



**Market Survey**

# **Trade Fairs and internationalization of SMEs**



**Market Survey was created and conducted by CBBS – Management  
Consulting & Business Building Company Ltd (Zagreb)**

**Zagreb, September 2012**

## Market Survey

### “Trade Fairs and internationalization of SMEs”

#### Introduction

##### **Trade fairs and SMEs in Europe – co operation for the competitive and successful entrepreneurship**

Small enterprises are the backbone of the European economy and must be considered as a main driver for innovation, employment as well as social and local integration in Europe. There are almost 25 million SMEs today in Europe (28 countries of the European Economic Area plus candidate countries to the European Union) and more than 90 per cent are micro businesses with fewer than 10 employees.

SMEs employ more than 53 per cent of Europe's workforce (around 95 million people) and are responsible for half of Europe's total turnover.

In parallel with the development of home and foreign markets, trade fairs as marketing and communications platforms are expected to remain an instrument of marketing promotion, development of technologies and a strong exchange of knowledge, information and innovation. They are a link to global markets and latest industry trends. By working together, the trade fair industry and SME's can better explore and use all benefits SME's can get from trade fairs.

It is estimation that only 5 – 7 % of those 25 million SMEs in Europe are exhibiting today and there is a huge potential for the trade fair industry to attract SMEs to become more involved in trade fairs, events and other matchmaking activities.

The reasons why trade fairs are an important place and tool for the development of the small and middle - sized businesses:

- Conquering and entering new, especially foreign markets, establishing of international business cooperation - joint ventures, partnerships and other ways of cooperation. Establishing new business networks and contacts.
- Increasing innovation and research development of the company through following the trends in the branch, testing and launching of new products, strengthening of own brands and images.
- Benchmarking through meetings with the competition and measuring of own competitiveness.
- Trade fairs can increase the competitiveness of SMEs helping with creating neutral business start-up places where SMEs can be equal to other starters, also they can be easily able to sum up the market situation.

## CBBS - initiatives towards SMEs and Trade Fair industry

CBBS – Management Consulting & Business Building Company Ltd (CBBS), [www.cbbs.hr](http://www.cbbs.hr), seated in Zagreb, Croatia, is management consulting and lobbying company, with long tradition and experience in the trade fair industry, focused on the international partnerships, new business developments and EU Affairs.

CBBS and its CEO, Berislav Čižmek, is working on the topic of SMEs in Europe (small and medium size companies) and Trade Fair Industry since 2007 when we organized together with CEFA (Central European Fair Alliance) and Local Global from Stuttgart, European SME Challenge in Munich, round table about the importance of the trade fairs for the development, promotion and internationalization of SMEs in Europe.



European SME Challenge, Munich, March 2007

This project was followed by the reports and presentations about SMEs to the international trade fair community (UFI European Chapter meeting in Istanbul, 2007, UFI European Day in Brussels, 2009).

In July 2011, Trade Fair Industry associations and stakeholders from Central & SE Europe; CEFA - Central European Trade Fair Alliance, Vienna, [www.cefa.biz](http://www.cefa.biz), CENTREX - International Exhibition Statistics Union, Budapest [www.centrexstat.org](http://www.centrexstat.org), and CBBS – Management Consulting & Business Building Company Ltd, [www.cbbs.hr](http://www.cbbs.hr), Zagreb, participated in the public consultation of European Commission, DG Enterprise and Industry: **“Small Business, Big World - A new partnership to help SMEs seize global opportunities”** and offered trade fairs, exhibitions, events, conferences and matchmaking opportunities as ideal platform for the new developments and growth of European SMEs in Europe and world wide.

More information about CBBS and its SMEs related activities at: <http://cbbs.hr/cbbs-eu-news/new-initiative-for-smes-in-europe>.

## Market Survey “Trade Fairs and internationalization of SMEs”

### About Market Survey

Market Survey on internationalization of SMEs in Europe was launched and conducted by CBBS in June/July 2012. As CBBS is also an SME, i.e. micro company, we created and launched our Market Survey on portal SurveyMonkey (<http://www.surveymonkey.com>), that proved to be an excellent marketing online tool to collect and get quick feedback from your customers, clients or followers.

We invited some 350 top professionals from trade fair and media business, representatives of the different trade fair and SME associations, chambers and SME sector to take part in survey. Some 60 – 70 % of invited participants to take part in this market survey were our LinkedIn connections and followers.

Finally, 55 trade fair, media and SME professionals from 20 countries world wide, took part in the survey and helped us in gathering information and answers about the importance of the trade fairs for SMEs, related to the internationalization and entering new markets.



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## Market Survey – results and conclusions

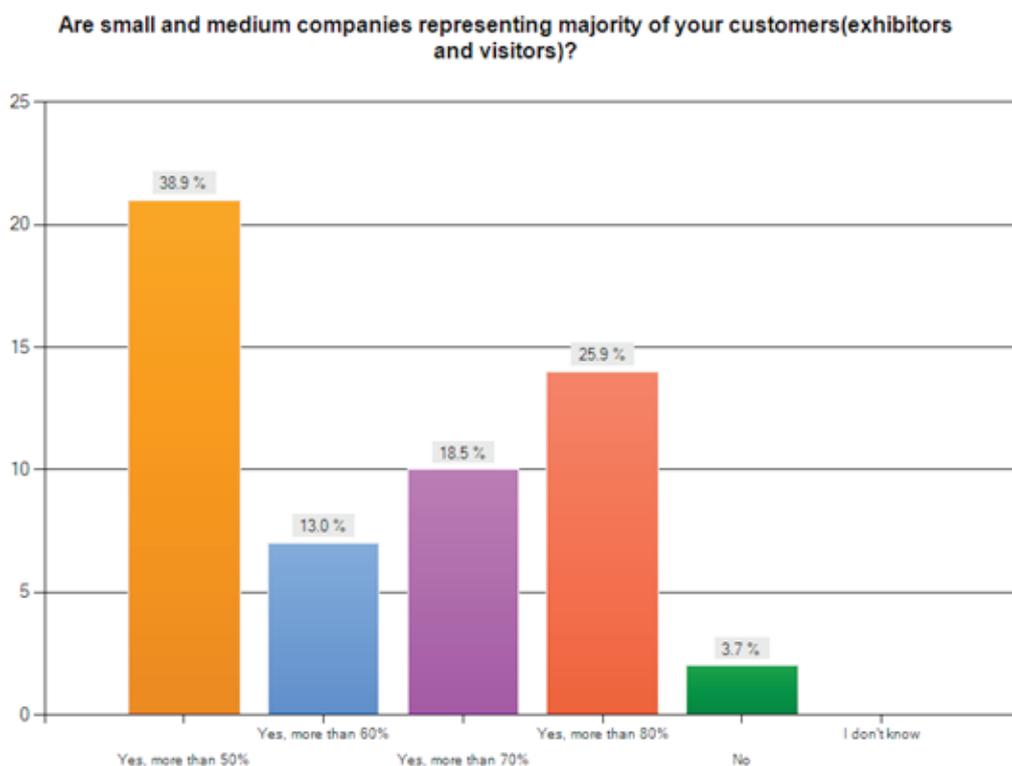
Market survey “Trade Fairs and internationalization of SMEs” has brought following results and conclusions:

### Conclusion 1

#### SMEs are very important customers for the trade fair industry.

Trade fairs are very important marketing, networking and learning tool for SMEs, i.e. SMEs are representing the majority of exhibitors and visitors taking part in the different events of the trade fair industry today.

According to the survey **44 % of the trade fairs** have more than **70 % of SME as exhibitors and visitors** in their trade fairs or even more important is the finding that SMEs are representing more than 50% of total number of exhibitors and visitors in almost every trade fair (97% of the trade fairs).

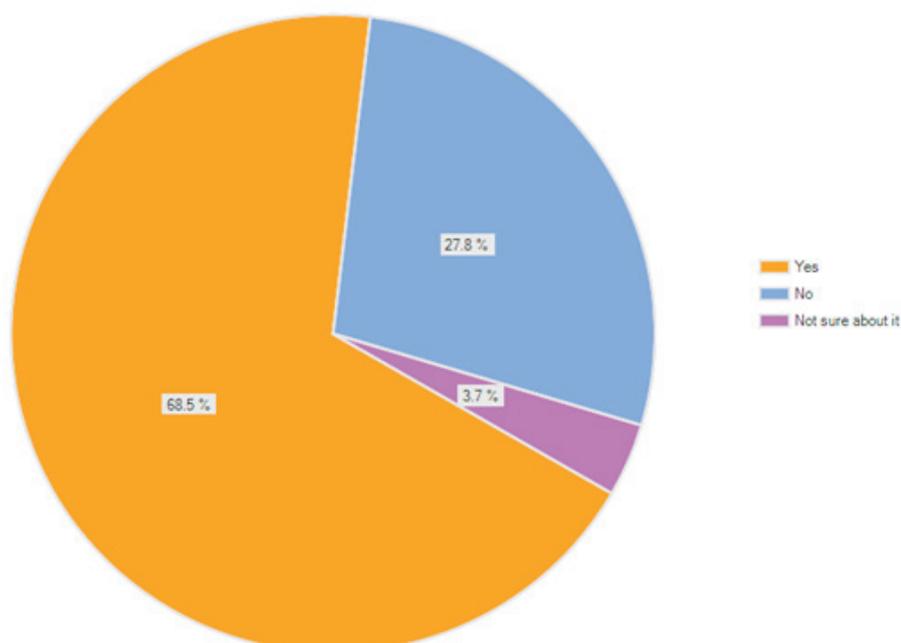


## Conclusion 2

### Trade fairs are developing special services and programmes to meet the needs of SMEs.

Trade fair industry developed special services and offers adjusted to the needs of small and medium size customers in events they organize. Almost 70% of the trade fair organizers developed services and offers matching specific needs of SMEs.

Are you offering any special services and/or support to SMEs in your events/venue?

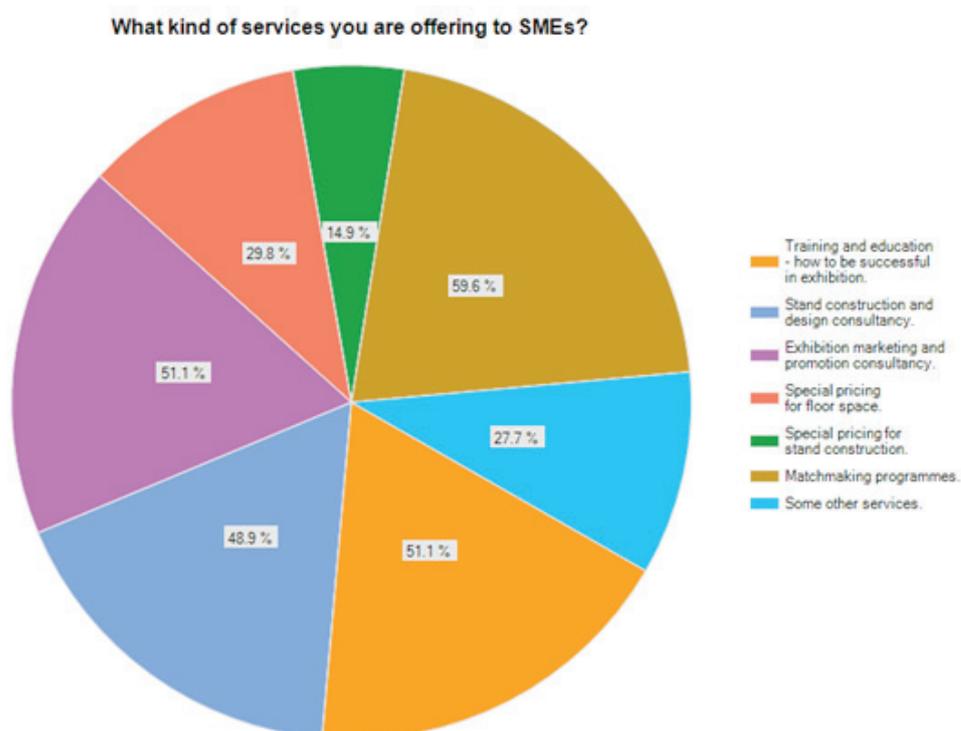


### Conclusion 3

#### There are different services developed and adjusted to the needs of SMEs.

Trade fairs are developing and creating different services and programmes to support SMEs to be more successful as exhibitors and visitors in the trade fairs world wide. The most popular and most common services developed for SMEs are:

1. **Matchmaking programmes.**
2. **Training and education seminars for SMEs – “How to be successful in the exhibitions”.**
3. **Presentation, marketing and PR activities** - support and consultancy of SMEs on the topics like: marketing, promotion, communication, presentation in trade fairs.
4. **Stand construction** - support for SMEs with the stand design and stand construction, special pricing for stand construction for SMEs, especially for the national pavillions or group stands.

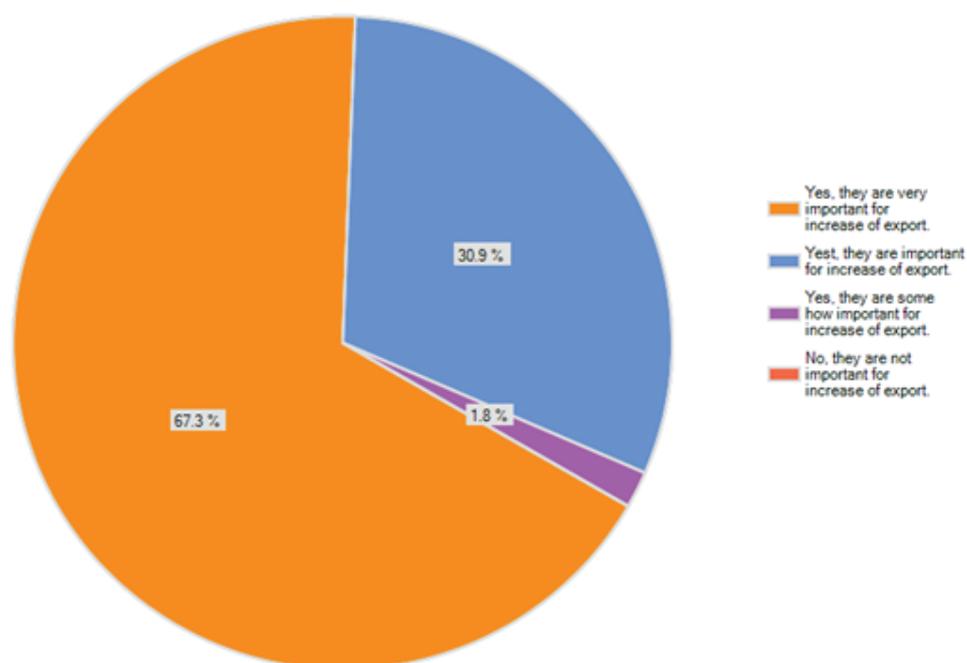


## Conclusion 4

### Importance of trade fairs for export oriented companies.

Trade fairs, conferences and matchmaking events are very important to support export oriented companies entering new international markets.

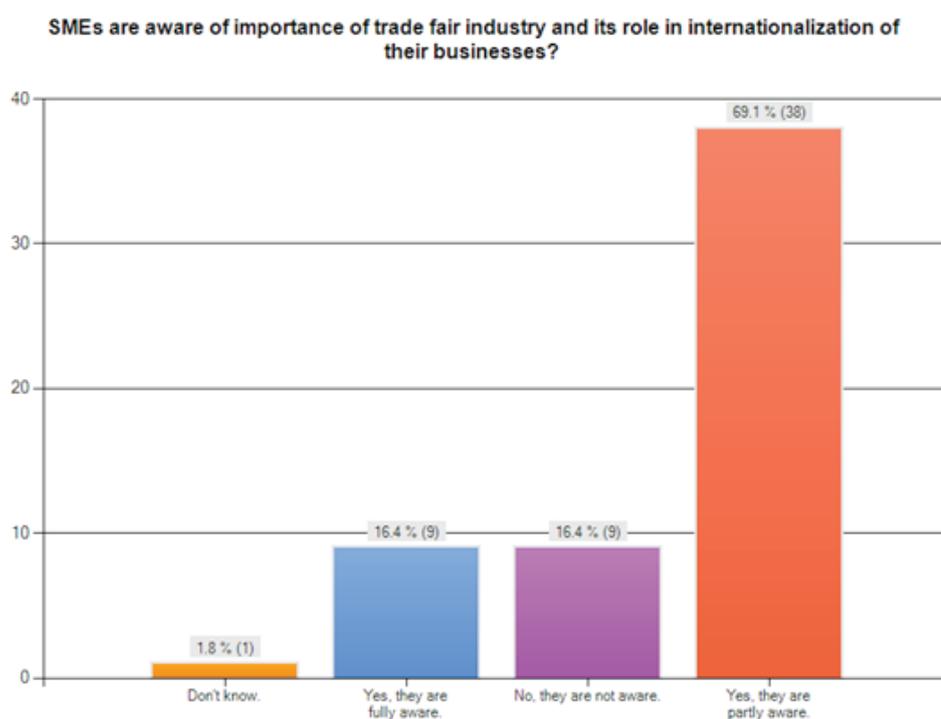
Do you agree that trade fairs, conferences and matchmaking events are very important to support export oriented companies entering new international markets..



## Conclusion 5

### **SMEs are aware of importance of the trade fair industry for the internationalization and entering new markets.**

More than 80% of participants in market survey believe that SMEs are recognizing trade fairs, events and conferences as important marketing and networking tool for entering new international markets.



## Conclusion 6

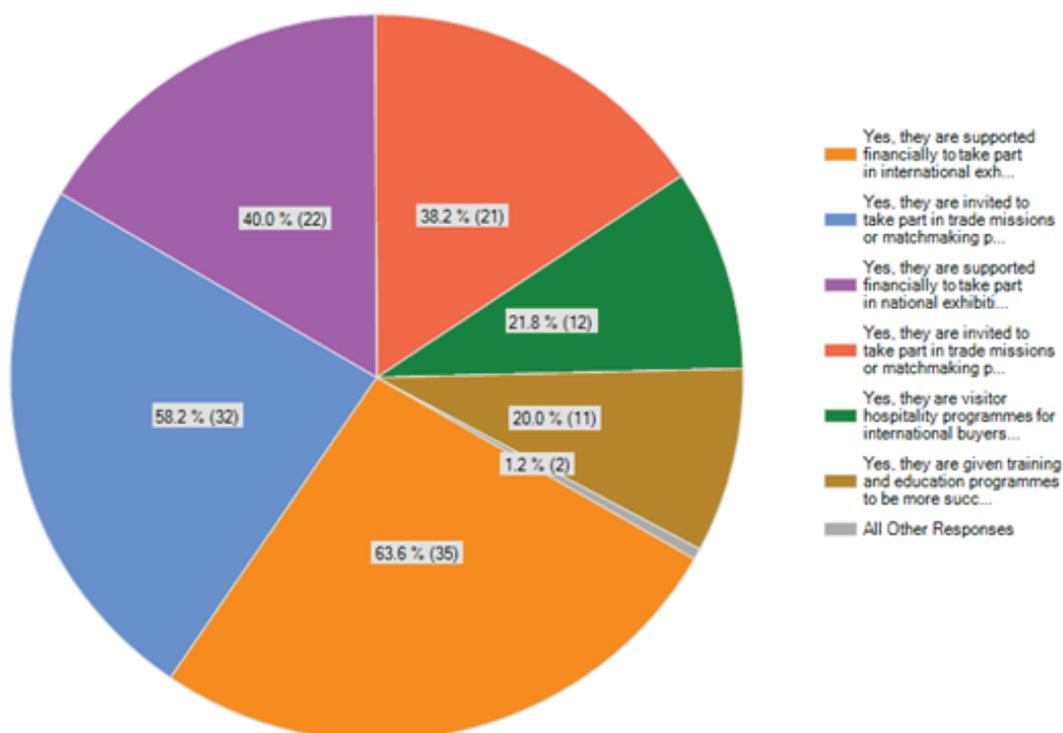
### **SMEs are supported by governments, chambers and other institutions to participate in international trade fairs.**

SMEs are given different kind of support in the better access to the markets, especially in entering new, international markets.

There are different ways of support for SMEs:

1. Financial support for SMEs to take part in international and national exhibitions.
2. Training and education programmes – “How to be more successful in exhibitions”.
3. Participation in trade missions or matchmaking programmes in national and international exhibitions.
4. Hospitality visitor programmes for international buyers visiting national exhibitions and meeting SMEs in home country.

**Are SMEs in your country supported by government and/or other institutions to participate in exhibitions?**



## Conclusion 7

### Trade Fair Industry and SMEs are partners.

Trade Fair Industry and SMEs are partners and working together can better explore and use all the benefits SMEs can get from trade fairs by visiting and exhibiting at trade fairs.

The trade fairs are an important place and tool for the development of the small and middle - sized businesses and should be considered as an important tool, platform and support for the future growth, development and internationalization of European SMEs, in the different markets in Europe and world wide.

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