Analyzing the effects of Business Network Partners for Successful Participation in Trade Shows
(A case study on Beauty World Trade Show 2009, Frankfurt Germany)

Master's Thesis in International Marketing Program ‘08

Author
Kashif Tufail

Supervisor
Gabriel Awuah

Master Programme in International Marketing
School of Business and Engineering
Halmstad University
Sweden
Acknowledgement

It was a great challenge to work on this thesis but the results and rewards are more than what was expected in return. Working on this thesis has been a challenge but it was an informative process and I learnt many new and important concepts while conducting and writing my thesis. I have tried my best to complete this given task in the limited time available.

It would not have been possible to complete this without effective supervision of supervisor Gabriel Awuah, Program coordinator Joakim Tell, Program Director Svante Anderson, colleagues, friends and family. I would like to pay my gratitude to all of them for their best wishes.

First and foremost I would like to express my deepest thanks to my supervisor, Prof. Gabriel Awuah, who devoted lot of his precious time for supervision. I have not doubt that he was, at the same time, also supervising many other masters’ theses, but his continuous support enabled me to accomplish this task smoothly. His advice and directions solved many problems which could have not been answered easily.

I wish to pay my best wishes to all respected teachers at the School of Business & Engineering for their valuable advice and support during the dissertation.

Finally, I would like to thank the Management of Beauty World Trade show, and Pakistani companies who provided me everything that was needed to complete this complex task.

My sincerest thanks also go to the interviewed personnel for their clear and trustworthy answers for the information provided on the questionnaires.

__________________ May, 2009
Kashif Tufail
Abstract

This thesis is an effort to analyze the importance of business network partners for successful participation in trade shows for small firms to grow more in international markets. This study would be helpful to demonstrate the value of trade shows. Trade shows provide the opportunities to introduce new products, expand network connection, and enhancing firm’s corporate image. To participate in any trade show may be a very lucrative process, but there are many challenges and tasks which are to be met to get the maximum share of international market.

To analyse the effectiveness of business network for successful participation in trade shows, I have included one case study of trade shows, named Beauty World 2009, held at Frankfurt Germany. In this show, among the firms from all over the world, 16 small companies manufacturing beauty instruments, companies from my home city, namely Sialkot, Pakistan, also participated. Their experiences, participation, views and observation will also be used to analyze the importance of trade show for creating new business networks through this show.

This research indicates the effectiveness of network member providing support to small and growing firms for successful participation in trade shows. With the help of these network members, trade shows can be used as exclusive platforms to introduce new firms, as well as products, to potential consumers. In general, we can indicate that existing network partners, if mobilized accordingly, have the ability to reduce the overall cost incurred at trade shows.

Keywords:
Trade Shows, Business Networking, Internationalization Process, Small businesses, International Business, Network theory, Shared Resources
# Table of Contents

1 **Introduction:** ............................................................................................................................................... 1  
   1.1 Background: ........................................................................................................................................... 1  
   1.2 Research Purpose: ................................................................................................................................. 3  
   1.3 Research Question ................................................................................................................................. 3  
   1.4 Limitation: ............................................................................................................................................ 4  

2 **Theoretical Frames Of Reference:** .......................................................................................................... 4  
   2.1 Earlier Research: ................................................................................................................................. 4  
   2.2 Conceptual Framework: ....................................................................................................................... 6  
   2.2.1 Network Theory: ............................................................................................................................. 6  
      2.2.1.1 Network Categories .................................................................................................................. 7  
   2.2.2 Network Theory & Trade Shows...................................................................................................... 10  

3 **Research Methodology:** ......................................................................................................................... 13  
   3.1 Research Approach: ............................................................................................................................. 13  
   3.2 Research Framing: ............................................................................................................................... 15  
   3.3 Selection of Companies: ...................................................................................................................... 15  
   3.4 Data Collection: ................................................................................................................................. 16  
      3.4.1 Primary Data: ............................................................................................................................... 16  
      3.4.2 Secondary Data: ........................................................................................................................... 17  
   3.5 Research Scope or Criteria: ................................................................................................................. 17  
      3.5.1 Reliability & Validity: ................................................................................................................... 17  

4 **Empirical Data:** ....................................................................................................................................... 19  
   4.1 External Organizations: ....................................................................................................................... 19  
   4.1.2 The Messe Frankfurt Groups: ........................................................................................................ 19  
      4.1.2.2 The Messe Frankfurt Effects as Organizer .............................................................................. 20  
   4.1.3 Sialkot Chamber of Commerce: ...................................................................................................... 21  
      4.1.3.1 Affiliation: ............................................................................................................................... 21  
      4.1.3.2 Aim & Objectives: ................................................................................................................... 21  
      4.1.3.3 SCCI & Foreign Trade Show Participation: ........................................................................... 22  
   4.2 Selected Companies: ............................................................................................................................ 22  
      4.2.1 Afzal Saeed Manufacturing Corporation: .................................................................................... 22
4.2.1.1 Interview Results: ..................................................23
4.2.2 Farico Enterprises (pvt) Ltd: ..................................................25
  4.2.2.1 Interview Results: ..................................................26
4.2.3 Sante International (pvt) Ltd: ..................................................28
  4.2.3.1 Interview Results: ..................................................28

5. Empirical Data Analysis.................................................................29
  5.1 Analysis Afzal Saeed Manufacturing Corporation (pvt) Ltd: ............29
  5.2 Analysis Farico Enterprises (pvt) Ltd: ........................................31
  5.3 Analysis Sante International (pvt) Ltd: .......................................32

6. Conclusion: ..................................................................................33
  6.1 Further Research: .................................................................34

7. References: ..................................................................................35

List of Tables
Table 1: Qualitative v/s Quantitative Research Methods.................................14
Table 2: Qualitative Research Method and Its Relevance to this study.................14

List of Figures:
Figure 1: Network Theory Approach to Internationalization (1988) ..................8
Figure 2: Network Model Factors: .....................................................9

Appendix 1: Telephonic Interview guide
Interview Guide for Interviews..........................................................41
Interview Questions.................................................................41

Abbreviation:
SCCI………Sialkot Chamber of Commerce & Industry
PIA………..Pakistan International Airline
CBI………..Centre for Promotion of Import from Developing Countries
(Pvt) Ltd ….Private Limited Company (Shares not listed in any Stock Exchange)
1. Introduction

In this section, the background, research purpose and research question of this study will be presented. These all will be followed by the limitations and structure of this research.

1.1 Background

Trade shows, trade fairs or trade exhibitions may vary in their names, but the basic function of all these events is the same. A trade show is an event that brings the manufacturers of products, suppliers, distributors, potential customers, and all those related service providers who manage to set up the exhibition of their products under one roof, in a given period of time and at a specific location or venue.

Trade shows have increasingly been considered as effective product promotional events. Trade shows have also constituted a multi-billion dollar business all over the world (Dekimpe, Francois, Gopalakrishna, Lilien & Bulte, 1997)

The significance and importance of trade shows have been increasingly researched and well documented in international marketing literature. Trade shows are recognized as effective marketing tools that boost the firm’s ability to compete and succeed in the rapidly changing global business environment (Seringhaus & Rosson, 1998)

The usefulness of trade shows is a unique medium for new product introduction, meeting with large numbers of potential customers, suppliers and distributor etc. Trade shows are also considered as a cultural phenomenon enabling them to understanding of different cultures from all over the world under one roof (Ling, 2008)

Trade shows have also been emerging as an important component of a firm’s marketing and selling strategies. In the USA, trade shows are now being allocated the second largest segment for marketing only, one step behind the direct selling segment. The enormous growth in trade shows’ participation has also led the marketers to think about the marketing mix strategies of their companies. The trade shows’ expansion has also increased the pressure for decision-makers to choose best trade show from the available shows. Extensive research on trade shows has been done which mainly focuses on the US perspective (Smith, Hama & Smith, 2003)

Trade shows’ literature also points out that large firm’s participation in trade shows is much greater than that of small firms (Banting & Blenkhorn, 1974)

David, Egan & Wong (1993) found that firms which participate in international trade shows are relatively larger than the firms which participate in national or domestic trade shows.

Trade shows are to be considered as distinctive purchasing or buying occasions from a participant’s point of view (Gopalakrishna & Williams, 1992). Trade show visitor’s perspectives have been taken into consideration as to their buying motives and behaviour.
This was found helpful in improving the exhibitors’ selling methods during the trade shows (Bello, 1992); (Munuera, Hernandez & Ruiz 1996)

Several studies have been done to evaluate the performance and outcome of trade show events. Dekimpe et al 1997 stressed that it is the utmost importance for exhibitors to evaluate the results of a trade show on the basis of ROI (Return On Investment), because trade shows’ participation requires lots of money, time and resources. If the exhibitor fails to evaluate the performance of a trade show, then there may be financial loss if the trade show participated in is repeated (Gopalakrishna et al, 1997)

The above mentioned research discloses that trade shows have been studied and well documented from different points of views, such as from exhibitors, trade visitors and trade shows organizers etc. The importance of the trade shows as effective marketing tools has also been analyzed by scholars. If we analyze in depth, far less has been written about how a small firm can get maximum benefits by participating in trade shows with the help of its networks. The phenomenon of network cooperation effects on trade shows participation, which could be helpful for less resourced firms, has not been taken into consideration.

Banting & Blenkhorn (1974) found that foreign trade shows participation ratio by large firm is quite greater than of small firms. It may indicate that large firms are comfortable participating in foreign trade shows because they have plenty of resources. Financial, human resources and management resources are required to participate in any trade shows. Especially when a firm is planning to participate in a foreign trade show, it needs to gather maximum resources to participate successfully.

In this scenario, we can imagine that if business networks have been mobilized, the firm can overcome the problem of fewer resources. The resources held by network members can be shared and used to gain the maximum from trade shows. 

Usually, the trade shows are held for limited period of time. In most of the cases, trade shows usually last for 2 to 3 days. The location and environment of trade shows may not allow a firm to participate if it has to depend solely upon its own resources. In this case, if a firm is able to mobilize its network members to provide assistance, the outcomes of attending trade show participation can be outstanding.

Fewer resources may be considered as an importance factor which prevents small firms from a less developed or undeveloped country to participate in trade shows. But the problem of fewer resources may be eliminated if these small firms are able to use resources held by its network members.

In this study, the effectiveness of network members for successful participation in trade shows will be analysed. The well mobilized network member resources can provide matchless assistance to firms to participate in trade show by keeping their expenditure at a minimum.
1.2 Research Purpose

The Above mentioned discussion shows that lots of studies about trade shows have already been conducted to establish the importance of trade shows. We can understand that, by participating in trade shows, a firm can accelerate its international market operations.

Resources such as financial, human and management are recognized as being important factors to participate in any trade shows. Far less has been written for small firms, especially from less developed or undeveloped countries, which lack in these resources. Fewer resources may be considered as a factor that prevents the small firms from a lesser, or under-developed, country to participate in trade shows. It would be valuable to find out how the problems of fewer resources can be eliminated, to enable these firms to participate in trade shows to gain their shares of foreign market.

Further more, less attention has been given to analyzing the effectiveness of the business networks in connection to the successful participation in trade shows by any member of a business network. A firm participating in a trade show abroad may face many obstacles due to fewer resources being available in that country, the foreign atmosphere, having less time to manage everything at the trade show and so on.

This study is being carried out with the purpose to analyse the role of network members for a firm’s successful participation in trade shows. The effectively mobilized network member resources can provide matchless assistance to firms to participate in trade shows by keeping the expenditure at minimum level.

1.3 Research Question

The research questions for this study have been formulated as follow

How can a firm successfully participate in a trade show with the help of business network members?

1.4 Delimitations

Thousands of trade shows are held all over the world throughout the year. Trade shows can be classified according to their nature, such as industry specific trade shows, product focused trade shows etc. The limitation of this is that it has been done by researching the small industry which is concerned with the manufacture of surgical and beauty instruments and these firms are situated in my home city Sialkot, Pakistan. The firms were selected as these can easily be contacted and interviewed. I already knew that many Sialkot firms participate in this Beauty World Trade Show held at Frankfurt Germany each year. The results and findings of this study may have limited effects, as it appears to apply solely for this industry and its products. In this study, the concentration
has been given to business networks, trade shows and their mutual effect on participation in trade shows. These selected companies are among of those who participated in the Beauty World 2009 Trade Show held at Frankfurt Germany earlier this year. The selected companies are usually equipped with fewer resources, and are dependent on their network partner, regardless of their locations.

2. Theoretical Frame of References

In this section, the earlier studies and conceptual framework will be presented. The selected theory, and its relevance to the research purpose and the research question, will also be described. The selected theory will be used as the foundation for data collection and the analysis process.

2.1 Earlier Research

Many scholars have researched trade shows and their importance for small firms. Trade shows provide exclusive opportunities for the rapid growth of firms, which are probably not offered by other marketing promotional tools.

Chetty & Holm (2000) explained how small firms from New Zealand were successfully using their business networks to expand their business activities by participating in exhibitions and trade shows. They indicated that, though New Zealand is a small, approachable economy, and dependent on exporting, it is geographically speaking, located very far away from world’s major markets. They found that New Zealand’s isolated location does not attract many international customers to visit the country for the purpose of making deals to purchase the goods.

But, by paying greater attention to foreign trade shows participation, New Zealand firms were able to introduce their products in foreign markets and expand business networks in all over the world. They concluded that trade shows participations played a significant role in their businesses’ expansions, along with understanding of foreign businesses’ cultures. They also indicated that Trade New Zealand, which is a New Zealand government-funded export promotion organization, encouraged firms to participate in trade shows by offering many facilities. Their research provided insights into the dynamics of networks, and exhibitions participation that provided bases to introduce NZ products in all over the world.

Evers & Knight (2008) analyzed the effectiveness of trade shows for small Irish and New Zealand seafood exporting firms. They found that trade shows played a significant role in the expansion of international business activities for these small firms. They explained that trade shows performed many important functions, including providing a strong platform for product promotion and marketing activities, enhancement of current business networks etc.

They further described that with firms from both countries, the participation in trade show provided a great mechanism by which to build and enhance the business network
and promotion of current products and planning for new products. They indicated that most of the Irish firms were quite successful in creating and developing business networks through participation in trade show. These researchers mentioned that NZ and Irish firms were able to enhance their business relationships, acquire knowledge of foreign markets, industry trends, and competitors. They also gained a better understanding of expansion into new foreign markets and the acquisition of new customer contacts.

They concluded their research by finding that trade shows function as temporary, but effective, events that motivate businesses to learn about foreign market trends, to create and develop business relationship etc.

Foster & Karin (2002) examined the links between Ghana and Finland from the perspective of internationalization and networking by using the trade show approach. They explained that, in international business activities, the firms are involved in different kinds of activities in different business environments, which have totally different values as compared to those from their own backgrounds. They clarify that trade between developed countries is much easier and faster because these developed countries belong to the same international community which shares the same markets, economic and business values. They found that Ghanaian and Finnish businesses are connected by very loose business networks, as there are very low levels of trade activities between these two countries. After conducting the research through the trade show business development approach, they found useful outcomes which explained that trade shows and exhibitions were quite helpful for Ghanaian businessmen to understand the quality required in Finnish markets, distribution channels, agents or the middleman role in markets etc. They found that trade shows and exhibitions made the phenomenon clear that, without understanding the real market needs, it is almost impossible to get into the Finnish market. Moreover, there is great need to establish more business networks with businesses, distributors, current and potential customers etc.

The above earlier research explains how trade shows can be used as platforms for the internationalization of new firms to expand their business operations in those countries where they usually do not have access. The above all research has been carried out to identify trade shows as effective events for business promotion. In this research, the different kinds of industries have been chosen to be analysed from developed countries.

Much less has been written that how a small firm, from a lesser, or under developed, country can participate in trade shows with the cooperation of its network members. Moreover, less research has been carried out which facilitates the participation from developing countries. In all these research, the different kinds of industries have been chosen to be analysed.

In this research, the focus will be on analyzing the effects of business network partners, and how they can facilitate a small firm to participate in a trade show. Small firms from lesser, or underdeveloped, countries are usually characterized as having relatively fewer resources, and are dependent on their business network to grow in foreign markets. In this
proposed study, the beauty instruments industry, which is a relatively labour oriented industry, has been taken into consideration.

2.2 Conceptual Framework

This research will analyze the effectiveness of network members and how they can facilitate a member of their network when they intend to participate in a trade show. To understand the function of network and its relevance to trade shows, the network theory will be used to carry out the study.

The following will be discussed to understand the conceptual framework of this study:

i. Network Theory
ii. Network theory & Trade Shows

2.2.1 Network Theory

Network theory is one of the prominent theories of internationalization of firms; the theory was developed by Johanson and Mattsson in 1988. They expressed their views by defining the internationalization of a firm as a gradual involvement in international activities. They clarified that a firm is partially dependent on the resources of other firms. Usually, small firms are not capable of having full and complete resources at the beginning, so they co-operate and depend upon each other to get more from international markets, and this can only be done by joining an already existing network.

Johanson & Mattsson (1988) explained that, when a firm involves in international activities, the importance and strength increases with the increase in relationship between different members of the business network. In a network, the firm has its relationship with its customers, suppliers, distributor, competitors and government etc. All of these entities are known as “actors” of the network. All these actors are mutually dependent on each other. In a business network, the business activities will materialize in the fields where there is coordination between explicit actors, which can give strong benefits, and the business conditions can be transformed into a favourable situation.

According to Johanson & Mattsson (1988), in a market, all firms need to be embedded in one or more networks by linking their customers, distributors, supplier and other market players.

Johanson & Mattsson (1988) explained that, in network theory, in domestic or international businesses, the firms are engaged in production, distributions and selling of different products and services. These all activities are done with the help of different members of this business process or system. The process or system of providing assistance to carry out different transaction can be described as a network. A network means that the firms are dependent on each other to comply with their basic functions. In a network, each firm has relations with customers, suppliers, distributors and many more.
Network theory stresses that, in networks, all members try to establish, develop and maintain, long lasting relationships with each other. These relationships are significant to all participants in a network. Such relationships are useful for reducing the cost of production and exchange of products; they promote the development of market knowledge for respective parties; they may give some control over each other; they are useful for acting as bridges to other external parties and they can be used against the third parties.

Networks can be defined as a set of two or more firms connected for a business relationship (Emerson, 1981). But it should be noted that the financial benefits are not the only purpose to establish business relationship or networks.

Johanson & Mattsson (1988) explained that internationalization of a firm can be understood as a gradual development from a network relationship with the help of foreign network members.

According to Mitgwe (2006), network acts as a bridge mechanism to link the members that share the same objectives and aims. The network theory emphasis is to bring all involved member closer in order to share all resources, to facilitate customers, suppliers, distributors and other market actors. Network relationships are based on trust, commitment and knowledge etc.

Johanson & Mattsson (1988) indicated that, in foreign markets, firms are set up and develop their position with the help of other actors in this foreign market. Then the local network access is raised to pursue foreign networks

2.2.1.1 Network Categories

Johanson & Mattsson (1988) has explained that there are four types of firms in a network.

i. Early Starter
ii. Lonely International
iii. Late Starter
iv. International Among Others

i. Early Starter is a firm that has very few international relations with foreign market players, such as suppliers and competitors etc. In the absence of extended relations, the early starter has limited knowledge about the foreign markets.

ii. Lonely International can be described as a firm that has got a well established position in a foreign market. With the help of relation, Lonely International is able to get the latest information about foreign markets. This firm can play an important role between foreign and domestic market actors.

iii. Late Starter can be explained as a firm which has an international environment due to its relations with foreign customers, suppliers and distributors etc. These relations are indirect in their nature.
iv. *International among Others* is a typical internationalized firm, which enjoys good relations with its foreign networks. It has already got international market knowledge and is connected to many international networks. With the help of these various networks, this firm is able to access the external resources as well.

According to Johanson & Mattsson (1992), it is the network position that describes how the individual actors are related to each other in network structure.

In network theory, it is explained that, when a firm internationalizes, it establishes and maintains its relationship with other firms in foreign countries. The relationship creating and maintaining this process is illustrated in three different, important stages.

i. **International Extension:** When a firm begins its journey to international markets. The activities are planned in international context.

ii. **Penetration:** Firm tries to improve the current commitment to already established networks in foreign markets.

iii. **International Integration:** Firm integrates to improve its position in these networks to enter foreign market.

![Diagram](image)

**Figure 1:** Johanson & Mattsson Network theory approach to internationalization (1988) page no. 21

The network theory stresses that, as when starting, firms are dependent on each other. These dependencies are useful to a firm in such circumstances. In network theory, a firm can be characterized by the following factors

i. Market knowledge information can be acquired from network members

ii. Networks members are there to share resources

iii. New customers, suppliers, distributors can be easily accessed

The network theory is often praised for its compatibility with inter-organizational business environments. This factor enables the firm to cope with many problems which have never been met in domestic environment. (Håkansson & Snehota, 1989)
Increasingly, international, as well as inter-organization, competition has also changed the firms’ operating style in international markets. Firms need to be more sophisticated in all areas of businesses (Forsgren, 1990)

With the help of these networks, the firms are able to exchange the information and acquire the knowledge. Hadjikhani & Johanson (1999) explained that the business networks have lots of potential for new international firms to get valid information and knowledge about these new foreign markets. These interconnected business networks help these firms to cope with different cultural and societal barriers, and they can give better, in-depth understanding of this new market.

In network theory, there is an assumption that a firm gets more access to resources, which are controlled by other firms, by using these networks.

![Diagram of Network Model Factors](image)

**Figure 2: Network Model Factors**

Johanson & Mattsson Network theory approach to internationalization (1988) page no. 31

In network theory, the foreign market is represented as an organization of businesses and social relationships among the customers, distributors, competitors, suppliers and government authorities. The relationships among these actors have influence over the decisions made by this firm.

Networks are established by actors; the firms and individuals within them perform different activities by using different shared resources.

Johanson & Mattsson (1988) in their network theory, there are three kinds of factors.

1. **Actors**: The firms, institutions and the individuals that interact in the exchanges are known as ‘actors’. Included in the term ‘actor’ are importers and exporters, government authorities or official, financial entities and consultant.

2. **Activities**: Activities means the various types of exchange process which take place between the actors of a network. In the international scenario, a network activity can be direct or indirect in its nature. An activity which has a direct affect on firm exchange process is called ‘direct activity’; on the other hand, where other actors like government authorities are connected in the activity; it is called ‘indirect activity’.
iii. **Resources:** In network theory, it is a basic assumption that a firm is partially dependent on the resources controlled by other firms and, to have access to these resources, the firm needs to be able to participate in already established networks. Access to these resources is gained by activities. In network theory, the resources means the products, information, finance, technology, raw material, market access, research and development, latest market trends etc.

A firm’s position in any network provides certain competitive advantages to its competitors. These advantages can be denoted as network resources. The member of a network can perform well as compared to non-members of networks because the continuous flow of information from network members provides the opportunity to tackle all the problems in systematic ways.

Network theory can be instituted for internationalization for a firm in such a way that the role of each actor in a network varies with the passage of time of. In the beginning, when a firm is at pre-export stage and looking for information and possibilities to enter into foreign market, the problems are mainly associated with a lack of information resources. In these circumstances, the firm turns to public and semi-public actors, such as a volunteer business organization to seek help and information (Nummela 1997)

**2.2.2 Network Theory & Trade Shows**

In network theory, the members of networks or business networks are considered as substitute organizing mechanisms for markets and firms. Business networks are characterized by relational qualities, conventional governance for product’s price fluctuation information. The social structure of business networks can be understood as it organizes the flow of information among all network members, thus reducing the barriers and developing trust for further innovative ways (Colin & Ryan, 2007)

In this scenario, the usefulness of network members can be used to exploit the benefits of trade shows. These network members can provide their resources to other members who plan to attend any trade show. No doubt, trade shows are usually held of short period of time. Trade shows participation requires planned activities to ensure the possible benefits from participation are realized.

Mainela (2007) stated that business networks with strategic points of view are useful to reduce the production and exchange costs, encourage product development knowledge, enhancing control over certain areas of business and acting as bridging to third, unknown, parties.

From a trade shows point of view, the network theory may be understood as that once the resources of network members have been mobilized then they can identify useful ways to reduce product cost. Market trend and product development knowledge can be gained by trade show participation.
In network theory, network members have always been given a lot of importance for a resources-sharing approach. It has been found that, instead of focusing solely on firm’s own resources, emphasis should be given to combining the resources held by two or more firms. Resources can be classified as knowledge, organizational and technical basis. The important point is to understand that the value of a resource always depends on its combination with other resources, whether located inside or outside of firm’s area of operations. A firm should know how value of its own resources can best be exploited by the combination of those resources with those controlled by other firms (Baraldi & Wedin, 2005)

Networks, with their connection to trade shows, can be helpful to create, develop and combine the resources to produce best the possible opportunities for each trade show participant. Networks also lead the network members to the process of new product development and technological innovations by using shared resources (Harrison, 2008)

Trade show participation is associated with huge and time consuming activities. From trade show registration, gathering products to be displayed in trade show, trade show stand or booth construction, managing and training of booth staff, dealing with stand or booth visitors and making follow-ups after the trade show, are some of the trade show participation activities. These are all activities requiring financial and human resources to be used efficiently. According to Weafer (2007), in our modern world, the networks are not an option but a professional requirement for all businesses regardless of their size, products and operations etc. Co-creation, co-leadership and collaboration are being seen as the key to success in solving most of the business problems in a shorter time by using combined or shared resources. Business values are changing day-by-day, but one thing remains unchanged that is the firm’s representative who is real entity to connect peoples to share resources for success for all networks partners.

Successful trade show participation requires good information about location, culture and consumer behaviour of possible trade show visitors etc. All of these problems can easily be solved if the network member has been consulted well before time. Networks, in spite of the location, puts the member in a better position, with better credibility, market knowledge and many other beneficial things to work satisfactorily. Networks should not be understood as relinquishing control of the company. Network activities revolve around the members of this network. A good network member always wishes to know about resources and how they can be shared to get maximum advantage (Weafer, 2007) Weafer (2007) has also explained that a firm should select an event where the maximum numbers of potential network partners are gathered. Such an event may be a trade show, professional event or exhibitions etc. Once they have selected a certain event, a firm should target the people that the firm wishes to have in its network.

Trade shows are held with the aim of facilitating a group of people who are interconnected with each other. The group may include manufacturers, consumers, distributors, suppliers and many more. Ronnie (2007) describes the network as an effective tool that is helpful for all firms, regardless of their size; they can be more successful through risk sharing, information exchanging and getting access to the
complementary resources to meet the requirements. He also explained that networks are useful in creating better business environments, to developed personalized and close mechanisms for business. He also explained the importance of business networks for small firms, initially engaged in exporting. He clarified that networks counteract against the lack of experience required in international markets. Business networks also assist firms to be recognized and to gain access in foreign markets to get the appropriate share.

In another research, conducted by Dulin & Michael (2008), they illustrated how business networks were quite useful for small Irish wine makers to introduce their products to the in Finnish market. They analyzed that business networks did well for small Irish wine producing firms to innovate and improve their entrepreneurship, increase profitability; increase products supply chain functionality and for setting up of fast and reliable communication tools.

Lee (2007) stated that recent development in the innovation literature suggests that a firm’s external network relationships can influence its rate of innovation and research and development. He also concluded that network resources play a significant role in the reduction of uncertainty and innovation generation. He discovered that, in the traditional approach, the firm tries to avoid uncertainty rather to confront it because the firm does not have reliable information about risks and threats of this market. In comparison, in the business network approach, firms exploring new markets took the initiative to reduce uncertainty by gathering information from network partners. He found that the firms that try to gather high quality information, with large quantity and heterogeneity, are able to enter in foreign markets in less time because they are often successful in reducing the uncertainty aspect.

Network members can be useful in overcoming the problems which are to be faced while participating in a trade show. In trade shows, there is a great possibility of meeting new potential customers, appointing new distributors, finding new suppliers of raw material etc. These are contacts that can easily be handled if a firm has got enough information well in advance of the participation from its existing network members. As Nummela (1997) explained when a firm is involved in foreign market operations, the problems faced by a firm will be different from those that were faced in the beginning. In this period, the firm faced competition and environmental instability in a foreign market. These new circumstances lead to having to have external assistance, and firms needing to turn to different network actors. Network members seem to be helpful in these circumstances.

3. METHODOLOGY
In this section, the methodology process for this study will be presented. This section will explain which data collection methods have been used to carry out this study. In this research, the telephonic interviews were held using semi-structured questions in qualitative approach.

3.1 Research Approach
According to Bryman & Bell (2007), there are two research approaches which are continuously used in research processes. These are described as Qualitative and Quantitative approaches. The basic aim of both research approaches is the same, that is, how research problems are to be solved with reality and authenticity.

The right research methodology is always closely associated with the research area, and it will lead the research to the right path to get empirical findings (Bryman & Bell, 2007). There are many researchers that argue that there is no ultimate research methodology when doing any research because both research methods have their advantages and disadvantages with them. But researchers believe that Qualitative and Quantitative research methodologies are effective tools to be used while researching on any subject (Kvale, 1989).

The qualitative research approach is associated with descriptive focusing on small-scale, in-depth understanding. Qualitative research approach gives full insights and deeper understanding regarding specific cases or events (Yin, 1989).

On the other hand, there are many researchers who consider that there is a big difference between the qualitative and quantitative research methodologies, as they think that qualitative research is exemplified by flexibility, deeper understanding of the research subject concerned and different behaviours. Quantitative methodology is used when a researcher is to manipulate quantitative data that has been collected from a large population. In Quantitative methods, the findings are mostly associated and practiced with already written principles and rules (Bryman & Bell, 2007).

In this paper, qualitative research methodology has been used to find out and analyze the network’s partner role in trade show events. The qualitative research approach is appropriate for this research because, by using this research approach will enable the researcher to pay great attention to the views, values, opinion and attitudes of respondents. By using the qualitative research approach, the researcher is able to understand and describe the observable facts (Bryman & Bell, 2007).

The qualitative research approach will also provide opportunities for the researcher to have an unambiguous and broad vision to gain an understanding as how networks partners are effective in order to reap maximum benefits from a trade show event. The qualitative research approach definitely provides the liberty to develop, test and explain the current researched subject in an innovative way (Bryman & Bell, 2007).

The difference between qualitative and quantitative approach can be analyzed with the help of following table.

<table>
<thead>
<tr>
<th>Qualitative Methods</th>
<th>Quantitative Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Emphasis on Understanding</td>
<td>• Emphasis on testing &amp; verification</td>
</tr>
<tr>
<td>• Focus on understanding from Respondent</td>
<td>• Focus on facts</td>
</tr>
</tbody>
</table>
• Interpretation and Rational approach
• Logical and critical approach
• Observation & Measurement in natural settings
• Controlled Measurement
• Subjective “Inside View”
• Objective “Outside View”
• Explorative Orientation
• Deductive & Hypothetical Orientation
• Process Oriented
• Result Oriented
• Holistic perspective
• Particularistic & Analytical

Table 1: Qualitative & Quantitative Research Methods. Source (Ghauri, 2005; pp 110)

The following table clarifies the Qualitative research method and its relevance to this study

<table>
<thead>
<tr>
<th>Factors Involved</th>
<th>Qualitative Method</th>
<th>Thesis’s point of View</th>
</tr>
</thead>
<tbody>
<tr>
<td>Objective</td>
<td>To have qualitative understanding of phenomenon</td>
<td>To analyze the business networks and their effect on trade show successful participation</td>
</tr>
<tr>
<td>Samples</td>
<td>Few but truly representative</td>
<td>Three trade show participants</td>
</tr>
<tr>
<td>Data Collection</td>
<td>Structured or Semi-Structured or Unstructured</td>
<td>Semi Structured Telephonic Interviews</td>
</tr>
<tr>
<td>Analysis</td>
<td>Non Statistical</td>
<td>Non Statistical</td>
</tr>
<tr>
<td>Finding</td>
<td>Helpful for further explanation about research topic</td>
<td>In depth understanding of the role of business networks for trade shows participation</td>
</tr>
</tbody>
</table>

Table 2: Qualitative Research Method and its Relevance to this study (Source: Ghauri 2005, edited by author)

3.2 Research Framing

Bryman & Bell (2007) explain that the research framing process provides the structure for gathering empirical findings in such a way that they are closely associated with the research question and the research purpose. In this research, a multiple case study method has been chosen to analyze the business network partners’ effects on successful participation in trade shows. With the help of multiple companies, researchers can get different point of views, which have not been clarified in earlier research, can be analyzed in the light of the research purpose.

3.3 Selection of Companies
According to Bryman & Bell (2007), the importance of numbers of respondents solely depends upon the nature of the study. In quantitative research methodology, the relatively large numbers of respondents are more favourable for a concrete finding. On the other hand, a qualitative research approach depends on the quality of the respondents that have been selected in the research.

Sikaran (1992) defines “Sampling is a process of selecting satisfactory numbers of elements from given population which is truly representative of attributes and properties of all population”. Sampling is a subset of given population; the analysis and study of samples clarifies the whole scenario of the total population. The time and cost are tremendously reduced with the sampling technique.

At the Beauty World 2009 trade show held in Frankfurt Germany, 16 companies from Sialkot City, Pakistan participated. These companies are manufacturers and exporters of beauty and surgical instruments. Nail files, hair cutting scissors, manicure and pedicure instruments can be classified as their main products. Few of them have already participated in this show in previous years and some of them participated for the first time in this show.

The participation information has been gathered from Beauty World 2009 website, by contacting its organizer; and with the help of the Sialkot Chamber of Commerce & Industry (SCCI), who is responsible for issuing the visa recommendation letter for obtaining a visa from German Embassy, Islamabad Pakistan.

Three companies were selected, based upon the following conditions.

i. Two firms will be selected, providing that they have already participated in the same trade show(s) in the past, and have their network partners in the trade show’s host country.

ii. One firm will be selected on the basis that it is participating for the first time in any foreign trade show and has fewer or no business network partners in the trade show’s host country.

3.4 Data Collection

Data is required for all research. Data is required to obtain a valid research finding and conclusion. With the help of processed data, the researcher is able to explain the research finding with arguments. The researcher should know what kind of data is required and how valid data can be gathered.

In this research, the researcher has used primary and secondary data sources. With the help of primary and secondary data, the research is able explore the research topic in depth, with different points of views about the study area.
3.4.1 Primary Data

Primary data is recognized as information which has solely been collected for ongoing research.

In this research, primary data has been collected through telephonic interviews. In these interviews, the respondents were given enough flexibility to explain their opinions and views about the effectiveness of their business network partners for trade shows. This technique provides suppleness, and the researcher can have the unpredicted answers as well which can be significant factors for a valid conclusion.

Bryman & Bell (2007) explain that, with the help of the semi-structured interview, the respondent is already little bit familiar with the concept of research and is able to answer the questions concisely and comprehensively. In semi-structured interviews, there is a possibility to revise anything if it remains unclear at the first attempt. Ghauri (2005) stated that, with the help of interview technique, the researcher is able to get empirical data that can be analyzed with broader views.

In this research, telephonic interviews were conducted with company’s representatives who attended the trade shows. In all three cases, the marketing executives of these companies represented their companies. Each telephonic interview lasted approx 1 hour. The interviewees were informed of the interviews and its subject, in well advance, to let them prepare well before interview.

Urdu, the national language of Pakistan, was used in the interviews though during the Beauty World trade show; these representatives used English to communicate with trade show visitors and other relevant persons. The answers were written down in Urdu and then translated to English to be used in this study. The respondents were also consulted to clarify if there was anything wrong, missing or misinterpreted. (Ghauri, 2005) indicated if there is need to have an in-depth knowledge about specific phenomena, usage of native language is the best medium to express the views and opinion without any ambiguity.

Telephonic interviews also have some negative aspects as compared to face-to-face, or personal, interviews. In telephonic interviews, the researcher can not get an opportunity to gather information about body language and facial expression, which are considered as essential factors in any research finding. Moreover, face-to-face, or personal, interviews are considered as open and practical in the sense of the more personal involvement of the interviewee and interviewer during the interview process.

On the other hand, the telephonic interviews are also considered as a good method when the respondent is far away and circumstances such as travelling costs and time do not allow conducting face-to-face interviews. Telephonic interviews also increase the reliability by reducing the direct personal affect on interviewee.
3.4.2 Secondary Data

The data which have been collected by others for their own research purpose are called secondary data. This data was gathered to carry out a different research purpose but can be useful for other studies as well. Secondary data can be collected from external resources such as books, journals and articles, magazines, internet and TV etc.

Yin (1989) stated that, though secondary data is easily gathered in a short time but this data should be valid and trustworthy. Researchers should know how this secondary data can be linked and used in the research.

In this research, secondary data has been collected from course books, articles, and journals etc. The secondary data for selected companies have been collected from their websites. Sialkot Chamber of Commerce and Industry website has also been found very useful in having the latest data.

Secondary data for the Beauty World 2009 trade show was collected from its specially designed website.

3.5 Research Scope or Criteria

Bryman & Bell (2007) stated that, in research methodology, the research uses many aspects that enable the research work to be recognized as valid and trustworthy and can be referred for further research. In this study, the validity and reliability factors have been focused as criteria of this research. Below is a brief explanation of each.

3.5.1 Validity & Reliability

The results of any research study are always influenced by the research method used in the research process. Therefore, the research methods used in a study require to be evaluated for ensuring the validity and reliability of the research.

Validity functions are a yard stick to measure accuracy in any research. Validity is the factor which decides whether the study measures what it was intended to measure study. The validity of any research is directly connected to the sources of data collection. Bryman & Bell (2007) stated that, in research, the validity can provide authenticity if the data sources are familiar enough with the scope of the research topic, and they are liberally to share their views and opinions regarding the research subject.

To validate this study, the representatives, who attended this trade show, are the primary data sources. They represented their firm abroad and gained good experience of exhibiting in a foreign country, where trade show visitors came from all over the world with different purposes.

To eliminate the language translation problem, the interviews were conducted in Urdu, the native language of the researcher and respondents. This was done to maximize
reliability and to ensure that the respondents and the researcher both have the same research content phenomena in their minds. The answers were written down in Urdu and then translated to English to be used in this study. The respondents were also consulted to clarify if there was anything wrong, missing or misinterpreted.

In the research process, reliability is known a key element to determine the quality of the proposed study (Yin, 2003). Reliability reflects the extent to which the finding and conclusion are consistent with the passage of time. Reliability indicates that for how long these results can be reproduced with same research methodology. The research method used in a study should be readily available for inspection, criticism, and so can be tested by other researchers in order to confirm this study as reliable.

To increase the reliability factor in this study, several precautions were kept in mind to eliminate the errors, mistakes and biases. As a basic factor, the whole research process has also been mentioned in the research methodology chapter to facilitate future researchers to conduct a repeat study without research process problems.

Primary data was collected by conducting telephonic interviews. To minimise the risk of errors and mistakes, the respondents were informed well before about the contents of the study through emails. While there is less risk of personal involvement in the telephonic interviews, building trust can be a challenging factor.

In this current study, the researcher conducted semi-structured interviews to get primary data and then, with the perspective of the theoretical framework, to draw the conclusions. These interviews were backed up by the interview guide that ultimately increased the both factors: validity and reliability.

To increase the reliability factor in this study, the respondents were informed of the interview’s content. The native language was used to increase the accuracy in understanding the answers.

4. Empirical Data

This section contains the empirical data of this study. The background information of each selected company; Beauty World 2009 trade show organizers and Sialkot Chamber of Commerce and Industry will be presented. This section also contains the primary data which have been collected by conducting telephonic interviews with the company’s representative. The names of the interviewees have been changed in accordance with their wishes.

4.1 External Organizations (Facilitators to Trade Show Participant)
Before I describe the background information and empirical data of each selected company, it is important to describe the background information and role of two external organizations. Although these organizations were not the main part of our studies, owing to their functions, and the facilities provided to participants, it is worthwhile trying to understand them.

These external organizations are as follow

I. The Messe Frankfurt Group

II. Sialkot Chamber of Commerce Sialkot, Pakistan

4.1.2 The Messe Frankfurt Group

The Messe Frankfurt Group, in Germany, is the organizer of the Beauty World 2009 trade show. They claimed, through their website, that their trade fairs lead the world in the consumer goods, textiles, architecture, technology and design, as well as the automotive technology sectors. In 2008, Messe Frankfurt’s events inspired around three million visitors worldwide including business people, buyers, retailers and many more. At the home venue, in Frankfurt am Main, the whole world meets. 36 trade fairs were held in Frankfurt in 2008, with an attendance of over 39,800 exhibitors and some 1.54 million visitors. Added to these were 138 congresses, concerts and other cultural, business and sporting events. [1]

With 436 million Euros in sales expected in 2008, Messe Frankfurt is the world's largest trade fair organizer with its own exhibition grounds. The Group boasts a global network of 29 subsidiaries, five branch offices and 48 International Sales Partners. Messe Frankfurt has a presence in more than 150 countries for its customers, and events "made by Messe Frankfurt" take place at more than 30 locations around the world. In 2008, Messe Frankfurt organized a total of 104 trade fairs, of which 62 took place outside Germany. The traditional heart of the company is, and remains, its home location in Frankfurt, which played host to more than 39,800 exhibitors and around 1.54 million visitors in 2008. [2]

Messe Frankfurt is a publicly owned company. The City of Frankfurt owns 60 percent of the company, while the State of Hesse holds 40 percent. The company employs some 1,400 people around the globe. Approx. 40 trade fairs, and more than 200 events, congresses and conferences, take place each year in Frankfurt, including leading international flagship fairs, such as Ambient, Beauty world, Christmas world and Paper world for the consumer goods industry, Heimtextil, Techtextil and Texcare International, which are part of the portfolio of textile fairs and Automechanika, which represents the automotive industry. Other technical fields feature Light+Building, IFFA, Musikmesse and Prolight + Sound. Each one of these trade fairs reflects the international market for its industry. Messe Frankfurt also hosts world-renowned guest events. These include the International Motor Show (IAA), the Book Fair and Achema. [3]

This year Beauty World 2009 trade show was held from 31st January to 3rd February 2009. This year, trade show was visited more than 10,400 trade visitors from 78 different countries from all over the world. In the year 2008, it was visited by 9000 trade visitors.
From European nations, Italy, Poland, Austria, the Netherlands and France were the top countries in terms of visitor numbers. In Beauty World 2009, 323 exhibitors from 29 different countries presented their products on both floors of Hall 1, in the Forum and Fest hall. [4]

The Beauty World trade show is specially organized to attract and facilitate manufacturers, suppliers, and wholesalers of different kinds of beauty instruments, including hair cutting scissors, manicure, pedicure, nail care, wellness, spa and many other products. Beauty world’s website contains complete information about exhibitors, visitors, and market trends and media reports. A participating exhibitor from any country can be easily searched by their interactive website, which providing complete information such as the exhibitor’s company name, country, product, booth or stand information during show etc. In the Beauty World 2009 trade show, 15 exhibitors from Sialkot, Pakistan participated. Three of them, which fulfilled certain conditions, were selected to be interviewed for this study. [5]

After the show, Beauty World trade show organizers issued press report by highlighting the fact and figures. They illustrated the success of Beauty World 2009 as below [6]

- Frankfurt's consumer-goods fairs were a success despite the crisis
- Positive feedback on new Beauty world product segments
- High-end ambience, a positive approach to ordering, and international buyers equals exhibitor satisfaction

4.1.2.1 The Messe Frankfurt Group’s Effects as Organizer

As the organizer of the trade show, The Messe Frankfurt Group can play significant role in promoting small and medium firms which are lacking in resources. Being the organizer of trade shows, the Messe Frankfurt Group can provide the facility to firms from lesser or undeveloped countries to participate free, or for a minimal participation fees. There may be lot of firms which have been producing high quality products, but can not afford to participate in foreign trade shows, as lot of money and other resources are required to participate. By offering free or minimal participation fees, such firms can enhance their network relations by attending these trade shows.

Even if organizers do not offer any special packages for firms with fewer resources, they can still provide useful information to these firms by sending them regular updates about the latest products and technological development information.

4.1.3 Sialkot Chamber of Commerce & Industry, Sialkot Pakistan

SCCI-The Sialkot Chamber of Commerce & Industry (Pakistan) is a trade body, which was established in 1982 by Mr. A.D. Bhutta in 1982. SCCI comprises of industrialists, importers and exporters belonging to the various fields. [13]

4.1.3.1 Affiliation
SCCI is affiliated with the following organizations [13]

i. World Federation of Sporting Goods Industry
ii. Federation of Pakistan Chamber of Commerce & Industry

4.1.3.2 Aims & Objectives [13]

SCCI was established to facilitate its members with the following aims and objectives

1. To promote, aid, develop, stimulate and protect the economic interest of Pakistan in general and of those engaged in industry, agriculture, commerce, trade, banking and insurance, in particularly.

2. To consider all questions connected with trade, industries, agriculture, manufacture and commerce and to initiate and or support necessary action connected therewith.

3. To consider, support or oppose legislative or other government measures affecting the economic interest of businessmen and industrialists and also make representations to Government or grievances, if any.

4. To adjust controversies between members of the Chamber relating to the commercial, industrial, agricultural and financial interest of the businessmen and industrialists.

5. To arbitrate in settlement of disputes arising out of commercial transactions between parties willing and agreeing to abide by the judgment and decision of the Chamber.

6. To communicate with the Chamber of commerce & Industry of public bodies within or outside Pakistan and to concert and promote measures for the projection of trade, commerce and manufacturers and the labour engaged therein and to remove mutual hardships.

7. To establish a commercial and statistical library.

4.1.3.3 SCCI - Foreign Trade Shows Participation and other facilities

Unlike the European citizens, there are certain Visa requirements for Pakistani citizens to visit foreign countries. Pakistani exporters need to obtain a visa from the appropriate foreign embassy before they can travel and participate in any trade show in abroad.

In the absence of SCCI, it would be too difficult for Pakistani exporters to obtain business visas from foreign embassies, because all of the embassies require documentary proof of intended participation in a trade show, significantly, this huge task is undertaken by SCCI. All the business activities like importing, exporting and manufacturing is governed and documented by SCCI. SCCI and foreign embassies have signed an agreement to
issue visas to validate participants, so each trade show participant has to obtain a visa recommendation letter from SCCI before his/her visa application can be accepted by any foreign embassy. SCCI receives complete information from trade show organizers containing the information about products being displayed, the venue, dates and participant fees etc. Thus, all members of SCCI are informed through postal mail about these trade shows. In this research, SCCI was found to be very helpful to know about selected companies and Beauty World 2009 trade show. [14]

In addition, SCCI has also signed an agreement with Euro Rail to facilitate its members with convenience and hassle-free travelling during their visit to European countries. SCCI members can buy different kinds of Euro Rail Travel Pass, according to their travelling duration, before they leave for abroad. This great facility provides them with outstanding opportunities to plan their foreign visits accordingly. [15]

SCCI also receives an enormous number of international trade enquiries through different world business organizations, overseas Pakistani embassies and trade authorities, on regular bases. All of these business enquiries are delivered to each SCCI member by different communication methods such as postal or email etc.

4.2 The Studied Companies

Here the background information and interview findings of each selected company have been presented.

The selected companies are as follow

I. Afzal Saeed Manufacturing Corp (pvt) Ltd
II. Farico Enterprises (pvt) Ltd
III. Sante International (pvt) Ltd

4.2.1 Afzal Saeed Manufacturing Corporation (pvt) Ltd

Afzal Saeed Manufacturing Corporation was established by Mr. Muhammad Afzal in 1965. The firm manufactures and exports beauty, dental, surgical and hospital instruments. They maintain a big foreign customers list, which includes UNICEF, USAID and Tomen Corporation. In 1985, they started to produce micro surgery instruments and hollow ware products. The corporation is certified by ISO-9002 and C.E. Mark. [7]

Afzal Saeed Manufacturing Corporation is member and registered with the following organizations [7]

1. Sialkot Chamber of Commerce & Industry and Surgical Instruments
2. Surgical Instruments Manufacturing Association of Pakistan.
3. UNDP Oslo, Norway
4. CBI Rotterdam, the Netherlands
5. UN OPS New York, USA
6. WHO Switzerland

The corporation’s total workforce can be classified as follow [7]

   I. Management..........................35 Persons  
   II. Skilled Manpower..............185 Persons  
   III. Semiskilled Manpower........30 Persons  
        Total........250 Persons

Principal Exportable Products are categorized as below [7]

   1. Beauty, Manicure & Pedicure Instruments 
   2. Surgical Instruments and Scissors 
   3. Dental Instruments 
   4. Micro Surgery Instruments 
   5. ENT, Gyne & Orthopaedic Instruments 
   6. Hospital Hollow Ware

Afzal Saeed Manufacturing Corporation (pvt) Ltd has set the business policies, which are to be followed all the times [7]

   1. To abide by trade associations and manufacturing standards and policies 
   2. To always comply with best manufacturing processes 
   3. To comply with all local and international labour and employment laws which prohibits child labour and drug abused personals 
   4. To strictly abide by environmental safety precautions

4.2.1.1 Interview Results: Afzal Saeed Manufacturing Corporation (pvt) Ltd

International marketing manager of Afzal Saeed Corp explained that “we export our products directly to customers. Usually, we don’t use distributors or authorized agents to deliver our products to foreign markets. No doubt, the contacts with these kinds of intermediaries supported us a lot but, unfortunately, we had bad experiences by solely depending on one distributor”.

When he was asked that why does he not use distribution systems in foreign countries, the international marketing manager explained as follow: “A few years back, we had our distributor in a foreign country. He was authorized to sell our product throughout in his country. But, due to some incidents, we began to realize that we are not in touch with our customers directly and, to know about market trends we need to consult our distributor. It indicated that we are becoming more and more dependent on the distributor. So we decided to terminate the distributorship practice. He further explained that this doesn’t mean that we operate in market independently as you know it is impossible. This is the power of your network; there are members to guide you in certain way when you are on
the wrong track. We are quite satisfied with our German consumers, steel suppliers, business promotion organization etc.”

Contacts with New Customers
International marketing manager explained “We are thankful to the organizer of the Beautyworld trade show as they provided us the different, useful resources such a German Yellow Pages of Beauty Instrument Importers, Frankfurt Chamber of Commerce etc. These resources helped us to make prior contacts with our potential customer”.

Introduction of New Production to Potential Customers
International marketing manager explained “The trade show was really an exclusive platform to introduce our new products to many new customers in less time and under one roof. We are quite satisfied to launch our new products such an introduction way. We hope to continue this practice in future too.”

German Steel Supplier
One of the important initiatives from trade show organizers was personally to invited prominent raw steel suppliers from Frankfurt, and other parts of Germany. Their presence ended the struggle to find a reliable German steel supplier. He further explained there is no doubt that Germany is famous for steel production. Sometimes they are asked to manufacture beauty and surgical instruments with German steel.

Latest State of the art Machinery for Production
The international marketing manager explained that the trade show was also visited by German manufacturers of high tech surgical instruments production plant. With the help of these plants, the time, as well as the cost of production can be reduced. They also consulted some of the manufacturers to finalize their next proposed plant purchasing.

Market Trends
The international marketing manager described how the trade show provided them with the latest information about market trends. They got important information while talking with American and European Exhibitors.

After Sales Service Commitment Fulfilled
With regard to service after sale, the international marketing manager explained that they got helpful and important advice and comments from visitors about their present, and market required quality. They replaced products and refunded a few claims made during the show. This helped them to pay attention to the production process in areas where they were lacking.

Booth Construction
Regarding booth construction, and accessories for booth staff, the marketing manager elaborated that these all accessories and booth construction was done by a private company which was authorized by the trade show organizer. This private firm has an interactive website, so the participant can choose the desired design of booths and
furniture by visiting their website. It should be noted that they paid extra for all these services.

*Storage Facility*

The international marketing manager elaborated that the trade show organizer also provided the facility to store the trade show products in their logistic facility, though their charges were little bit high from their expectation. But there was no option other than to store our goods before the trade show.

*Language Translation Problem*

The international marketing manager explained that without doubt, the local language of market plays as important role in the process of introduction. Hence they were not able to speak German language; they faced some language difficulties in explaining the inside features of their products when they talked with Non-English speaking trade show visitors.

### 4.2.2 Farico Enterprises (pvt) Ltd

Farico Enterprises was established in 1963 by the joint efforts of Mr. Abdul Majeed Bhatti and his son Mr. Abdul Hameed Bhatti. They took this initiative to produce scientific and high quality beauty instruments. They specialized in manufacturing in short-time scale and, with their tireless efforts and valuable skills, were able to gain for Farico a remarkable appreciation by their worldwide customers. The upgraded manufacturing procedures, methods of quality assurance and finest management skills provided the foundations for Farico to be recognized among world’s manufacturers. Today, Farico Enterprises is known as a competent manufacture and suppliers of high quality beauty, dental and surgical instruments worldwide. FARICO stands for best service, to serve the customers with fast communication and better products, with best delivery times. [8]

FARICO Enterprises is certified by ISO-9002 and C.E Mark [9]

FARICO Enterprises has regularly been participating in trade shows since 1985. In 2008, Farico Enterprises participated in the following worldwide trade show [10]

1. Beauty World Frankfurt, *Germany*  
   (25<sup>th</sup> Jan to 27<sup>th</sup> Jan, 2008)
2. Intercharm *Ukraine*  
   (7<sup>th</sup> Feb to 9<sup>th</sup> Feb, 2008)
3. Cosmobelleza Barcelona, *Spain*  
   (23<sup>rd</sup> Feb to 25<sup>th</sup> Feb, 2008)
4. Cosmoprof Bologna, *Italy*  
   (10<sup>th</sup> Apr to 14<sup>th</sup> Apr, 2008)
5. Olympia Beauty Expo London, *United Kingdom*  
   (18<sup>th</sup> May to 19<sup>th</sup> May, 2008)
6. Beauty World Middle East, *U. A. E*  
   (20<sup>th</sup> May to 21<sup>st</sup> May, 2008)  
7. Premier Orlando, Florida *United States*  
   (1<sup>st</sup> Jun to 2<sup>nd</sup> Jun, 2008)
4.2.2.1 Interview Results: Farico Enterprises (pvt) Ltd

The marketing Manager of Farico explained “We have a special interest in the Beauty World trade show event because, fortunately, our main distributor for Germany is located in Frankfurt. Our distributor is responsible for marketing and selling of Farico products throughout Germany. We have been working together for more than the last 20 years. His presence in Frankfurt provides us with many exclusive benefits, which can be difficult to handle for new participating firm. One of the main benefits may be described as reduced or less trade show total cost.”

Logistics
The international marketing manager explained that while the Beautyworld trade show organizers provide logistic storage space near to trade show location, they charge a high cost for each square meter for allocated space. In these circumstances, they only carried new products which were not available with their distributor at that time. It ultimately reflects that most of the products which were to be displayed during show were already with distributors thus minimizing the cargo weight for products from Pakistan to Germany.

Effective Booth Communication
The marketing manager explained “With the help of our distributor, we were able to reduce the influence of language barriers during trade show. I am thankful to our distributor for allocating his precious time in visiting our stand from time to time. Distributors also got the opportunity to meet the personally invited German customers, and to explain to them the displayed products, featured in the German language, when these customers were either not fluent in English, or were unable to understand English with ease. We found his presence really fruitful for enhancing our company image among other German visitors.

Sialkot Chamber of Commerce Effect
Regarding the role of Sialkot Chamber of Commerce & Industry (SCCI), the marketing manager explained that SCCI has always been keen to accommodate the exporters in expanding their businesses abroad. With the collaboration of SCCI, PIA (Pakistan International Airlines) announced discounted rates for freight cargo for trade show participants. PIA (Pakistan International Airline), with the collaboration of SCCI, arranged a special flight from Sialkot International Airport to Frankfurt Germany via Dubai. He indicated that Sialkot International Airport is the first and only airport in Asian
history which has been built by funds solely provided by Sialkot Exporters to facilitate direct export from this city to the entire world.

**CBI (Centre for the Promotion of Import from Developing Countries)**
The international marketing manager explained that it was a great experience to meet the officials of CBI (Centre for the Promotion of Import from Developing Countries). CBI was established and funded by EU countries. CBI advises the exporters from developing countries that what kinds of benefits are offered. Marketing Managers hugely admired their services. With the help of CBI information, Farico planned to extend their boundaries to other European countries under the CBI guidelines.

**Distributor & Effective Pre show Promotion**
The international marketing manager pointed out that participation in any trade show is costly as well as time-consuming. Without advance planning, all the efforts may go unrewarded. The distributor was very useful in this sense. He was advised to make proper promotion and attract publicity thorough his network to inform the potential customers, and especially the beauty salon and spa in this city, who are the main consumers of the products. Distributor sent personal invitation letters, describing the stand location and featuring basic range of products, to all beauty salons, wholesalers and retailers, to visit the stand during the trade show.

**Successful Follow up**
The international marketing manager said “Before the trade show we received the list of the people, to whom distributor sent the invitation letters. So we successfully followed up the list and met many of those who were invited to visit our stand. With the help of this advance invitation system, we are able to increase our customers as well.”

The international marketing manager further explained “During the trade show, we met with many potential customers who were not in position to make sales leads on spot, but requested product catalogues and prices. Our staff managed this list, and one copy of this list was given to the distributor in case they ask for any samples, then it can be dispatched as soon as possible from distributor’s office, thus saving the cost of courier expenses and time taken to reach in Germany from Pakistan. We believe it helped us to have an effective follow-up system after trade show.”

**4.2.3 Sante International (pvt) Ltd**

Sante International (pvt) Ltd has been producing beauty and surgical instruments as a local manufacturer. Now they have started to export beauty and surgical instruments in their own company name.

Sante International is now member of the following organizations [11]

1. Sialkot Chamber of Commerce & Industry and Surgical Instruments
2. Surgical Instruments Manufacturing Association of Pakistan.
Sante International (pvt) Ltd manufactures the following different products [12]
1. Manicure & Pedicure Instruments  
2. Hospital Furniture  
3. Dental Instruments  
4. Hollow ware

4.2.3.1 Interview Results: Sante International (pvt) Ltd

As it has been mentioned earlier, Sante International (pvt) Ltd has stepped into foreign market operations recently. The international marketing manager explained “Despite having full information in printed and electronic format about the trade show, we faced some difficulties, but these were inevitable as it was our first time participating in this trade show. Being a small firm equipped with fewer resources and less time, there were many other important matters to be analysed. But participation of trade shows has guided us in a new way, leading us to extending our business boundaries.”

The international marketing manager explained that he is thankful to the German Embassy in Islamabad, Pakistan for providing them basic but important information about German culture, economy and German business organization etc. This information really helped them to understand the German way of living.

With the help of trade show brochure and printed literature provided by trade show organizers, they were able to send emails to last year’s show visitors to visit their stand during this show. This system helped them to be familiar to potential customers.

He also admired the services provided by trade show organizers, such as storage space for products, booth equipment, booth furniture etc though they paid relatively high price for all these services. This was inevitable as it was the first time they participated without a network partner.

The Pakistani Consulate in Frankfurt also provided helpful advice to attend this trade show successfully. They were advised to contact local German business promotion organizations. The trade show participation and freight matters were managed with the help of Sialkot Chamber of Commerce and PIA (Pakistan International Airline)

In his reply about effectiveness of trade show, the international marketing manager found introducing new products to be a pleasant experience, and build upon and enhanced the firm’s image among other market players. Trade show also provided them the latest information and ongoing trends in the market.

The international marketing manager explained “We have pleasure in stating our satisfaction with our first experience participating in a trade show. Actually, the trade shows opens many new ways for rapid business development. We met with many potential new customers, suppliers of German raw steel, a few representatives of the
hospital instrument purchasing board etc. We are hopeful that many of them will be our business network members in the near future.

When I asked about problems in participating in trade show, the international marketing manager explained that no doubt all kind of information is available in printed or electronic format. He further explained, in practical terms, the tasks and functions are little bit different when performed in real life. He would definitely like to increase his business network partners so as to share these problems in the future and they can be reduced to a minimum.

5. Analysis

*In this analysis part, all empirical findings will be analyzed with the view of theoretical frame of reference. These all participant companies will be analyzed in order to discover that how their different business network partners assisted them in the trade show.*

5.1 Analysis of Afzal Saeed Manufacturing Corp (pvt) Ltd

Afzal Saeed Corp is known as one of the oldest manufacturers and exporter of beauty instruments in Sialkot, Pakistan. They have been in this field for more than 40 years. Many renowned companies of the world are among their customers.

According to Johanson & Mattsson (1988), when a firm gets involved in international activities, the importance and strength increases with the passage of time. The firm is able to expand its access to new customers, distributors, suppliers and many other concerned entities.

The empirical findings of Afzal Saeed Manufacturing Corporation describe that they have been quite successful in using their network members to expand their business activities. Their decision to terminate the distribution system can lead us to conclude that they have established themselves strongly enough in foreign markets so they could sell their products directly to customers.

Mainela (2007) stated that networking plays a significant strategic role in increasing market trend information and product development knowledge. Such information may not be easily available in the absence of network members.

The empirical findings from the Afzal Saeed Manufacturing Corporation indicate that they were quite satisfied with their performance during trade shows. That is why they got useful information regarding the participation in trade shows in other parts of the world in future.
The answers to the telephonic interviews confirm that they are aware of the trade show functions and how it works as a unique platform to perform all kinds of business activities within shorter times and also for less cost. They used the trade show event as a way of getting closer to potential customers, getting information about the latest machinery and plant for quality production, suppliers of German raw steel etc.

Johanson & Mattsson (1988) explained that with the passage of time, network members gain strength and market information. They are able to understand market trends and consumer demand. This can be analysed by the Afzal Saeed Manufacturing Corp’s decision to work with each customer directly from Pakistan. They do not want to have intermediaries between themselves and their customers. Such intermediaries can be a distributor or wholesalers of the products. Marketing managers explained when you do business with the help of distributors or wholesalers then; obviously, a big share of the profit goes into their pockets and leaving the manufacturer with little profit. That is why this practice has been discontinued.

Johanson & Mattsson (1988) explained in network theory that network members enjoy many competitive advantages over non-network members. These competitive advantages may be classified as financial, human resources and management advantages etc. Since Afzal Saeed Manufacturing Corp decided to terminate agreement with one network partner but they paid high amount for their decision. They paid a large amount of money for the construction of the booth, the furnishing accessories for the booth, storage facilities and postal expenses for sending samples to Pakistan in the follow-up stage. There is no doubt that most of the cost of such activities could have been reduced to a minimal level if they had used the resources of their network partners.

Johnson & Mattson (1998) explained in the network theory that with the passage time, network members gain a better position to can use these networks in effective ways, so this can be seen that in the planning phase of trade show participation, the management of Afzal Saeed Manufacturing Corp had paid a lot of attention to attracting potential customers directly to the firm. That is why Afzal Saeed Manufacturing Corp’s approach can be seen as less dependent player on networks of the market.

On the other hand, this approach may lead them to achieving an early success in those trade show regions where they do not have any business network, or where they are participating for the first time. Their experience will enable them to work efficiently to attract the customers directly.

They used the trade show as event to act as a reliable after-sales service, which is a significant factor for building and enhancing the firm’s corporate image in the market. They also faced problems of communicating efficiently with some Non-English speaking visitors.
5.2 Analysis Farico Enterprises (pvt) Ltd

According to empirical findings from Farico Enterprises (pvt) Ltd, we can imagine that this company is one which really maximized the benefits of trade show participation. It has been shown that all their activities were good examples of sequence working. As Farico Enterprises has its distributor in Frankfurt, Germany. The distributor acted as a unique medium of support for Farico Enterprises (pvt) Ltd to participate professionally in the trade show.

According to Mainela (2007), business network members are useful from a strategic perspective in reducing the production and exchange cost and encouraging product development knowledge. With the help of the distributor, Farico Enterprises (pvt) Ltd were able to reduce the cost of participation to a minimum for factors such as storage costs and booth erection cost etc.

The results of Weafer’s (2007) research is that, in spite of location, business networks provide better position, credibility and authentic market knowledge; this can be seen in the case of Farico Enterprises (pvt) Ltd, and it is why this company has been participating in a lot of trade shows all over the globe. The reason is well explained by the marketing manager namely that it is the first priority of Farico Enterprises to have at least one main, permanent, representative in most of the big countries around the world. “Our participation”, he said, “shows that we have been attending the trade shows in five continents of the world. So, to be in touch with each customer directly is a bit of an impossible task. But this important function is being handled by our wholesaler and distributor efficiently.

Network theory of Johanson & Mattsson (1988) explained that the network can be useful in eliminating or minimizing the effects of the problems of foreign culture and customs. In trade shows, the exhibitors are to meet with trade visitors from all over the world and represent the values and cultures of their respective countries. At least Farico Enterprises (pvt) Ltd was able to overcome the language barrier with the help of their distributor.

Johanson & Mattsson (1988), in their network theory, explained that in network the external members that are part of this network for reasons other than the financial benefits such as volunteer organizations etc, can be helpful in expanding business activities by consulting the resources operated by these organizations. During the trade shows, the contact with CBI (Centre for the Promotion of Import from Developing Countries) can provide useful information to Farico Enterprises (pvt) Ltd about what kinds of financial, and other, benefits are being offered to exporters from less developed countries.

Friedmann (2007) stated that nothing ruins the trade shows’ impact greater than bad or late follow-up of the trade show. After the trade show, the most important priority is to make contact with those who showed interest in the products by requesting any sample or price. With the help of the distributor, Farico Enterprises (pvt) Ltd were quite fast to pursue all those who requested any sample or price of a certain product. There can be
little doubt that this follow-up would have helped them to create a good corporate image as a reliable manufacturer.

5.3 Analysis Sante International (pvt) Ltd

According to Johanson & Mattsson (1998), the manufacturing and exchange costs can be minimized with the help of network members. The process of sharing different resources may provide help to network members. For Sante International, it was their first time participating in a trade show, and this, their first time experience, would help them to use their network resources in a better way in their next trade show. The cost of product storage, booth erection, booth staff management and pre-show advertising can now be minimized when they participate in any further next trade shows.

Johanson & Mattsson (1988) describe how new firms need to increase relationships with existing network members. The experiences and resources held by existing members will definitely provide support to new firms. I see that the network member such as Sialkot Chamber of Commerce & Industry, Embassies in foreign countries, CBI (Centre for the Promotion of Import from Developing Countries and Frankfurt Chamber of Commerce in this case, are great sources of help and information in letting new firms know about the facilities and benefits announced by different organization from time to time. Here, indirect members are those who do not receive any income or profit because these organizations are financed by their government.

Sante International (pvt) Ltd’s case also shows that, with the help of trade shows, there are relatively greater chances to make new business connections in less time as compared to other marketing tools. During trade shows, potential consumers, market professionals, suppliers, wholesalers or distributors, different government support organizations can be contacted.

Network theory of Johanson & Mattsson (1988) explains that each member of a network has a special position and relationship with each other. These relations arise through exchange processes between the members of the network. These exchange processes indicate that members of the network respect each other’s interests by offering good services to those other members. In the Sante International case, we can understand that trade shows will act as a platform to establish network relations. These network relations will definitely provide help to Sante International to accelerate their business activities.

In network theory, Johanson & Mattsson (1988) also explained that the communication process between members of the network is important for gathering the knowledge about markets and products trends. It is useful when this communication is taking place between experienced or older network members and new members. In this sense, Sante International will be able to recognize the real demand and quality of the market with the help of the communication process with existing members in the network.

6. Conclusion
This part will present the conclusion of this study, which has been drawn with the views of the research problem and the theoretical model described earlier in this study. This part will be followed by further research, research limitations and suggestions for trade show participation.

The research problem of this study was to explain how network members can be mobilized for successful participation in a trade show. From the empirical findings and their analysis in the light of network theory and trade shows literature, I would like to outline the following conclusions. It is important to mention that conclusions are always affected by the limitations of research scope.

The analysis of all three cases leads us to believe in network theory in one respect, namely that shared resources can compensate the negative effects of firms having fewer resources. I have found, from each of the companies described, that business network members can be helpful for participating in trade shows in foreign countries.

The findings also disclose that, for small and growing firms, trade shows can be used as exclusive platforms to introduce new firms, as well as products, to potential consumers. In general, we can indicate that existing network partners, if mobilized accordingly, have the ability to reduce the overall cost incurred at trade shows.

Another significant factor discovered concerns the amount of dependence that firms have on direct business network partner, i.e. those partners who share the firm’s income or profit by acting as wholesalers or distributors.

In the given scenario, we can consider that dependence upon financial contributors in a network can be minimized if a network member has established itself as being strong enough in the market. Afzal Saeed Manufacturing Corp’s decision to operate in the market without a distributor can be understood as this phenomenon.

The research also revealed that, though in trade shows there are lots of customers from all over the world, there are many important factors to be fulfilled before any benefits can be achieved from these customers. A firm needs to reduce the language barriers, cultural differences among nations etc.

The findings also indicate that shared resources, such as human resources, can provide considerable competitive advantages over competitors. This conclusion can be substantiated by recalling the help of distributor in eliminating the language problem for Farico Enterprises.

Business literature has enormously stressed the importance of customer satisfaction. It is more difficult, and yet essential, to satisfy a customer than to make a new customer. This study also suggested some important aspects of customer satisfaction and retention. Afzal Saeed Manufacturing Corp and Farico Enterprises were quite successful in satisfying their existing customers as well as attracting new customers.
There are also indications of the importance of external, or non-financial, network members. The services provided by Messe Frankfurt Group, Sialkot Chamber of Commerce & Industry, PIA (Pakistan International Airline), CBI (Centre for Promotion of Export from Developing Countries), and embassies abroad also facilitate these firms to know about available facilities and resources. New firms, such as Sante International, can get the maximum knowledge and benefits offered by these organizations.

6.1 Further Research

The scope and criteria of this research was limited. The firms from a small city in Pakistan were taken into consideration. However, I recommend carrying out further, more in-depth, research in the subject area or in other settings.

1. Comprehensive research can be carried out to evaluate the performance of each trade show participant.

2. Similar research can also be carried out for different labour-oriented products typically manufactured in lesser or under developed countries.

3. Similar research can be done for the services industry.

4. The analysis of strengths and weaknesses of dependants on a network can also be researched.

5. The affects of domestic or national network members on international trade show participating can also be analysed.

6. The analysis of willingness of trade show visitors to repeat the visit in same trade show can be elaborated in-depth.
7. References

Website Links


Bryman, A., Bell, E. (2007). Business Research Methods, Edition: 2, illustrated, Published by Oxford University Press,


Edition: 3, Illustrated, Published by Pearson Education, 257 pages


Appendix 1

Interview Guide for Semi-Structured Telephonic Interviews

A: Introduction

I. What is your designation in the company and what are your responsibilities?
II. How long have you been working in this company?
III. Have you ever attended a trade show in foreign country representing your company?

Interview Questions

1. How do you describe the importance of business network partners in a new product’s introduction to foreign customers?

2. How do you think that business network partners are helpful to energize your effort to business expansion in trade shows?

3. Why were these business network partners useful to reduce the logistic problems of your products to be displayed in trade show?

4. How do you elaborate the usefulness of business partners to be signed up for trade show?

7. Do you find business network partners useful to reduce the cost of participation in trade show?

8. How will you explain the role of network partner in the process of follow up of trade show?

9. Was there any role performed by network partner to manage your trade show booth efficiently?

10. How did network partner provide you the latest information about technological product development in trade show?

11. Was there any financial contribution or assistance of any business network partner in trade show?
12. How will you explain the role of business network partner to increase the after sale commitment to your current customers?

13. Any further information you wish to explain regarding business network partner and their usefulness in trade shows?

I am extremely thankful to you for your time and participation.

Mr. Kashif Tufail  
Master program in International Marketing  
School of Business & Engineering  
Halmstad University  
Halmstad, Sweden  
www.hh.se