

Motivations to Participate in International Trade Fairs: The Portuguese Experience

ABSTRACT

Aims: This study explores the prime motives and barriers that drive or inhibit the Portuguese exporting **Small and Medium Enterprises (SMEs)** to exhibit at an international trade fair.

Study design: Survey, based on a questionnaire sent by email.

Place and Duration of Study: 68 Portuguese exporting SMEs, between January and July 2012.

Methodology: The present study was conducted in Portugal and sought to examine the firm's behavior regarding international trade fairs. In the preliminary stage of the research process an informal exploratory study was undertaken. Then, a survey based on a questionnaire sent by email collected the primary data used in the study.

Results: The results indicate that a strong motive to exhibit at a trade fair is to reinforce the market presence of the firm, the possibility of finding new ideas and test new products, establish relationships with present and future customers, and enhance the brand image and reputation of the firm. The main barriers to non exhibitors firms were costs, bad previous experiences and lack of resources (financial, personnel and time).

Conclusion: A strong motive to exhibit at a trade fair is the reinforcement of the exporter's market presence, particularly in international markets where the comparative costs of another promotional tools are relatively prohibitive. The main barriers to non exhibitors firms are costs associated with the participation in the venue (rents of the space and stand, travel and accommodation expenses, etc.), bad experiences on previous trade fairs, and lack of resources (financial, personnel and time).

Keywords: *International Trade Fairs (ITF), International Marketing, Promotion Tools, Portuguese Exporting SME's, Motivations/Barriers to participate in ITF.*

1. INTRODUCTION

International trade shows are not a new international marketing promotion tool, but over the last years the global trade show industry has grown dramatically worldwide. The total indoor exhibition space available 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 [1]. The main international industry association was founded in 1925, in Milan (Italy), and in 2013 it becomes the UFI, including 641 members (www.ufi.org). However, trade shows, trade fairs, consumer shows or mixed shows are not synonymous [1]. According to **Global Association of the Exhibition Industry (UFI)** [1], 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 is 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 **consumer** shows. **Association of the German Trade Fair Industry (AUMA)** [2] 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 fairs is more used in Europe and trade shows in the United States, for the purpose of the current study these terms are used interchangeably, representing opportunities for firms interested in promoting their products and services internationally. 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 [3,4]. In the case of Portugal, SMEs represent 99.9% of all firms and are crucial in terms of exports, employment and growth, as the country is facing a severe financial and economic crisis. 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 paramount for the growth of the economy and the balance of payments, as Portugal experienced trade deficits in the past thirty years. For many Portuguese firms 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 Portuguese firms who already exports, but also for those 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 the Portuguese reality [5,6] and none, to our best knowledge, have emphasized the managers' motivations and inhibiting factors to participate (or not) at international trade fairs. Although some studies have contributed to understanding what might motivate firms to exhibit their products or services at 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 take the opportunity 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. The objectives of the study were twofold. First, we want to find out what are the rationale and preferences of the Portuguese managers of SMEs about their participation at international trade fairs. Second, it would be important to identify the motivations that underlying the Portuguese SMEs' participation in those venues. It should be emphasized that the primary aim of this paper is to enhance the knowledge about the participation of firms in international trade fairs. The specific purpose of this study was to identify the motivations, barriers and drivers that lead (or inhibit) Portuguese SMEs to participate in international trade fairs. Given the prior research, what is needed most now is to identify and test the salient factors among SMEs and explore the managerial potential of the results obtained. This will provide a foundation for future participation of SMEs on international venues, thus facilitating the adoption of marketing and promotional initiatives more focused on relationships rather than contacts, leads or even sales. To this end, the present paper will first review the research literature to find out what we presently know about the motivations, barriers and contributing factors of the international presence of firms on trade fairs. The following section outlines the methodology adopted in the empirical analyses and the next section presents the results. Finally, the main conclusions are put forward and some implications of the findings are discussed.

2. BACKGROUND

The role of trade fairs in the communication mix of the firms have been analyzed in international and global marketing textbooks. Johansson [7] refers to the international trade

85 fairs stating that are excellent promotional avenues for the global marketer. Albaumb,
86 Strandskov and Duerr [8] argue that trade fairs and exhibitions are extremely important for
87 some industries and some countries. Kotabe and Helsen [9] stress that trade shows are a
88 "vital part of the communication package for many international business to business
89 marketers". Onkvisit and Shaw [10] indicate overseas product exhibitions as one type of
90 sales promotions that can be highly effective. In general terms, trade fairs are events that
91 bring together, in a single location, a group of suppliers, distributors and related services
92 who set up physical exhibits of their products and services from a given industry or discipline
93 [11].

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

99 The first book specifically about trade fairs has been written by Norman [12], and still is a
100 reference on the theme. Several other books followed to help firms on how to exhibit at trade
101 fairs [13], on making their presence more effective [14] and successful [15, 16], or describing
102 the tasks of exposition management [17, 18].

103 Norman [12] proposed a three stage process for planning a participation in a trade fair
104 (before, during and after) that was followed by different authors such as Miller [14]; Viegas
105 [6]; Appleyard [13]; Rhonda and Bozdech [19]; **Center for Exhibition Industry Research** [20];
106 and, Donelson [21]. These authors agree that planning is the best procedure to develop a
107 coherent and efficient participation in a trade fair in order to obtain the maximum return on
108 investment. Also, empirical research has shown that a successful participation in a trade fair
109 demands a strategic planning in all the stages of the event [22, 5, 23].

110 The aims for exhibiting at international trade fairs can be usually divided into selling and non-
111 selling activities. Selling activities include lead generation, closing sales, finding new
112 customers, qualifying leads and prospecting. Non-selling activities are broadly categorized
113 as meeting existing customers, enhancing the image of the company, carrying out general
114 market research, meeting new distributors or agents, launching new products and even
115 enhancing staff morale [24, 25, 26]. Parasuraman [27] and O'Hara [28] consider the
116 participation in a trade fair the second best tool of marketing, just after personal selling, as
117 the mean to influence the buying decisions of customers.

118 Herbig, O'Hara and Palumbo [29] identify several advantages to trade fair participation: i) the
119 large number of qualified interested people that received the promotional message; ii) the
120 possibility of introducing new products to a large number of prospects; iii) the potential
121 customers that can be discovered; iv) the enhance goodwill to the firm; and, v) the
122 opportunity of free publicity to the firm. A systematic approach to the advantages of
123 participating in an international trade fair indicates the identification of potential customers,
124 the increase of customer loyalty, the introduction of new products to a large number of
125 prospects, the reinforcement and improvement of corporate image, the gathering of
126 competitor information, and selling [30, 31, 24, 32, 33, 14, 19, 34, 35]. An additional
127 advantage, according to Trade Show Bureau [36] is the average cost per contact at a fair
128 which remained consistently one third of the cost of personal sales call. However, although
129 the many advantages that trade fairs have, some drawbacks can be pointed out. The costs
130 involved (space rental, freight, booth personal travel, and living expenses) still are expensive
131 [36, 37]. The proliferation of trade fairs in terms of number, frequency, market focus, and
132 specialization are confusing the exhibitors who need to be more selective and conscious
133 about the cost/benefit analysis.

134 Berne and Garcia-Uceda [38] studied the criteria used by potential exhibitors and visitors in
135 their ex-ante evaluation of trade shows. The basic features suggested by the review of the
136 literature on trade show evaluation and selection are: i) perception of information on trade
137 shows, including type of trade show, convenience of the location and timing, the trade show

138 reputation and its management, the anticipated quantity and quality of attendance; ii)
139 marketing objectives of the firm, including customer acquisition and retention, interaction
140 with the distribution network, product scanning and marketing research; iii) the perceived
141 costs deriving from attending trade shows (relative and differential costs).
142 Blythe [34] specify three strategies and nine tactics for exhibitors interested in participating in
143 a trade fair: the strategy of selling, includes take orders, generate leads and make useful
144 contacts; the strategy of communication (outbound), includes image enhancing, product
145 information and establishing a product or company presence; the strategy of communication
146 (inbound), includes meeting existing customers, identifying new customers and observing
147 the competition. On the side of visitors, Blythe [34] identify three strategies and eleven
148 tactics: one of them (gather brochures) is common to all strategies (sources of supply,
149 information sources, and entertainment). The other tactics include place orders, make
150 appointments, sought and unsought information, analyse offers, gather free gifts, go to
151 demonstrations and observe displays [34]. Tanner Jr. [39] adverts that the success factors
152 are mainly strategic, suggesting the centralization in one specific function with the
153 responsibility of define, plan and implement the firm participation in all the fairs that take
154 place annually. Miller [15] reinforces this idea, detaching the role of booth personnel in the
155 success of the fair. The author indicates ways to approach attendees, establish a
156 conversation and agreement, increase the quality of the interaction, identify business
157 opportunities, and capture contact information.
158 Herbig, O'Hara and Palumbo [29] studied the differences between trade show exhibitors and
159 non-exhibitors to conclude that distinct significant characteristics exist. The exhibitors have
160 large, international-oriented industrial companies with many customers, technically complex
161 goods, a high degree of customization and relatively expensive goods. On the contrary, the
162 more portable a product is, the more simple, the less tangible, the less technical, the more
163 inexpensive a product is, the greater the likelihood to non-exhibit. In the same study, Herbig,
164 O'Hara and Palumbo [29] have shown that exhibitors correlate almost perfectly with trade
165 show advantages and non-exhibitors negatively so. One major inhibitor for small businesses
166 still is the cost of participation in a trade show. Nonetheless, the causal link between size of
167 the firm and the decision to participate or not in a trade fair, need more empirical support, as
168 the results of the current research are weak [24, 40, 39]. In Canada, a study about collective
169 versus individual participation in a trade fair, found that size and age of the firm are not
170 discriminating factors [40]. However, it is expected that small firms participated annually in a
171 lesser number of fairs than the bigger firms [41].
172 Hansen [42], researching the motivations to participate or not in a trade fair underlines the
173 enhancement of the corporate image, the collection of competitor information, the
174 introduction or test of new products/services, the loyalty of current customers, the selling of
175 products/services, and the identification of potential customers.
176 The motivations for trade fair participation were also investigated by Kijewski and Yoon [43].
177 These authors have identified five reasons that affect the exhibitor decisions: exhibition
178 performance, marketing mix strategies, exhibition profile, costs of participation and human
179 resources capacity. They found that firms are searching for trade fairs not only in a
180 perspective of marketing and selling implementation, but also for considering the trade fairs
181 as a platform of communication and relationship channel construction [44, 42]. A convincing
182 reason for that is pointed out by Blythe [34] who states that the majority of attendees are not
183 firm's buyers, but influent persons in organizations that have the buying or prescriptive
184 power in the decision making process. Therefore, the traditional emphasis on selling must be
185 change to a marketing relationship approach.
186 To make a trade fair more effective, managers must control and evaluate their participation
187 at an exhibition. Hansen [45, 46] presents a five dimension scale: an outcome-based sales
188 dimension and four behaviors-based dimensions, including information-gathering,
189 relationship-building, image-building, and motivation activities. More recently, Shi, Smith and
190 Zhang [47] develop a four-dimensional 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 [48]. 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 [49, 50, 51]. Kang and Schrier [41] 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 on 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 [52]. Nevertheless, satisfied exhibitors are more prompt to return in future editions of the fair, as they perceived a lower risk of participation [53]. A substantial number of corporate executives still perceive trade fairs as a non-selling activity or a social event for those employees that attend [54]. The effectiveness of a fair could be questioned, sometimes because the firms are unable to measure the return on their trade fair investment. Blackwell [55] 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 [56] 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 [56]. In a scenario analysis, Kirchgeorg, Jung and Klante [52] 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.

3. METHODOLOGY

The present study was conducted in Portugal and sought to examine the firm's behavior regarding international trade fairs. 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 perception, 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 related with operational and tactical decisions about the firms' participation; ii) two lists of typical reasons and decision factors - the first list was measured on 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 alter the non-participation decision 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 (Portuguese Agency for Investment and Trade - AICEP) and private business and trade associations (Portuguese Association of Entrepreneurs - AEP, Portuguese Association of Industry - AIP, Portuguese Association for Textiles and Clothing - ATP, Portuguese Association of Shoemakers - APICCAPS, Portuguese Association of Furniture - APIMA). The questionnaire was sent by e-mail or post, 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 [40]. Therefore, the sample proved to be relatively homogeneous and further data analysis was undertaken.

4. RESULTS

The results of table 2 show that overall the most important motives to participate in international trade fairs are the reinforcement of the market presence of Portuguese exporting firms (17.5%), the improvement of the image and reputation of the brand (16.3%), and the opportunity to introduce and promote new products and services (15.4%). The least considered motives were disappointment regarding the organization and impact of trade fairs on the business of the firm, the imitation of the direct competitors, and exporting firms' routines regard the trade fairs as a promotion strategy.

A deeper analysis of the most important motives shows that the reinforcement of market presence in the country where the international trade fair takes place is the first choice motive for 16 respondents, well above of any other factor. Another important factor is the enhancement of the image and reputation of the brand among present and future customers, but also among competitors. It appears that Portuguese firm's are very conscious of the negative effects that the absence of a trade show could have on current customers' perception and the benefits attached of being at a fair. Further, ranking high on the preferences of respondents are increase customer loyalty, and the interest in promoting innovation and test new products (68.8% and 64.5% in the first three choices, respectively).

Table 2. Motives for participation in international fairs

Reasons	1 st Choice	2 nd Choice	3 rd Choice	4 th Choice	5 th Choice	N	%
Reinforce market presence	16 (38.0)	9 (21.4)	7 (16.6)	4 (9.6)	6 (14.4)	42 (100.0)	17.5
Save costs due to a better relation cost per contact	2 (10.0)	4 (20.0)	5 (25.0)	3 (15.0)	6 (30.0)	20 (100.0)	8.3
Customer loyalty	5 (15.6)	6 (18.8)	11 (34.4)	5 (15.6)	5 (15.6)	32 (100.0)	13.3
Promote innovation, test new products	6 (19.4)	9 (29.0)	5 (16.2)	7 (22.6)	4 (12.9)	31 (100.0)	12.9
Tool to promote and introducing new products or services	5 (13.5)	5 (13.5)	8 (21.6)	11 (29.8)	8 (21.6)	37 (100.0)	15.4
Increase sales and customer portfolio	5 (17.3)	4 (13.7)	5 (17.3)	9 (31.0)	6 (20.7)	29 (100.0)	12.1
Improve brand	6	9	6	11	7	39	16.3

image and reputation	(15.4)	(23.0)	(15.4)	(28.3)	(17.9)	(100.0)	
Firm's routine	0	0	3 (100.0)	0	0	3 (100.0)	1.3
Imitation of competition	1 (25.0)	1 (25.0)	2 (50.0)	0	0	4 (100.0)	1.6
Disappointment with trade fairs	1 (33.3)	0	1 (33.3)	0	1 (33.3)	3 (99.9)	1.3
Totals						240	100.0

Note: Totals may be less than 51 as respondents did not complete all questions.

Somewhat unexpectedly, increase sales and expand customer portfolio ranked moderate on the motives of firms, which clearly denotes that make direct sales is not of paramount importance for participants, although 5 of them considered a first choice motive. Similarly, ranking below the expectations was one pivotal function attached to trade shows, which is, being a place to the promotion and introduction of new products. According to 20 respondents the cost per contact seems to be undervalued when a final decision must to be taken.

Table 3 suggests that costs was the major barrier to participation in an international trade fair, with a mean response of 4.06, and 6 respondents answering "strongly agree" with the statement that "costs of trade fair's participation are high and the return on investment difficult to obtain". This is a frequently cited disadvantage to not participate in trade fairs [24, 39, 43]. Another intrinsic reason associated with the organization of the fairs was bad previous experiences (mean score of 3) which seems to marked negatively some of the respondents (5 firms reported agree or strongly agree).

Table 3. Inhibiting factors to firm participation in international fairs (n = 16)

Reasons	SD	D	NA/D	A	SA	Mean (S.D.)
Trade fairs are old-fashioned	1	4	8	3	0	2.81 (0.834)
Costs of participation	0	1	3	6	6	4.06 (0.929)
Bad previous experiences in trade fairs	1	4	6	4	1	3.00 (1.033)
The firm has no financial resources to participate	2	5	3	4	2	2.94 (1.289)
The firm has no qualified human resources to participate	3	7	3	3	0	2.38 (1.025)
The direct competition of the firm is in the same space	7	4	4	0	1	2.00 (1.155)
Trade fairs are time consuming	1	7	4	4	0	2.69 (0.946)
Firm's sector of activity is not present in fairs	2	4	4	2	4	3.13 (1.408)
Disappointment about trade fairs organizations	2	3	7	4	0	2.81 (0.981)
Don't know about trade fairs	5	7	3	1	0	2.00 (0.894)

Note: Note: Totals may be less than 17 as respondents did not complete all questions.

(SA) Strongly Disagree; (D) Disagree; (NA/D) Neither Agree nor Disagree; (A) Agree; (SA) Strongly Agree.

Some other important reasons are firm-specific, such as lack of financial resources (mean score of 2.94), need of qualified human resources (mean score of 2.38), and time-consuming process for the firm (mean score of 2.69). It seems that focus only upon resources and capabilities as the foundation for a firm's promotion strategy could limit its long-term success. The ability to establish relationships with new customers, gather information about competitors, partners and new products could make a difference over international direct competitors. Therefore, the trade fair participation must be envisaged as a long term promotional strategy rather than short term, oriented towards customer relationships building, and brand image and firm reputation enhancement.

As seen on table 4, more competitive costs are the most important change factor cited by a total of 15 (20.6%) respondents, as a factor that could change the decision to not participate in an international fair. This perception reinforces the idea already expended that costs are a critical inhibiting factor to many non-participant firms. Another important factor was more financial support from the government (12.3%) which is available for Portuguese firms on a competitive basis, particularly for exporting firms. Of course that government aid is always short, but firm's specific problem such as internal reorganization could disqualify the desired support.

Other changing factors were specifically related to trade fair organizers. A better communication of the fair to prospects and the transparency and credibility of the organizer are both evaluated equally important (12.3%). The improvement of the location of the stands in the space of the fair, and more activities during the fair (seminars, workshops) were all suggestions to attract potential new exhibitors. The remaining factors were seen as the least important.

Table 4. Drivers of change to become exhibitor (n = 16)

Factors	1st Choice	2nd Choice	3th Choice	4th Choice	5th Choice	N	%
Transparency and credibility of trade fairs organizations	3 (33.4)	2 (22.2)	2 (22.2)	2 (22.2)	0	9 (100.0)	12.3
Better advertising and promotion of the fair	2 (22.2)	3 (33.4)	2 (22.2)	1 (11.1)	1 (11.1)	9 (100.0)	12.3
Costs more competitive	7 (46.6)	4 (26.6)	1 (6.7)	1 (6.7)	2 (13.4)	15 (100.0)	20.6
More parallel activities, such as seminars, workshops, etc.	1 (14.3)	1 (14.3)	2 (28.6)	3 (42.8)	0	7 (100.0)	9.6
Firm's internal reorganization	1 (12.5)	0	2 (25.0)	3 (37.5)	2 (25.0)	8 (100.0)	11.0
More financial support from the government	0	2 (22.2)	2 (22.2)	2 (22.2)	3 (33.4)	9 (100.0)	12.3
Improve location of stands in the fair	1 (14.2)	0	2 (28.6)	0	4 (57.2)	7 (100.0)	9.6
Dislike trade fairs	2 (100.0)	0	0	0	0	2 (100.0)	2.7
Lack motivation or incentive to participate	0	1 (100.0)	0	0	0	1 (100.0)	1.4
Other	0	4	0	1	1	6	8.2
Total						73	100.0

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Table 5 shows that 75% of exporting firms prefer to participate individually in an international trade fair on a foreign country or in Portugal. This individual approach assures the total control of the marketing objectives of the firm, the personalization of the stand, and a more focused attention to visitors. The joint participation of different SME's belonging to the same industry is less frequent for exporters (25%), and the initiative usually comes from the government (Portuguese Agency for Investment and External Commerce - AICEP) or from trade or industrial associations. Nevertheless, many of the respondents (53.1%) see benefits in this type of participation. When asked about the importance of collectively participate in a trade fair, the majority of respondents (61.4%) see it as a strong contribution to reinforce the participation or even allow for the first time presence of a domestic firm in an international fair. Without support of government or industry associations many of the firms hardly have financial or organizational resources to apply to an international trade fair. On the contrary, some of the firms (38.6%) regarded joint participation as a limitation on their selling and marketing actions during the fair, reducing the possibilities of differentiation vis-à-vis competition. Almost all the firms have experience of exhibiting their products or services in an international trade fair to current customers and prospects (94.1%). Only 5.9% of the firms said that it was the first time that they have been involved in an international trade fair.

Table 5. Exhibitor's behavior in international fairs

Variables	Number	Percentage
Individual participation		
Yes	51	75.0
No	17	25.0
Collective participation		
Yes	26	53.1
No	23	46.9
Interest of collective participation		
No, limits individual actions	17	38.6
Yes, reinforces participation	22	50.0
Yes, only way to participate	5	11.4
How many fairs annually		
First time	3	5.9
1 to 3	23	45.1
More than 3	25	49.0
Change stand between fairs		
Never	3	6.0
Always	17	34.0
From time to time	7	14.0
Random	23	46.0
Pre-fair preparation		
Less than 2 months	10	17.8
3 – 5 Months	27	52.9
More than 5 months	14	27.5
Marketing before the fair		
Yes	48	96.0
No	2	4.0
Return on investment		
During the fair	4	8.3
One month later	13	27.1
Half year later	22	45.8
One year later	7	14.6
More than 1 year	2	4.2

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

Most of the exhibitors (80.4%) made pre-fair arrangements before the show took place, including choose the location, define the booth size and the layout of the stand, and elaborate the promotional materials to attract attention, stimulate interest, and increase the number of visits to firm exhibits. Also marketing actions before the fair, such as sending invitations to current customers and prospects, and promoting the event on the website of the firm assume relevance in the communication-mix strategy. These actions are essential to inform customers about the trade fair and give them a free pass to meet with representatives of the firm. The return on investment of the international trade fair is moderated during the fair (8.3) and increases significantly (one to six months) after the end of the fair (72.9%). After one year the effects of the fair decreases to 4.2% and the firms need to repeat the virtuous cycle.

5. CONCLUSION AND MANAGERIAL IMPLICATIONS

Trade fairs have become increasingly popular in recent years among Portuguese SMEs, and for many export firms. However, the empirical evidence about this subject remains scarce in small and open economies, and specifically in Portugal. Based on a survey and using data collected from a sample of Portuguese exports, the present study identifies the perceived motives, barriers and contributing factors that lead SMEs to participate (or not) in an international trade fair.

Overall, our statistical analyses show that a strong motive to exhibit at a trade fair is the reinforcement of the exporter's market presence, particularly in international markets where the comparative costs of other promotional tools are relatively prohibitive. In descending order, the Portuguese exhibitors indicated the possibility of finding new ideas and test new products during the event, the establishment of sustainable relationships with important customer, the enhancement of the brand image and reputation of the firm. Contrary to expectations, increase sales and expand the customer portfolio ranked moderate, while promotion and introduction of new products ranked low on the motives of Portuguese exhibitors. The main barriers to non exhibitors firms are costs associated with the participation in the venue (rents of space and stand, travel and accommodation expenses, etc.), bad experiences on previous trade fairs, and lack of resources (financial, personnel and time). To overcome these barriers the non exhibitors suggest lessen costs, mainly by appealing for the support of governmental agencies (in the Portuguese case AICEP). Other barriers refer to the difficulties in choosing a better stand location inside the venue, the weak impact of the trade fair in the media, the reputation of the trade fair organizer and the animation during the fair.

The findings are suggestive of at least four important managerial implications. From the organizer point of view, assessing visitor and exhibitor satisfaction on several relevant topics could be important, not only to stand visitor profile analysis, but also to measure and monitor the success of a trade fair in a broadest sense.

From the exhibitor side, the access to information regarding the event, such as the analysis of the visitor records, the assessment of competitors performance, the effectiveness of the advertisement for the trade fair (TV, press, catalogues, etc.), the efficiency of the ratio between the number of invitations sent out and the number of visitors is all sensible areas that could increase exhibitor satisfaction and retention.

From a national export assistance policy perspective, the formulation of meaningful assistance programs implies to be aware of the factors that influenced exporting firms to become involved in international trade fairs and also the reasons why non-exhibitor firms decide against involvement. While it is necessary to provide information, training, and resources to exporting firms to overcome barriers, it is also essential to highlight the benefits of exhibiting in a way that ensures non exhibitors respond positively to assistance. It is

necessary to look at motives and barriers as part of a total incentive system rather than to treat them independently. Finally, the attitude towards the international trade fair participation varies between Portuguese exporting firms. Some of them regard joint participation as a limitation in their selling and marketing actions, others as an opportunity to reinforce their international market presence. Most of the Portuguese exhibitors plan the participation before, during and after the fair takes place, but the return on the investment of the trade fair only achieves its peak after the fair (one to six months). Therefore, it is crucial that exhibiting firms took a long term approach when evaluating the return on the investment of a particular trade fair, as most of the results are intangible (image, reputation) and not immediately measurable.

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COMPETING INTERESTS

Authors have declared that no competing interests exist.

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