

PLANNING BUSINESS PROCESS OF INTERNATIONAL EXHIBITION ACTIVITY IN FACTORY UNITS

© 2009 T.A. Chertykovzeva, E.V. Volkodavova*

Keywords: international industrial exhibition, strategy of international exhibition, time-limit of international exhibition, planning, efficiency, enterprise-exhibitor, strategic aims, business process.

In the article the issues concerning the disclosure of theoretical and methodical basis of business process of international exhibition activity in the factory units are examined; classification of industrial exhibitions and their criteria are assumed. Time-limit, which permits Russian factory units to implement effective international and export marketing activities, is also viewed.

It is a well-known fact that nowadays there is no effective and sufficient use of potential in the international exhibition activity in export practice of Russian enterprises, not only owing to financial problems, but owing to the lack of work experience on contemporary international exhibition market; domestic methodical materials are the basis for the instrument of international exhibition activity of factory units, incorrect methodical approach to its management.

The peculiarity of contemporary exhibition activity is the following. One factory needs a strategic program to present their positions on high-status

international exhibition during several years. According to statistics, about 85% of European enterprises-exhibitors perform within the limits from 3 to 8 years. Only in this case the highest possible efficiency in the international exhibition activity is achieved.

Hence it is worthwhile to make a classification of international industrial exhibitions, which will let to plan the prospective efficiency of participation in the international exhibition, depending on the target aims of participation, and also to form a long-term (non less then 5 months) time-plan of participation a factory unit in the international exhibition activity.

Table 1

Classification of industrial exhibitions taking into account the priority of solving problems in achievement a goal of trendy, economic efficiency of participation

Efficiency (100 %)	Trendy	Economic long-term	Economic current
1. Industrial exhibition International event with a political tendency; takes a lot of government delegations. The place of concluding contracts, grand intergovernmental economic projects	70%	30%	0%
2. Industrial project International event, determinative the tendencies of development in industrial spheres, priory technologies, standards. The place of concluding contracts on the grand international industrial projects	50%	50%	0%
3. Multi-industry exhibition International exhibition, providing opportunities of increasing export and import operations	30%	70%	0%
4. Highly specialized exhibition International exhibition, providing opportunities of increasing export and import operations	30%	70%	0%
5. Trade exhibition International event with a political tendency, which aim is internationalization of small and medium business	40% (for small enterprises)	30%	30%
6. Industrial exhibition/trade fair International exhibition, providing the right of sale industrial product	25%	25%	50%

* Tatiana .A. Chertykovzeva, post-graduate student of Samara State University of Economics; Elena V. Volkodavova, Doctor of Economics, Professor of Samara State University of Economics. E-mail: ekonomp@rambler.

Table 2

Enterprise	Capacity of resources of administrative state support	Capacity of resources of financial state support	Availability of participation according to price	Direct salability	Availability of competitive programs
Industrial exhibition					
<i>Large-scale</i>	12 points	4 points	12 points	0 points	12 points
<i>Medium</i>	12 points	0 points	4 points	0 points	6 points
<i>Small</i>	12 points	0 points	0 points	0 points	6 points
Industrial project					
<i>Large-scale</i>	12 points	4 points	12 points	0 points	12 points
<i>Medium</i>	12 points	4 points	5 points	0 points	10 points
<i>Small</i>	12 points	0 points	0 points	0 points	10 points
Multi-industry exhibition					
<i>Large-scale</i>	6 points	4 points	12 points	0 points	5 points
<i>Medium</i>	6 points	4 points	8 points	0 points	5 points
<i>Small</i>	6 points	0 points	0 points	0 points	5 points
Highly specialized exhibition					
<i>Large-scale</i>	0 points	0 points	12 points	0 points	12 points
<i>Medium</i>	0 points	0 points	10 points	0 points	12 points
<i>Small</i>	0 points	0 points	6 points	0 points	12 points
Trade exhibition					
<i>Large-scale</i>	0 points	0 points	12 points	0 points	0 points
<i>Medium</i>	12 points	5 points	12 points	6 points	12 points
<i>Small</i>	12 points	6 points	6 points	12 points	12 points
Industrial exhibition/trade fair					
<i>Large-scale</i>	0 points	0 points	12 points	0 points	0 points
<i>Medium</i>	12 points	5 points	12 points	6 points	12 points
<i>Small</i>	12 points	6 points	6 points	12 points	12 points

Table 3

Criterion	Points
1. International prestige of exhibition in this or that industrial sphere, its rating	6 points
2. Membership (co-founders and organizers)	5 points
3. Government support or national business unions	6 points
4. Geographic "sphere of influence" of exhibition (preferably participation of representatives not less than 20-30 countries)	5 points
5. Organizing size (exhibition-conference, exhibition-saloon, congress, forum etc.)	8 points
6. Audience value. The quantity and value of visitors	7 points
7. Stuff and quality of exhibitions	7 points
8. The status of exhibition in the International Union of trades and exhibitions	5 points
9. Mark of exhibition arrangement in national and international Mass Media	5 points
10. The dates of existence of exhibition as an international exhibition, its dynamics	8 points
11. Existence of exhibition export in other countries	5 points
12. Creation of the methods of progressing the exhibition by its organizers; approach to "management of managers"	9 points
13. Medium number during 3-5 years	8 points
14. Audience structure	10 points
15. The efficiency of marketing and international advertising of exhibition (approach to create a base of distribution, principles of organizing PR-company)	7 points
16. Quality mark and mark of technical data of exhibition centre as the place of arranging the international exhibition	7 points
17. Coordination of dates according to plans of potential exhibition and general schedule of the arrangements of international exhibition	5 points

Undoubtedly, the choice of industrial exhibition depends on the potential of industrial unit. The authors offer to accomplish this stage of choice, using the pointed scale (12 points).

Thus, defining the required kinds of industrial exhibition, the industrial unit has a possibility to implement the selection of exhibiting arrangements, leaning on the following criterion.

Systematic approach and long-term planning of international exhibition activity relieve financial planning and planning of renewable resources (including brand, staff and exhibition equipment), provide a possibility to avoid specific risks of inefficient international activity.

The main resource of management risks of the international exhibition activity of industrial unit can be unified time-limit of planning its business process, which would include the following stages:

1. Stage of arrangement of strategic aims, meeting the interests of FEA;

2. Stage of forming competitive list of industrial exhibitions of international class and choice of 2-4 international exhibitions to include them in exhibition's schedule, according to criteria of efficiency of participation in the international exhibition;

3. Stage of designation technical targets of participation in every project of the schedule;

4. Stage of forming perspective long-term plan of participation of industrial unit in selected international industrial exhibitions with designation a size of participation; with forming dates of performance, responsible performers, criteria of image, marketing and commercial efficiency of participation;

5. Stage of planning financial, economic potential, forming performance reporting;

6. Stage of developing technical time-limit, according to the implementation of each stage of participation in every exhibition.

The application of the works of authorships and methodic approaches will let the industrial units implement more efficiently the international exhibition activity in the sphere of global market.

Volkodavova E.V., Chertykovzeva T.A. About evaluating the efficiency of business communication between countries // Chamber of commerce and industry. Samara, 2002. № 6. С. 3-5.

² <http://www.transfair-online.de>.

³ *Chertykovzeva T.A.* International exhibition activity as an instrument of government protectionism // The problems of enterprise development: theory and practice: Materials of the 7th scientific and practical conference. Samara, 2008.

Received for publication on 20.08.2009