University doctoral (PhD) dissertation abstract

EXHIBITIONS AS MARKETING INSTRUMENTS OF THE AGRIBUSINESS INPUT SECTOR

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1. AIMS OF THE RESEARCH

The role of exhibitions and fairs within marketing communication is an area that has not received enough attention in either the Hungarian or the international literature. Despite the rapid progress of different modes of electronic communication, none of them can replace the possibilities of such events, for instance, the direct contact between visitors and exhibitors, the feeling of being an insider, the uniqueness of the event, the hands-on experience with the products. In addition, the possibility to make new contracts contributes to the special atmosphere.

In this section, I am going to define the main topic of my dissertation, in accordance with the programme of the Doctoral School and the research strategy of the Institute of Business Economics.

The first task I undertake in my dissertation is to highlight the differences between exhibitions and fairs. This is followed by a description of the different types of such events, since, after a careful review of the literature, I came to the conclusion that there is no homogeneous opinion on this issue. Next, I present an overview of the history of exhibitions and fairs in Hungary as well as in Europe. The description of the current state of exhibitions and fairs and the role they play in marketing communication is also included.

Data collection and data evaluation are described in a separate chapter, which includes the description of the general and particular methods of the research on relevant events, and which also introduces the fairs that were observed, the methodology applied and the starting model of the research.

The next chapter contains the presentation of the results, in the course of which first the visitors then the exhibitors are described, followed by a comparison between the two groups. As a new research finding, the profiles of the "average" visitor (also called attendee) and "average" exhibitor are characterized, in addition to the unique profiles of the different exhibitions that were observed. The synthesis of the two questionnaires serves to monitor the reliability of the initial model, which results in a final structural model of stakeholders, based on the segmentation results created by a two-step clustering method.

The last chapter of the dissertation summarizes the results, highlights the conclusions, and offers suggestions to attendees and exhibitors for ways to use fairs more efficiently.

The following are the main objectives of the dissertation:

- Collecting literature concerning Hungarian and international fairs, exhibitions and other such events.
- Highlighting the role of fairs in marketing communication.
- Observing the in-fair use of instruments aimed at attracting customers.
- Considering possible methods for the assessment of events.
- Assessing the economic and social background and motivation of visitors at different agricultural fairs.
- Assessing the characteristics and goals of exhibitors participating in different agricultural fairs.
- Determining the radius of the fairs in terms of attracting exhibitors as well as visitors.
- Creating segmentation groups of both visitors and exhibitors.
- Comparing the observed fairs based on the results of the segmentation.
- Describing differences in the perceptions of fairs, i.e. the extent to which the same factors are perceived differently by attendee sand exhibitors, respectively.

The fairs were observed according to the objectives described above and unified methods were adopted. The following research hypotheses were formed in the dissertation:

Hypothesis 1: the visitor side is fragmented, the different subgroups have distinct interests.

Hypothesis 2: the exhibitor side comprises one segment only, but this segment has a variety of objectives at a fair.

Hypothesis 3: Each fair has a unique radius of attraction.

Hypothesis 4: The visitors' and the exhibitors' perceptions are different vis-à-vis the same factors.

The research database was compiled and the methods of evaluation were applied in light of the hypotheses above.

2. PRELIMINARIES, METHODOLOGY APPLIED

2. 1. PRELIMINARIES

It is difficult to make a distinction between the concepts of "exhibition" and "fair" . Even though the two are not identical, they are used interchangeably in everyday language moreover the distinctions that can be made are not consistently marked in the relevant literature, either. Accordingly, in this study, I am not going to differentiate between these two concepts.

Table 1 shows the events registered by the Hungarian Chamber of Commerce and Industry. The different groups correspond to the extent the events are related to agriculture. Five groups of fairs can be distinguished, based on international practice:

1. *Agriculture*: this group of fairs specializes in crop production and animal husbandry and the machinery connected to these activities (AGRO+MASHEXPO).
2. *Food and Agriculture*: agriculture and food processing have a similar weight at the expos (AGRA SAVARIA, AGRORAAB, OMÉK).
3. *Food:* exhibitions focused on food products and food processing (FOODAPEST).
4. *General and agriculture*: this group comprises fairs that are designed for a broader audience, however, in addition to consumer products, agriculture and food industry also play a particular role, (ZALAEGERSZEGI ŐSZI VÁSÁR).
5. *Non-agriculture:* not related to agriculture. (HUNGAROTHERM).

Table 1 – Exhibitions and fairs in Hungary 1998-2010

Type/Years	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Agriculture	23	18	22	15	10	16	14	11	4	8	9	4	3
Food + Agriculture	8	7	5	4	7	6	9	6	9	6	1	4	5
Food	5	12	10	12	10	6	14	12	12	7	11	13	5
General and agriculture	3	7	4	1	2	2	3	7	5	3	7	10	9
Non-agriculture	143	168	163	161	205	210	200	83	201	185	106	85	51
Altogether	**182**	**212**	**204**	**193**	**234**	**240**	**240**	**119**	**231**	**209**	**134**	**116**	**73**

Source: FORBÁT 1998, 2000, 2002-2007 and SZ.-KOVÁCS 1999, 2001; 2008-2010 – (the collection/editing of the data is a result of own research)

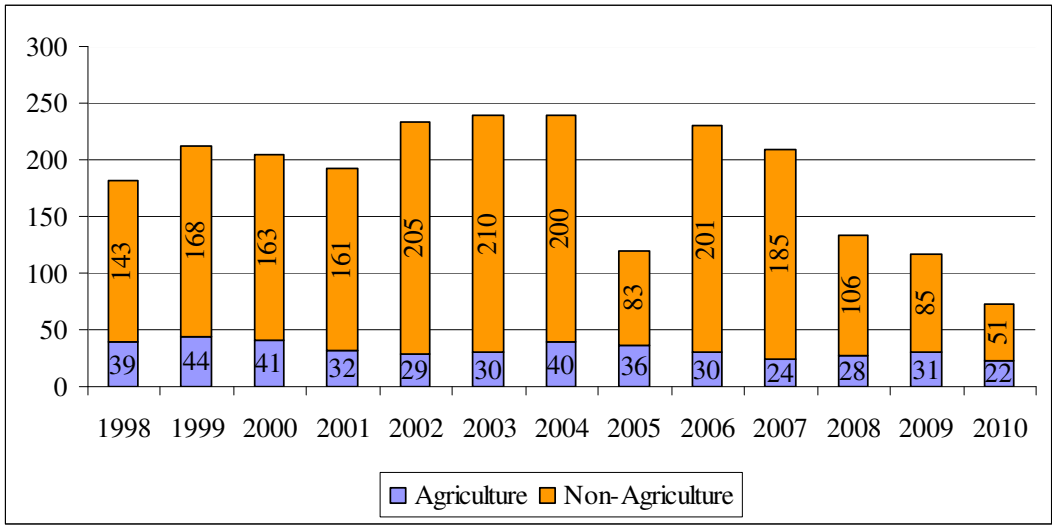


Figure 1 – Exhibitions, fairs in Hungary 1998-2010

Source: FORBÁT 1998, 2000, 2002-2007 and SZ.-KOVÁCS 1999, 2001; 2008-2010 – (the collection/editing of the data is a result of own research)

As Table 1 and Figure 1 show, the share of agriculture-related exhibitions is relative low: 10-20% of the total, except in 2005 and 2010.

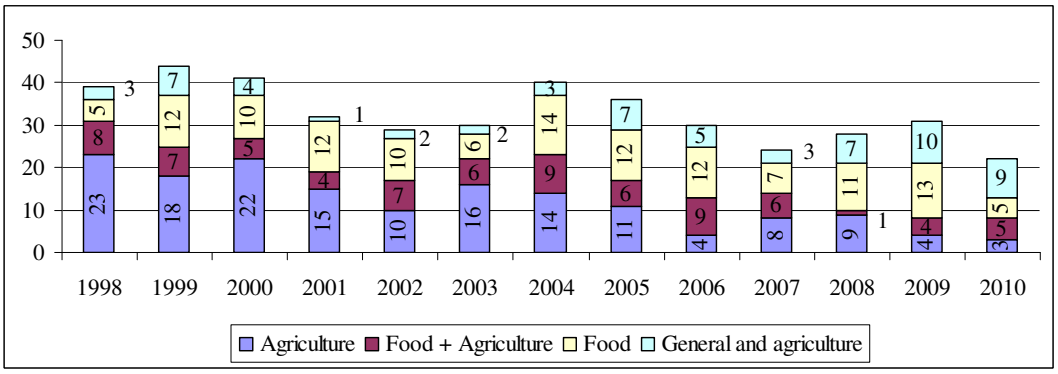


Figure 2 – Agriculture-related expos, exhibitions and fairs' share in Hungary 1998-2010

Source: FORBÁT 1998, 2000, 2002-2007 and SZ.-KOVÁCS 1999, 2001; 2008-2010 – (the collection/editing of the data is a result of own research)

Figure 2 compares the number of agriculture-related expos held in the last decade, the structure is the same as described above.

The most salient change that can be observed is in the number of the agricultural fairs, which, while fluctuating, shows a decreasing trend.

The Poznan International Fair (Miedzynarodowe Targi Poznanskie - MTP) is the flagship of the Polish exhibition companies. The centre is located on a 113.000-square-meter-ground and has 14 halls with 32.000 square meters of exhibition space. The company attracts 46% of all the Polish exhibitors and 43% of all the attendees. Moreover, 56% of the exhibiting companies introduce themselves at this fairground.

Table 2 summarizes the role of fairs in marketing communication, based on the literature reviewed in the dissertation.

Table 2 – The most salient functions of exhibitions in the literature

Order	Name of the function	Frequency
1	**Contracting businesses / Making sales**	**18**
2	**Presentation of (new) products / Introduction of new products**	**16**
3	**Information sharing / Spreading information**	**15**
4	**CRM – Customer Relationship Management**	**13**
5	**Sales-promotion**	**11**
6	**B2B communication**	**10**
7	**Strengthening company image**	**10**
8	**Communication**	**10**
9	**Searching for wholesalers, retailers, and distributors**	**10**
10	**Collecting orders / Finding new customers**	**10**

Source: Own editing.

For the presentation of the above frequencies of the different functions of fairs, I used 44 sources, all published between 1976 and 2009.

In the classical model of marketing communication exhibitions play a role in promotion policy, sales-promotion and personal sale. The participation objectives can be separated into two groups: sales and non-sales. The literature lists six main functional groups:

1. Functions connected to sales (from preparation to after-sale activities)
2. General communication functions
3. Market development functions
4. Market research functions
5. HR management functions
6. Other functions

2. 2. METHODOLOGY APPLIED

Cluster analysis is a grouping method that can be applied to objects that are similar. The clustering methods can be described as follows (cf. Figure 3 below):

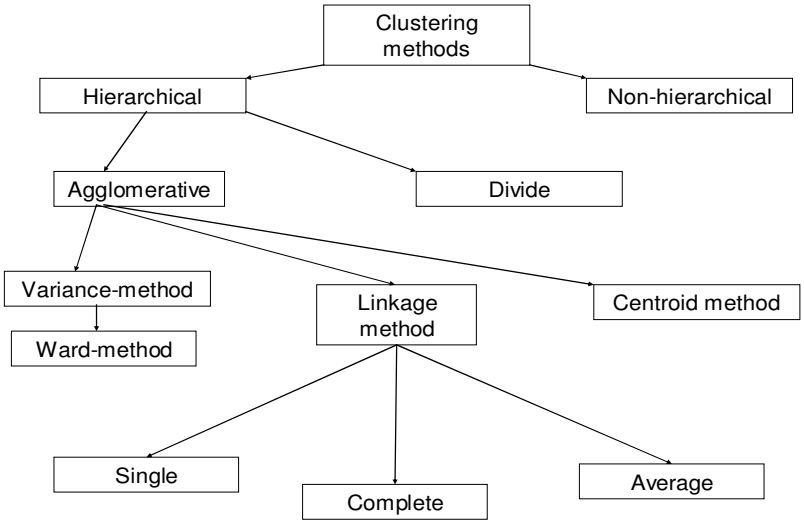


Figure 3 – Clustering methods

Source: Own editing based on SAJTOS-MITEV (2008) and MALHOTRA (2008)

Both visitors' and exhibitors' databases were evaluated using the same two-step clustering method.

The resulting clusters were compared to the structure of the initial logical model (Figure 5) to test the reliability of the model i.e. whether or not the two (visitors' and exhibitors') groups can be distinguished using the two-step clustering method and whether or not there are segments within the exhibitors' group.

MADDALA (2004) defines a model in the following way: "a model is the simplification of the processes in the real world".

Figure 4 shows the most important stakeholders in the exhibition industry: the organizers, the exhibitors and the visitors (also called attendees). These stakeholder groups are based on broad concepts, consequently, they should be classified into subgroups.

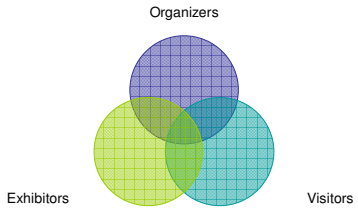


Figure 4 - Basic relations in the exhibition business

The Organizers and Potential Sellers are on the Exhibitors' side, while the Potential Buyers, Expert companies, Individual experts, Future experts and Laymen represent the Visitors' side (Figure 5).

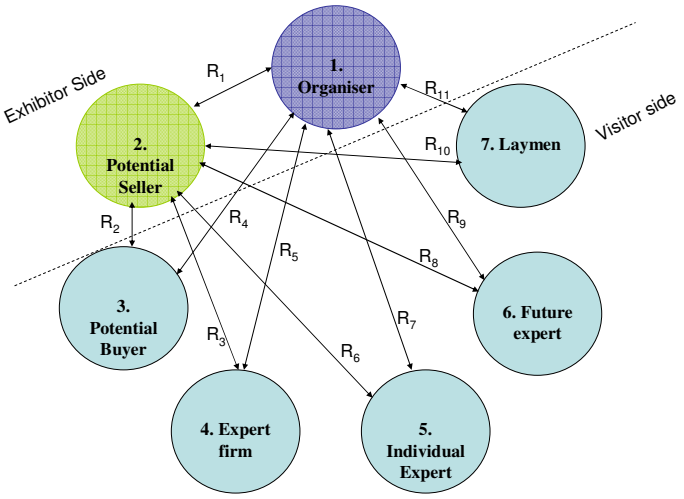


Figure 5 - Network of relations in the exhibition business

*(*R – Relationship*)

The organizers comprise all the companies that play a central role in the organization of the fair. The *Potential sellers* are the companies that offer their products and services on the stands and, in return, pay the organizers for the use of stands. The term *Potential buyer* refers to visitors who are in a decision-making position in their (own) firm, planning and researching purchase possibilities. *Expert firms* include consulting companies, market research firms and professional associations (e.g. Economic Chambers). By *Individual expert* we mean visitors who generate (all or part of) their income from agriculture or agribusiness. *The Future experts* are university / secondary-

school students or people who intend to start their own agribusiness or agricultural company. *Laymen* include non-expert visitors who simply seek entertainment at the fair (often family members who belong to the previous groups).

The research methodology was determined by the objectives presented above. In order to reach these objectives, the following preconditions have to be met:

- a large and representative sample needs to be collected
- close-ended questions need to be complemented by open-ended questions
- qualitative and quantitative evaluation methods need to be combined.

The most appropriate research instrument was the use of questionnaires (comprising a series of case studies), as is shown by the following authors: BRYMAN (2004), KOZÁK (2006) and MALHOTRA (2005 and 2008). MALHOTRA (2008) states, that "the questionnaire is a structured method of data collection, which consists of a series of written or oral questions for which the respondents provide answers".

The size of the samples and the total number of visitors and exhibitors are shown in the following table:

Table 3 – Questionnaires collected at the sample fairs

	Number of exhibitors	**Number of questionnaires collected from exhibitors**	**Number of visitors**	**Number of questionnaires collected from visitors**
Farmerexpo '05	207	89	24 602	810
Farmerexpo '06	304	99	25 116	800
OMÉK'05	604	97	130 000	746
Polagra'06	743	86	70 315	421
Hódmezőgazda '10	420	52	50 000	405
Collected altogether:	-	**423**	-	**3 182**
Evaluated:	-	**416**	-	**3 159**

Source: Own research

3. THE MAIN RESULTS OF THE DISSERTATION

The database collected at the exhibitions made it possible to create a profile the "average visitor" and to describe a unique visitor profile for each fair.

3. 1. PROFILE OF THE AVERAGE VISITOR AND EXHIBITION PROFILES

As a result of profiling the "average visitor or attendee", the following general picture emerged of the typical attendee, based on the most frequent categories and the most characteristic averages. The average visitor of Eastern-European fairs turned out to be:

- a middle aged man (42 years old),
- with a diploma or a degree,
- a member of a family of three or four people.

In addition, the following details emerged:

- if he has a farm, its size is larger than the country average,
- the primary goal of his visit is to gain knowledge, the secondary objective is entertainment,
- making contracts is not one of the main reasons he visits fairs,
- he has income from agriculture,
- he is not an animal breeder.

After describing the average visitor, I now turn to the visitor profile of each fair.

Polagra is significantly different from the other fairs because:

- the attendees came from the longest distance (142 kms),
- the average level of discounts perceived by the visitors is the lowest here.

As for ***OMÉK*** :

- the visitors came from an average distance of 111 kms,
- the main goal of participation was entertainment,
- visitors had the highest expectations concerning the discounts offered by exhibitors,
- it was attended by the lowest number of visitors who have farms (33%)

In the case of ***Farmerexpo***:

- the visitors came from the shortest average distance (65 and 72 kms),
- the visitors rated the fair as the worst in 2005 (at an average of 3.55 points on a scale of 1-5 points aimed at measuring visitors' satisfaction).

Finally, in the case of ***Hódmezőgazda***:

- the proportion between the two sexes was the most balanced,
- the visitors had the lowest average age,
- it was the most highly appreciated of all the exhibitions (it received 4.54 points out of a maximum of 5)

3. 2. PROFILE OF THE AVERAGE EXHIBITOR AND EXHIBITION PROFILES

The profile of the "average exhibitor" is described the same way as that of the "average visitor". The average exhibitor of an Eastern-European agricultural fair:

- comes from a company's whose form is limited company (Ltd.),
- employs between 5 and 50 people,
- his typical activity is agricultural machinery trade,
- the representatives of the companies are middle-aged,
- the instruments most commonly used at the fair to attract customers are brochures, the presence of professional dealers and giving free advice,
- the customers' expectations about the fair are perceived by the exhibitors' to be one or more of the following items: trying products, watching demonstrations and shows. These perceived expectations do not, for the most part, correspond to the competitive advantages formulated by the exhibitors.
- As for the perceived economic efficiency of exhibitions, the majority of the exhibitors think that the investment incurred by the costs of an exhibition will only return profit on the long run.

While the average exhibitors' profile (see above) described general patterns, the profiles that are characteristic of the four fairs that were observed describe unique properties as well as the parameters of variance. ***Polagra***, is markedly different from all the other fairs with respect to visitors as well as exhibitors for the following reasons:

- exhibitors come to Polagra from a longer distance (the exhibitor radius of the fair is 363 kms), which is a consequence of the host country's size as well as the importance of agriculture,
- Polish exhibitors consider image building as their highest priority,
- only 28% of the exhibitors prepare special discounts for the fair, which is lower than the percentage of Hungarian exhibitors with special discounts,
- the lower number of companies with special discounts is balanced by the total number of discounts that were given at the fair, which exceeds the Hungarian numbers,
- the use of in-fair customer-attracting instruments is lower in Poznan,

- the companies here are, for the most part, represented by independent, intellectual free-lancers.

Characteristics of ***OMÉK***:

- The exhibitor radius is the shortest (115 kms),
- this fair is rated lowest in terms of exhibitors' satisfaction (3.07 of the maximum 5), which is primarily due to the duration of the fair,
- however, the fair is rated highest in terms of the total number of contracted businesses / contacts made, which highlights the fact that satisfaction ratings are based, for the most part, on subjective opinion, and do not reflect the individual firms' interests and success at the fair),
- The use of in-fair customer-attracting instruments is the highest in Budapest.

Characteristics of ***Farmerexpo***:

- In 2006 the number of potential business contracts was the highest: on average, 18 businesses were contracted by each exhibitor ,
- the exhibiting firms here are mostly represented by people at the highest management level, which is not typical of the other fairs.

Hódmezőgazda has the following characteristics:

- most of the exhibitors represent animal breeding companies,
- the representatives have a diploma or a degree, half of them are top or medium level managers,
- exhibiting activity has decreased significantly over a five year period,
- based on the satisfaction ratings, this fair is the favourite among exhibitors,
- the number of contacts made at the fair is the lowest,
- the majority of Hódmezőgazda exhibitors think that the investment incurred by the cost of the fair will return profit.

3. 3. CLUSTER STRUCTURE OF VISITORS

The profiling of fairs is a method whereby typical values are used to describe the characteristics of a particular phenomenon. Behind the typical values there are unique visitor and exhibitor groups which can be interesting for both groups of stakeholders. In order to explore these groups, the clustering method seems to be the most appropriate measure.

When describing various clustering methods, several authors (cf. e.g. SAJTOS-MITEV 2008, and MALHOTRA 2008) suggest the subsequent application of a number of methods. Hierarchical and K-means clustering methods do not enable the combination of different – nominal, ordinal and metric – variables without previous standardization. Since in this case different variables have to be combined, SAJTOS-MITEV (2008) offers a two-step clustering method as a novel approach. A further advantage of this method is that it determines the optimal number of clusters. The variables incorporated in the cluster analysis are as follows:

a) Category variables (nominal and ordinal):

- the type of exhibitions attended,
- maximal distance for a fairs' visit,
- primary goal of the visit,
- secondary goal of the visit,
- the fair's relatedness to agriculture,
- type of relatedness,
- the gender of the attendees,
- the level of education of the attendees.

b) Metric variables:

- the number of exhibitions visited on average per year,
- distance between home and the fair in kilometres,
- content level (on a 1-5 Likert-scale)
- share of agriculture in the total income (percentages)
- size of farm (cultivated area in hectares)
- attendees' age (in years)

The analysis was performed using the Log-Likelihood distance measure, the Schwarz-Bayes clustering criterion and automatic cluster number determination.
The cluster analysis resulted in two groups, which were named **Laymen (Group 1)** and **Farmers (Group 2)**, these two groups correspond to the "Potential Buyer" group in the initial logical model.

Characteristic differences between the two clusters:

- The Farmers' average visiting radius is higher (105 kms as opposed to 65 kms in the case of Laymen).
- The share of agriculture in the total income of the family is higher in the case of the Farmers (53%) compared to the Laymen (1,3%).
- The Farmers' share is more than 90% with respect to the following variables: their auxiliary/complementary agricultural income, whether or not they are agricultural producers / employees of agribusiness firms.
- The average size of the farms owned by the Farmers (133has), is significantly higher than that owned by the Laymen (less than 1 hectare).
- The Farmers mainly visit agricultural fairs, Laymen visit other types of exhibitions.
- The willingness to travel is greater in the case of Farmers (77% of the Farmers are willing to travel more than 500 kms, while 75% of the Laymen are only willing to participate in local fairs)
- 60% of the Farmers marked "gaining knowledge" as the primary goal of visiting fairs; 65% marked "personal relationship management" and 70% marked "business". Most of the laymen marked "entertainment" as their primary goal of visiting fairs.
- Personal relationship management (65%) and business (70%) also rate high as the Farmer's secondary goals of visiting fairs..
- 64.5 % of the Farmers are men ; women comprise only 38% of this group.

As a result of the cluster analysis, the groups labelled "Experts" , "Future experts" and "Representatives of expert firms" had to be eliminated,. This suggests that exhibiting firms should consider using a more careful pre-selection process of the visitors, since, as the above findings show, the number of Laymen who visit fairs is high, these groups, however, could be more effectively targeted via PR and image communication measures.

3. 4. CLUSTER STRUCTURE OF EXHIBITORS

I performed a similar, two-step analysis in the case of the exhibitor groups as well. The variables incorporated in the cluster analysis were the following:

a) Categorical variables (nominal and ordinal):

- opinion about the financial efficiency of fairs,
- company form,
- main company activity,
- number of employees,
- business deals (finding a partner on the long run),
- presence of special in-fair discounts.

b) Metric variables:

- frequency of exhibition per year (number of occasions),
- actual distance between the exhibition and the company headquarters,
- importance of PR contacts (on a 1 to 5 Likert-type scale),
- importance of personal contacts (on a 1 to 5 Likert-type scale),
- importance of business contacts (on a 1 to 5 Likert-type scale),
- importance of market research (on a 1 to 5 Likert-type scale),
- satisfaction level (on a 1 to 5 Likert-type scale),
- number of in-fair communication instruments used.

The methods / settings of the analysis were similar to those used in the course of analysing the visitor-database: Log-Likelihood distance measure, Schwarz-Bayes clustering criterion and automatic cluster number determination.

The clustering methods resulted in two clusters, these were named “Minor Companies” and “Major Companies”. The initial logical model assumed a homogenous exhibitor group with a variety of objectives depending on the attendee groups. However, this hypothesis was disproved because the number of attendee groups is lower than projected, moreover, the exhibitor side, which was presumed to be homogenous, turned out to be fragmented. The following list of features served as a basis for the categorization of the two groups:

- The Major Companies exhibit more often (they hold, on average, 4.79 exhibitions per year compared to 3.72 exhibitions per year in the case of Minor ones)
- The representatives of Major Companies came from longer distances (on average, from 190 kms, while those of Minor ones came from an average distance of 166 kms).
- The satisfaction level of Major firms turned out to be higher on average (3.71 vs. 3.43)
- The number of employees was lower in the case of the Minor companies (lower than 200)
- The Minor companies' typical business activity involved trading agricultural machinery, while the Major companies' activity was not so closely related to agriculture.

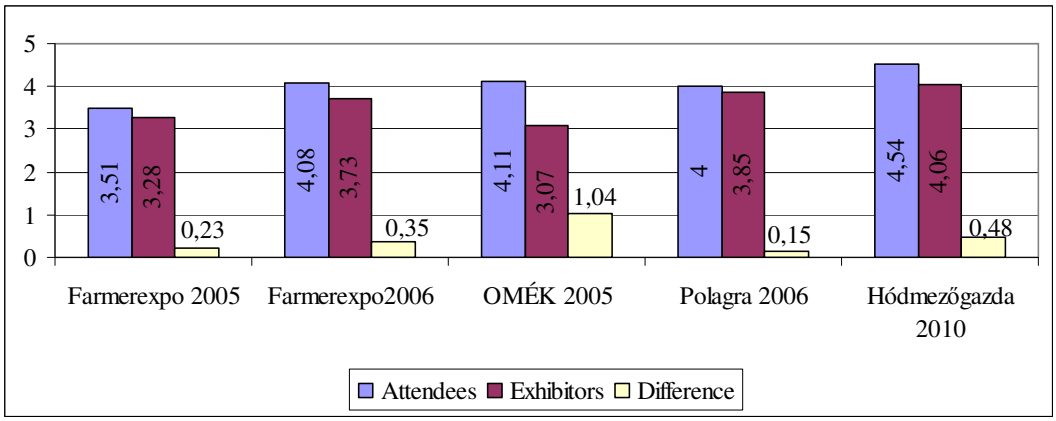
The Major companies differ from the Minor ones along the following parameters: (i)they are bigger in size, (ii) they participate in exhibitions more frequently, (iii) their representatives travel longer distances to the venue of the exhibition, (iv), they have a higher opinion of PR as a marketing instrument.

The Minor companies are less professional, however, they offer a higher number of special discounts not only at fairs but also in the course of their regular business activity, which is also characterized by regionalism.

3. 5. SYNTHESIS OF THE RESULTS WITH RESPECT TO VISITORS AND EXHIBITORS

There are several correspondences between the questionnaires filled out by the visitors and the exhibitors, the analysis of these enables us to compare the opinion of the different groups of stakeholders. One of the most important correspondences is the average satisfaction level (Figure 6).

Figure 6 – Average satisfaction level of the observed fairs



Farmerexpo 2005 was held at an unusual date (in spring instead of summer), which caused a low level of average satisfaction level. The expo was held on its usual date of August 20th a year later, which regained the favourable opinion of the stakeholders. The opinions concerning OMÉK are along two extremes: the exhibitors rate it as the lowest among all the expos that were observed, the visitors, however, rate it quite high. Hódmezőgazda, on the other hand, turned out to be popular with both interest groups.

Table 4 – Average attraction radius of observed fairs

Designation	Attendees	Exhibitors	Difference
	Average	Average	
FARMEREXPO 2005	65,39	176,68	111,29
FARMEREXPO2006	72,01	165,82	93,81
OMÉK 2005	111,81	115,32	3,51
POLAGRA 2006	142,75	363,75	221
HÓDMEZÕGAZDA 2010	108,95	182,13	73,18
Altogether:	93,58	194,95	101,37

By far the largest attraction radius with respect to both groups can be observed in the case of Polagra, which can be explained by the large size of the country. The Exhibitors

in Hungary show no significant differences (at a level of 0.05). However, there are significant differences between the fairs held in Hungary with respect to attendees: Farmerexpo turns out to be a primarily local event, while the other Hungarian fairs have an average attraction radius of over 100 kms. (The significant differences are shown in Table 4 marked by different colours.)

The figures in Table 5 show exhibitors' higher willingness to give special discounts at fairs; these are actually higher than what is perceived by visitors. Discounts tend to be more frequently offered at fairs than in the course of regular business.

Table 5 – Comparison of the expected in-fair and out of the fair experienced discounts

Denomination	Farmerexpo 2005			Farmerexpo 2006			OMÉK 2005			Polagra 2006			Hódmezőgazda 2010			Total		
	Visitors	Exhibitors	Difference	Visitors	Exhibitors	Difference	Visitors	Exhibitors	Difference	Visitors	Exhibitors	Difference	Visitors	Exhibitors	Difference	Visitors	Exhibitors	Difference
Expected discount (%)	17,8	-	-	14,2	-	-	19,1	-	-	18,1	-	-	21,1	-	-	17,8	-	-
Discounts offered/perceived (%)	11,8	14,3	**-2,5**	9,2	11,5	**-2,3**	13,6	10,1	***3,5***	9,5	15,2	**-5,7**	16,4	14,7	**-1,7**	12,0	12,5	**-0,5**
Regular discounts offered/perceived (%)	13,1	12,5	**0,6**	10,2	8,6	**1,6**	11,3	9,0	**2,3**	8,0	12,6	***-4,6***	16,3	12,2	**-4,1**	11,8	10,9	**0,9**

The analysis of the correspondences enables us to assess the different perceptions held by exhibitors and visitors, respectively, and to understand the relations between the two stakeholder groups, as presented in Figure 7. If we compare Figures 5 and 7, we can see the differences between the findings of the cluster analysis and our initial logical model in terms of the network of relations that exist between the visitor and exhibitor groups.

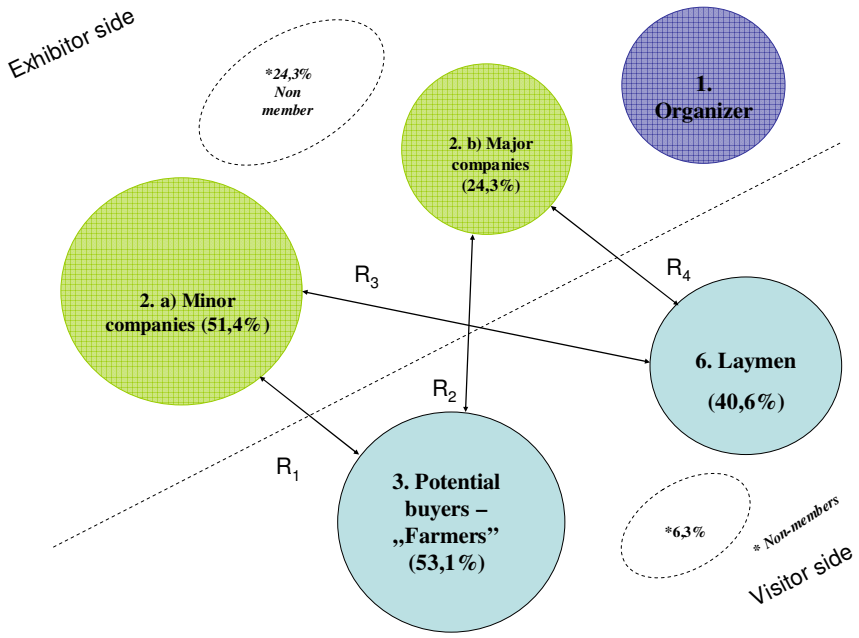


Figure 7 – The modified logical model of stakeholder groups at exhibitions yielded by cluster analysis

Table 6 shows the probabilities for the respective parties to find business partners. The chances of success depend on the proportion of clusters and the primary and secondary goals expressed by the parties concerned.

Table 6. – Relations between exhibitor and attendee clusters

Exhibitor cluster	Objective of exhibitor in the relation	Relation probability	Objective of attendee in the relation	Attendee (Visitor) cluster
Minor companies (51,4%)	**Relationship management - (CRM), Contracting business**, PR	**R1 = 27,3%**	Gaining knowledge, **Personal contact management, Contracting business**	**Potential buyers - Farmers (53,1%)**
	Relationship management - (CRM), Contracting business, **PR**	**R2 = 20,9%**	**Entertainment**	**Laymen (40,6%)**
Major companies (24,3%)	**Relationship management - (CRM), Contracting business**, PR	**R3 = 12,9%**	Gaining knowledge, **Personal contact management, Contracting business**	**Potential buyers - Farmers (53,1%)**
	Relation ship management - (CRM), Contracting business, **PR**	**R4 = 9,9%**	**Entertainment**	**Laymen (40,6%)**

As the table shows, a relationship (R1) is most likely to be formed between minor companies and farmers as potential buyers since their objectives meet and their proportions are the highest. The relationship between minor businesses and laymen (R2) is somewhat less likely to be formed, as the two groups have different goals in participating in fairs. Since the major companies are outnumbered, the number of contacts with the farmers (R3) may be limited, but the motivations behind participation are matched in this relationship. What laymen and major businesses (R4) have in common is that the former visit fairs for an opportunity to be entertained, major companies, on the other hand, provide entertainment as part of their PR activity.

By way of summarizing the factors that motivate the various parties concerned it can be established that the main objective of participation is relationship management, followed by the possibility of making business contracts, followed by entertainment/being entertained, a factor which is of primary importance to visitors.

In marketing communication fairs function as multifunctional instruments; their most important role is in general communication and relationship management, while their role in making business contracts is of secondary importance.

3. 6. HYPOTHESES AND RESULTS

The formal hypotheses of the study were:

Hypothesis 1: the visitor side is fragmented, the different subgroups have distinct interests.
This hypothesis was partially confirmed. There were two clusters, fewer than expected. The two groups did not appear to have two distinct goals in visiting fairs: gaining knowledge and entertainment were the most common goals in the case of both groups.

Hypothesis 2: the exhibitor side comprises one segment only, but this segment has a variety of objectives at a fair.
This hypothesis was partially confirmed. The analysis resulted in two clusters, which means that the exhibitors do not form a homogeneous group. The primary objective turned out to be relationship building, the secondary objective was to complete business transactions.

Hypothesis 3: Each fair has a unique radius of attraction.
This hypothesis was fully confirmed. It turned out from the analysis that of all the fairs observed, the Polish exhibition had the largest radius of attraction. Similarly, all the other fairs had their own established, regional radii of attraction.

Hypothesis 4: The visitors' and the exhibitors' perceptions are different vis-à-vis same factors.
The hypothesis was fully confirmed. Any given fair is evaluated differently by the exhibitors and the visitors, who also have different perceptions of the special discounts offered at the exhibitions.

4. NEW AND NOVEL RESULTS

In line with the research aims, the new and novel result of the dissertation can be summarized in the following points:

1. The average visitor's profile (including socio-economic background) was established for each fair.
2. The average exhibitor's profile (including goals of participation) was established for each fair.
3. The results also show that the instruments most commonly used at fairs to attract customers were brochures, the presence of professional dealers and giving free advice. As for the perceived economic efficiency of exhibitions, the majority of the exhibitors thought that the investment incurred by the costs of an exhibition would only return profit on the long run.
4. The individual fairs' radius of attraction in terms of visitors and exhibitors was also explored. The analysis of variance showed significant differences between the various exhibitions.
5. Attendee and exhibitor groups were identified in the course of a two-step clustering method, both of which incorporated 14 variables. The attendee clustering resulted in two groups, which were named **Laymen** and **Farmers**, these correspond to the term "Potential Buyer" used in the initial logical model. The exhibitor clustering also resulted in two clusters, which were named **"Minor Companies"** and **"Major Companies"**. The logical model assumed a homogenous exhibitor group with several distinct objectives. This assumption, however, was disproved, because the number of visitor groups was lower than projected and the exhibitor side, which was presumed to be homogenous, turned out to be fragmented.
6. The individual fairs were compared according to their attendee and exhibitor segments. The fairs show significant differences in terms of the attendees' segments, however, there is no significant variation with respect to the exhibitors' segments.
7. The description of perception differences, i.e. the extent to which the same factors are perceived differently by attendees and by exhibitors resulted in the observation that satisfaction levels vary by fairs as well as by stakeholders at particular fairs. What this implies is that through better communication, exhibitors could raise the efficiency of sales operations.

5. PRACTICAL ASPECTS OF THE RESULTS

The results of the dissertation have practical implications with respect to the different stakeholder groups. The initial model separated the interested parties into three main groups: organizers, exhibitors and visitors (often called attendees). The organizers were not targeted in the course of the research, but the results are interesting and useful for them also.

The most important piece of information for the **organizers** is concerning the entertainment wishes of the visitors. Entertainment was rated as a secondary objective even by visitors whose primary goal was to make business contracts. In addition, based on international trends rather than the results of the present research, it seems advisable that the organizers of various exhibitions also arrange supplementary events, such as conferences, which raise the professional level of the whole exhibition, and thus open the gate for cooperation with the academic sector.

Exhibitors should also take the visitors' entertainment wishes into consideration, but what is more relevant for them is the finding that there are two segments of visitors, each with different priorities. This finding underlines the importance of contacting the visitors, and the need to train the salesforce to be able to differentiate between two target groups: that of Farmers and of Laymen. Special attention must be paid to ways of making special expo-discounts more conspicuous, since this has not been emphasized enough so far.

Some of the tangible suggestions for the exhibitors include the following:

1. *They should consider giving potential customers free tickets to the events.*

   By this measure the number of customers who visit a particular fair can be increased and, at the same time, exhibitors can ensure that their company's booth will be visited by those who have received free tickets. Such pre-marketing activities involve relatively low costs compared to the overall costs of participating in the fair, but can be very effective in generating business.

2. *Exhibitors should communicate special in-fair discounts to customers more efficiently.*

   If the exhibitor has prepared a special discount for the exhibition period, this should be clearly communicated to customers, since, as my findings show, the perception of discounts by the visitors does not match the level of discounts reported by the exhibitors.

3. *They should use more exhibition-specific modes of communication.*

   The customer-attracting instruments that are characteristic of expos are not efficiently used at agricultural fairs. For more successful participation more show-like elements should be introduced.

4. *Exhibitors should create databases about the visitors.*

   More than one third of the exhibitors fail to collect data about visitors, even though this could be a good basis for further sales.

For the visitors it is the information about special discounts offered only at fairs that can be attractive. For this group the following tangible suggestions can be made:

1. *Availing themselves of special discounts.*

   The level of special discounts offered at fairs usually exceeds regular discount levels, thus an opportunity presents itself to make a good business deal.

2. *Representing their buyer-status.*

   Visitors should make their goals clear: visitors who are in the phase of gathering information or preparing for the buying process do not want to waste time on receiving detailed technical information, unlike well-prepared customers, who are ready to make a purchase and who specifically ask for such information. The laymen are, for the most part, satisfied if they receive flyers, or image-enhancing brochures.

3. *Creating a visiting-plan, with a clear list of priorities.*

   The size of recent exhibitions is often out of proportion with the amount of information that can be processed / digested during a one-day visit. This forces visitors to create a well-prepared visiting plan, which consist of the main priorities of the visit, so that important activities are not subordinated to entertainment.

4. *Making pre-contacts with the exhibitors.*

   If potential buyers pre-register with their partner who is exhibiting at a fair, the costs of entrance tickets can be saved, and the previously mentioned visiting plan can be set up easier.

In addition to the above mentioned results, the dissertation also prepares the ground for the creation of a mathematical model that determines the economic value of each fair by calculating such factors as its radius of attraction, visitation figures, number of business transactions made, etc.

6. LIST OF PUBLICATIONS IN RELATED FIELDS

Papers published in refereed international scientific periodicals:

- **Marketing: The Basics. Written by David and Goliath?** Book review. In.: European Journal of Marketing. Vol 43. 2009. 5/6. pp. 863-865.

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- **Economic Effectivity of Fairs – KAVA Model Testing On Agricultural Exhibitions.** In.: APSTRACT 2009. Vol. 3. No. 5-6. (Co-author: László Kárpáti) pp. 115-122
- **New Interpretation of a Traditional Marketing Event: Evaluation of Fair's Economic Role** In.: BGF Szakmai Füzetek 28. 2010. BGF KKK. pp. 102-111. (Co-author: László Kárpáti)

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- **Economic Value of Agribusiness and Food Exhibitions in Eastern Europe.** In.: 2010 International Conference on e-Education, e-Business, e-Management and e-Learning Sanya, China. 22-24 January 2010. pp. 527-531. (Co-authors: László Kárpáti, András Nábrádi.)

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- **KAVA Model Testing On Agricultural Exhibitions.** In.: AVA 4. International Congress on Aspects and Visions of Applied Economics and Informatics. 26-27th March, 2009. University of Debrecen. Debrecen. (CD) pp. 1-9.
- **Evaluation of Economics of Trade Fairs.** 40 év a Kereskedelmi Oktatás Fejlesztéséért Konferencia, Conference Proceedings, BGF Budapest, April 20. 2009. p. 165-178. (Co-author: László Kárpáti)
- **New interpretation of a traditional marketing event: evaluation of fairs' economic role.** In.: Magyar Tudomány Napja Konferencia. Budapesti Gazdasági Főiskola. Budapest. p. 50, 7th November 2009 (Co-author: László Kárpáti) (CD) pp. 1-15

Papers written in Hungarian, published in refereed Hungarian scientific conference proceedings:

- **The evaluation of agricultural fairs from the perspective of visitors. (Mezőgazdasági kiállítások értékelése a látogatók szemszögéből.)** In XLVIII. Georgikon Napok, Keszthely, September 21-22, 2006. (CD), (Co-author: László Kárpáti, Zsolt Csapó) pp. 1-6.
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Papers published in non-refereed conference proceedings:

- **The evaluation of the role of exhibitions in the marketing-mix of Hungarian agricultural machinery trading companies. (A kiállítások szerepének értékelése a magyar mezőgépkereskedők marketing-mixében.)** In.: Marketing Oktatók Klubjának Konferenciája, Budapesti Műszaki és Gazdaságtudományi Egyetem, Budapest, August 24-25. 2006 (CD) (Co-author: László Kárpáti, Zsolt Csapó) pp. 1-15.

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- **Expectations in Connection with Agribusiness Exhibitions in Eastern Hungary** – In. 2nd Central East European Exhibition Forum (Workshop on Fair Education), Brno, February 22-23th 2004. (Co-author: László Kárpáti) (CD) pp. 1-15.