nature of the results of the trade fairs is underlined (Sridhar, Voorhees, Gopalakrishna 2015, pp. 222–229).

Research methodology and description of the study sample

The survey study included 535 exhibitors participating in selected trade fairs² dedicated to the broadly understood investment industries which were held in the years 2015/16 by “Targi w Krakowie”. The research objective was to establish the kind and scope of the assessment methods of trade fairs performance employed by the surveyed companies and to suggest possible improvements of these activities.

When characterising the study sample, it could be noticed that the average foundation date of the studied companies was 1999³, while the date of their first participation was around the year 2005 (2004.947; $Q_1 = 1999$, $Q_2 = 2013$). Among the studied subjects, small enterprises⁴ most frequently employing 3–4 salespeople at their trade stand prevailed (the variable of “stand staff number” $m_c = 3$, $Q_3 = 4$ persons). The number of trade shows which the analysed companies had participated in in the preceding year on average amounted to 5 (5.233; $m_c = 3$, $Q_1 = 2$, $Q_3 = 6$). The exhibitors taking part in the research rented the stand of the average size of 18 m² (17.82 m²), and small stands with a limited number of employees were most numerous ($m_c = 12$ m², $Q_1 = 8$ m², $Q_3 = 18$ m²).

² These were: SyMas-Maintenance 2015, KOMPOZYT-EXPO, 4INSULATION 2015, EFE 2015, MOBILE IT 2016, KRAKIDENT 2016 i EUROTAB 2016. The sample selection was made intentionally, in two steps (the first step – choice of the events, the second step – choice of respondents). Basing on previous experience and the observations of the author in the first stage the trade fairs were selected, and then questionnaires were handed out to all exhibitors participating in selected events. Applied measurement scales are (in the vast majority) dichotomous (they document the presence or absence of specific features/activities).

³ For the variable “the foundation year of the company”: $m_c = 1999$, and $Q_3 = 2008$.

⁴ For the variable “company employees number”: $m_c = 21$ employees, and $Q_3 = 50$.

Assessment methods of the results of trade fairs participation employed by the studied exhibitors – main⁵ research results and most significant conclusions

Within the framework of the study, it was attempted to identify the assessment methods of trade fairs performance employed by the studied exhibitors as well as the kind of information needed in the evaluation process and the method of acquiring it. Questions contained in the research questionnaire were partially closed. Respondents could select from the list of “recording and assessing” activities, which they apply and describe additional activity in this area carried out in their company.

The first problem referred to the activities aimed at evaluating the trade fairs outcomes which were undertaken by the exhibitors at the at-show and post-show stages. The most frequently mentioned activities were as follows:

- collecting business cards of visitors to the stand show (77.01%),
- recording who took particular promotional materials (e.g. a business card with the number of the catalogue given to the visitor) (28.60%),
- keeping count of the promotional materials given out to visitors at a particular trade show (22.99%),
- questionnaire surveys carried out among customers/clients and other visitors (14.20%).

The first three parameters are the basic values used for describing the behaviour of visitors to a trade show. Relating the obtained values to the incurred costs and to the total number of visitors to a given trade show enables the computation of relatively simple indicators of trade fairs effectiveness such as the cost of reaching a single customer/client, or the visibility of a given trade show stand. Obviously, this information allows for the extension of the contact at the event to the post-show period, but on the other hand it does not reflect the nature of this contact and potential benefits for the company that might result from this contact. What is needed are more detailed parameters describing the presence of particular visitors at the trade stand like, for example, the length of the visit, the size of the visiting group, or the level of the displayed interest in potential co-operation. As a rule, exhibitors also do not make photographic or video documentation of the conversations held with the visitors to their trade fairs stand.

Only slightly fewer than 15 per cent of the studied exhibitors conduct some kind of questionnaire surveys among trade fairs participants, and this is exactly what could illustrate the actual impact of the market offer. The visitors’ opinions about the trade fairs stand, the presented products or the offered terms and conditions of cooperation which are voiced in the course of their visit to the stand should be treated as one of the most crucial factors inducing modifications of the marketing tools employed by exhibitors. It should be noted that the research included investment industries in the case of which trade fairs are not of mass character as it is in the case of standard B2C events, thanks to which it is relatively easy to

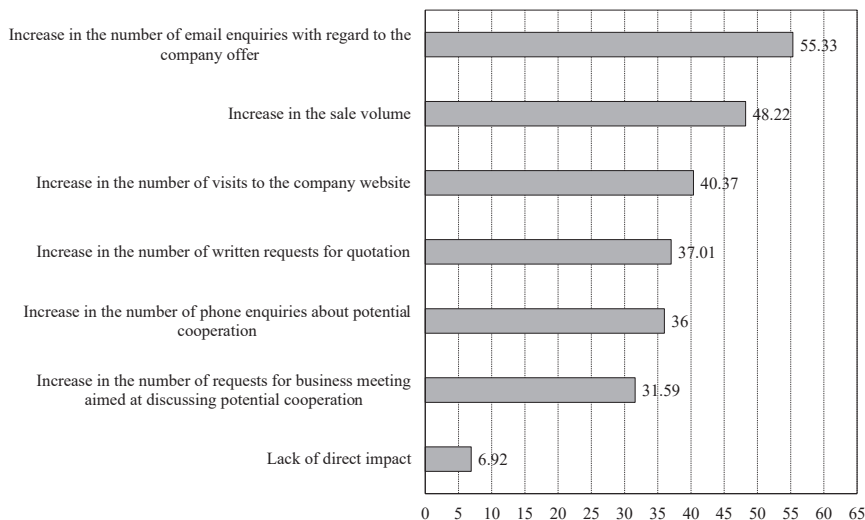
⁵ Due to limitations of the volume of the article there are presented only the most popular evaluation methods. Other methods had so low the percentage of indications that they cannot be regarded as commonly used by today’s trade fairs participants.

individualise the contact with the visitor and conduct a survey. Moreover, what should also encourage to do it is the very nature of cooperation typical of these markets, within which particular customers/clients display highly specific needs and require an individualised approach.

The evidencing procedure of the trade fairs activity clearly lacks a formalised analysis of the competitors' activities. Obviously, during a trade show employees must even unintentionally notice the appearance of the competitors' stands, but unless they systematise this kind of information in the form of written reports and analyses (supplemented by the above mentioned photographs and multimedia recordings), there are slim chances that it will reach the decision-makers within the company, who often do not participate in trade fairs themselves but only make decisions pertaining to the participation in the next events and the character of this participation.

Analysing their market situation at the post-show stage, exhibitors observe some outcomes of their activities. Details are presented on the Figure 1.

Figure 1
Outcomes of trade shows participation observed by exhibitors



Source: the author's own research.

Considering the above-mentioned indicators, it can be noticed that a vast majority of them are related to the current sales activity of the company. Regardless of the nature of the declared trade fairs objectives (a majority of which also had a strictly marketing character), at the post-show stage the exhibitors do not analyse the changes in the brand awareness

level, company image, company reputation, product attractiveness, attitudes towards offered products, etc. They do it neither directly after the trade fairs nor on a less regular basis (e.g. after every several trade events). Thus, it can be assumed that, despite declaring numerous objectives of marketing/communication⁶ nature, they encounter problems with assessing the extent of the implementation of these objectives after the trade fairs.

In order to maximize the impact of their trade fairs participation, exhibitors undertake communication follow-up activities at the post-show stage. The most frequently occurring ones include⁷:

- telephone contact with a visitor to the trade fairs (54.95%)
- sending detailed proposals to those who displayed interest in the stand (48.60%),
- sending personal thank-you notes for visiting the stand (34.21%).

In the course of the research procedure, it was analysed if there were any correlations between the above-mentioned exhibitors' communication activities implemented after the trade fairs and the outcomes of their participation observed by them. Applying the χ^2 test of independence, it was possible to establish statistically significant relationships between the above activities and selected outcomes of the trade fairs participation of the exhibitors, nevertheless the Cramer's V coefficient for these intercorrelations was less than 0.15 (it indicated that the identified associations were very weak). Thus, it can be assumed that for some exhibitors the outcomes of their participation in a trade fairs result from the policy which was consciously applied by them during the trade fairs, but they represent a relatively small group among all the companies (exhibitors) taking part in the event.

Although the conducted assessment of the results is significantly limited at times, the surveyed exhibitors are convinced about the positive impact of their participation in a trade show on the market situation of their company. 31.21 % of them declare maintaining the current level of expenditure and the number of trade fairs, and further 28.41% are planning to increase their expenditure with regard to trade fairs and an increase in the number of attended trade fairs.

The correlations between exhibitors' plans regarding the intensity of their future trade fairs policy and their activities at the at-show and post-show stages were also analysed. Applying the χ^2 test of independence for the multiple choice questions, a statistically significant correlation was identified between the respondents' declarations concerning their trade fairs plans and the basic⁸ variables describing their trade show policies. Thus, it can be assumed that the decisions on future trade fairs participation are differentiated, depending on the solutions applied at particular stages of trade fairs participation, but the analysis of these associations shows that they are not too strong⁹.

⁶ The preshow objectives which were the most commonly mentioned by the respondents were: presentation of new products or technologies (57.82% of the respondents), boosting the company image in the market (46.53%) and strengthening the relationships with stakeholders (30.13%).

⁷ The surveyed respondents declared that they realised such activities but did not specify their frequency.

⁸ Such as, e.g. major trade show objectives, activities aimed at the assessment of the trade show results or activities accompanying the trade show presentation.

⁹ In the case of the statistically significant correlations which were identified with the application of the χ^2 test of independence, the values of the Cramer's V coefficient did not exceed 0.28.

Conclusions

When analysing the assessment methods of trade fairs performance, it was possible to distinguish a few areas where the trade fairs outcomes could be significantly improved. In order to attain it, exhibitors should be more active in the field of documenting trade fairs demonstrations as well as the opinions and impressions of visitors to the trade show. Definitely, they should go beyond the observation of their own trade fairs stand and record the activities undertaken by other participants of the trade fairs in other parts of the trade event venue.

Contemporary trade fairs entail more and more complex presentations and preparations, and, as a consequence, require higher trade fairs budgets. Simultaneously, the number of available tools which can be used by entrepreneurs to implement the objectives traditionally involved in trade fairs is increasing. Therefore, it is urgently necessary to develop relevant methods for the assessment of these activities and for comparing them with other marketing tools. Based on observations from Krakow events, it can be concluded that the most attention on assessment of trade fairs results is paid by organisers of these events during research on this topic among exhibitors and visitors. It is necessary, however, that the various participants do it individually from their own point of view. It is especially significant in the age of integrated marketing communication, within which all the undertaken activities should be complementary and compatible with one another.

Within the scope of their trade fairs activities, exhibitors cannot rely exclusively on the ongoing communication with the visitors but also have to evidence the visits to their stand, their character and, finally, evaluate them in the context of the overall marketing policy of their company. The very contact at the trade fairs should be more intensive and should also involve elements of other communication channels and tools. Moreover, what should be taken into account when evaluating the trade fairs performance is not only immediate sales- or communication-related success but also, for example, potential applicability of the market information obtained at the trade fairs for the company management process in the future. In this way the evaluation process becomes a multi-dimensional and long-term activity; however, only then can it reflect the actual impact of the trade fairs performance on the company.

Within the framework of further research the analysis of changes in the level of use of methods of trade fairs participation results assessment and business areas within these effects would be noticeable. The analysis of the use of these methods using more sophisticated measurement scales (like Likert's scale) would be interesting, showing the differences in the intensity of the use of assessment methods.

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Metody oceny rezultatów udziału w imprezach targowych przez wystawców – przegląd i zakres stosowania

Streszczenie

Za cel artykułu przyjęto dokonanie przeglądu metod oceny rezultatów udziału firmy w targach i zaprezentowanie zakresu ich wykorzystania przez wystawców na przykładzie uczestników wybranych imprez targowych w Krakowie. W ramach teoretycznego wprowadzenia w artykule dokonano przeglądu literatury na temat metod oceny rezultatów udziału firmy w targach. W części empirycznej opracowania zaprezentowano wyniki badań ankietowych wystawców biorących udział w krakowskich imprezach targowych dotyczące stosowanych przez nich metod ewaluacji efektów prezentacji na targach.

Słowa kluczowe: targi gospodarcze, wystawcy, ewaluacja, rezultaty targowe.

Kody JEL: D22, L29, M39

Методы оценки экспонентами результатов участия в ярмарках – обзор и сфера применения

Резюме

В качестве цели статьи приняли проведение обзора методов оценки результатов участия фирмы в ярмарках и представление диапазона использования их экспонентами на примере участников избранных ярмарочных мероприятий в Кракове. В рамках теоретического введения в статье провели обзор литературы по методам оценки результатов участия фирмы в ярмарках. В эмпирической части разработки представили результаты опросов экспонентов, принимающих участие в краковских ярмарках, касающиеся применяемых ими методов оценки эффектов презентации на ярмарках.

Ключевые слова: хозяйственные ярмарки, экспоненты, оценка, результаты ярмарок.

Коды JEL: D22, L29, M39

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