

A NEW LOOK AT EXPORTING

Trade Fairs: Should You Take the Plunge?

In this issue we take a close look at trade fairs, as we do from time to time in our columns and editorials (see March 1, 1991, "Trade Fairs Are a Gold Mine"). For many companies, involvement in trade fairs is an important part of their marketing strategy. News about trade fairs is found in most issues of this publication, as well as in the material received from various associations and trade magazines.

On the other hand, in these difficult times, businesses will think twice before investing time and money, since more than ever, they must get the most out of every dollar they spend. They must first decide whether taking part in a fair is worthwhile, given the human and monetary costs involved, and then select the fair that will bring the best return for the company.

The first step is to compare the cost of participating in the fair with what it would cost you to visit each potential customer in order to get the same amount of exposure. To do this, divide the total cost by the number of customers you expect to contact. The initial cost may have seemed too high initially, but this calculation, not to mention other quantifiable considerations, such as the time and money saved by meeting everyone in the same place, may change the picture somewhat.

For those whose products are difficult to transport, such as heavy machinery, a fair will often provide an opportunity to assemble your product and show it to potential customers who would be unable to view it unless they visited your plant.

A professional fair should expose you to the best work being done in your industry and give you an idea of where you stand in relation to it. In addition, many fairs and exhibitions have training and development sessions available, where you will be able to meet industry leaders and to expand your network of contacts.

The location of your booth and the quality of your immediate neighbours will definitely affect the flow of visitors in your direction. The interest generated by a neighbour will benefit you. Of course, the converse is also true. In many foreign events, External Affairs and International Trade Canada prefers to have all Canadian exhibitors located in the same area.

Another positive factor is this: those who visit your booth will already have an interest, be it specific or vague, in your sector. Dealing with them will probably be easier than knocking on doors and meeting people "cold."

These positive aspects must be considered along with some negative ones: for example, can you afford to have one or two people away from the office for a few days? Some small businesses may find this a key consideration. Will your company be able to meet the immediate increase in business that a fair may generate? If not, you would be better advised not to participate just yet than to end up with dissatisfied customers. If you have already attended an event in the past, you will doubtless want to make sure that new potential customers are likely to be there, and to consult the list of confirmed exhibitors.

Some trade fairs are more costly than others, and may not necessarily be your best choice.

As we have seen, there are many factors to consider before deciding whether or not participation in a trade fair is a good investment for your company.

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