

1 Purpose and advantages of trade fairs

This chapter identifies the advantages of participation in trade fairs and provides key indicators to assist the reader to consider priorities and choices to be made when considering such a venture.

Trade fair participation is a useful way for craft manufacturers to enter a foreign market compared with other methods of selling and promotion. Advertising, for example, whether through direct mail and sales literature, in the general press and specialist journals or even on television, is both expensive and relatively untargeted. Without a local partner or agent through whom to distribute stock, direct marketing is also usually impracticable for the crafts product seller. Although increasingly accessible, electronic or e-commerce is not yet a practical proposition for many suppliers in developing countries. In contrast, craft trade fairs can bring artisan entrepreneurs into direct contact with the target business agent or distributor who might subsequently take on the role of marketing for the craft business. Moreover, because artisanal products need to be actually seen and touched for the buyer to appreciate their individual qualities, the physical uniqueness and quality of the product itself that is conveyed to the buyer has enormous advantages over any one-dimensional or 'virtual' sales situation.

Taking part in a trade fair should be one of the wider objectives of a comprehensive business plan and not just an end in itself. A well-organized business plan should include an integrated marketing schedule incorporating other methods of approaching existing and potential customers, such as trade missions, individual sales trips, correspondence backed up by sales literature and samples, telephone contacts and worldwide accessibility via the Internet. Trade support institutions (TSIs) can do much to co-ordinate such campaigns. Short-term objectives, such as merely disposing of display stock to cover show expenses, should be firmly discouraged as being counter-productive.

Goals of trade fair participation

The precise objectives for participating in a trade fair should be clear and established well in advance. Identifying and setting objectives for participation during the planning stage will improve feedback activity at the show. There are very many objectives that may influence decisions concerning participation.

Some objectives of exhibiting at fairs

- To establish or increase export sales
- To test new product designs in terms of style, quality, price and suitability to the target market
- To take orders from trade buyers
- To inform the audience about the exhibitor's national craft heritage, skills, products and production capabilities
- To maintain contact and promote goodwill with established customers
- To identify market channels: agents, distributors, wholesalers or retail chains, independent retailers
- To identify named prospective customers within the target market channels
- To obtain new or updated information about:
 - Market trends in fashion and raw materials
 - Product development and diversification
 - Product pricing comparisons
 - Production technology and techniques
 - Packaging and labelling
 - Promotional techniques
 - Import legislation and customs requirements
 - Health and safety regulations
- To promote a country as a tourist attraction or to attract foreign investment

What trade fairs do

Trade fairs represent the market-place in one place and time, above all bringing together suppliers, buyers and the trade media. They are a versatile marketing tool. An understanding of these advantages will help to achieve more from participation, especially if co-ordinated in a national group.

The trade fair stand. A good trade fair provides the exhibitor with a stand which serves both as a temporary office and a working showroom, where customer and crafts seller are outside their normal environment. There are fewer pressures on the customer, and the seller is able to play host to buyers who are away from day-to-day office distractions.

The right buyers. A trade fair brings the most active prospects and customers together, invariably in a receptive frame of mind. This is particularly true of specialized shows, including craft fairs. An exhibitor should be able to meet far more customers per day than could ever be managed in a day of conventional sales visits, including persons who might otherwise be difficult to identify. The right trade fair, properly managed, can be an excellent launching pad for breaking into new markets and countries.

Direct contact. A trade fair allows the face-to-face meetings normally required to complete a sale, as it gives the seller the chance to appeal to all the buyer's five senses. A product can be demonstrated while its advantages are explained; the visitor can see and examine it, touch and smell it, hear it and discuss it. Most importantly it helps build relationships with the prospective customer and gives immediate feedback on the product and how it may have to be adapted to enter the market.

Looking at the competition. The exhibitor can observe the products and marketing techniques of competitors.

The advantages of group stands. Exhibitors with limited experience in export marketing may feel more confident if they are part of a national stand than if they participate independently. The costs of participation are not cheap. Few artisanal enterprises can afford to participate in a major international fair as individual exhibitors. Participating in a group stand can be a practical solution for the small craft organization, because the producer will be well supported. Funding of participation could be provided from organizational, governmental or international sources. Technical assistance and practical training in exhibition practices is often provided by the organizing agency.

Participation with a national stand offers the added advantage that the whole artisanal export sector of the country will be promoted, and even create business for non-participating exporters. Moreover, good group management by the TSI is as important as any financial assistance provided.

Essential practices for successful participation

Initial participation is normally a steep learning curve, and mistakes quickly come to light. This in itself is not a reason to discontinue participation, but it should be an incentive to analyse and isolate activities to be improved. Disappointing results indicate the need to establish good basic practices, for example:

Appropriate product for the market selected: need for good market research, identifying appropriate product for target market.

Good product quality: need to set good quality control methods in place.

Prices in relation to competition: need to clearly identify current exchange rates, research into competitors' prices, and establish good costing and pricing routines.

Meeting deadlines: need to clearly identify schedules and plans for product preparation, transportation and publicity.

Correct presentation: need to identify appropriate packaging of product, and invest sufficiently in promotional material.

Sustained follow-up: need to improve timekeeping, ensure preparation of correct material, confirm appointments and fulfil commitments.