INTERNATIONAL TRADE SHOWS

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International Trade Shows Table of Contents

Introduction

The trade show forum for marketing goods and services is a European tradition that dates back more than a thousand years. In the first half of this century, trade shows were known as "hard sell" activities. Today, with the demand for many products increasing, trade shows are similar to conventions. Trade show exhibitors have multidimensional motivations for participation. International trade shows can be a cost-effective tool for U.S. agricultural exporters to expose their products to a large number of foreign buyers and agents. For firms seriously interested in overseas market development, international food shows can play a pivotal role in achieving their long-run marketing objectives.

While trade shows may not fit into every export market strategy, there is convincing evidence to support their success. However, participation in trade shows can be expensive and should not be considered a guaranteed prescription for international sales. Expenditures related to booth rental, transportation, lodging, advertising, communication, and personnel training may exceed $10,000. Moreover, experienced exporters are among the first to suggest that trade show preparation and participation are merely prerequisites for a successful international campaign. Confirmed sales are largely dependent upon a sustained commitment to exporting and the ensuing months of follow-up that take place after the show.

Research findings indicate that one day at a trade fair is the equivalent of spending a month contacting customers, scheduling appointments and making field sales calls (U.S. Department of Commerce, 1986). Statistics, documented by the Trade Show Bureau over a 10-year period, suggest that the average cost of a "qualified trade show lead" is nearly 50 percent less than the cost of a field sales call (1988). Exhibit Surveys Inc., a research organization that studies audience participation at various trade shows and exhibitions throughout North America and Europe, reports that approximately 16 percent of the audience at any one trade show is interested in a specific product (1990). For example, at a trade show featuring more than 150 different food product categories, each category would be expected to create serious interest from about 16 percent of the attendees. For exhibitors, this figure identifies the "potential audience" and can be adjusted by additional knowledge of the trade show audience. Further research suggests that the average exhibitor achieves person-to-person contact with approximately 60 percent of their potential audience (Cox, 1990).

The majority of buyers attend international trade shows with an implicit set of goals. Some buyers seek out specific products and make acquaintance with a company's sales and marketing staff. Others assess the latest product developments and consolidate their purchasing time. Many buyers engage in comparison shopping; even if they do not purchase at the show, they are searching for companies that meet their buying qualifications. Research indicates that the opportunity to view new product developments lures about 50 percent of all trade show attendees (TSB, 1988). Exhibitor catalogs are printed in advance for each trade show. In these catalogs, products are indexed by company name, product classification and booth number. Generally, buyers access the products they are interested in ahead of time and seek them out at the appropriate booth. According to research estimates, approximately 86 percent of trade show attendees have some buying influence, and almost 1/3 of show visitors are members of top management or are company owners, partners and presidents (TSB, 1988).

Throughout the 1970s and 1980s, world trade in "value-added" agricultural products was a growing component of all agricultural trade. This trend is expected to continue in the 1990s. A review of foreign competition reveals that while the U.S. routinely spends more on "value-added" agricultural market development than the European Community, it continues to lag behind in "value-added" agricultural exports (GAO, 1990). To partially explain this phenomenon, Europeans appropriate their funds in a highly-targeted manner with emphasis earmarked for trade show participation. Historically, international trade shows have been a lower priority for the U.S. government. As a result, less emphasis has been placed on trade show participation. Recent research, summarizing the export market activities of several Oklahoma food processors, reported that those active in international trade shows had participated under the umbrella of either a state or federally-funded booth (Charlet and Henneberry, 1990). This example suggests that federal and state governments play a key role in encouraging international trade show promotion and that, with additional support (monetary and educational), perhaps more small to medium-sized companies could compete in world markets.

In the U.S., much of the responsibility for foreign market development lies within the private sector. However, the USDA Foreign Agricultural Service (FAS) has the lead in administering the government role in foreign market development and promotion of agricultural products and commodities. By contrast, in Europe, most of the promotion of high value products is accomplished through centralized "marketing organizations" and marketing boards. One characteristic of these "marketing organizations" has been their long-standing commitment to trade show participation. A feeling of nationalistic pride is attached to trade show participation in most European countries. Their approach is one that utilizes market research to first identify consumer needs, and then to satisfy those needs through production capabilities.

This publication has been designed to assist companies in developing effective marketing techniques for international trade show participation. In order for trade shows to be a cost-effective means of marketing goods and services, advance planning is a prerequisite. Establishing quantifiable goals and objectives, current pricing data and adequate budget allotments are important components of preparation. A company's success at the trade show is highly dependent upon its ability to identify and cultivate potential buyers. After the show, prompt, efficient follow-up to trade leads is paramount to the ultimate goal of culminating sales. In this report, the do's and don'ts of international trade show preparation, participation and follow-up are discussed with specific ramifications for small and medium-size agribusinesses and food processors.

Trade Show Preparation

Establishment of Goals and Objectives

International trade shows can be likened to giant laboratories. Typically, they are skillfully managed events in which exhibitors are able to make face-to-face contact with prospective clients at reasonable cost. Small exhibitors need not be threatened by the elaborate marketing budgets and trained sales personnel of larger companies. With adequate initiative and discipline, smaller companies often can outperform their larger competitors. Every firm's rationale for participating in a trade show varies (Fig. 1). For some firms, the purpose of trade show attendance is to generate sales. For those with little exposure to exporting, they regard trade shows as a means of introducing and promoting their products, as well as being avenues for testing foreign market receptivity and consumer demand. Other firms view trade shows as opportunities to initiate working relationships with agents, distributors, suppliers and investors. In smaller European markets, agents and distributors are accustomed to negotiating exclusive contracts that give them import and selling rights throughout an entire country. Occasionally they will agree to represent a regional area, but the U.S. exporter attending a trade show in hopes of setting up a network of non-exclusive agents, will be faced with a challenge.

One of the first steps in preparing for a trade show is the establishment of realistic goals and objectives (Fig. 2). Without these, it is hard to expect solid results and a justifiable return on the investment. Less than 50 percent of all exhibitors define their trade show objectives in advance (Cox, 1990). If exhibitors are unwilling to set goals, then the question arises as to whether or not their participation in a trade show is appropriate. Certainly, monitoring a product's image, "testing the waters" for product demand, and observing the competition are noteworthy trade show objectives; however,

Figure 1. A Guide to the Many Uses of Trade Shows in Business Marketing

1. **Positioning and image projection**
   Through trade shows, a company, its product and services can be positioned in the market.

2. **Conception of new products or services**
   Competitors' products and the market stimulate innovative thinking.

3. **Research to test demand**
   Dialogue with representatives of the market can gauge a proposed product's sales potential.

4. **Test marketing**
   The actual market represented at a trade show can give an accurate evaluation of new product or service acceptance.

5. **Survey of competitive products**
   A trade show presents the opportunity to gather intelligence about competition.

6. **Public relations**
   A trade show is a good base from which to launch public relations and publicity campaigns.

7. **Introducing the product**
   Trade shows give broad market coverage in a condensed time frame.

8. **Presentation of technical papers**
   Technical seminars, held in conjunction with tradeshows, offer solid market exposure.

9. **Recruitment and development of distribution channels**
   Salespeople and representatives attend trade shows. Some are looking for employment or association.

10. **Selling the product or service**
    Dealers, distributors and end users attend trade shows to see and to buy.

11. **Training new salespeople**
    Trade show exhibits give broad exposure to product, sales techniques and competition.

Source: "Trade Show Marketing and Sales 2: A Guide to the Many Uses of Trade Shows in Business Marketing". Fred Kitzing. Trade Show Bureau.

these can also be expensive objectives if an exhibitor returns from a trade show without a significant number of qualified trade leads. The result of not planning for a trade show is the equivalent of planning to fail. The importance of identifying measurable objectives and quantifiable goals from the outset becomes most apparent when quantifying the results after

Figure 2. Typical Goals and Objectives for Trade Shows

- Fact finding mission - observe and learn about foreign competition; evaluate product demand; assess trends in style, price and technical innovations; building an image.
- Securing an agent, distributor or representative.
- Immediate sales - predetermine an expected sales volume from trade show leads.
- Long-range sales - plan a goal to sell a specific amount in a fixed time period following the show.
- Increased market penetration and maintainance of customer loyalty (for established exporters).

Source: U.S. Department of Commerce, International Trade Administration, May , 1986.

the show. Well-designed marketing plans enable the firm to effectively track the number of qualified leads and to calculate the long-run business activity generated in the months following the show. Even quality products do not sell themselves; they require verifiable marketing plans to stimulate interest and follow-up.

Selecting the Appropriate Trade Show

Numerous hours are consumed to plan, execute and measure the results of a trade show. Therefore, selecting the appropriate trade show to participate in is an important step. For most products, there are a number of trade shows in a variety of geographical locations. Some shows have overlapping audiences and offer similar opportunities which complicates the selection process. Choosing the appropriate trade show(s) is influenced by the business relationships the firm wants to cultivate; long-term relationships usually warrant a larger trade show investment in terms of monetary outlays and staff assignments.

Not only is it prudent to consider ahead of time where the majority of buyers will be coming from, but it is also critical that a firm pre-determine whether or not it will be capable of servicing the clientele and the resulting sales. For example, suppose a company participates in a Japanese food exposition and the resulting orders represent a sizeable proportion of their existing business. Will the firm be able to handle and service the additional sales? Does it have adequate financial resources to support the increased production levels? Moreover, is the firm prepared to hire trained expertise and/or assign existing staff to manage newly-developed export markets? Before a commitment to participate in a trade show is made, these types of questions need to be addressed. On the other hand, alternative strategies to trade show participation should also be outlined prior to the show. Suppose a company's participation in a trade show does not produce an acceptable number of qualified leads. Should future trade show participation be abandoned? Or more dramatically, should exporting as a company objective be disbanded? Trade shows are only one method of generating export sales—companies may want to explore other options.

The National Food and Agriculture Exposition is a joint effort of the National Association of State Departments of Agriculture (NASDA) and the USDA-FAS. Held biannually since 1983, this event invites foreign buyers to the U.S. to acquaint them with food products from the 50 states. In 1989, this international trade show was held in Boston and attracted more than 900 buyers from 38 different countries (Stevens and Schierhorn, 1989). In addition to having FAS specialists on hand during the shows to consult with exhibitors about labeling, pricing and shipping specifics, the NASDA show management also offers pre-show seminars to participating exhibitors. These seminars are designed to assist both novice and experienced exporters with strategies for trade show participation.

Demographic data from the NASDA show and other international trade shows can be obtained by writing: NASDA, 1616 H. Street NW, 7th Floor, Washington, D.C. 20006; the USDA-FAS, Room 4939 - South Building, Washington, D.C. 20250-1000, or by contacting State Departments of Agriculture. Most international trade shows are routinely evaluated and documentation profiling the buying audience as well as the participating exhibitors is available to the public. Contacting past exhibitors is another means of gathering information about a specific trade show. Previous exhibitors can provide insight concerning costs and other problems they may have encountered. If, after researching a particular trade show, it becomes apparent that either the desired audience will not be in attendance, or the costs and manpower demands are too great, then it is perhaps in the best interest of the firm to decline participation.

Product Pricing

International pricing strategies differ from domestic pricing policies. Ideally, firm decision makers would like the opportunity to experiment with a variety of international pricing options prior to determining the most appropriate and competitive pricing structure for their product line. However, business realities rarely allow firms the time necessary to experiment with an international pricing policy based on market experience. As a result, several pricing strategies have been developed to assist exporters with pricing decisions.

"Cost plus" pricing is the method used most frequently by new exporters. In "cost-plus" pricing, the domestic costs of production serve as the base; a percentage markup is determined by transportation expenditures, packaging, insurance, product adaptations, market research expenses, profit and the other variable costs associated with exporting. An accurate record-keeping system is essential in order for "cost-plus" pricing techniques to be effective. One shortcoming of the "cost plus" pricing mechanism is that it assumes products can be sold successfully with little regard for the pricing policies and strategies of the competition. Marketers must constantly stay attuned to competitor's prices and if possible, be prepared to adjust mark-ups accordingly.

Incremental or marginal cost pricing is another method of export pricing. It is based upon direct expenses associated with instituting a new activity, which in this example, is exporting. Incremental pricing is structured so all changes in cost associated with production of a product for export are allocated to the product itself. These costs can include administrative expenses such as direct costs for attorneys, freight forwarders, accounting and labor. These changes can result in either a higher or lower price for the export market. For example, if additional export orders enable a firm to achieve larger volume output and greater economies of scale, then the resulting export price may be lower than the domestic price. The final export quotation is also dependent upon whether or not other alterations in production are necessary. In some cases, production for export requires bilingual labeling, adherence to ingredient-specific regulations and special packaging modifications, all of which can involve additional cost outlays. To safeguard a reasonable profit and at the same time, maintain a competitive pricing strategy, processors may elect to reduce the package contents or to simplify those products designated for export.

New exporters and smaller firms can refer to an export cost worksheet to calculate price quotations (Fig. 3). The first step on the worksheet is to establish the cost of the domestic product. This cost is also known as the F.O.B. (free on board) factory loading dock price. The F.O.B. price can specify the factory, regional port, aircraft or loading vessel as the delivery point. An F.O.B. factory price includes the cost of goods, export packing and inland freight charges (Fig. 4). All other charges are collect. An F.O.B. port, aircraft or loading vessel price includes the above with the addition of legalization fees (if applicable) and forwarding fees. An export price whereby the exporter delivers the shipment to within the carrier's loading equipment is termed an F.A.S. (free along side) price (Fig. 4). This price includes not only the cost of goods, export packing, inland freight, legalization fees and pier delivery charges, but also any additional markups for consultation, market research, sales commissions and profit. An F.O.B. plant and an F.O.B. price from three ports (for example: Los Angeles,

Figure 3. Export Costing Worksheet

1. Domestic Product Cost
    a. loading of goods onto transport vessel

   F.O.B. (Free On Board) Factory Loading Dock Price

2. Inland Fees
    a. Financing Fees
    b. Freight Forwarder
    c. Export Packing
    d. Labeling/Marking
    e. Inland Freight
    f. Domestic Shipping Insurance

   F.O.B. (Free On Board) Port Price

3. Pier delivery
    a. Delivered to within loading distance of the carrier

   F.A.S. (Free Along Side) Vessel Price

4. Port charges and Documentation
    a. Unloading (Heavy Lift)
    b. Terminal Service Fee
    c. Shipper's Export Declaration Fee
    d. Bank Draft Fees
    e. Certificate of Origin Fees
    f. Export License Fee
    g. Vessel Loading Fees

   F.O.B. (Free On Board) Vessel Price

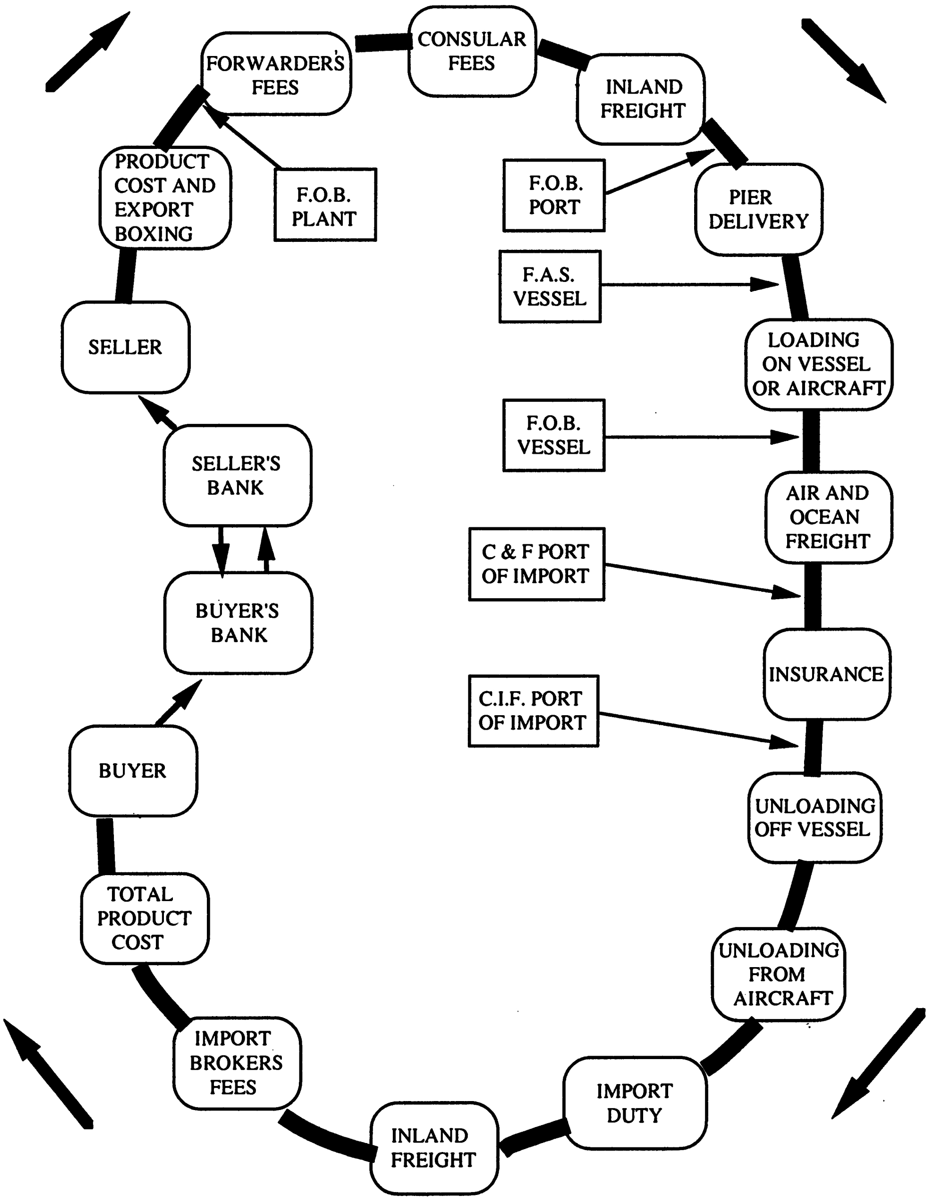
5. Additional Markup
    a. Consultation
    b. Travel
    c. Market Research
    d. Foreign Product Service Training
    e. Export Marketing Allowance
    f. Sales Commissions
    g. Profit

5. International Air, Sea or Land Freight Charges to a named overseas port
    a. International Shipping Insurance

   C.I.F. (Cost, Insurance and Freight) Price and Delivery Quote

Source: Dr. David M. Henneberry, 1991.

Figure 4. Elements of Export Price Determination



F.O.B. = Free On Board

F.A.S. = Free Along Side

C & F = Cost and Freight

C.I.F. = Cost, Insurance and Freight

Source: USDA Foreign Agriculture Service

Houston, and New York), is a good initial starting point for exporters. Calculating these prices suggests maintaining an ongoing working relationship with truckers, other transportation systems, freight forwarders and bankers to insure that all costs are accounted for and prices are current.

The importance of preparing price quotes in advance of the trade show cannot be over-emphasized. Buyers have little patience nor time to educate exhibitors; they expect them to be able to provide on the spot, accurate pricing information. In addition, buyers want to know the number of items per case, including net weight and dimensions, the number of cases per pallet and/or container, and its net shipping weight. Moreover, they want to be made aware of any minimum or volume discounts. Using pecans as an example, a 20 -foot container holds 800 thirty-pound cartons and weighs 24,000 pounds. This is the type of pricing information buyers appreciate. A pro forma invoice is a product quotation that describes the product, calculates its price, designates specific delivery points, the mode of transportation, costs involved in shipping and the terms of repayment (Fig. 5). Buyers use these types of invoices when applying for credit and import licenses. They can also be useful to have on hand at trade shows. Price quotations should specifically state that they are subject to change or are guaranteed for a precise period of time. Familiarization with the current exchange rates between the U.S. and selected foreign currencies is also a crucial aspect of product pricing.

If the exporter or seller decides to prepay all the charges which include cost of goods, export packing, inland freight, legalization fees, insurance premiums and ocean/air freight charges, the resulting quote is now called a C.I.F. (Cost, Insurance and Freight) price (Fig. 4). The C.I.F. is considered a sales price as well as a delivery term. Buyers generally prefer C.I.F. prices to a named overseas port of debarkation. International freight forwarders can provide assistance in computing C.I.F. prices. Attention to the product's final wholesale/retail price in the foreign country is important and requires additional consideration of the importing country's custom duties and tariffs. By checking with the custom offices, exporters are able to deduce the approximate end user costs for their products. To be competitive, exporters may want to adjust their pricing policies to reflect these added taxes. Consideration of the Fair Trade Practice Laws to avoid accusations of "dumping" (the selling of products in an export market at prices that are lower than domestic prices, or below production costs) is an additional criteria involved in the pricing of products for export.

According to marketing specialists with the USDA -FAS, setting a competitive price is a difficult task for new exporters. The procedure becomes even more complicated when there are few comparable products to serve as a pricing guide. As a rule, value-added agricultural products are usually exported to developed countries. Unless the processor is introduc-

Figure 5. Pro forma Invoice

YOUR COMPANY NAME, INC.
123 Main Street
Anytown, OK 74444
Telephone (405) 777-4444

SOLD TO: ______________________

MARKS: ______________________

FORWARDING AGENT

Date:
Expiration Date:
Our Reference No.:
Their Reference No.:

MERCHANDISE:

Quantity:	Merchandise Descrip.:	Unit Price:	Sub Total:

(These headings are suggestions only, you may choose to change them to suit your product, etc)

Quotation Basis ____________
( ) FOB ____________
( ) CIF ____________
( ) C&F ____________
Estimated Gross Wt. ____________
Estimated Cubic Feet ____________
Number of ____________
Packed for____________freight
Port of Embarkation ____________
Port of Discharge ____________

F.O.B. Factory Price .... US$ ____________
Inland Freight via ____________ to .... ____________
Export Crating fee .... ____________
Ocean/Air Freight to__________via ________ ____________
Rate (does) (does not) include insurance ...... ____________
Consular Fees .... ____________
Freight Forwarder Charges .... ____________
Total (CIF) (C&F) (FOB) (Port of Discharge)
approximately .... US4 ____________

TERMS OF PAYMENT: Irrevocable, confirmed letter of credit of certified funds. All letters of credit must be payable upon presentation of shipping documents and must specify that all charges incurred for negotiation are for applicant's account.

I certify the above to be true and correct.

____
YOUR COMPANY NAME, INC.

Source: Arkansas Industrial Development Commission, Marketing Staff.

ing a totally new product concept, similar products will already be in the marketplace which can be used to gauge an acceptable pricing framework. While the purchase of value-added products is not totally dependent upon price (many consumers are willing to pay a premium for quality products), it is, nonetheless, an important selling component. Marketing experts advise new exporters to maintain lower profit margins initially. Once firms become established exporters with a sustained foreign demand for their products, they can then focus on increasing profit margins.

Another factor to consider when presenting a price quotation is the delivery time table. Buyers want realistic delivery schedules and adequate supplies of quality products. In some cases, they will even pay a premium for quality products with a confirmed delivery date. Unforeseen delays in production can retard the delivery schedule, therefore exporters will want to consider confirming a delivery date that ensures ample time in which to produce and ship the products to avoid the risk of order cancellation. Sometimes buyers initially order smaller quantities to test the seller's reliability. Exhibitors should be prepared to quote prices for both large and small shipments. In Europe, the growth in business volume generated by wholesalers and retailers is usually less than what is experienced in the U.S. Therefore, exporters should not automatically expect the same percentage of growth they have become accustomed to in the United States.

Pre-Show Promotion and Preparation of Marketing Materials

At those trade shows where a firm's products are unfamiliar to the audience, it may be necessary to have samples available to show off the product and demonstrate its usage. However, giving samples to anyone and everyone within close proximity to the trade show booth will not guarantee sales. Giveaways and gimmicks, which include food samples, pretty models, magicians and robots do attract people, but the question arises—are they attracting the "right" people? Some attention-getting tricks can attract the "wrong" type of booth visitors; they draw the ones interested primarily in entertainment. Other relevant reminders, such as pens, pencils, key chains, calendars, plastic bags, etc., that are printed with the company's name have merit. These items, if they are functional, can help to keep the firm's name before a potential buyer for an extended period of time. It is easy to confuse the activity surrounding a booth with the accomplishment of trade show goals. Exhibitors want to avoid creating a circus-like atmosphere in and around their booth.

Adequate forethought is needed to prepare for an attractive and professional display. At the 1988 International Food Expo in Paris, it was reported that some American companies paid little attention to creating attractive visual displays (GAO, 1990). For example, one manufacturer of jams and jellies did little more than open jars and insert a spoon. A more effective approach would have been to serve the jams and jellies on crackers, perhaps with cream cheese to show off its taste and a customary usage. At this same show, the Netherlands coordinated a unified booth for all their exhibitors, using flowers as a common theme throughout the display. As a general rule, exhibitors from the Netherlands tend to present their products in a sophisticated manner, rarely providing samples for visitors to taste.

Ample supplies of product samples are needed for international food show participation, however, determining exact quantities can be a difficult assignment for first time exhibitors. Sample quantities can be approximated by consulting with the trade show management on the expected number of attendees. The Trade Show Bureau (1989) suggests that sample and brochure quantities should approach about 5 percent of the expected audience. If handing out memorabilia and/or product tasting is a part of the company's objective, daily allotments must be continually monitored to avoid depleted supplies. For those exhibitors planning food demonstrations, adequate support supplies (i.e. plates, cups, napkins, utensils, electrical equipment) need to be on hand. Arrangements for additional trade services such as catering, clean-up and trash removal may need to be considered as well. The first trade show is the most difficult for companies to plan; preparing for successive trade shows is an easier task.

Agencies, such as State Departments of Agriculture, the USDA-FAS and regional trade associations, often coordinate the shipment of product samples. The cost of shipping is usually built into the exhibitor's share of the booth expense. However, even if a governmental agency takes the lead in consolidating sample shipments, the duty of ensuring that products are properly packaged and that the appropriate certificates, labels and invoices are completed, is the responsibility of the manufacturer. All food products for export will require, at the least, a certificate of origin and a commercial invoice. Additional documents are required for meat and dairy products, alcoholic beverages, wine and beer. Firms are also advised to send promotional brochures for use at trade shows. Literature that includes a company profile in addition to product descriptions and pricing schedules is useful to foreign buyers. Exporters may want to print bilingual brochures and/or change their packaging and shipping quantities to reflect metric measurements. However, printing brochures takes time. Participants who plan to make these types of changes are encouraged to schedule an adequate amount of lead time so as to meet trade show deadlines. Prior to an international trade show, some firms may decide to advertise in foreign trade magazines, newspapers, buying catalogs, etc. Trade show management can direct firms to the proper media channels. Because promotion of this nature can be expensive, this marketing technique will not appeal to all firms, especially those new to exporting.

Catalogs, featuring company names, product listings, paid advertisements, and convention floor maps are routinely available at international shows. Buyers take these catalogs seriously, using them to ferret out specific product lines. After the show, they continue to serve as a valuable resource for both buyers and sellers. Registering early for trade show participation ensures that a firm's name and product will be listed in the catalog. A firm's promotional package should also include business cards. Depending upon the geographical location of the trade show, marketers may elect to print bilingual business cards. Although English is widely used in business transactions, many foreign representatives appreciate the effort that goes into printing a dual language business card.

Booth Presentation

Most small to medium-size companies participate in international food expositions under the auspices of the USDA-FAS, various state departments of agriculture, and other regional trade associations. For exhibitors, the cost of renting space from these agencies usually includes a fully assembled booth complete with furniture, conference and/or meeting space, the shipment and customs clearance of product samples, storage and delivery. In addition, most governmental agencies provide foreign market counseling and training sessions prior to the show. Booth rental at the larger international food shows is costly. For example, the price tag of a single booth at "Anuga 91", the 1991 biannual international food expo in Cologne, Germany, is $8,000. Government agencies are able to purchase additional space and subsidize the cost, making participation more affordable to companies with limited marketing budgets.

Once trade show reservations are made, exhibitors should receive a confirmation outlining the contract as well as the rules and regulations of the show. These are important as each show has its own management style. Exhibitor kits, containing housing, hotel and airline information, should also be received by participants. Exhibitors are cautioned to carefully read all instructions and to be aware of what the exhibit fee includes. Usually, fees include a back wall with a side drape, and a booth sign printed with the company name. The booth may or may not be inclusive of electrical hookups, floor covering and other facilities. If adequate resources are available, it may be to the participant's advantage to pay a premium for a prestigious location. However, contrary to popular belief, booth location does not play a major role in the success of the company's exhibit (TSB, 1989). A neat, uncluttered booth with a focused, eye-catching display is the preference of most buyers. It is best to eliminate clutter and avoid an overabundance of product samples. The simple, clean look applies also to the appearance of sales people, as the trade show booth becomes, in essence, the company's temporary office. Tables, chairs and an adequate supply of writing materials for business visitors are a necessity. For new exporters, booth presentation and display is a learning experience. It is a continual trial and error process of monitoring buying behaviors and learning how to present products in an effective manner.

Most trade shows have specific guidelines regarding the design of booth space. When exhibiting with a state department of agriculture or a regional trade association, the booth is generally designed around a centralized theme and the sponsoring agency provides the equipment necessary for its presentation. However, individual participants are encouraged to use whatever imaginative means they have available to attractively display their products. This can include, but is not limited to, creative apparel accenting a product theme, product samples and logo giveaways, informational literature, and the use of complementary products (utensils, cooking equipment and other decorative accessories). Exhibitors should also keep in mind the cultural connotations certain colors have and exercise some caution in their selection process, depending on the host country location. At international trade shows, American companies are occasionally criticized for their lack of originality in promoting their products. At one large European food exposition a French professional was quoted as saying, "In France, we sell a dream; the U.S. sells a product" (GAO, 1990). In other words, the image surrounding a product contributes significantly to its marketability.

Another factor to consider when preparing for the booth presentation is the benefit of utilizing an interpreter. In some international trade shows, interpreters can play a crucial role in the acceptance and marketing of products. Their intuitive perceptions regarding the customs of their countrymen can be accessed to enable the exporter to fine tune the marketing approach. Interpreters are probably most needed in countries such as Japan, Korea, and Taiwan, as well as those in the Middle East where the language barrier is the greatest. However, prior to engaging the services of an interpreter, exhibitors may want to seek assurance from previous attendees and trade show management that their services are warranted. Depending on the situation, the services of a part-time interpreter may be a viable option.

The agricultural attache from a nearby embassy or food fair authorities can be resources for reputable interpreters. Because interpreters are often times free-lancing university students, considerable time and attention is needed prior to the show to properly familiarize them with the exhibitor's products as well as the company's history and background. A positive rapport between the exhibitor and the interpreter transmits into enthusiasm and product conviction on the selling floor. In anticipation of the key questions that buyers will ask, exhibitors will want to educate their interpreters on the appropriate responses. Exhibitors are cautioned against waiting until the opening day to begin their search for an interpreter. Arriving two to three days in advance of the show allows ample time to select and train a credible interpreter. In some countries, interpreters can cost upwards of $150 per day (Childs, 1990). When possible, it is prudent to confirm these fees ahead of time with more than one source. A signed contract between the exhibitor and the interpreter helps to prevent misunderstandings and fee disputes at the end of the show.

Scheduling Preparation and Lead Time

The decision to participate in an international trade show needs to be made well in advance of the event to allow for adequate preparation time. As a rule, four to six months are needed to organize and prepare for a trade show. However, additional time is required for the more popular and prestigious shows, especially if the exhibitor is a first time participant. First time exhibitors may want to begin preparations as much as a year to 18 months in advance of the show.

An important step in the preparation process is researching potential clients and buyers. Creating product awareness in advance of the show helps to increase the exhibitor's audience at the show. Three to four months prior is not too early to call, fax, or write potential clients, inviting them to attend. The targeted audience is more likely to be present if the seller confirms appointments with potential buyers, distributors, agents, etc. prior to the exhibition. Direct mail lists can be purchased from the trade show management, and governmental agencies can also provide names and addresses of potential contacts. Experienced exporters will also want to arrange meetings with their established customers as well.

An arrival time of at least three days prior to the show serves as a buffer against any unusual or unforeseen surprises. It also allows the exhibitor time to relax and recoup the effects of the time change. This time can be used to secure the services of an interpreter. It can also be used to inspect the booth, ensuring that all the installations are in place and that the sample products have arrived safely. Keeping in mind that most foreign countries use metric measurements, it is important to be equipped with the proper tools should minor repairs at the booth be necessary. Additional free time can be spent touring retail outlets, checking out customer trends, analyzing foreign products, and making any last minute pricing adjustments.

Travel arrangements should be made by a reputable travel agent with a proven track record of international experience. Travelers are cautioned to obtain the correct Visa for the activity they are attending. Confirming the flight status before the departure and approximately 72 hours before the scheduled return to the U.S. is advisable. Not only are flight deadlines imperative, but so too are the deadlines for document preparation which ensure prompt delivery of product samples, literature and other export documentation. Trade show management demands payment for booth space prior to the exhibition. Discounts are often given for early payment-in-full. All these deadlines need to be closely monitored. A check list itemizing the necessary steps involved in preparing for a trade show is worthwhile and can enhance exhibitor performance (Fig. 6).

Budgeting

The belief that international trade shows are too costly for small and medium-size companies can be easily dispelled as myth due to the fact that state, regional and federal agencies (state departments of agriculture, U.S. Meat Export Federation, Southern U.S. Trade Association and the USDA-FAS) are able to offer booth rental space at a considerable savings. These agencies absorb many of the costs associated with sample product shipment, customs clearance and trade show servicing. They also supply market counseling and provide booths professionally designed to attract sophisticated potential clients.

Budgeting, like most aspects of trade show planning, begins well in advance of the event. In the early stages of trade show development, a rough outline of the budget can be estimated which will provide management with an idea of the investment magnitude. As trade show plans gel, the budget can be modified and refined to be a fairly accurate measurement of the expected expenditures. Budgeting costs vary from show to show depending on geographical location, size of the marketing staff, the inherent prestige of the show and other variable inputs. In round figures, participation in trade shows can run anywhere from a couple of hundred dollars to upwards of $10,000. The lesser figure would be the scenario if a product shipment was sent unattended; product promotion would be dependent on the efforts of governmental staff associates or private representatives. A budget in the $8,000 to $12,000 range would be inclusive of booth facilities, advertising and promotional costs, personnel travel and other related expenses. For those companies with sizeable marketing budgets and a well-trained export staff, exhibiting independently may be preferable. If so, they can expect to pay between $2,500 and $8,000 for the booth rental alone.

A budgeting checklist (Fig. 6) can be particularly useful for first-time exhibitors. Line items on a budget checklist serve as a guideline for the types of expenses that can be incurred. Just as trade show objectives vary by company, so do their respective budgeting expenditures. For example,

Figure 6. Budgeting Checklist

Communications - mail, fax, telephone	$ ____________
Promotional literature, brochures and business cards	$ ____________
Staffing costs - travel - hotels, meals, ground transportation expenses, personnel time, entertainment	$ ____________
Product samples and (including packaging and crating)	$ ____________
Advertising, promotions and printing - advertisements in show catalogs, trade magazines - giveaways and sales aids (i.e. plastic bags, pencils, notepads, etc.)	$ ____________
Translations, interpreters and other local support personnel	$ ____________
Exhibit design (if demonstrating a product, need appropriate props)	$ ____________
Hospitality and gratuities	$ ____________
Exhibit booth rental fee which may be inclusive of the following: - exhibit space - facilities (including seating area for exhibitor/customer conferences) -show services (installation and dismantling of display, cleaning, security, and electrical service) - market counseling - product shipment, customs clearance, storage (frozen, chilled) and delivery - hosting special events	$ ____________
+ 10% for miscellaneous and other expenses	$ ____________
TOTAL TRADE SHOW BUDGET	$ ____________

Source: Chapman, Edward A., Expositions Work, A Management Guide for Exhibitors, Trade Show Bureau, January 1989.

companies that participate in a trade show for the purpose of securing an agent or distributor for their product may be less likely to advertise in media catalogues and trade magazines. However, most companies will invariably have expenses related to communications, promotional literature and personnel input. For novice participants, the accounting department will want to add 10 percent to the estimated trade show budget to take into account any oversights, incidental and miscellaneous expenses. As a case history develops and adjustments are made, this portion of the mark-up can be reduced.

Trade Show Participation

Cultural and Appropriate Dress Considerations

In full swing, the trade show floor is a montage of cultural styles and dress. The ability of a sales staff to adopt and respect the host country's customs plays a pivotal role in the company's long-term international trade success. As with all other aspects of trade show preparation, adherence to cultural etiquette involves careful forethought and research. Women need to be especially cautious of their dress because in most foreign countries, they do not experience the same personal freedoms they enjoy in the United States. Reactions will vary by country. However, as a rule, women should refrain from wearing slacks or provocative clothing. A conservative approach is the safest and generally deemed the most appropriate.

Casually-dressed Americans may signal a lack of experience and seriousness of intent, particularly in European countries where business representatives dress conservatively and appear to be class conscious. However, in Puerto Rico and other tropical regions, a colorful attire of shirts, sport coats and slacks is appropriate. It is important that the marketer's dress adequately reflects a firm's professional image without detracting or upstaging the product. When making travel preparations, it is important to consider the geographic locale as well as the occupational expectations of the audience before making clothing selections. It is also prudent to pack lightly; too much clothing can be cumbersome and needless.

At trade shows, comfortable shoes are recommended for the 10-12 hour days that are spent standing on concrete floors. Name tags should be worn at all times. For best results, name badges should appear on the right lapel, facing the client for the initial contact and hand shake. Smoking should not be allowed in the immediate booth vicinity. Eating in the booth and sitting down during heavy traffic times is likewise discouraged. Moreover, the sales staff should not use slang words, idioms, and other unfamiliar acronyms in front of potential clients.

Cultural formalities, which run the gamut from business card presentation to gift giving vary considerably from one part of the world to another. For example, the exchange of business cards among the Japanese is looked upon as a gift-giving process. Business cards should be given *with both hands* outstretched in an effort to recognize a traditional custom. When addressing strangers, it is important to use proper titles, and to avoid using first names. With the Germans, it is also important to be punctual. Time schedules and deadlines for Latin Americans are much more lenient. Business activities in these countries are usually preceded with a certain amount of informal conversation. The Arab countries have their own set of distinct professional courtesies. For instance, leg crossing is considered to be in bad taste; showing the soles of shoes is improper. In transactions involving the Russians, the raising of voices is acceptable, whereas in Thailand, elevated voice levels are viewed with disdain. Company representatives are encouraged to familiarize themselves with these types of social conventions and innuendos in advance of trade show participation. Foreign buyers do not expect perfection, however, most recognize the efforts put forth by Americans to conform as being a positive sign of their commitment to exporting.

Sales Presentations

Assuming that a fully assembled booth, complete with product displays and a sales staff will sell itself at a trade show would be foolhardy. The trade show floor provides the forum; a company's success is dependent upon a trained sales staff that has the ability to seek out and cultivate potential clients. Research indicates that the comprehension level of booth visitors is directly influenced by the style and presentation of the sales staff. The average booth visitor recalls only about 10 percent of a verbal presentation; by adding a visual presentation to the verbal communication, the visitor's recollection is increased to 35 percent (Konopacki, Incomm International). Product demonstration and taste testing adds significantly more to the visitor's retention level. A well-trained sales staff is one whose personnel are knowledgeable and genuinely interested in the product and can communicate its positive attributes effectively. Color-coded name tags are issued at some shows to distinguish bona fide buyers from casual onlookers. By checking with the trade show management prior to the show, marketers can be alerted to the various audience sectors and tailor their sales approaches accordingly.

Most frequently, it is the sales staff accustomed to field calls that are sent to represent companies at trade shows. At trade shows, the salespersons function at an accelerated pace, making repeated presentations per hour, and the average presentation at a trade show lasts approximately five minutes, a fraction of the time that is spent in the field (Trade Show Bureau, 1982). The Trade Show Bureau (1988) reports that more than half of the trade show attendees are there to seek new products and services as well as to learn about the latest in consumer trends and industry technologies. The typical field sales call does not cater to this type of interaction, therefore, some adjustment is needed to prepare a field sales person for trade show duty.

The sales representative should take the first few minutes, using key questions, to qualify the buyers versus the non-buyers. Open-ended questions, beginning with the words 'who', 'what', 'when', 'where', and 'why' will help avoid the standard 'yes' and 'no' response. Questions that qualify the position of the attendee, their future use and need for the products, and whether or not they (the visitor) have buying capabilities are useful. If it is determined that the booth visitor is not a qualified buyer, they should be politely encouraged to look around and help themselves to brochures and other literature. For those identified as potential clients, an additional five to seven minutes can be spent further qualifying their interest and scheduling additional meetings. Because of the multitude of potential prospects, salespeople are encouraged to move rapidly from one visitor to the next. During peak attendance hours, show marketers should be able to effectively handle somewhere between 10 and 15 booth visitors per hour. Assertive and somewhat agressive behavior at trade shows is recognized as the acceptable modus operandi.

Representing a sizeable contingent of most trade shows are the "tire kickers", the "time killers" and those that are "just looking". These individuals attend primarily for the enjoyment and entertainment value. They generally ask a lot of questions and take up a lot of time. Sales people must be trained to divert their attention away from these casual onlookers and devote their time instead to the needs of the legitimate buyers. Some of the non-buyers may have other influences, so it is important to be polite without being offensive.

Sales professionals need not launch into a sales pitch with every visitor and should avoid "canned", repetitive presentations as well. Each potential customer represents a unique situation. As such, it is the responsibility of the sales person to identify the visitor's needs. Developing a set of opening lines that will eliminate responses such as "no thanks" requires planning. Although a company's product may need some explanation regarding its use and preparation, educating visitors is not the sales staff's primary goal. First impressions are strong and lasting. Therefore, continual self-monitoring by the sales staff is essential. Questions such as "Did I spend too much time or too little time?", "Was I trying too hard?", and "Did I maintain control?" enable the salesperson to hone their performance after each presentation and produce the desired outcome. Holding the visitor's attention by maintaining eye contact helps to create a professional image and a favorable first impression.

To be successful, the verbal communication between the sales staff and its booth visitors must be more than merely an exchange of business cards.

With some exceptions, business cards rarely supply much of the information needed to qualify a potential customer. Some provide no more information than that found in a phone book. However, many do supply the essentials; name, position, address, phone, fax and company name. Collecting business cards and attaching them to a pre-designed format that has additional qualifying statements, are particularly useful in the follow-up process (Fig. 7). Jotting down relevant notations during the initial contact is routine practice at trade shows. Sales persons are also encouraged to schedule a second and third meeting, when necessary, with their qualified clients before the end of the trade show.

By the end of the day, the sales staff should expect to be both physically and mentally fatigued. Trade show participation can be a grueling experience. Spending eight to ten hours on a concrete floor is exhausting, and the noise level generated by the crowd taxes even the most seasoned trade show veterans. However, a good time to reflect on the day's activities and to schedule additional meetings is late in the afternoon when traffic patterns have slowed. This is an opportune time to think about mistakes and to work out alternative solutions and approaches. It is also an appropriate time to review the list of booth visitors and to begin the process of prioritizing clients according to their sales potential. This process, if practiced on a daily basis will expedite the follow-up agenda after the show.

The sales staff should expect a barrage of questions. At international food shows, questions are likely to surface regarding the health, safety standards and labeling requirements of products. Questions pertaining to shipping methods, letters of credit and delivery timetables will likely be asked as well. For the sales person, it is important to keep in mind that they are not the only ones attempting to qualify potential clients; booth visitors are qualifying sellers as well.

To stay fresh and mentally alert, periodic breaks throughout the day are suggested for the marketing staff. However, trade show booths should never be left unattended. Three hours is the longest a salesman should remain on his feet without pausing. Breaks are perfect opportunities to analyze the competition. Learning to capitalize on features that are unique to one's own products is possible after investigating the attributes of the competition. Garnering information from other sales associates regarding credit terms, pricing, and foreign delivery schedules will enable the marketer to see how their products are measuring up to the competition. Moreover, by observing traffic flows in and around the convention arena, the design of other booths and the tactics of other professional sales people, marketers can gain insight for overall improvement of their booth presentations.

Figure 7. Sales Lead Summary

Show:______________ Date:____________ Salesperson:______________

ATTACH BUSINESS CARD OR ENTER

Company: ____
Address: ____
Attn: __________________________ Title: ______________________
Tele: __________________________ FAX: ______________________

Checklist for Qualifying

_________ buying authority
_________ who else involved in buying decision
_________ product interest/need
_________ planned purchase dates
_________ delivery deadlines
_________ preferred method of shipment/transport
_________ payment options/credit
_________ reaction to price, product quality
_________ scheduling additional meeting dates
_________ requests for follow-up

Initial evaluation

O Excellent O Good O Fair O Poor

Information Requested:

Action:

Leaf International, Inc.

Leaf International, Inc. 1035 Your Ave., Any City, JA, 22222 Tele: 222 222-2222 Fax # 222 222-2223

Post-Show Wrap-Up

After being bombarded with hundreds of customers and visitors throughout the trade show, a sales representative's initial impulse is to fly directly home. However, after spending a substantial amount of time and money to promote their products, marketers are encouraged to consider staying in the foreign locale for an additional few days. To do so, it is important that return airline tickets remain flexible. This extra time can be spent visiting the headquarters of potential buyers, sales representatives, agents and distributors. Scheduling follow-up visits while still in a foreign country makes a greater impact than does the sending of a letter or a fax two weeks later from the U.S. Companies can also utilize the additional time to check out alternative marketing avenues for their product. For food products, this

Checklist for Trade Show Participation

Prior to show:

____ Market research activities
- collect information on the foreign country economies most likely to be in attendance
- contact trade show facilitators to obtain information on past attendance statistics
- research cultural formalities

____ Identify measurable trade show goals and objectives
- sales
- expected future sales
- distributor/agent selection
- fact finding exposure and educational experience

____ Outline budget with trade show goals in mind

____ Calculate product price list which would include product delivery to several key U.S. ports and an international port of debarkation.

____ Contact banker to confirm letter of credit availability

____ Work with freight forwarders to estimate freight charges (know packaging dimensions, weight/carton, etc.)

____ Assess the need for utilizing the services of an interpreter

____ Create product awareness prior to the show by personally contacting and inviting foreign buyers, distributors and agents to attend the booth

____ Pre-event advertising and promotion in trade show catalogs and magazines

____ Design attractive and functional booth display, making sure adequate office supplies (pens, pencils, paper clips, rubber bands, tape, stapler, etc.), small tool kit (including metric measures), flash light and first aid kit are on hand.

____ Translation of product literature, brochures and business cards

____ Preparation of product samples for shipment overseas, including documentation

____ Make travel and hotel arrangements (plan to arrive 2-3 days prior to the show)

____ Secure passport/visa

____ Check currency exchange and obtain travelers checks

____ Select and train exhibit sales staffs

____ Organize agenda for follow-up, measuring and evaluating results

Arrival at Show

____ Review trade show goals

____ Phone potential key customers to encourage them to attend

____ Check arrival of products and layout of exhibit hall

____ Check working order of booth and ensure adequate supplies (pens, notebooks, forms, miscellaneous office supplies) are on hand

____ Contact interpreter (if necessary) and schedule training session

____ Inquire at press room to see about featuring product in daily press releases

____ Review lead tracking system and refine sales presentation

____ Make arrangements to reserve space in next year's show

Show Time

____ Wear name badge on right side of lapel

____ Maintain adequate supplies of product for taste testing and/or for giveaways

____ Register names and addresses of potential customers, making note of additional requests for information and samples

____ Schedule second and third appointments with qualified leads after hours

____ Monitor adherence to cultural variations and customs

____ Check out competition (pricing, market strategies, product development)

____ Review sales presentation after each day; if need be, reformulate response to questions

____ Periodically, review goals and objectives of the firm's participation in the trade show

Follow-Up

____ Separate prospects in order of percieved potential, i.e. which ones are most likely to buy first

____ Set up a time table for responding to all recorded contacts

____ Maintain a filing system for recording and detailing correspondence with potential buyers

____ Write up a show evaluation, including a summary of leads, general impressions, expectations, the competition and suggestions for future modifications

____ Measure results in quantifiable terms, i.e. cost of leads and return on investment

____ Share results with administration and support staff

Source: U.S. Department of Commerce, International Trade Administration. May, 1986.
Expositions Work: A Management Guide for Exhibitors. Trade Show Bureau. January, 1989.

might include supermarkets, hotel/restaurant and institutional menu promotions.

A good time to assess the overall success of a trade show is the last day of the fair when there is a characteristic lull in activity. This time can also be used to obtain information published by the trade show administration on attendance data, market trends and the dates of next year's fair. By reviewing the original trade show objectives, a representative can make a quick assessment as to whether or not a return engagement the following year would be warranted. An evaluation form is customarily circulated by the trade show staff. Exhibitors are encouraged to thoughtfully fill these out as this information is used to improve the structure of future exhibitions. Moreover, the last hours of the show can be used to firm up judgments about competitive products and to evaluate pricing and other marketing strategies that were used throughout the show. Time spent earmarking the most promising contacts and formulating a tentative action plan for following up on trade show leads is also beneficial.

Trade Show Follow-Up

Organize Results

The real measure of trade show success depends upon the activities that take place after the show. While the marketer is attending the trade show, work on the domestic homefront is rapidly accumulating. The natural temptation upon returning home is to temporarily file trade show leads and attend to the immediate tasks at hand. For companies interested in pursuing export expansion, this would be a mistake. A rapid response rate coupled with attention to customer concerns and a willingness to compromise are the keys to successful trade show follow-up.

A frequent complaint of foreign buyers is that their inquiries and correspondence often go unanswered. Therefore, it is imperative that companies keep their product and name in front of the seller as much as possible. In general, exhibitors are realizing fewer "on the spot" sales at trade shows. More and more buyers are adopting the attitude that fair attendance is only one of the steps involved in the complex buying process. For buyers, trade shows are opportunities to gather literature, price the competition, compare delivery timetables, and make background checks on potential customers. Buyers often return from trade shows with two to three alternative sources in mind that could ultimately satisfy their needs. As a result, the companies that exercise prompt and efficient communication are those with the competitive edge when the decision is made to consummate a sale.

No matter how insignificant an inquiry is perceived to be, companies are encouraged to respond to all trade leads. The development of a one-page form letter can greatly assist in this process. Companies have been known to transport portable computers with them to trade shows. At the end of each day, names and addresses of potential clients are entered into the computer. For those prospects believed to exhibit the most potential, a letter is sent to them directly from the trade show floor. Marketers should keep in mind that efforts to qualify prospective buyers at the trade show are occasionally imperfect, no matter how carefully they are screened. Booth attendees, originally perceived to be potential buyers, sometimes fall short of the exhibitor's expectations. On the other hand, those prospects who initially showed marginal interest in a company's product may become impressed when presented with timely response, quality service, price competitiveness and/or agreeable shipping terms. Maintaining a one-sided communication with a potential client for an extended period of time can, in the long run, prove to be beneficial. With continued persistence and tenacity, the foreign client becomes convinced of the exporter's commitment and opens up the negotiation process.

For best results, the follow-up strategy should be outlined by marketers well in advance of their trade show participation. After returning home from a show, one "rule-of-thumb" would be to spend approximately two hours per day on the follow-up until all inquiries have been answered. Initially, leads should be sorted according to importance and difficulty, keeping in mind special requests for delivery deadlines, quantities needed and product adaptations. Subsequently, they should be qualified in descending order of importance. Leads with immediate delivery schedules should be among the first processed. Formulating a working agenda for contacting all prospects is a useful tool for accomplishing follow-up objectives. Research indicates that the "hottest" prospects buy within the first few months following the show, which emphasizes again the importance of timely follow-up.

Maintaining a filing mechanism that records the names, addresses, notes and profiles of potential customers can be especially useful in the weeks and months following a trade show. A worksheet, detailing all the correspondence and communications between exporter and buyer should be included in this system. Using this information, companies may want to put together a computer mailing list to periodically send out product information and pricing updates. Foreign language should not become a barrier in responding to inquiries, as translators can be found and hired. If correspondence originating from a potential buyer is unclear, it is the exporter's obligation to write back immediately for clarification. For example, food importers may have questions regarding the product's shelf life, ingredient listing and labeling standards. To respond accordingly, exporters may find it necessary to contact the foreign country's Bureau of Standards to learn of adjustments that will need to be made in their products. In addition, companies are advised to make financial checks on potential agents, distributors and other buyers. To do so, banks and international credit agencies can be accessed to provide this information.

Measuring Trade Show Performance

Measuring the success of a trade show in quantifiable terms is a marketing function that cannot be ignored. A well-planned and executed trade show will have little long-term meaning unless the follow-up and measurement of objectives are taken seriously. The importance of prioritizing a direction for the investment is no more apparent than when the marketer sets about the task of gauging the show's accomplishments. For first-time participants, the trade show follow-up serves as a benchmark from which successive trade shows can be compared. The decision to attend the same show in consecutive years establishes credibility among foreign buyers and demonstrates a commitment to exporting. It also allows the marketer to better evaluate his performance and compare the quantity and quality of lead generation. A record of several shows provides obvious clues as to where the improvements need to come from and what strategies are proving to be the most beneficial. After appearing in a number of exhibits, marketers should be in a position to estimate fairly accurately their anticipated return-on-investment.

Counting leads is one of the quickest and most widely used methods of measuring trade show results. The calculation used to determine the cost of each trade show lead is made by totalling all trade show expenses and dividing that figure by the total number of leads. For example, if a business spends $10,000 to participate in a foreign trade show and returns home with 75 leads, then the cost per lead is calculated to be $133 ($10,000 ÷ 75 = $133). As a reminder, this figure will take on an additional meaning when compared to past performances and to other export lead activities. Counting leads as a measure of trade show evaluation has limitations. However, in terms of comparing results from one year to another, this method has merit. Government agencies or the industry may have lead cost estimates to be used as a guideline. In the first shows, such comparisons could suggest a measure of efficiency and point to needed refinements. If the trade show goal was to find an agent, the measurement tools will vary.

Calculating the return on investment (ROI) ratio is an additional means of evaluating a company's trade show investment. In this example, the business activity generated over a certain period of time is divided by the amount of money spent to participate. In other words, if in a 12-month period of time, \$34,000 in sales was reported as a direct result of trade show leads, then the return on investment or expense-to-revenue ratio would be \$1.00 to \$3.40 (\$34,000 ÷ 10,000). For every dollar spent, \$3.40 in sales were generated. Another method, the lead tracking system, whereby marketers determine whether or not qualified leads have been turned into sales, is also used to evaluate trade show performance. Using this system, marketers are able to assign percentages to leads that have resulted in sales over specific time periods. For example, a marketer might report that within 90 days, 60 percent of their leads have resulted in sales.

If a company fails to reach their identified proportion of the trade show audience, then the marketing staff will want to reassess its performance. Perhaps the sales staff is not as aggressive as they should be or perhaps additional training is needed before the trade show. Occasionally, companies will be faced with the question, what happens when no sales result from the trade leads we generated? Rather than blindly blaming the sales personnel, the exhibit or the follow-up process, it is important to search out the true cause for the lack of sales. Perhaps the company was exhibiting at the wrong show; maybe the competition was better; or perhaps the product itself is not well suited to the target market. Analysis of trade show results should be done with a certain degree of impartiality so as to maintain the proper perspective on future trade shows. The process of converting qualified leads into sales is an ongoing one, therefore, marketers should not become discouraged if the initial response rate is slow. Additional trade show benefits that are more difficult to measure are the long-term business associations made and the networking opportunities that result.

Sharing Results with Fellow Employees

A successful international marketing endeavor begins initially with a commitment from upper-level management. However, its implementation is dependent upon a spirit of cooperation that exists among all facets of the company's operation. Therefore, it is important that trade show results be shared with the appropriate company employees. Communicating the implications of export sales to those employees who will be directly involved in export transactions is crucial to the endeavor's long-term viability. Sharing trade show results helps to foster enthusiasm and a knowledgeable export mentality among employees. A written evaluation, if composed in a timely fashion, can yield vauable insight for use in successive trade shows.

The international marketing staff should plan to hold a general discussion session with fellow employees outlining their product's competitive advantages and disadvantages. Suggestions for improvement as they were perceived at the trade show can also be detailed. More specifically, employees in production and quality control need to be made aware of the expected sales volumes, as well as any potential changes in ingredient composition. The engineering staff should be involved when necessary in the process associated with package re-design, labeling, and shipping specifications, whereas the accounting and administrative personnel will need to be informed of pricing structures and mechanics of export documentation. Ultimately, a successful expansion of international sales will require additional personnel. However, at the onset, personnel reassignment can be a cost-effective transition.

Maintenance of International Markets as Ongoing Activities

Once a company has made the commitment to invest in foreign market sales, it would not be prudent to impede its growth by yielding to fluctuations in domestic demand. Inevitably, behavior that periodically fails to supply quality products and service in a timely manner will result in a boomerang. Foreign clients will become disenchanted with businesses that are sporadic and indifferent to their needs. Foreign relationships need to be continually cultivated and company executives should schedule regular international visits to solidify these relationships. It is important to be attentive to the concerns of foreign clients and to solve their problems expeditiously whenever possible.

Company representatives talk to literally hundreds of attendees throughout the length of the trade show. It would be an impossible mental task to record every petition for additional samples, price lists, literature, brochures, etc., therefore, a procedure for noting these requests should be implemented. One sure way for marketers to lose credibility is to fall into the trap of making idle promises that fail to materialize. Operating under the assumption that buyers and distributors will forgive tardiness and discourteous behavior is presumptuous. If a U.S. company cannot fulfill their delivery obligations, foreign clients should be informed immediately to avoid cancellations. As companies begin to respond to trade show orders, the products they send must be the same quality that was exhibited at the fair. Foreign destinations should not be viewed as a dumping ground for inferior products. In addition to delivery delays, sending products of lower quality is a sure way to invoke angry buyer protests. In short, foreign buyers, distributors and agents demand the same respect and attention as do their domestic counterparts.

International trade show participation is one method firms employ to explore and develop export marketing strategies. A firm's individual success is dependent upon its managerial ability to set realistic goals, implement strategy, and justify results in quantitative measures. U.S.

companies that participate in international trade shows for the purpose of developing markets for their products must be prepared to appropriate adequate resources, as well as the personnel to maintain international marketing as an ongoing activity.

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Information Sources Directory

National Association of State Departments of Agriculture (NASDA)
1616 H. Street NW, 7th Floor
Washington, D.C. 20006
(202) 628-1566

USDA, Foreign Agriculture Service (FAS)
Room 4939, South Building
Washington, D.C. 20250-1000

Oklahoma Department of Agriculture
Market Development Division
2800 N. Lincoln Blvd.
Oklahoma City, OK 73105-4298
(405) 521-3864

Incomm International
1005 N. La Salle Drive
Chicago, Illinois 60610
(312) 642-9377

Southern U.S. Trade Association
World Trade Center, Suite 346
New Orleans, LA 70130
(504) 568-5986

Trade Show Bureau
1660 Lincoln Street, Suite 2080
Denver, Colorado 80264
(303) 860-7626

Exhibit Surveys, Inc.
7 Hendrickson Ave.
Red Bank, NJ 07701
(201) 741-3170

Center for International Trade Development
Oklahoma State University
Hall of Fame and Washington
Stillwater, OK 74078
(405) 744-7693

Food Quality Acceptance Service
Agricultural Marketing Service
Market Research and Development
Food Quality Assurance Branch
Room 0610-S
P.O.Box 96456
U.S. Department of Agriculture
Washington, D.C. 20090-6456
(202) 475-4939

Food Safety and Inspection Service
Export Coordination Division
International Programs
Room 0036, South Building
U.S. Department of Agriculture
Washington, D.C. 20250-3700
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U.S. Department of Agriculture
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6601 Broadway Extension
Oklahoma City, OK 73116
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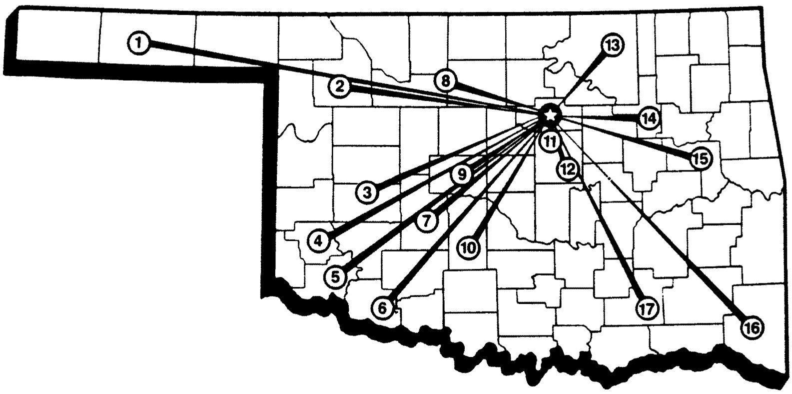

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