Examining Firms' International Trade Fair Performance*

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SUMMARY

International trade fairs are important events for countless firms around the world. Aside from anecdotal evidence, however, the international marketing literature is surprisingly silent in this topic. This paper focuses on firms' trade fair behaviour and performance. It presents results from a survey of 367 firms that participated in Canadian exhibits at 48 foreign trade fairs during the period 1984-86. The paper (1) surveys the existing literature; (2) proposes several trade fair performance measures; (3) identifies a number of factors likely to influence firms' trade fair performance; (4) describes the study methods and characteristics of the sample firms; and (5) presents and discusses results from and analysis of international trade fair performance.

* The data reported in this paper were collected in the course of an evaluation study of the Promotional Projects Program of the Canadian federal government. We are grateful to the Department of External Affairs, Ottawa in releasing the data to us for further analysis.
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INTRODUCTION

In a general sense, the marketing literature is strangely quiet about trade fairs. Although trade fair expenditures are estimated to be the third highest promotional expense after television and newspaper advertising for U.S. firms, our textbooks devote little attention to this matter. The position is even bleaker when international trade fairs are considered. Despite being a crucial activity in many firms' foreign operations, seemingly few research studies are publicly available. This paper considers one form of international trade fair participation by firms and so provides some beginning evidence on this subject.

In many countries there are three different ways in which firms can exhibit at an international trade fair. The first way is where the firm chooses the fair and makes all its own arrangements, financing the activity itself or sometimes with assistance from government. The second is where the firm takes part in an exhibit organized by an industry association or chamber of commerce. Here, organizational assistance may be available and participation is usually on a self-financing basis. Government is more directly involved in a third alternative. Here an agency selects the fair, negotiates for space, develops an overall theme for the exhibit, and then solicits firms to participate, usually on a cost-shared basis. These are often federal or central government initiatives, but some state and provincial governments have parallel trade fair exhibit programmes.

This paper focuses on the latter category of trade fair involvement. An examination is made of the performance of 367 firms that were invited by the federal government to become part of a Canadian exhibit at one of 48 foreign trade fairs during the period FY 1984/85 to 1986/87. The paper explores their levels of trade fair performance. Various measures of performance are proposed and the influence of a number of independent variables gauged. The paper concludes with a discussion of the results.

LITERATURE REVIEW

The role of trade fairs

The principal advantage of a trade fair—whether domestic or foreign—is that it brings together numerous interested buyers and sellers in one location for a relatively short period of time. Profiles of trade fair attendees show that most have purchasing influence in their organizations and are in a "buying frame of mind" Furthermore, trade fairs often enable firms to identify and target hard-to-reach buyers. Trade fairs serve a number of functions,
all of which can be important to the exhibitor. These include the (1) identification of prospects, (2) servicing of current customers, (3) introduction of new or modified products, (4) enhancement of corporate image, (5) testing of new products, (6) improvement of corporate morale, (7) gathering of competitor information, and (8) making of actual sales.

Set against the positive features of trade fairs are various concerns. The sheer size of many trade fairs makes for "a crowded, cluttered and confusing environment. Both buyers and sellers must cope with a lot of competing and conflicting marketing noise...". This means that it is often difficult to communicate effectively with buyers and to consummate sales. For a number of reasons, many firms see trade fairs "as a necessary evil rather than as an opportunity to be exploited". A firm's decision to participate often reflects the fact that its key competitors will be present rather than confidence that the trade fair investment will produce a good return. Bonoma points out a related problem; namely the inherent "sloppiness" (or difficulty of measuring cost/benefit) of trade fairs compared to other promotional forms.

Finally, exhibiting costs have escalated quickly in recent years, although estimates of trade fair contact costs still compare favourably with field sales contact costs—$68 and $205 respectively.

Among the few empirical trade fair studies, Lilien looked at 131 U.S. industrial products, examining the factors that influence a firm to use trade fairs as a promotional vehicle, and variables affecting spending levels for those that do use trade fairs. The most important variables for trade fair use are product complexity, sales level, purchase frequency, and customer concentration. Regarding levels of spending, two key variables emerged from the analysis—magnitude of product sales and stage in the life cycle. Faria and Dickinson surveyed 607 U.S. firms from 10 industry sectors, which exhibited at 41 trade shows. Key findings show that firms according the greatest importance to trade fairs were: (1) industrial product manufacturers, and those (2) with sales of more than $100 million, (3) employing middlemen, (4) with a moderate number of product lines, and (5) with a market share of more than 20 percent. Participation in trade fairs was greater for: (1) consumer products manufacturers, and those (2) with sales of $100 million or more, (3) selling to retailers, (4) with five or more product lines, and (5) with market shares over 20 percent.

International trade fairs play a valuable role in many firms' export operations, as three Canadian studies demonstrate. A study of small Ontario manufacturing firms found a significant correlation between international trade fair participation and export market entry intentions. Kleinschmidt and Ross report that trade fairs are the third most important source of external information for small high-technology exporters (after foreign agents/distributors and customers). Finally, Denis and Depelteau's study of Quebec firms...
shows trade fair (and trade mission) activity to have a powerful effect on export expansion. Thus, international trade fairs can help firms with market entry decisions, intelligence gathering, and in achieving marketing growth.\(^1\)

**Trade fair performance**

As noted earlier, only a handful of empirical trade fair studies have been published. Kerin and Cron\(^3\) state that those dealing with performance questions are "virtually nonexistent".\(^*\)

Research on 244 exhibiting firms (U.S. and other) at a packaging machinery fair probed certain performance related matters\(^1\). Key findings are that firms vary greatly in their ability to sell to foreign buyers at trade fairs, with export commitment and booth staffing practices discriminating between effective and less effective performance. Kerin and Cron studied the functions served by trade fairs and the results—in a general as opposed to a fair-specific sense—achieved by 121 U.S. firms\(^3\). In contrast to the tactical orientation of others' work, these researchers focus on strategic factors affecting trade fair performance. Three categories of variable are employed—"industry influences", "company influences" and "trade show strategy influences". The latter two categories predominate, with success more likely when the firm has a large number of products, many customers, written objectives for the fair, and uses vertical (as opposed to horizontal) fairs.

Recent writers argue that trade fairs should not only be seen as a mechanism for making sales Bonoma, for example, states that through contacts with current and potential customers, trade fairs can fulfil both selling and non-selling functions\(^5\). Kerin and Cron find support for the selling/non-selling dichotomy in their study, but their data show that firms rate the dimensions of their performance similarly; in other words performance is either good or poor for both selling and non-selling functions\(^3\).

The selling/non-selling argument can also be supported from an international standpoint. A firm's trade fair objectives are likely to vary with its experience in the market in question. For example, firms that have been operating in the market for some years are likely to be aiming for trade fair sales. In contrast, newcomers—because of the foreignness of the market—will probably be pursuing non-sales objectives. Thus while the expectation is that trade fair participation will ultimately lead to sales, depending on the situation facing individual firms, revenue flows will occur over differing periods. Thus, international trade fair performance can be assessed either in sales or non-sales terms. We deal with the latter before touching on sales performance.

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* Because it amounts to a special case, the situation regarding international trade fairs is even worse.
In the specific context of international trade fairs, one important factor to future success is the establishment of a foreign marketing arm. For many firms, the foreign customer can only be serviced through indirect means. In Canada and elsewhere, foreign agents/brokers/representatives and distributors play a dominant role in small and medium-sized firms' international marketing operations. Accordingly, firms often have as a goal of trade fair participation, the identification and selection of a foreign partner, knowing that success here will pave the way for future sales. One non-sales performance measure then is the appointment of such a foreign partner.

Trade fairs provide a tremendous opportunity for firms to learn more about their industry and the market covered. Since this learning will be used to plan future strategy (and develop sales), a second worthwhile measure of performance is the extent to which exhibiting at the trade fair leads to marketing and organizational change. A related point concerns the amount of effort expended in a foreign market. Participation at a trade fair is often an early step in a firm's development of a foreign market. Following this line of reasoning, a third indicator of performance is the change in marketing effort following the fair—increased marketing effort signalling good performance and less effort the reverse.

Turning next to performance in sales terms, trade fairs provide the chance to transact different kinds of business. Some firms, for example, will be chiefly interested in writing orders on the exhibit stand, whereas others will expect to uncover leads to be pursued after the fair. This may well be a function of the product/service type offered by the firm. For example, consumer products may much more readily lend themselves to sales on-site than industrial products where the buying process is more complicated and protracted.

The above points suggest that we should recognize the diversity of firms' international trade fair behaviour. This leads to the recommendation that we assess performance—whether in sales or non-sales terms—in a number of appropriate (and differing) ways.

Factors related to trade fair performance

Independent variables. A number of variables that might be related to trade fair performance have already been suggested. Several studies have shown that firm size is positively associated with trade fair usage and performance. This may suggest an

* Often the trade fair coverage extends beyond one market; indeed, some fairs such as the Frankfurt Book Fair and the Paris Air Show are truly world-wide in their scope. For this reason, we often refer to market(s) reached by the trade fair below.
ability to leverage sales from the trade fair opportunity. The product/service offering of
the firm has also been mentioned as potentially affecting a firm's trade fair performance.
In general terms, consumer product firms may be much more able to sell at the exhibit than
industrial product firms, whose goal may be to generate leads for follow-up after the fair.
Service firms may have the hardest trade fair sales task of all, for the very intangibility
of their offering leads to presentation difficulties at the trade fair. Export commitment is
also seen to be related to trade fair performance. Evidence from both anecdotal and
empirical writing point to written trade fair objectives (a proxy for planning) as critical to
success. We use these prior findings as well as other ideas in examining international trade
fair performance.

Two categories of independent variable are employed—firm demographics and
market/trade fair factors (see Table 1). The firm demographics considered are total sales,
number of years exporting, product/service type, and extent of use of international trade
fairs. Inclusion of the first and third of these has already been explained. The export
experience of the firm is used since it is a convenient shorthand for the accumulated
knowledge the firm has in dealing with foreign markets and customers. We believe
export experience may well impact on firms' trade fair performance. Performance may also
be related to usage levels. Firms that extensively use trade fairs might be expected to
perform better than those which exhibit more sparingly. These variables are clearly of a
general profile kind.

Variables in the second category are specific to performance at a particular trade
fair. Those considered here are prior marketing in the trade fair market(s), the number of
objectives stated for the trade fair, the rating of the trade fair, and the total exhibit cost.
The firm's prior marketing is a reflection of its position in the market in question. In a
sense, it is a more specific way of measuring export commitment, which Bello and
Barksdale show to be important. As suggested by previous research, the number of trade
fair objectives is employed as an indication of firms' planning for the event. Clearly, the
quality of the trade fair exhibit will affect performance levels. There are different
elements here, including selection of the appropriate fair, pre-exhibit publicity, booth
location etc. Finally, the extent of the firm's investment in the exhibit (the booth, staffing
costs, travel costs) is also likely to reflect itself in performance, as partially shown in
previous work.

Propositions. The above independent variables are examined in connection with the
performance measures alluded to earlier and listed in Table 2. Four sales measures are
employed. Three of these address the differing time periods over which firms achieve
trade fair sales: on-site, sales in next 12 months, and firm and future committed sales. The
fourth measure is a global sales indicator, being simply the summation of sales, whenever generated. The three non-sales measures shown in Table 2 also reflect earlier discussion. The appointment of a foreign partner will set the stage for future sales, as will marketing and organizational change, and increased effort. There is the expectation of sales from these initiatives, but they will occur in subsequent time periods.

This discussion leads to the following exploratory propositions:

P1. Sales performance is positively related to:

- firm size
- export experience
- trade fair usage
- prior marketing in the trade fair market(s)
- number of trade fair objectives
- rating of trade fair
- exhibit cost

P2. Non-sales performance is negatively related to:

- firm size
- export experience
- trade fair usage
- prior marketing in the trade fair market(s);

and positively related to:

- number of trade fair objectives
- rating of trade fair
- exhibit cost

P3. Market/trade fair factors are more strongly associated with both sales and non-sales performance than are demographics

P4. On-site sales are more strongly associated with consumer products, while post-fair sales are more strongly associated with industrial products. Sales (of whatever kind) are negatively associated with service offerings

These ideas are examined in the context of Canadian government sponsored trade fair exhibits, involving firms from a variety of industrial sectors, at different stages in their export development, and marketing in all regions of the world.

METHOD

The study reported here is based on data collected in 1987 as part of an evaluation of the Promotional Projects Program (PPP). This program is an important part of the Canadian federal government's strategy for export development. The PPP covers government-initiated trade fair exhibits, outgoing and incoming trade missions, and in FY 1985-86 had a
budget of about $15 million. The objective of the evaluation essentially was to: assess the effectiveness of the PPP, profile user firms, and gauge firms' views of its usefulness.

**Sampling and data collection**

The target population for the study consisted of firms which participated, with Department of External Affairs' support, in trade fairs and missions in the period FY 1984/5 to the first half of 1986/7. Sampling of this population was in two stages, first of the trade fairs and missions (or events), and then of participants within events. This meant that a detailed analysis of factors contributing to the success of events and firms was made possible. The sampling of events was stratified by type (trade fairs, outgoing missions and incoming missions); geographic area (5 categories); and industrial sector (8 categories). Some 48 trade fairs, 18 outgoing and 11 incoming trade missions were sampled. A random selection process within each sampled event led to a sample of 570 firms being drawn. On average, about nine firms per trade fair and five per mission were sampled.

A preliminary questionnaire was developed after a review of the literature, consultation with Department of External Affairs (DEA) trade officers, and discussions with export firms and trade fair organizers. This was pre-tested with a sample of 25 firms, with telephone follow-up of non-respondents and return of all questionnaires by special delivery mail. This process led to a number of changes in the final questionnaire. The survey procedure ensured that the correct respondent for the survey was identified prior to the first mailing of the questionnaire. Verification of the correct respondent, full mailing address and telephone number, as well as the language of preference (English or French) for the questionnaire, was achieved through a telephone screening survey. Firms were not surveyed unless an appropriate respondent could be found, that is, someone who could accurately report on the event in question. The survey process included three mailings, as well as a postcard and telephone reminder where necessary. A response rate of 90 percent was achieved, allowing for an overall accuracy of estimates to ± 5 percent for most of the variables examined.

Respondents were guarantied full confidentiality in both the covering letter and introduction to the questionnaire. They were informed that first, only the researchers would see the specific answers from any respondent (DEA staff would be provided only with statistical summaries); and second, all questionnaires would be destroyed after the data had been entered computer coded and verified. A supplementary survey of 30 firms was conducted after the survey proper, to test the reliability of survey results, especially

* The Promotional Projects Program no longer exists as a separate program. However, the trade fair and mission activities of the Canadian federal government live on, but under an expanded Program for Export Market Development.
for certain questions requiring important and judgemental (as opposed to categorical) responses. The test—retest reliabilities of these data were at an acceptable level.

Sample Characteristics

In the balance of this paper, we refer only to the 367 firms that participated in international trade fairs. This sample of firms was national in scope, with adequate regional and sectoral representation, and reflects the diversity of firms served by the PPP. We first profile trade fair users in general terms, before considering their exporting characteristics. An overwhelming number of firms were manufacturers (85%), with trading companies and distributors (19%), and service providers (13%) making up the balance of the sample. In terms of firm size, the majority were small to medium-sized (total sales of $2-50 million—54%), followed by very small firms (<$2 million—32%), and large firms (>50 million—14%). The average age of the firms was 24 years, with 13 years of exporting experience.

The dependence of the sampled firms on exporting varied considerably, with almost six in ten firms earning more than 20 percent of total sales from foreign markets. The geographic scope of the firms' operations was wide, with the United States (89%), Asia/Pacific (61%), and Western Europe (60%) the dominant destination points for shipments, and the average number of countries sold to 12. When the firms' specific experience in the market(s) reached by the trade fair is considered, a wide distribution is evident: 35 percent of firms had no prior experience, 10 percent had been exporting to the market for less than one year, 20 percent had 1-3 years experience, and 36% percent had more than three years of exporting experience to the market in question.

RESULTS

Independent variables

Table 3 shows the full set of relationships existing between the independent variables. Some of the more striking results are now identified. Large firms are seen to be more export experienced, less often sell services, have done prior marketing in the trade fair market, have more objectives and mount more costly exhibits. Given the strong correlation between firm size and export experience (r=.49, p<.001), more experienced exporters share many of these same characteristics. Product/service type and trade fair usage are less frequently associated with other variables, although consumer product firms use fairs more and have more experience in the trade fair market(s) than industrial and service firms.
Experience in the trade fair market(s) (or prior marketing) is captured by two variables—exporting time period and level of marketing effort prior to the trade fair. These are highly correlated ($r=.46, p<.001$) and are used alternately in later analysis. Prior marketing is associated with larger firms, more export experience, less industrial products and service offerings, more consumer products, more fair usage, fewer fair objectives and larger fair costs. Firms with more trade fair objectives are larger in size, have done less prior marketing, rate the fair less highly and spend less on the exhibit. Finally, although exhibit costs have been touched on in relation to previous variable, for completeness it should be noted that firms spending more on their exhibits were larger, more export experienced, have done more prior marketing, and have fewer fair objectives.

**Performance measures**

The intercorrelation of the seven international trade fair performance measures is shown in Table 4. No strong positive or negative association is evident for the three individual sales measures. This validates the separate consideration of on-site sales, sales in the 12 months after the fair, and firm and committed future sales measures. Given the summative nature of the total sales measure, it is not surprising to find a positive association with all three individual sales measures. In contrast to the uncorrelated nature of the sales measures, all three non-sales measures—foreign partner sign-up, post-fair actions, and changes in effort levels—are found to be positively associated with each other. One of the non-sales measures is correlated with two of four sales measures—post-fair actions being positively associated with on-site and future sales.

**The association of independent variables and performance**

**Proposition 1.** Table 5 shows that firm size is related to trade fair sales performance. Sales in the 12 months after the fair as well as total sales are greater for larger firms. Two other variables—export experience and trade fair use—are, however, unrelated to sales results. Among the market/trade fair factors, the cost of the exhibit is positively associated with all four sales measures, although the result is weakest for future sales. Marketing effort in the 12 months prior to the trade fair is also related to sales performance. It seems that firms are able to capitalize on the groundwork laid before the fair. However, this does not produce sales on-site, but rather after the fair. Firms' objective setting is associated with on-site and future sales results, and their rating of the fair to the latter sales only. In summary, there is considerable support for Proposition 1; it appears that sales are greater for larger firms, those that have done marketing before the trade fair, set more objectives, spend more on the exhibit, and (weaker) rate the fair more highly.
Proposition 2. This proposition is in two parts. First, non-sales performance was expected to be negatively related to firm size, export experience, trade fair use and pre-fair marketing. The argument here is that smaller, less experienced firms will be looking for performance in the longer-term rather than in sales at the fair itself. Some degree of support for these ideas is found in Table 5 where the signs of the coefficients are mostly those anticipated. Foreign partner sign-up and effort levels are greater among smaller firms and the former for less experienced exporters. As in earlier analysis, performance in non-sales terms appears unrelated to trade fair use. Finally, firms increasing their effort levels are those which are new to the trade fair market(s).

The second part of Proposition 2 concerns trade fair objectives, investment and evaluation. The argument is similar to that in Proposition 1, namely that there exists a positive association between performance and objective setting, investment and rating of the trade fair exhibit. The results are in keeping with the proposition although the coefficients for change in effort are not significant. As well, exhibit cost is less associated with non-sales performance, while rating of the fair appears more critical.

Proposition 3. Table 5 shows graphically that this proposition is supported. Of 42 demographic coefficients, only 5 are statistically significant, whereas for the 28 market/trade fair coefficients, 16 are significant. Thus, the "background" demographic variables are less strongly associated with trade fair performance than the "closer" variables which concern the market and trade fair itself.

Proposition 4. No significant relationships are evident in Table 5 between industrial product, consumer product, or service offering variables, and any of the four measures of sales performance. At this stage then, sales performance appears unrelated to the type of product or service exhibited by the exporter.

DISCUSSION

In this section we comment further on the study results, and briefly point to some implications. The performance results show that there is a sales and a non-sales dimension to trade fairs. While others have noted this in a domestic market context, this study extends the notion to international trade fairs. One point of difference, however, is that while Kerin and Cron find firms score similarly on these two dimensions, the above results suggest otherwise. This may in part be due to a halo-effect in the earlier study, since questions appear to have been asked about fair performance in general. In the present study, one specific fair was at issue and managers provided very particular responses. The analysis shows that sales performance is greater for larger firms and those more
experienced in the export market reached by the fair. Non-sales performance is superior among smaller and less experienced firms. Thus, two broad types of firm appear to satisfy contrasting objectives through their exhibit.

A point of difference in this study is the separation of trade fair sales into the periods when these were achieved. Table 4 shows that the majority of sales occur not at the fair but in the 12 months after exhibiting. In addition, some committed sales still have not come to fruition a year or longer after the fair. Some contrasts exist between the factors associated with sales in the different time periods and, while not especially revealing, there seems to be merit in pursuing this approach further.

The importance of setting objectives for the trade fair exhibit has frequently been recommended to managers \textsuperscript{16,17,18}, and the results show that this pays off: planning is associated with better performance in sales and non-sales terms. Two other independent variables employed here have, to our knowledge, not been used previously. True, Bello and Barksdale \textsuperscript{1} touch on the firm's commitment to exporting as an important factor in trade fair success, but we deal with this issue more directly by considering the firm's dollar investment in the trade fair. This factor proves to be very highly correlated with both dimensions of performance and lends empirical credence to much of the "how to do it" trade fair literature that urges firms to involve their senior managers, to prepare in advance, to treat the booth as a serious promotional endeavour \textsuperscript{19}. The second variable is the firm's rating of the fair experience itself, encompassing aspects such as the appropriateness of the fair, the image associated with being part of a national exhibit, the exhibit location etc. Because the trade fairs exhibits studied were government-initiated, this group of firms had no control in these matters. Nevertheless, most of the matters are relevant for firms exhibiting on their own at trade fairs and so of general interest, particularly since the overall rating is seen to be associated with some of the performance measures.

As well as these comments regarding ways of thinking about international trade fair performance and related firm variables, the study reaffirms some views of government export promotion. Various writers have argued that government programmes be more finely targeted to client firms \textsuperscript{20,21,22}. The study findings suggest that there are two major types of firm that are served by international trade fairs: the larger, experienced firm looking for sales, and the newer, less experienced firm that is interested in developing a network and knowledge from which sales will (hopefully) spring in the future. Finer targeting is undoubtedly feasible but, for the present, recognition of this fact will help in planning and organizing trade fair exhibits.

That better government program management is required is suggested by studies in a variety of settings. Solberg's research is indicative, pointing to a number of problems \textsuperscript{23}. 

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Despite firms' perceptions that trade fairs are not very effective, more than one-half of all Norwegian export promotion funds are used in this area. Furthermore, firms invited to government trade fair exhibits are often long-established in the market(s) in question and have exhibited at the fair on numerous previous occasions. There is some possibility of the latter in the present study, for more than one-third of the firms sampled has three or more years history in the trade fair market(s). These results suggest that export promotional dollars are not spent in the most cost-effective manner. With growing international competition making international sales more difficult, and government budgets to support exporters under pressure, there is a distinct need for better management in this area. Marketing theory and programme evaluation can both make a useful contribution.
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23. Solberg, Carl A.

**TABLE 1: Listing of independent variables considered**

<table>
<thead>
<tr>
<th>Category</th>
<th>Variable</th>
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<tbody>
<tr>
<td><strong>Demographics</strong></td>
<td>• Total annual sales in most recent year&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>• Years exporting</td>
</tr>
<tr>
<td></td>
<td>• Industrial product, consumer product, or service&lt;sup&gt;b&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>• Total number of trade fairs exhibited at in last 3 years</td>
</tr>
<tr>
<td><strong>Market/trade fair factors</strong></td>
<td>• Time period exporting to market(s) prior to trade fair&lt;sup&gt;c&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>• Level of marketing effort in trade fair market(s) in 12 months prior to trade fair&lt;sup&gt;d&lt;/sup&gt;</td>
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<tr>
<td></td>
<td>• Sum of objectives stated for trade fair&lt;sup&gt;e&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td>• Sum of scales rating specific aspects of the trade fair&lt;sup&gt;f&lt;/sup&gt;</td>
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<tr>
<td></td>
<td>• Total cost of participating in the trade fair&lt;sup&gt;g&lt;/sup&gt;</td>
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**Notes:**

<sup>a</sup> Eight-point scale, range (1) less than $100,000, to (8) more than $100 million

<sup>b</sup> Firm sells industrial product, consumer product, or service, coded (0) no, (1) yes

<sup>c</sup> Six-point scale, range (1) not at all, to (5) more than 5 years

<sup>d</sup> Four-point scale, range (1) No effort, to (4) major effort

<sup>e</sup> The ten objectives were: (1) testing market for demand, acceptance and competitiveness; (2) identifying or appointing agents/representatives/distributors; (3) obtaining quote or bid opportunities; (4) making immediate sales to final users; (5) making immediate sales to dealers; (6) securing licensing/joint venture arrangement; (7) making business contacts; (8) maintaining presences in market; (9) meeting regular customers and agents/representatives/distributors; (10) introducing a new product to the market

<sup>f</sup> Six scales were rated as (1) poor, (2) good, or (3) excellent. The scales were: (a) appropriateness of the trade fair for your firm and product(s); (b) publicity for the trade fair in the target market(s); (c) briefing of participants by External Affairs, information provided in advance to familiarize them with the trade fair, etc.; (d) the image provided by being part of a Canadian stand; (e) assistance provided by attending Canadian government officials; (f) the physical setting (space for, quality and location of, booths, etc.)

<sup>g</sup> Costs were estimated for staff salaries (personnel for planning/arranging/conducting the trade fair), travel & lodging, promotion (publicity, receptions, entertainment), shipping (to and within destination city) and installation, exhibit design/production, and participation fee payable to External Affairs
**TABLE 2: Listing of performance measures**

<table>
<thead>
<tr>
<th>Category</th>
<th>Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales measures</strong></td>
<td>• On-site sales&lt;br&gt;• Sales in next 12 months&lt;br&gt;• Firm &amp; committed future sales&lt;br&gt;• Total sales&lt;sup&gt;a&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Non-sales measures</strong></td>
<td>• Foreign partner sign-up&lt;sup&gt;b&lt;/sup&gt;&lt;br&gt;• Sum of actions taken/changes made as result of trade fair&lt;sup&gt;c&lt;/sup&gt;&lt;br&gt;• Change in effort in trade fair market(s)&lt;sup&gt;d&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

**Notes:**

<sup>a</sup> Sum of three individual sales measures  
<sup>b</sup> Number of agents/representatives/distributors appointed  
<sup>c</sup> Marketing actions and changes made were as follows: (a) Modified products to better suit market, (b) Introduced new products to market, (c) Went to more trade fairs, (d) Went on trade missions, (e) Made more trips to market, (f) Established offices in market(s), (g) Purchased marketing studies, (h) Increased promotion/advertising, (i) Made organizational changes to better focus efforts, (j) Reduced level of effort, (k) Withdrew from market, (l) Started to explore other markets  
<sup>d</sup> Level of effort in the market in the 12 months prior to the study compared to that in 12 months prior to trade fair, range (-3) much less effort, to (+3) much more effort
**TABLE 3: Intercorrelation of independent variables**

<table>
<thead>
<tr>
<th>Demographics</th>
<th>Mean</th>
<th>Independent variables</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>1.</td>
</tr>
<tr>
<td>1. Total annual sales in most recent year</td>
<td>$2-4.9 million</td>
<td>1.00</td>
</tr>
<tr>
<td>2. Years exporting</td>
<td>13.4</td>
<td>49***</td>
</tr>
<tr>
<td>3. Industrial product</td>
<td>.34</td>
<td>-.06</td>
</tr>
<tr>
<td>4. Consumer product</td>
<td>.56</td>
<td>-.07</td>
</tr>
<tr>
<td>5. Service offering</td>
<td>.08</td>
<td>-.10*</td>
</tr>
<tr>
<td>6. Total number of trade fairs exhibited at in last 3 years</td>
<td>6.00</td>
<td>.07</td>
</tr>
<tr>
<td>Market/trade fair factors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7. Time period exporting to market(s) prior to trade fair</td>
<td>6-11 mos to 1-3 years</td>
<td>.25***</td>
</tr>
<tr>
<td>Independent variables</td>
<td>Mean</td>
<td>1.</td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------------</td>
<td>------</td>
<td>-----</td>
</tr>
<tr>
<td>8. Level of marketing effort in trade fair market(s) in 12 months prior to trade fair</td>
<td></td>
<td>.16**</td>
</tr>
<tr>
<td></td>
<td></td>
<td>minor-moderate</td>
</tr>
<tr>
<td>9. Sum of objectives stated for trade fair</td>
<td>4.40</td>
<td>.10*</td>
</tr>
<tr>
<td>10. Sum of scales rating specific aspects of the trade fair</td>
<td>13.11</td>
<td>-.00</td>
</tr>
<tr>
<td>11. Total cost of participating in the trade fair</td>
<td>$10,984</td>
<td>.13**</td>
</tr>
</tbody>
</table>

Note: Pearson correlation coefficients; ***p<.001, **p<.01, *p<.05.
<table>
<thead>
<tr>
<th>Performance measure</th>
<th>Sales measures</th>
<th>Non-sales measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean</td>
<td>1.</td>
<td>2.</td>
</tr>
<tr>
<td>$29,105</td>
<td>1.00</td>
<td></td>
</tr>
<tr>
<td>$310,280</td>
<td>.00</td>
<td>1.00</td>
</tr>
<tr>
<td>36^44</td>
<td>-.01</td>
<td>.04</td>
</tr>
<tr>
<td>$376,230</td>
<td>.15**</td>
<td>.99***</td>
</tr>
<tr>
<td>.37</td>
<td>.07</td>
<td>-.04</td>
</tr>
<tr>
<td>1.20</td>
<td>.16***</td>
<td>.03</td>
</tr>
<tr>
<td>.32</td>
<td>-.02</td>
<td>-.04</td>
</tr>
</tbody>
</table>

Note: Pearson correlation coefficients; ***p<.001, **p<.01, *p<.05, one-tailed tests.
<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Sales measures</th>
<th>Performance measures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sales in next 12 months on-site sales</td>
<td>Total annual sales in most recent year</td>
</tr>
<tr>
<td></td>
<td>Sales in next 12 months on-site sales</td>
<td>Total sales</td>
</tr>
<tr>
<td></td>
<td>Sales in next 12 months on-site sales</td>
<td>Foreign partner sign-up</td>
</tr>
<tr>
<td>Demographics</td>
<td>.02 .16** .09 .01 .01 .08</td>
<td>.17** .09 .09 .06 .06 .04</td>
</tr>
<tr>
<td>Total annual sales in most recent year</td>
<td>.10 .09 .02 .01 .01</td>
<td>.09 .09 .09 .06 .08 .04</td>
</tr>
<tr>
<td>Years exporting</td>
<td>.09 .04 .09 .03 .03 .01</td>
<td>.09 .09 .09 .06 .08 .04</td>
</tr>
<tr>
<td>Industrial product</td>
<td>.05 .03 .05 .01 .01</td>
<td>.05 .05 .05 .06 .08 .04</td>
</tr>
<tr>
<td>Consumer product</td>
<td>-.02 -.10 -.02 .01</td>
<td>-.10 -.10 -.10 .06 .08 .04</td>
</tr>
<tr>
<td>Service offering</td>
<td>-.06 -.07 -.06 .00</td>
<td>-.06 -.06 -.06 .06 .08 .04</td>
</tr>
<tr>
<td>Total number of trade fairs exhibited at in last 3 years</td>
<td>.01 -.03 .00</td>
<td>.01 -.03 .00 .06 .08 .04</td>
</tr>
<tr>
<td>Time period exporting to market(s) prior to trade fair(s)</td>
<td>na na na</td>
<td>.04 .04 .04 .04 .04 .04</td>
</tr>
</tbody>
</table>

TABLE 5: Correlates of international trade fair performance
<table>
<thead>
<tr>
<th></th>
<th>Sales measures</th>
<th>Non-sales measures</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>On-site sales</td>
<td>Sales in next 12 months</td>
</tr>
<tr>
<td>Level of marketing effort in trade fair market(s) in 12 months prior to trade fair</td>
<td>.08</td>
<td>.14**</td>
</tr>
<tr>
<td>Sum of objectives stated for trade fair</td>
<td>.12*</td>
<td>-.04</td>
</tr>
<tr>
<td>Sum of scales rating specific aspects of the trade fair</td>
<td>.02</td>
<td>-.00</td>
</tr>
<tr>
<td>Total cost of participating in the trade fair</td>
<td>.83***</td>
<td>.21***</td>
</tr>
</tbody>
</table>

Note: This variable only employed in correlation with "Change in effort in trade fair market(s)" where it replaces "Level of marketing effort in trade fair market(s) in 12 months prior to trade fair", which was used in computing "Change in effort in trade fair market(s)"

Pearson correlation coefficients; ***p<.001, **p<.01, *p<.05, two-tailed tests.