

Bienvenue!
Trade Fair Conference
- Cycle 1 -
26 March 2012
Chambre de Commerce
Luxembourg



Core Elements: The Nature of Trade Fairs

Trade fairs are genuine services -

- Not storable, i.e. perishable
- Value visible only after opening bell
- Results measurable only after closing bell
- Success depends significantly on exhibitor's own preparations
- Trade fair organisers provide platform (matching supply & demand)
- Exhibitors can play host to a wide target audience
 - Existing clients (CRM / customer retention)
 - New prospects (introduce to company)
- An experience appealing to all senses



Core Elements: International Trade Fairs

Selected functions of Trade Fairs -

- Market concentration reflecting selected markets
- Guarantee and increase transparency of the market
- Open up and help access new markets
- Enable direct comparison of price and performance
- Encourage intensive exchange of information



Core Elements: Classification of Trade Fairs

Distinction by Catchment Area, Concept or Sector -

- Trade Fairs*
 - Exhibitions*
 - National Trade Fairs and Exhibitions
 - Regional Trade Fairs and Exhibitions
 - Multi-branch Trade Fairs
 - Branch Trade Fairs / Special Interest Trade Fairs
 - Convention with concurrent exhibition
- * Classified as international if min. 10% foreign exhibitors + min. 5% trade visitors from abroad + present main product range of one or more sectors of industry.



Marketing: Market Research

Selecting the target markets -

- Establish where your target market is –
 - Regional distribution
 - Buyer group
 - Product group
 - Price range
- Focus on the most promising market(s)
- Homework: What makes your product unique?
- Do not jump all over



Marketing: Market Research

Selecting the suitable trade fair (*from approx. 1,000 staged p.a.*) -

- Purchasing power of visitors is a consideration
- Be careful to choose a trade fair focussed on your target market
- To what extent are your company's participation aims embedded in the marketing mix?
- Consider: no other marketing investment puts you face to face with so many potential customers in such a focussed and limited time.



Marketing: Market Research

Selecting the suitable trade fair (*from approx. 1,000 staged p.a.*) -

- Analyse „trade fair landscape“, themes, titles, target groups, regional scope / catchment area, industry sectors
- Company (market-) situation and participation aims fit in with the theme of the (selected) trade fair
- Trade fair encompasses representative range of goods on offer (in company's market segment)
- Company's target groups (existing/prospective customers) will be reached
- New target groups will be attracted



Marketing: Market Research

Selecting the suitable trade fair (*from approx. 1,000 staged p.a.*) -

- Use sources of information –
 - Trade fair organiser
 - Chambers of Industry & Commerce or Industrial Crafts
 - Trade associations or industry lobby groups
 - Trade promotion offices
 - AUMA* publications, trade fair guides & statistics
- Make pre-selection
- Visit first to familiarise with nature of selected trade fair

* Association of the German Trade Fair Industry, www.auma.de



Budgeting: Cost/Benefit Analysis

Monitoring success includes (selection, not limited to) -

- Costs incurred
- Details of contracts, contacts, information collected
- Analysis of lead reports (visitors, their aims & product interests)
- Comparison of (stand) visitor profiles with:
 - Intended target group
 - Those attending previous trade fairs
 - Organiser's visitor analysis (audited by independent authority)
- Analysis of advertising and invitation drive
- Assessment of stand, staff competence and degree of preparation
- Analysis of performance of competitors
- Monitoring of press response to company's participation



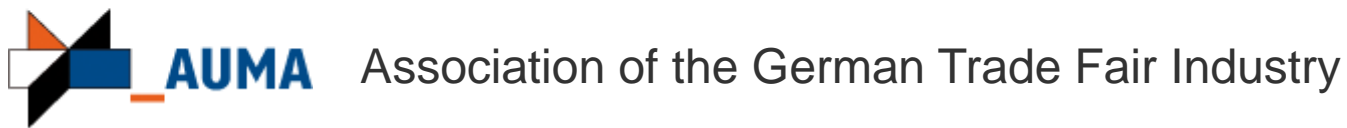
Budgeting: Cost/Benefit Analysis

Monitoring success by two simple methods -

- Number of:
 - Orders taken
 - Technical information dispensed
 - Order forms for publications
 - Discussions with prospects
 - Staff in relation to number of serious contacts
- Contact cost per visitor:
 - Total participation cost compared to number of serious contacts
 - Contact costs compared to costs of other means of information distribution

Note: Comparing contact costs only misses other participation benefits.

Budgeting: Cost/Benefit Analysis



Budgeting: Cost/Benefit Check

Key question: What costs of other instruments are saved by a trade fair participation to reach identical targets? -

- **Quantitative** / operative targets:
 - Contact targets
 - Communication / information targets
 - Presentation targets
 - Sales and distribution targets

Result is benefit based on quantitative/operative targets (money units)

AUMA Trade Fair Benefit Check 1.0 :: Netscape

Trade fair: Please enter Please enter DD/MM/YYYY Visitors: xxx Stand size: 0 m² 8. 1. 2005

M|N|C

1a. Quantitative / operative trade fair targets 1b. 2. 3.

1a. [How to use](#) [Set targets - calculate benefits](#)

Trade fair targets	Set targets	Benefit in €
Contact targets		
Care of regular customers <Info>	<input type="checkbox"/>	<input type="text"/>
Acquisition of new customers <Info>	<input type="checkbox"/>	<input type="text"/>
Acquisition of new cooperation partners <Info>	<input type="checkbox"/>	<input type="text"/>
Acquisition of new employees <Info>	<input type="checkbox"/>	<input type="text"/>
VIP service (politics, business) <Info>	<input type="checkbox"/>	<input type="text"/>
Communication / information targets		
Increase awareness: company / products / services <Info>	<input type="checkbox"/>	<input type="text"/>
Improve the image of the company or individual brands <Info>	<input type="checkbox"/>	<input type="text"/>
Establishment and cultivation of relations with the media <Info>	<input type="checkbox"/>	<input type="text"/>
Market research: customer behaviour, trends, product acceptance etc. <Info>	<input type="checkbox"/>	<input type="text"/>
Qualification of sales staff <Info>	<input type="checkbox"/>	<input type="text"/>
Presentation targets		
Presentation of products / services / technical processes <Info>	<input type="checkbox"/>	<input type="text"/>
Sales and distribution targets		
Contracts (sales) concluded during and after the trade fair <Info>	<input type="checkbox"/>	<input type="text"/>
Implementation of new business terms <Info>	<input type="checkbox"/>	<input type="text"/>
Opening up of new markets <Info>	<input type="checkbox"/>	<input type="text"/>
Development of new sales channels <Info>	<input type="checkbox"/>	<input type="text"/>

1a. Benefit of trade fair participation; quantitative / operative targets = 0

www.auma-fairs.com

Budgeting: Cost/Benefit Check

Key question: How relevant are the following targets and effects of participation (not achievable by alternative means and difficult to quantify)? -

- Selected **qualitative**/strategic targets (define relevance as percentage):
 - Presence at industry sector get-together
 - Positioning in comparison with competition (benchmarking)
 - Direct customer and prospect communication
 - Networking with customers and competitors
 - Contribution to sector marketing
 - Creation of team spirit among employees
 - Diversity of achievable targets (multi-functionality)

Result is benefit based on qualitative/strategic targets (in money units)

AUMA Trade Fair Benefit Check 1.0 :: -Netscape

Trade fair: Please enter Please enter DD/MM/YYYY Visitors: xxx Stand size: 0 m² 8. 1. 2005



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1b. **1a.** **1b. Qualitative / strategic trade fair targets** **2.** **3.**

1b. *How to use* Evaluate trade fairs   

Trade fair targets / effect	Relevance		Share of trade fair success	
	High	None	in percent	in €
Presence at industry sector get-together <info>	<input type="checkbox"/>	<input type="checkbox"/>	0 %	0
Positioning in comparison with competition (benchmarking) <info>	<input type="checkbox"/>	<input type="checkbox"/>	0 %	0
Quality of contacts through direct customer communication <info>	<input type="checkbox"/>	<input type="checkbox"/>	0 %	0
Networking with customers / competitors <info>	<input type="checkbox"/>	<input type="checkbox"/>	0 %	0
Effectiveness of visitor decisions at trade fairs <info>	<input type="checkbox"/>	<input type="checkbox"/>	0 %	0
Contribution to sector marketing <info>	<input type="checkbox"/>	<input type="checkbox"/>	0 %	0
Creation of team spirit among employees (motivation) <info>	<input type="checkbox"/>	<input type="checkbox"/>	0 %	0
Control of internal projects through fixed dates of trade fairs <info>	<input type="checkbox"/>	<input type="checkbox"/>	0 %	0
Diversity of achievable targets (multi-functionality) <info>	<input type="checkbox"/>	<input type="checkbox"/>	0 %	0
Other targets: Please enter ...	<input type="checkbox"/>	<input type="checkbox"/>	0 %	0

1b. Benefit of trade fair participation: qualitative / strategic targets 0 % = 0

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Budgeting: Cost/Benefit Check

Calculate budget, consisting of -

- Basic costs (stand rental, etc.)
- Stand construction, furnishing, design, depreciation
- Stand service and communication
- Transport, handling, waste disposal
- Staff and travel expenses
- Other costs, incidentals

Result is total cost of participation (in monetary units)

AUMA Trade Fair Benefit Check 1.0 :: -Netscape

Trade fair: Please enter Please enter DD/MM/YYYY Visitors: xxx Stand size: 0 m² 8. 1. 2005

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1 1a. 1b. 2. Set budget – control costs 3.

2. How to use Determine costs

► Cost overview

Individual costs


Basic costs (space rent etc.)	Determine costs	0 €
Costs for stand construction/furnishing and design as well as depreciations	Determine costs	0 €
Costs for stand service and communication	Determine costs	0 €
Costs for transport, handling and waste disposal	Determine costs	0 €
Personnel/travel costs	Determine costs	0 €
Other costs	Determine costs	0 €

Total costs

2. Total costs of the trade fair participation = 0 €

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 Trade fair: Please enter Please enter DD/MM/YYYY Visitors: xxx Stand size: 0 m² 8. 1. 2005



3. 1 1a. 1b. 2. 3. Benefit – calculate, evaluate cost comparison

Brief overview Detailed results

My Trade Fair Benefit Check:

1a.	Benefit of trade fair participation: quantitative / operative	+	0	€
1b.	Benefit of trade fair participation: qualitative / strategic	+	0	€
2.	Total costs of trade fair participation	-	0	€
3.	Cost-benefit comparison of trade fair participation	=	0	€

Conclusion: The cost-benefit comparison is balanced.
The trade fair pays off for you.

www.auma-fairs.com



*Merci de
Votre
Attention*
&
Bonne
Chance

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