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Extending Your Trade Show Brand Overseas:

How to Know When to Go

By Michelle Bruno

s the U.S. economy continues to improve and the dollar remains relatively weak against foreign currencies—a situation that may not correct itself any time soon—trade associations and independent trade show organizations may find overseas markets more attractive these days. Deciding which markets to invest in depends on a number of factors.

Demand from Members and Exhibitors

Whether or not association members or the companies that would comprise the exhibitor pool have indicated an interest—their foreign competitors are already selling into the region, they are receiving inquiries from potential buyers in the market, or they are curious about the market potential for their products—is usually one of the first indicators that an exhibition could be viable.

Market Potential

Statistics, reports, analyses by both government agencies and independent research firms detailing plans by foreign governments to build infrastructure, develop resources, or that consumer demand for specific products will rise are good indicators of market potential. Such reports are also great sales tools for helping exhibitors de-

termine whether their products and services are a good fit.

Overseas Representation

U.S. organizations contemplating a start up show in another country need a strong partner to handle the local marketing, sales, logistics, advertising, government relations, market research, and day-to-day operations. A reputable firm that is independently vetted (often the U.S. Commercial Service can help) can facilitate the launch process greatly.

Advertising and Marketing Channels

In many developing regions, trade channels (publications, domestic trade shows, b-to-b blogs) are not very developed and reaching potential buyers can be challenging. The ability to circumvent this obstacle using b-to-c channels (newspapers, television, bill-boards, etc.) or retaining a public relations firm with knowledge of the local business market, ability to reach potential buyers, and expertise to communicate the group's brand message is critical.

Degree of Difficulty

Some markets with tremendous potential for U.S. products can be too difficult to penetrate for a number of reasons: poor economic conditions, dislike for American products, political instability, etc. These circumstances can make it too complex to establish a suc-

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cessful event in some regions. The good news is that the tough markets of yesterday—Russia, Brazil, India, and China are the hottest markets today. Organizations that can overcome the initial challenges will be well positioned for the future when competitive shows enter the region.

Exhibition Infrastructure

In many developing countries, the infrastructure for international exhibitions (convention centers, local suppliers, reliable transportation, professional conference organizers) is underdeveloped or non-existent. In these cases, U.S. groups need to have the financial resources to erect temporary structures, bring in reliable suppliers (stand fitters, skilled labor, lifting equipment, food service) or reset the expectations with exhibitors about the conditions.

Shipping and Customs

In addition to the transportation and customs infrastructure including ports, airports, truck facilities, warehouses, and rail lines, the existence of reliable customs brokers specializing in exhibitions can facilitate the timely arrival of exhibit goods to show site. All reputable companies based in the U.S. have local agents or offices in developing regions that can comply with government regulations, arrange temporary importations, and manage on site logistics.

Risk Tolerance

Some trade associations and international organizers—those with large and strong member bases, financial resources, or at the center of a growth industry—may have a higher risk tolerance for launching an event in another country. If not, they may choose not to invest in an overseas program, select a lower risk market, or participate as a pavilion in an existing show instead of organizing a stand-alone event.

Counterpart Organizations

Trade associations, chambers of commerce, or local industry groups located in the target region can help U.S. associations and organizers understand the market, assist with a show launch, and reach potential

buyers. When such built in support does not exist or these potential partners have already invested in a competitive trade show, the likelihood of succeeding with a start up event is diminished.

Local Government Support

In most developing nations, having the support of local government ministries, agencies, and political figures is crucial for foreign associations and independent companies. Such regions are typically fraught with bureaucracy and red tape. Having the blessing of the provincial and national government entities is often a critical necessity.

Competition

As with any new market, the existence or absence of competitors is telling. In most of the developing regions, for example, the German organizers, Messes Frankfurt, Hannover, and others are well-established and formidable competitors. On the other hand, the developing regions such as China and India are huge and, at least for now, there is room for everyone.

Quality of Buyers

In countries lacking a history of professionally organized international exhibitions, high-quality buyers and management-level decision makers (with the budget and resources to make purchases) are not accustomed to attending exhibitions. Often, they send lower level staff to investigate the exhibiting companies, collect information, and report back to them. If the local culture is such that the aisles are crowed but attendee quality is low, U.S. organizers may need to make a special effort to correct the situation or reconsider a stand-alone event in that region.

Not all markets are a good fit for U.S. companies. Even if the business prospects look good, there may be problems with visas (as there is for foreign visitors to the U.S.), security, or logistics. It may simply be too expensive for all but the largest U.S. companies to exhibit. On the other hand, if the potential for an exhibition is present, it is important to conduct due diligence early (when the market is opening up) rather than later (when there is more competition).

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