

An Empirical Study on Factors Affecting Participation Decisions of Exhibitors

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Abstract: The rapid development in China's exhibition economy provides good opportunity for the exhibitors to demonstrate and promote products. The analysis of influencing factors of participation decisions of exhibitors could help the organizers to understand the needs of exhibitors and to organize the exhibition in a better way. In this study, the author makes an empirical study on the influencing factors on participation decisions of exhibitors. Firstly, a model was proposed as the conceptual model of this study. Then, a survey was conducted to exhibitors of China International Machinery & Electronic Products Exposition, the statistical analysis of the collected data showed that the major influencing factors includes the reputation of the exhibition, the quantity and quality of professional visitors, organizers' influence as well as organizers' professional competence.

Key Words: Participation Decisions; Influencing Factors; Trade fair; Exhibitors

1 Introduction

The rapid development in China's exhibition economy provides good opportunity for the exhibitors to demonstrate and promote products. Participating exhibitions or trade fairs is an effective promotional tool for the exhibitors^[1]. International trade shows have become a significant promotional tool for exporters^[2]. Attending industrial trade shows also helps exhibitors improve new product development^[3]. Trade shows go well beyond being a marketing and information platform and make an important contribution to establishment and enhancement of a network infrastructure for enabling such firms to grow and expand internationally^[4]. As participating exhibitions and trade fairs are of great importance for exhibitors, how to improve the satisfaction of exhibitors is also a great challenge for the organizers of exhibitions. The analysis of influencing factors on participation decisions of exhibitors could help the exhibition organizers to better understand the motivation and behavior of exhibitors and to determine effective marketing strategies to attract varying types of exhibitors to exhibitions.

Study on exhibitors were conducted around four areas, namely participation goals^[5], factors affecting the effectiveness of exhibitors, exhibitors participation management^[6], and the evaluation of exhibitors' performance. However, Trade show literature and folklore are rife with descriptions of why managers should choose to exhibit in a particular show, but no hard evidence exists as to what importance these factors have in the actual decision^[7].

Although crucial to the success of any trade fair, exhibitors' behavior has been neglected in the literature. Previous research relating to participation decisions of exhibitors is very sparse. More work was needed to increase understanding of decision making process of exhibitors. As a result, this study aims to better understand this area. The specific research objectives were: (1) to propose a new model of factors affecting participation decision of exhibitors based on the existing literature; (2) to identify the factors influencing the participation decisions of exhibitors ; (3) to examine the relative importance of the factors affecting the participation decisions of exhibitors.

2 Literature Review

There are few studies on the participation decisions of exhibitors. Dickinson investigated decision of exhibitors, he found that, the proportion of professional visitors, the number of visitors visiting the booth, booth location, sponsors' marketing breadth, the size of the visitors in recent years, are the most important factors affecting the participation decision of exhibitors^[8]. Sashi reviews the research regarding reasons for participating in trade shows, and suggests how marketing executives can take specific actions to make trade show participation successful^[9]. Kijewski and Yoon found that five factors affects the decisions of exhibitors, including exhibition actual performance, marketing mix, exhibition environment, participation fees, exhibition staff's ability^[7].

Hansen^[2] developed a new framework of trade show participation models (exhibitors and visitors) and motives (selling and buying). He applied the framework to an empirical study of Norwegian seafood exporters participating at international trade shows. Exhibitors' experience also has been found to be an

influential factor on tradeshow exhibitors' behaviors^[10]. Kempf & Smith^[11] found that the prior experiences of exhibitors at a specific tradeshow can have an influence on the exhibitors' beliefs and attitudes related to the show as well as the exhibitors' intentions to return to the same show in the future. Oppermann and Chon^[12] examined convention participation decision-making process. They present a model addressing the convention participation decision-making process by potential attendees. The influencing variables are then categorized into personal/business, association/conference, location, and intervening opportunities.

In China, the study on participation decisions of exhibitors is rather limited. Ju Shengli and Lu Ling^[13] made an empirical study on perception of exhibitors, and found that the exhibitor's important factors influencing their participation decision are: quality and quantity of the visitors, pre-show services, exhibition activities, and logistics support services, on-site service. Yang Jie^[14] examined the important factors which influence the exhibitors' selecting exhibitions and the actual performance of the exhibitions.

3 Conceptual Model

A new model was proposed based on the previous literature. Figure 1 present a new framework of exhibitors' participation decisions model. The model comprises of influencing factors of four dimensions : (1) value of trade fair, including the fair's reputation, the quantity and quality of professional visitors, the quantity and quality of peer exhibitors;(2) organizers' ability, including the influence of the organizers, the organizers' professional ability, the organizers' promotion ability;(3) host city, including the market power of the host city, venue and infrastructure of the host city, the environment of the host city; (4) Exhibitors , previous experience of attending trade fairs, present situation of attending trade fairs.

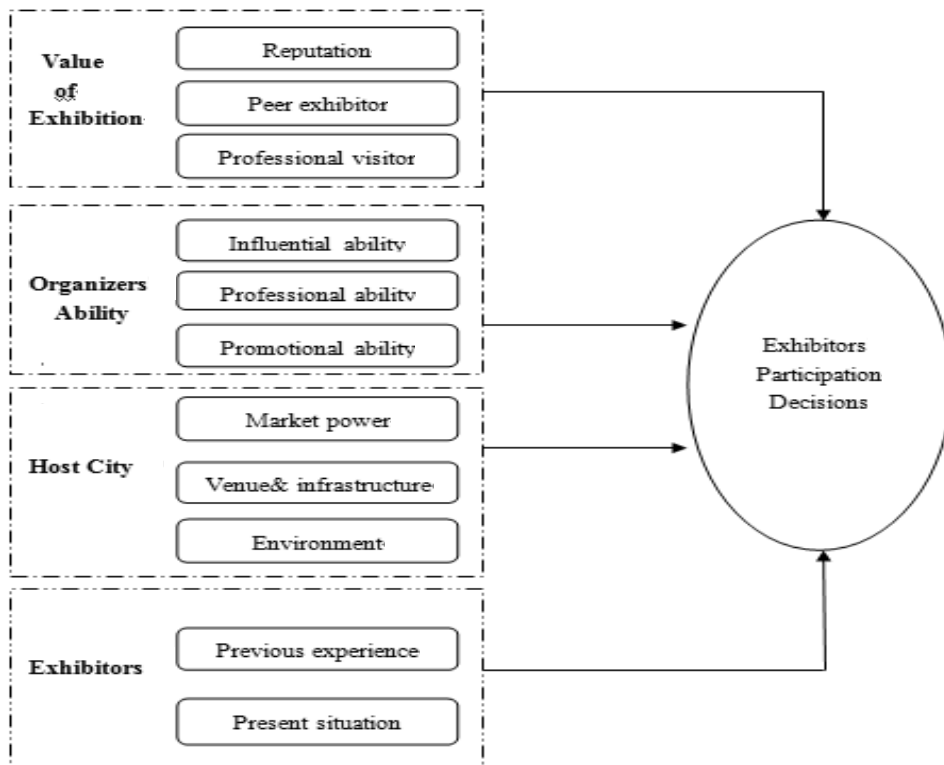


Figure 1 Conceptual Model of Exhibitors' Participation Decisions

4 Methodology

4.1 sampling

Based on the model, an empirical study of exhibitors participating at China International Machinery & Electronic Products Exposition (referred to as CWME) was conducted. China International Machinery and Electronic Products Exposition is the largest trade fair of mechanical and electrical

products in central and western China. Held in 2010, CWME received exhibitors from over 40 countries and regions.

Self-administered questionnaires were distributed to exhibitors who were exhibiting in their company’s booth at China International Machinery & Electronic Products Exposition in 2010 in Wuhan, China. Among 300 questionnaires were distributed to exhibitors, there were 170 completed and effective responses .

4.2 Data Analysis

The data was formatted for use with SPSS 11.0 statistical software program. Descriptive statistics were run for all of the questions to check for errors in data entry and missing data. In order to check for reliability, Cronbach’s alpha was utilized. All of the values were found to be at an acceptable level of 0.7 or higher. A factor analysis was conducted utilizing varimax rotation on each of the survey items.

5 Results

5.1 Demographic profile of respondents

Approximately 93% of the respondents are manufacturers and agents, 83% of the respondents are from small and medium-sized companies. Based on the exhibitor’s experience, approximately 96% of the respondents were categorized as experienced exhibitors who had attended this kind of tradeshow multiple times, whereas nearly 6% were categorized as novice with an experience of under 2 times.

5.2 Reliability test

In order to check for reliability, Cronbach’s alpha was utilized. The results showed that the Cronbach's Alpha value is 0.908, indicating that overall scale has good reliability. The statistical analysis showed that KMO=0.835, Bartlett's Test of Sphericity indicated chi-square value of each factor achieved the marked level(P<0.001).The results showed that it is suitable to do factor analysis.

5.3 Factor Analysis

The study used principle component analysis(PCA)as the extraction method and varimax rotation with Kaiser normalization was conducted to identify the most critical factors that influence the exhibitors’ participation decisions. The results were presented in table 1. The 31 items were grouped into 9 themes: organizer’s professional ability, exhibitors’ quality and quantity, infrastructure of host city, environment of host city, and previous experience of participating at trade fairs, trade fairs’ reputation, exhibitors’ present situation, organizers’ influential ability, and professional visitors.

Table 1 Results of Rotated Factor Loadings

Factor	Item	Factor loading
Professional Ability	PA1	.794
	PA2	.748
	PA3	.723
	PA4	.718
	PA5	.694
	PA6	.607
	PA7	.531
Exhibitors' quality and quantity	EX1	.855
	EX2	.813
	EX3	.803
	EX4	.787
	EX5	.743
	EX6	.715
Host city	HC1	.746
	HC2	.688
Environment	EN1	.765
	EN2	.754
	EN3	.618
	EN4	.542
Previous experience	PE1	.861
	PE2	.850
Reputation	RE1	.847
	RE2	.784
	RE3	.521
Present situation	PRE1	.708
	PRE2	.706
	PRE3	.619
Influential ability	INF1	.760
	INF2	.751
Professional visitors	PRO1	.805
	PRO2	.716

5.4 Comparison of Mean

In order to determine the relative importance of the factors affecting the participation decisions of exhibitors. The mean comparison analysis was conducted. Table 2 presents the result of mean comparison.

Table 2 Results of Mean Comparison

Factors affecting participation decision	Mean	Standard deviation	Rank
Reputation of exhibition	4.928	0.798695	1
Professional visitors	4.2588	0.770441	2
Previous experience	3.9324	0.871148	3
Organizers' influential ability	3.9206	0.97287	4
Organizers' professional ability	3.8566	0.996329	5
Present situation	3.6137	0.992015	6
Exhibitors' quality and quantity	3.4716	1.14596	7
Infrastructure of host city	3.4039	1.060815	8
Environment of host city	3.198	1.070224	9

6 Conclusion

The findings of this study are important for exhibition organizers as the results of this study can provide a deeper understanding of exhibitors' participation decision making. The results of this study indicated that nine factors may affect experienced exhibitors' participation decision. The most important influencing factors are the reputation of exhibition. The other factors are professional visitors, previous experience of participating at trade fairs, organizers' influential ability, organizer's professional ability, exhibitors' present situation, peer exhibitors' quality and quantity, infrastructure of host city and environment of host city.

The findings of the study are :1) exhibitors often choose to participate at trade fairs with a good reputation, more professional visitors, and professional organizers; 2) when considering whether to attend trade fair or not, exhibitors cares much about the quality of exhibition and visitors rather than the environment of host city. Therefore, exhibition organizers need to be aware of the findings of study since the findings can be used to help organizers determine marketing strategies to attract and retain exhibitors to specific trade fairs.

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