

Significance Of Fairs For Marketing Activities

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Subject: This study aims to set forth the significance of fairs in marketing activities through determining the relevant attitudes of participant companies.

Abstract

This study aims to set forth the significance of fairs in marketing activities through determining the relevant attitudes of participant companies. To this end, a questionnaire comprising of 22 questions was devised to collect data for the research. The questionnaire was used during the “2011 Antalya Anfaş Hotel Equipment” fair organized in “Antalya Expo Center”. The questionnaires were given to and filled in by the company staff working in the booths allocated to the participant companies. Among 150 questionnaires completed 116 were deemed eligible to be used in this research. Analysis made in the light of the data collected as a result of the research revealed that fairs have a significant role for the marketing activities of participant companies. It has been determined that fairs offer significant advantages to companies especially in the promotion of existing products and conducting of market analysis for the new products.

Keywords: Fair, Marketing, Marketing Tool, Promotion Mix

1.INTRODUCTION

Competition is increasing as a result of globalization and technological developments and consequently marketing activities have become more important than product quality and features, which in turn has increased the function of and the need for marketing. Therefore, the significance of fairs are increasing for marketing managers since such events can fully respond to the current needs, enable the use of many interpenetrating marketing instruments such as advertisements, promotion, public relations and direct marketing and ensure that a single message is delivered to the consumer. This research aims at dwelling upon the significance of fairs through determining the role they play for company marketing activities, and benefits they offer to the companies that use fairs as effective marketing instruments.

2.General Overview of the Term Fair

The word fair is originally derived from the Latin word “fariae”, which means festival or fest (Koldaş 2006). In general terms fairs are publicity activities scheduled to take place regularly, usually at the same venue, where tradable goods or services, technological developments, information and innovation are promoted aiming at finding new markets and sales opportunities,

technical cooperation, establishment and development of potential commercial networks. Fairs are among the most significant marketing communication instruments through which companies offer their goods and services to visitors, and potential buyers and sellers meet and have individual contacts with each other (Okay 2000). Fair organization business is growing and expanding globally. Almost 9000 fairs are organized every year in around 120 countries (Sülün 2004). The largest and most modern fair venues are located in Europe. Germany is the leading country in Europe and in the world, where high-quality fair organizations take place. Almost 400-450 fairs are organized every year in Germany. In this respect Germany is followed by France, Italy and the United Kingdom in Europe (Sülün 2004).

3.Link between Fairs and Marketing

Diversified product and application options have extremely complicated the process of selection for the buyer, and have made it essential to have a single platform for comparing all options. In national and international competition close customer relations have become the most important instrument in success strategy (TOBB 2012). Fairs are the marketing instruments which appeal to five senses of the individual and provide unique features since they are three dimensional unlike other sales development activities. Furthermore, fairs are effective sales development instruments which allow all promotion activities to be collectively used at once such as individual sales activities actively used via individual contacts with customers, public relations activities actively used via news coverage in the press, advertisement activities actively used before, during and after the fair organization via advertisements about the fair (Koldaş 2006). Fairs serve for two main purposes; the first one is that fairs function as a marketing instruments for its participants. Participants in fairs introduce their products to the customers and try to conclude trade agreements. The second purpose of fairs is that they contribute to the development of professional networks and sales while keeping a pulse on commercial and organizational markets under the warm atmosphere created by the fair (Çakıcı 2004). Almost no marketing instrument but fairs have the capability of providing individual contact with the customer in addition to the introduction of the firm and its products (Göksel and Sohodol 2005). Studies conducted in this field reveal that customers which could not be reached by sales staff under normal circumstances can be easily reached by fairs, each visitor spends an average of 22 minutes in every booth, and 85% of them take their final decisions right there, and in terms of costs fairs are less expensive than individual sales visits (Philip, 1994). According to a research made on firms participating in fairs, the main reasons why participant firms (n:201) opt for fairs can be listed as follows: 89% sell products and 81% raise awareness on the product. The third reason is to have contacts with existing customers (52%). Other reasons might be listed as; fulfill the sales quota (37%), penetrate into the market (34%), change perceptions (27%) and staff training (9%), respectively (Çakıcı 2004). These data clearly underline that fairs are places where new networks can be built. According to a research made, commercial fairs are the second most effective instrument after individual sales, which has the strongest influence on decision making process of the industrial consumers. (Herbg et al. 1997).

4.The research

This study aims to set forth the significance of fairs in marketing activities through determining the relevant attitudes of participant companies. By doing this, it is considered that the study will contribute to the literature and the companies. A field research was conducted in the “2011 Antalya Anfaş Hotel Equipment” fair organized in “Antalya Expo Center. The first limitation on the study is that it was conducted in an international fair organized only in the city of Antalya. Due to limitations of time and cost, research sampling had to be restricted. A survey was devised and used as an instrument of data collection. The survey consisted of two different questionnaires which involved closed ended questions. The first section of the questionnaire consisting of 18 statements which uses the interval scale (1-absolutely disagree...5-absolutely agree), aims at measuring the significance of fairs for marketing activities. To determine the reliability of this scale Cronbach Alpha coefficient was used. Reliability of the scale was calculated as $\alpha = \dots$. The second section of the questionnaire aims at finding answers to how much budget participants allocate to fairs, how many times they participated in fairs and in fairs abroad, and general significance of fairs for the company and role of participants in the company. The research subject group consists of 156 companies participating in the fair. Among these 156 companies, 150 participated in the research. Surveys were administered by researchers on individuals in charge of companies’ fair booths and personal interviews were used as a supplementary instrument. Among 150 filled-in questionnaires 116 were deemed eligible to be used for the research, and the remaining 34 were excluded due to several reasons. Data collected through the survey were transferred to the SPSS 14.0 package software and statistical analyses were made.

4.1.Findings

Findings obtained as a result of the research were classified under the following groups.

Information concerning the research participants and companies

Sectors that participated in the fair were mainly the food sector with 24,1%, textile sector with 22,4% and security sector with 19%. These sectors are followed by the electric-electronic with 13,8%, construction with 8,6%, chemical sector with 6%, press and media with 4,3% and furniture sector with 1,7%. As regards the positions held by participants who filled in the surveys, it has been observed that majority of the participants (50,9%) worked in the department of marketing and sales. Other positions included the following: general director with 16,4%, company owner with 13,8%, founder with 9% and other with 18,1%. It was found among the companies selected for the research that rate of participation in fairs abroad was rather low (14,7%), and majority of the companies (85,3%) did not participate in fairs abroad. As regards the company budget allocated for fairs, it has been collected that 71,6% of the companies allocated 1 to 20% of their budget to fair activities while 13,8% allocated “21 to 40%” of their budget, 11,2% allocated “41 to 60%”, 3,4% allocated “61 to 80%” of their budget to the fair activities. Annual rate of participation in fairs indicated that 77,6% of the companies participated in “1 to 2 fairs”, 12,1% participated in “3 to 4 fairs”, 6% participated in “5 to 6 fairs”, 1,7% participated in “7 to 8 fairs”, and 2,6% participated in “9 to 10 fairs”. Majority of the companies (75%) indicated that participation in fairs was significant for the company while 15% stated that it was highly significant. Among others only 1,7% stated that participation in fairs was insignificant, and 7,8% stated that it was “neither significant nor insignificant”.

4.2. Fair Perception Factor Analysis

This phase of the research applies factor analysis to 18 statements concerning fair perception to determine the internal clustering of variables. As a result of the analysis KMO value has been found to be 0.792. If p value is (0.000), it is significant to conduct such an analysis. As a result of the factor analysis four aspects have been determined as customer interaction, product publicity, market analysis and information transfer, and total variance explanation of these four factors have been found to be 74,4%. Reliability tests have been applied to the data collected, and Cronbach Alfa value has been found as 0,835. Correlation, t-test and Anova tests have been used in the analysis.

Table1. Analysis of Corelation among Variants

	Budget Share allocated to fairs	Amount of fairs participated per year	Significance attributed to Fairs	Interaction	Publicity	Analysis	Info Exchange
Budget Share allocated to fairs	1						
Amount of fairs participated per year	,375(**)	1					
Significance attributed to Fairs	,318(**)	,287(**)	1				
Interaction	,025	-,038	,519(**)	1			
Publicity	,144	,067	,396(**)	,595(**)	1		
Analysis	,052	,073	,448(**)	,576(**)	,543(**)	1	
Info Exchange	,362(**)	,243(**)	,347(**)	,305(**)	,524(**)	,297(**)	1

** Correlation is significant at the 0.01 level (2-tailed).

As a result of the correlation analysis among factor ratings, a positive relation has been observed among the budget share allocated to fairs, amount of fairs participated per year, significance attributed to fairs and the belief that information transfer takes place in fairs. 1 unit increase in the budget share allocated to fairs increases the amount of fairs participated per year by 37%, and 1 unit increase in significance attributed to fairs increases budget share allocated to fairs by 31% and the amount of fairs participated per year by 28%. 1 unit increase in the belief that information transfer takes place in fairs increases budget share allocated to fairs by 36% and the amount of fairs participated per year by 24%. There is a positive correlation among the significance attributed to the fairs and belief that fairs ensure interaction with customers (51%) and information transfer (34%) and belief that fairs provide opportunities for product publicity (39%) and market analysis (44%). There is also a positive correlation among the belief that fairs ensure interaction with customers and enable product publicity (59%), the belief that fairs provide opportunities for market analysis (57%) and information transfer (30%).

t-Test results of Factor Ratings concerning Participation in Fairs Abroad

Results of the t-test administered to determine whether participation by companies in fairs abroad influence the factors significantly, indicate that according to 0,95 significance level, no significant difference exists between beliefs on “Customer Interaction”, “Product Publicity and Market Analysis”. However, there are significant differences concerning the belief that fairs ensure “Information Transfer”. Accordingly, those who participated in fairs abroad (14.6%) (A.O=3,70, S.S.= ,7806) considered fairs much more useful in terms of information transfer than those who did not participate in fairs abroad (85.4%) (A.O=3,30, S.S= ,7356).

Anova Test results of Factor Ratings concerning Allocated Budget Share

Results of Anova analysis administered to determine whether the annual budget share allocated for fairs influence the factors significantly, indicate that according to 0,95 significance level, no significant difference exists between beliefs on “Customer Interaction and Market Analysis”. However, there is a significant difference concerning beliefs regarding “Product Publicity and Information Transfer”. Accordingly, those who allocate 61 to 80 % of their budget annually (3,4%) (A.O=4,541, S.S= ,458) consider fairs much more useful in terms of product publicity than those who allocate 1 to 20% of their budget on an annual basis (71,5%) (A.O=4,072, S.S= ,278). Similarly, those who allocate 61 to 80 % of their budget (A.O=4,25, S.S= ,500) consider fairs much more useful in terms of information transfer than those who allocate 1 to 20% of their budget on an annual basis (A.O=3,1767, S.S= ,6774).

5.CONCLUSION

Fairs are platforms where companies can implement the strongest marketing activities concerning their products and services. It is no doubt that establishment of new business networks, rapid feedback on products and services received through individual talks, strengthening of the institutional and visual image of companies contribute to increasing sustainable competitiveness of companies. To this end, the study aimed at determining the significance of fairs on marketing activities as well as discovering the participant companies’ attitudes towards the fairs. The study concluded that participants deem fair events significant and consider them as effective instruments for marketing activities. However, despite what has been stated above, the study also revealed that participation in fairs abroad and budget allocated to fairs need to be improved. Increasing both the quantity and the quality of relevant studies in this field is deemed necessary for underlining the significance of fair events in terms of marketing activities. Researchers of the study plan to expand the scope of this study in order to cover larger participant groups in several fairs in the future.

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