

Participate (or not) in International Trade Fairs? Decision Factors of Portuguese Managers

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Abstract

Portugal is a small economy, with an open domestic market that needs competitive exporters to prosper. Trade fairs are an international promotion tool that can be used by firms when considering export development and expansion. This study identifies and evaluates the critical factors that influenced the decision making process of Portuguese SME's (Small and Medium-Sized Enterprises) managers to participate (or not) in international trade fairs.

The results indicate that the firm's critical decisions factors to select an international trade fair were value for money and the stand (location, typology and size).

Keywords: *International trade fairs, Firm's decision factors, Portuguese SME's, Principal Component Analysis*

JEL classification: M16, M31

Introduction

Trade shows, trade fairs, consumer shows or mixed shows are not synonymous. According to UFI (2011), trade shows are business to business events, where firms in a specific industry can showcase and demonstrate their new products and services. Trade fairs are confined to one industry or a specialized segment of a special industry. Consumer shows are events that are open to the general public, where exhibitors are retail outlets, manufacturers or service organizations looking to bring their products and services directly to the end user. Mixed shows are a combination of trade and public shows. AUMA (2007, p. 24) defines trade fairs as “market events of a specific duration held at intervals, at which – with a predominant appeal to trade visitors – a large number of companies present the main product range of one or more sectors of industry and mainly sell to commercial buyers on the basis of samples”. Although the term trade fair is more used in Europe and trade show in the United States, for the purpose of the

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current study these terms are used interchangeably, representing opportunities for firms interested in promoting their products and services internationally.

Trade fairs are not a new marketing promotion tool, but over the last years the global trade fair industry has grown dramatically worldwide. The total indoor exhibition space available in 2009 was 32.6 million m², and the highest was offered by Europe (48%), North America (24%), and Asia (20%). In terms of countries, five of them (USA, China, Germany, Italy and France) account for 59% of the total world indoor exhibition space (UFI, 2011). The main international industry association was founded in 1925, in Milan (Italy), and in 2003 it becomes the Global Association of the Exhibition Industry (UFI), including 540 members (www.ufi.org).

The importance of trade fairs for firms will vary depending upon their size and the country of origin. For SME's (small and medium-sized enterprises) trade fairs play a unique role, because they take company personnel to foreign markets, allowing firms to collect market information, and assess market opportunities (Bowning and Adams, 1988; Freitas Santos, 2005). For small countries, as Portugal, facing a severe financial and economic crisis increasing exports is a priority. In 2011, a total number of 19.837 exporting firms are registered in the Portuguese Statistical Institute (INE), more 12% than in the year before. The need to increase this number in the future is important for the growth of the economy and the balance of payments, as Portugal experienced trade deficits in the past thirty years. For many small countries the domestic market has reached the point at which supply is exceeding demand. This is due to reductions in domestic growth, and increasing competition in local market. Consequently, research into the role of trade fairs as a mean to enter new international markets is of value to SME's who already export, but also for those firms in the early or pre-exportation stage. Research is also needed as a scarce number of studies have been developed in the last years focused on small firms (Sarmiento, 1997; Viegas, 2000) and none, to our best knowledge, has emphasized the decision factors that lead firms to participate (or not) in international trade fairs.

Although some studies have contributed to understand what might motivate firms to exhibit their products or services in international fairs, researchers have paid less attention to the specific reasons that encourage SMEs to become involved in those venues. Firstly, because participants in trade fairs invariably have differing objectives, depending on their size, experience, country of origin, products/services, and market focus. Secondly, the participating firms have to rise the occasion that fairs provide for selling and non-selling activities (information gathering, image building, relationship-building and motivational). Thirdly, the trade-off between perceived costs and benefits is subjective in nature as firms must be involved in pre-fair promotion, at-fair selling and after-fair follow-up activities to take full advantage of the exhibition. Finally, the resources allocated by each firm (booth size, location, design, attention-getting techniques, booth personnel) may influence the perception of success. Thus, it seems useful to identify and evaluate the factors involved in the decision to participate (or not) in those venues.

The present study was designed to investigate the decision making factors that drive or inhibit the firms to exhibit at an international trade fair. The following section outline some relevant previous research on trade fairs, the methodology and the study undertaken, and the results obtained.

1. International trade fairs: a review of literature

The role of trade fairs in the communication mix of the firms has been analyzed in international and global marketing textbooks. Johansson (2009, p. 557-558) refers to the international trade fairs stating that are “excellent promotional avenues for the global marketer”. Albaum, Strandskov and Duerr (1998, p. 441-442) argue that trade fairs and exhibitions are “extremely important for some industries and some countries”. Kotabe and Helsen (2010, p. 453-454) stress that trade shows are a “vital part of the communication package for many international business to business marketers”. Onkvisit and Shaw (2004, p. 429-433) indicate “overseas product exhibitions” as “one type of sales promotions that can be highly effective”. In general terms, trade fairs are “events that bring together, in a single location, a group of suppliers, distributors and related services who set up physical exhibits of their products and services from a given industry or discipline (Black, 1986).

Trade fairs are an important tool in the international promotion strategy of the small and medium-sized firms. In the early phases of the exporting process, trade fairs create an opportunity for considerable learning to take place, both about foreign markets, and the level of competition on the industry. Many contact activities takes place during the fair, but contact development and interaction with industry continues after the trade fair.

The first book specifically about trade fairs has been written by Norman (1986), and still is a reference on the theme. Several other books followed to help firms on “how to exhibit at trade fairs” (Appleyard, 2005), on making their presence more effective (Miller, 2000) and successful (Miller, 2006; Friedmann, 1999), or describing the tasks of exposition management (Morrow, 2002; Stevens, 2005).

Norman (1986) proposed a three stage process for planning a participation in a trade fair (before, during and after) that was followed by different authors such as Miller (2000); Viegas (2000); Appleyard (2005); Rhonda and Bozdech (2006); CEIR (2010); and, Donelson (2011). These authors agree that planning is the best procedure to develop a coherent and efficient participation in a trade fair in order to obtain the maximum return on investment. Also, empirical research has shown that a successful participation in a trade fair demands a strategic planning in all the stages of the event (Framis, 1994; Sarmento, 1997; Siskind, 2005).

The aims for exhibiting at international trade fairs can be usually divided into selling and non-selling activities. Selling activities include lead generation, closing sales, finding new customers, qualifying leads and prospecting. Non-selling activities are broadly categorized as meeting existing customers, enhancing the

image of the company, carrying out general market research, meeting new distributors or agents, launching new products and even enhancing staff morale (Kerin and Cron, 1987; Blythe, 2002; Rittichainuwat and Mair, 2012). Parasuraman (1981) and O'Hara (1993) consider the participation in a trade fair the second best tool of marketing, just after personal selling, as the mean to influence the buying decisions of customers.

Herbig, O'Hara and Palumbo (1997) identify several advantages to trade fair participation: i) the large number of qualified interested people that received the promotional message; ii) the possibility of introducing new products to a large number of prospects; iii) the potential customers that can be discovered; iv) the enhance goodwill to the firm; and, v) the opportunity of free publicity to the firm. A systematic approach to the advantages of participating in an international trade fair indicates the identification of potential customers, the increase of customer loyalty, the introduction of new products to a large number of prospects, the reinforcement and improvement of corporate image, the gathering of competitor information, and selling (Bonoma, 1983; Moriarty and Spekman, 1984; Kerin and Cron, 1987; Hoshen, 1989, Bello and Barczak, 1990; Tanner Jr. and Chonko, 1995; Miller, 2000; Rhonda and Bozdech, 2006; Blythe, 2010; Li et al., 2011). An additional advantage, according to Trade Show Bureau (1994) is the average cost per contact at a fair which remained consistently one third of the cost of personal sales call. However, although the many advantages that trade fairs have, some drawbacks can be pointed out. The costs involved (space rental, freight, booth personal travel, and living expenses) still are expensive (Trade Show Bureau; 1994; Junior, 2005). The proliferation of trade fairs in terms of number, frequency, market focus, and specialization are confusing the exhibitors who need to be more selective and conscious about the cost/benefit analysis.

Berne and Garcia-Uceda (2008) studied the criteria used by potential exhibitors and visitors in their ex-ante evaluation of trade shows. The basic features suggested by the review of the literature on trade show evaluation and selection are: i) perception of information on trade shows, including type of trade show, convenience of the location and timing, the trade show reputation and its management, the anticipated quantity and quality of attendance; ii) marketing objectives of the firm, including customer acquisition and retention, interaction with the distribution network, product scanning and marketing research; iii) the perceived costs deriving from attending trade shows (relative and differential costs).

Blythe (2010) specify three strategies and nine tactics for exhibitors interested in participating in a trade fair: the strategy of selling, includes take orders, generate leads and make useful contacts; the strategy of communication (outbound), includes image enhancing, product information and establishing a product or company presence; the strategy of communication (inbound), includes meeting existing customers, identifying new customers and observing the competition. On the side of visitors the same author (Blythe, 2010) identify three strategies and eleven tactics: one of them (gather brochures) is common to all

strategies (sources of supply, information sources, and entertainment). The other tactics include place orders, make appointments, sought and unsought information, analyse offers, gather free gifts, go to demonstrations and observe displays (Blythe, 2010). Tanner Jr. (2002) adverts that the success factors are mainly strategic, suggesting the centralization in one specific function with the responsibility of define, plan and implement the firm participation in all the fairs that take place annually. Miller (2006) reinforces this idea, detaching the role of booth personnel in the success of the fair. The author indicates ways to approach attendees, establish conversation and agreements, increase the quality of the interaction, identify business opportunities, and capture contact information.

Herbig, O'Hara and Palumbo (1997, p. 375) studied the differences between trade show exhibitors and non-exhibitors to conclude that distinct significant characteristics exist. The exhibitors have "large, international-oriented industrial companies with many customers, technically complex goods, a high degree of customization and relatively expensive goods". On the contrary, "the more portable a product is, the more simple, the less tangible, the less technical, the more inexpensive a product is, the greater the likelihood to non-exhibit". In the same study (Herbig, O'Hara and Palumbo, 1997) has shown that exhibitors correlate almost perfectly with trade show advantages and non-exhibitors negatively so. One major inhibitor for small businesses still is the cost of participation in a trade show. Nonetheless, the causal link between size of the firm and the decision to participate or not in a trade fair, need more empirical support, as the results of the current research are weak (Kerin and Cron, 1987; Seringhaus and Rosson, 1998; Tanner Jr., 2002). In Canada, a study about collective versus individual participation in a trade fair, found that size and age of the firm are not discriminating factors (Seringhaus and Rosson, 1998). However, it is expected that small firms participated annually in a lesser number of fairs than the bigger firms (Kang and Schrier, 2011).

Hansen (1996), researching the motivations to participate or not in a trade fair underlines the enhancement of the corporate image, the collection of competitor information, the introduction or test of new products/services, the loyalty of current customers, the selling of products/services, and the identification of potential customers.

The motivations for trade fair participation was also investigated by Kijewski and Yoon (1993) who have identified five reasons that affect the exhibitor decisions: exhibition performance, marketing mix strategies, exhibition profile, costs of participation and human resources capacity. They found that firms are searching for trade fairs not only in a perspective of marketing and selling implementation, but also for considering the trade fairs as a platform of communication and relationship channels construction (Gopalakrishna and Lilien, 1995; Hansen, 1996). A convincing reason for that is pointed out by Blythe (2010) who states that the majority of attendees are not firm's buyers, but influent persons in organizations that have the buying or prescriptive power in the decision making process. Therefore, the traditional emphasis on selling must be change to a marketing relationship approach.

To make trade fair more effective marketers must evaluate their participation in an exhibition. Hansen (1999; 2004) presents a five dimension scale: an outcome-based sales dimension and four behavior-based dimensions, including information-gathering, relationship-building, image-building, and motivation activities. More recently, Shi, Smith and Zhang (2012) develop a four-dimension framework (sales-relational, psychological-related, market-exploring, and competitive-intelligence) to examine trade show performance against six trade show marketing strategies (visitor-attraction techniques, number of exhibited products, booth size, booth staff number, booth staff training and follow-up contacts).

The previous participation in a fair seems to be an important factor either for experience or inexperienced firms as the aims of each are very different (Motwani, Rice, and Mahmoud, 1992). In both cases, the vivid experience of the exhibitor, the perceived advantages of being at the fair networking with current and potential customers, and the presence face-to-face with direct competitors stimulates the return to the next fair (Kemp and Smith, 1998; Smith, Hama and Smith, 2003; Breiter and Milman, 2007). Kang and Schrier (2011) indicate that as experience increases exhibitors are more prompt to be less satisfied. The authors recommend more attention to event organizers, as they must be keen of the fact and able to define marketing strategies to correct those attitudes. One of the strategies, suggest the creation of a network of trade contacts available to exhibitors, allowing the access to a list of potential buyers (Kirchgeorg, Jung and Klante, 2010). Nevertheless, satisfied exhibitors are more prompt to return in future editions of the fair, as they perceived a lower risk of participation (Patterson and Spreng, 1997).

A substantial number of corporate executives still perceive trade fairs as a non-selling activity or a social event for those employees that attend (Skolnik, 1987). The effectiveness of a fair could be questioned, sometimes because the firms are unable to measure the return on their trade fair investment. Blackwell (2010) proposes a ratio (ROI - Return on Investment), as a process to evaluate the performance of the firm's presence at an exhibition. The author recognizes difficulties in the ROI calculation, as many variables are involved when a specific trade fair is considered. Bettis-Outland, Cromartie, Johnston and Borders (2010) add the index of Return on Trade Show Information (RTSI) that describes both tangible and intangible benefits that accrue to the firm as a result of information acquired at trade fairs. However, the authors advert that "in some cases, the same information that is acquired at trade shows is also available from alternative sources, potentially making it difficult to determine true RTSI" (Bettis-Outland, Cromartie, Johnston and Borders, 2010, p. 271).

In a scenario analysis, Kirchgeorg, Jung and Klante (2010) suggest that trade shows will continue to be an integral and indispensable part of the marketing mix of the companies. However, trade show companies should continue to move away from selling space and instead become information brokers who facilitate the networking and interaction of market players.

2. Methodology

The present study was conducted in Portugal and sought to examine the firm's behavior regarding international trade fairs. The objectives of the study were twofold. First, to find out what are the rationale and preferences of the firms that affects the planning of trade fair's participation. Second, identify which firm's decision factors influence the choice of a specific trade show.

In the preliminary stage of the research process an informal exploratory study was undertaken. First, several unstructured personal interviews were made to managers of exporting firms and fair organizers in order to understand the intricacies of the research problem. Simultaneously, the researcher visited two international trade fairs: one in Madrid (Fitur, 2012), and the other in Paris (Moison & Object, 2012) to directly observed the behavior of exhibitors, attendees and the atmosphere of a trade fair. Since the problem is subjective in nature, a questionnaire was used as data collection instrument.

The questionnaire contained three parts. The first part is oriented towards the firms that already has been in an international trade fair, and included: i) questions about the operational and tactical decisions of the firms' participation; ii) two lists of typical reasons and decision factors - the first list was measured in a preference scale from 1 (most preferred) to 5 (least preferred), and the second list used a five-point Likert scale; iii) questions about the communication tools used by firms during the fair.

The second part of the questionnaire was only applied to non-participant firms, and included two lists: one, with the possible reasons to not participate, measured by a five-point Likert scale; the other one, with the factors that could influence the participation of the firm, measured by a preference scale from 1 (most critical) to 5 (least critical). The third part is common to both participating and non participating firms and contained the characteristics of the respondent firms, including sector of activity, size (number of employees and total sales), international experience (number of years in international markets) and international involvement (proportion of exports on sales and number of international markets). All the lists used in the questionnaire were derived from those identified in previous studies in the area.

To select the Portuguese exporting firms for the study the researcher used a random sampling process, based on secondary data from public (AICEP) and private business and trade associations (AEP, AIP, ATP, APICCAPS, APIMA). The questionnaire was sent by mail, e-mail or personal interview, between January 20th and July 30th of 2012, to 1108 marketing managers responsible to handle exporting activities. After a telephone recall to non-respondents, a total of 68 usable questionnaires was used, which correspond to a response rate of 6.14%.

Table 1 describes the characteristics of the firms that participated in the study. As can be seen, the composition of the sample goes beyond the manufacturing sector to include tourism, construction and many other sectors. Further, the size of the firms by Portuguese standards, varies between small (less

than 100 employees) to medium (more than 100 employees). The total volume of sales can be equally divided with half of the firms below €10 million and the other half above € 10 million. Most of the respondents firms (87.9%) have international experience (more than 3 years), have been exporting to a diversified set of markets (32.3% for more than 20 markets) and the weight of exports on total sales are significant (more than 50% in 46.2% of the firms).

Table 1. Sample profile

Characteristics	Proportion (n = 68) (a)
Sector of activity	
Construction	12.1
Textile and Shoes	9.1
Furniture and Decoration	19.7
Tourism	7.6
Others	51.5
Number of employees	
Less than 20	15.1
21 - 50	18.2
51 - 100	21.2
More than 100	45.5
Total volume of sales (€)	
Less than 500.000	7.5
500.000 - 2.499.999	18.2
2.500.000 - 10.000.000	27.3
More than 10.000.000	47.0
International Experience	
Less than 1 year	3.0
1 - 3 years	3.0
More than 3 years	87.9
Never exported	6.1
Percentage of exports on sales	
0% - 20%	24.6
21% - 50%	29.2
51% - 100%	46.2
Number of export markets	
0 - 5 countries	27.7
6 - 20 countries	40.0
More than 20 countries	32.3

Note: (a) Totals may be less than 68 as respondents did not complete all questions.

Preliminary analysis of the survey data using SPSS and *chi-square* tests revealed that there were no statistical significant relationships between firms characteristics (sector of activity, size by number of employees or total sales, volume of exports on total sales, number of export markets) and the participation or not in international trade fairs. The only variable showing a significant difference ($p < 0.01$) was international experience, as suggested earlier in previous empirical

evidence (Seringhaus and Rosson, 2001). Therefore, the sample proved to be relatively homogeneous and further data analysis was undertaken.

3. Analysis and results

Table 2 suggests that the factor “location of the stand” was a prime driver of the decision for selecting an international trade fair, with a mean response of 4.48 out of the 5 point scale used. From the exhibitor’s perspective, credibility of the trade fair organizers (mean response of 4.46), profile of the attendees (mean response of 4.35), participation costs and the market coverage of the fair (mean response of 4.23) were other major critical decision factors.

Table 2. Firm’s decision factors to participate in international fairs

Factors	1	2	3	4	5	Mean (S.D.)
Credibility of the trade fair organization	0	3	0	20	25	4.46 (0.617)
Number of attendees of the previous trade fair	2	9	0	28	9	3.92 (0.739)
Competition participation	8	15	1	21	3	3.35 (0.911)
Promotion of the event by the trade fair organization	2	16	0	17	13	3.85 (0.875)
Structural conditions of the exhibition park	3	9	0	26	10	3.90 (0.805)
Market coverage of the trade fair	0	6	1	21	20	4.23 (0.831)
Profile of the attendee	1	2	1	20	24	4.35 (0.838)
Simultaneously events with the trade fair	5	21	6	14	2	3.02 (1.041)
Size booth of the stand	0	16	0	31	1	3.69 (0.512)
Location of the stand	1	4	0	14	29	4.48 (0.743)
Typology of the stand	1	11	1	24	11	3.90 (0.857)
Participation costs	0	5	1	23	19	4.23 (0.805)

Note: 5-point interval scale, from 1 least important to 5 most important.

The reputation and image of the organization are built on the basis of experience and communication strategies, such as the outcome of previous events, the personal experience, word of mouth and media exposure (advertising in general and specialized press). Other complementary media that could enhance the image of the organization are sponsorship by public authorities or endorsement by

industry/trade associations or chambers of commerce. Another important decision factor to be considered in the decision for participating in a trade fair is the qualitative characteristics of visitors and the roles they play in their firms' purchase process. The quantity of the attendance is less important for exhibitors (mean response of 3.92).

The exhibitor's decision as to whether or not attend a trade fair is also influenced by the costs of participating in the event. These include costs associated with rental space, transport and freight, booth personnel travel, and living expenses (Junior, 2005; Berne and Garcia-Uceda, 2008). These costs are proportional to the number of fairs that the firm considers visiting per year, and must be managed according to the communication objectives of the firm's yearly marketing plan. Together with costs, the exhibitors ranked the segmentation strategy used by the trade fair organization as equally important. It seems that firms tend to concentrate their participation on vertical rather than horizontal trade fairs (Kerin and Cron, 1987). This could be explained by the marketing objectives of participating firms and the customer segments they want to target in order to develop sustainable relationships with suppliers, customers and channel intermediaries (Berne and Garcia-Uceda, 2008). The imitation effect (competition participation) and parallel activities during the show (mean responses of, respectively, 3.35 and 3.02) were seen as the least important decision factors to participate in an international trade fair.

Responses to the firm's decision criteria to participate in international trade fairs were initially factor analyzed using principal component factor analysis with varimax rotation and the results are shown in Table 3.

Table 3. Principal Component Analysis with Varimax rotation (n= 51)

Variables	F1 Loadings	F2 Loadings	F3 Loadings	Communalities
Reputation of the trade fair organization	0.617	-0.118	0.29	0.478
Number of attendees of the previous trade fair	0.693	-0.024	-0.029	0.482
Promotion of the event by the trade fair organization	0.167	0.090	0.745	0.591
Structural conditions of the exhibition venue	0.319	0.060	0.765	0.69
Focus of the trade fair	0.795	0.231	0.185	0.719
Profile of the attendee	0.603	0.384	0.204	0.553
Simultaneously events with the trade fair	-0.216	0.432	0.539	0.523
Size booth of the stand	0.237	0.688	0.369	0.665
Location of the stand	0.391	0.800	0.023	0.793
Typology of the stand	-0.022	0.843	0.053	0.719
Participation costs	0.663	0.471	0.095	0.67
Measures				

Variables	F1 Loadings	F2 Loadings	F3 Loadings	Communalities
Eigenvalue	4.124	1.584	1.179	
Explained variance (%)	24.443	22.341	15.808	
Cumulative variance (%)	24.443	46.775	62.582	

Notes: Items measured on a 5-point Likert scale. Kaiser-Meyer-Olkin measure of sampling adequacy – 0,763; Bartlett’s test of sphericity (significance $p < 0,000$).

The Kaiser-Meyer-Olkin (KMO) test and Bartlett’s test of sphericity were computed to assess the appropriateness of factor analysis to the data. The KMO value was 0.763, and Bartlett’s test was significant at the 0.00 level. Both results demonstrate the factorability of the matrices being considered (Hair et al., 1995). A final three factor model was estimated with 11 items, as one item (competition participation) falls under 0.50 (Hair *et al.*, 1995). The factor solution accounted for approximately 62.5% of the total variance explained, with all communalities ranging from 0.478 to 0.793 and eigenvalues greater than one.

An examination of the factor loadings suggest that factor 1 was related to firms’ concerns about the reputation of organizers, the number and profile of the attendees, market coverage of the fair and the costs of participation. The factor was termed “value for money”. Factor 2 measured firms’ concerns with the design, location and size of the stand in the fair. The factor was termed “stand positioning”. Factor 3 measured firms’ concern about the promotion, animation and structural conditions of the venue. The factor was termed “organization dynamism”.

Considering the internal consistency of the items within each dimension measured by examining the Cronbach reliability alphas, these show a high level for factors 1 (0.78) and 2 (0.756) but lower for factor 3 (0.524) suggesting lower reliability. In fact, Nunnaly (1978) indicates that reliability alphas close to 0.70 indicate a high level of internal consistency between the individual scale items and the related factors. Consequently, the dimensions found to be reliable and viable were “value for money” and “stand positioning”.

The first factor assesses the cost of participation in a fair against the reputation of the organizer, the suitability of the attendees (number and profile) and the market coverage of the fair. It not only measures the costs of participation but also takes account of the mix of reputation, quality and quantity of attendees (present or potential), and the market coverage to judge whether or not, together, they constitute a good investment. The Portuguese exhibitors seem full aware of the costs and benefits of their decision, using different criteria to capture the best value for money.

The second factor is specifically related with the typology, size and location of the stand on the fair. The trade fair stand is the firms’ calling card and varies between exhibitors in terms of size, design and appearance. The results indicate that the Portuguese exhibitors are now placing a more definitive attention upon their stand’s positioning in the trade fair, matching the standards of competition and the needs of visitors (present and prospect customers).

Conclusion

The present study attempted to identify and evaluate the firm's decision factors involved in the selection process of an international trade fair. The factorial analysis demonstrated that "value for money" was the most critical factor in the decision-making process. That is, costs of participation in an international trade fair were weighted by the mix of organization's reputation, the quality and quantity of attendees, and the market coverage of the fair. Another important factor of decision was the typology, size and location of the stand on the fair, which represents the image of the firm, and must competitively respond to the dynamics of each trade fair environment (layout of the space, competition, type of attendees, etc.). These results have important implications for trade fair organizations. The first one suggests that costs still matter in the decision making process of the exporting firm, but are weighted by a mix of other factors. The second implication indicates that the main focus of the exhibiting firms is rather on the size, design and location of the stand, than on competition observation, advertisement of the trade fair or animation activities during the fair.

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