Exhibitor satisfaction in b2b-trade shows - Understanding performance patterns from Vavra’s Importance Grid perspective

39th EMAC European Marketing Academy Conference, June 3rd, 2010

Michael Reinhold, Christian Schmitz, Stephan Reinhold
University of St. Gallen
Agenda

1. Introduction
2. Vavra's Importance Grid
3. Sample Structure and Methods
4. Results
5. Conclusion and Limitations
Exhibitor satisfaction in business-to-business trade shows

Agenda

1. Introduction
2. Vavra's Importance Grid
3. Sample Structure and Methods
4. Results
5. Conclusion and Limitations
Exhibitor satisfaction in business-to-business trade shows

Photo: BEA bern expo AG
Introduction
Exhibitor satisfaction in business-to-business trade shows

- Tradeshows are an essential instrument in the marketing of goods and services. The fair and tradeshow business has become a multi-billion dollar industry.

- To increase service quality on trade shows, trade fair organizers strive for achieving a high level of exhibitor satisfaction. Despite its major importance for the fair and tradeshow industry, current measures of trade show performance do not adequately capture dimensions important to exhibitors (Hansen 2004).

- This presentation contributes to the field of trade show research by:
  1. exploring relevant issues of exhibitor satisfaction
  2. developing a measurement approach
  3. comparing results upon the Vavra's importance grid
  4. collecting and comparing data from a number of 362 exhibitors in b2b-trade shows and 404 exhibitors in b2c-fairs.

Agenda

1. Outline
2. Vavra's Importance Grid
3. Methods
4. Results
5. Conclusion and Limitations
Vavra's Importance Grid

**Graph**

<table>
<thead>
<tr>
<th>Implicit importance (Derived importance)</th>
<th>Explicit importance (Customers' self stated importance)</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>(3) High implicit importance / low explicit importance = satisfiers / excitement factors</td>
<td>(2) High implicit importance / high explicit importance = performance factors (important)</td>
</tr>
<tr>
<td>(2) Low implicit importance / low explicit importance = performance factors (less important)</td>
<td>(1) Low implicit importance / high explicit importance = basic factors</td>
</tr>
<tr>
<td>Low</td>
<td>High</td>
</tr>
</tbody>
</table>

Source: Vavra 1997
Vavra's Importance Grid
Basic model assumptions and their practical handling

• Model assumptions:
  (1) **Explicit and implicit importance** of product or service attributes may be identified.
  (2) If asked about the importance of service attributes, customers rank basic factors most, performance factors second, and satisfiers least important.
  (3) **Implicit importance is derived from correlating or regressing specific service items’ stated performance scores with the overall satisfaction score.**

• Handling of the assumptions:
  (a) distinguish implicit and explicit importance in order to **correct for the overvaluation** of basic factors and the **undervaluation** of satisfiers, using a non-linear model.
  (b) Usually the identification of implicit importance using coefficients for multiple regression analysis are distorted by multicollinearity within independent variables. This deficit is circumvented in this work by using partial correlation coefficients.

Agenda

1. Introduction
2. Vavra's Importance Grid
3. Sample Structure and Methods
4. Results
5. Conclusion and Limitations
The data was collected at 8 different Swiss fair locations with a standardized questionnaire covering 16 different shows. The questionnaires were sent out to all exhibitors of 8 different B2B trade shows (Σ=2306) and to 8 different B2C trade fairs (Σ=3776). The rate of returned useable questionnaires was N₁=362 from tradeshows and N₂=404 from public trade fairs.

A list of 28 service items was adapted from Shipley (1993) and from a number of 10 field interviews among marketing managers of industrial firms exhibiting at trade shows. The item list includes key factors for the decision to attend a fair, covering four categories: **event values** (the fair as such), **management values**, **service values**, and **location values**. The items were rated in terms of service items' importance and performance on a five-point Likert-scale.

Agenda

1. Outline
2. Vavra's Importance Grid
3. Sample Structure and Methods
4. Results
5. Conclusion and Limitations
Results (1)

Importance Grid B2B-Trade Shows

I. Satisfiers

- The proximity of the fair to your own location.
- The quality of personal contacts with management and staff.
- The networking and sales opportunities at the fair.
- The frequency of event.

II. Performance Factors (high importance)

- The date of event.
- The facilities at venue.
- The safety of the fair location.
- The estimated number of visitors.
- The estimated costs of exhibiting.
- The estimated publicity.
- Type of visitors.

III. Performance Factors (low importance)

- The estimated sales at venue.
- The organizer's reputation.
- The estimated number of leads.
- The significance and reputation of the fair.
- The exhibition concept (theme, structure, accompanying events).
- The presence of leading firms and names at the fair.

IV. Basic Factors (Dissatisfiers)

- The adaptability of services tailored to specific needs.
- Types of exhibitors.
- Types of products exhibited.

Implicit Importance

Explicit self-stated Importance

Institute of Marketing

University of St. Gallen
Results (2)

Importance Grid B2B-Trade Shows

I. Satisfiers
- The industry overview.
- The frequency of event.
- The networking and sales opportunities at the fair.
- The date of event.
- The estimated number of visitors.
- The estimated costs of exhibiting.
- The estimated publicity.
- Type of visitors.
- The type of products exhibited.
- The significance and reputation of the fair.
- The safety of the fair location.
- The quality of personal contacts with management and staff.
- The industry understanding the fair management and staff provides.
- The facilities at venue.
- The duration of event.
- The attractiveness of the location (gastronomy, culture, sight-seeing etc.)
- The estimated number of leads.
- The estimated sales at venue.
- The offer of any required services through the fair organizer.
- The adaptability of services tailored to specific needs.
- The proximity of the fair to your own location.
- The organizer’s reputation.
- The presence of leading firms and names at the fair.

II. Performance Factors (high importance)
- The estimated number of visitors.
- The estimated costs of exhibiting.
- The estimated publicity.
- Type of visitors.
- The estimated number of leads.
- The significance and reputation of the fair.
- The safety of the fair location.
- The facilities at venue.
- The duration of event.
- The attractiveness of the location (gastronomy, culture, sight-seeing etc.)
- The estimated sales at venue.
- The offer of any required services through the fair organizer.
- The adaptability of services tailored to specific needs.
- The proximity of the fair to your own location.
- The industry understanding the fair management and staff provides.
- The frequency of event.
- The networking and sales opportunities at the fair.
- The date of event.

III. Performance Factors (low importance)
- The estimated number of visitors.
- The estimated costs of exhibiting.
- The estimated publicity.
- Type of visitors.
- The estimated number of leads.
- The significance and reputation of the fair.
- The safety of the fair location.
- The facilities at venue.
- The duration of event.
- The attractiveness of the location (gastronomy, culture, sight-seeing etc.)
- The estimated sales at venue.
- The offer of any required services through the fair organizer.
- The adaptability of services tailored to specific needs.
- The proximity of the fair to your own location.
- The industry understanding the fair management and staff provides.
- The frequency of event.
- The networking and sales opportunities at the fair.
- The date of event.

IV. Basic Factors (Dissatisfiers)
- The estimated number of visitors.
- The estimated costs of exhibiting.
- The estimated publicity.
- Type of visitors.
- The estimated number of leads.
- The significance and reputation of the fair.
- The safety of the fair location.
- The facilities at venue.
- The duration of event.
- The attractiveness of the location (gastronomy, culture, sight-seeing etc.)
- The estimated sales at venue.
- The offer of any required services through the fair organizer.
- The adaptability of services tailored to specific needs.
- The proximity of the fair to your own location.
- The industry understanding the fair management and staff provides.
- The frequency of event.
- The networking and sales opportunities at the fair.
- The date of event.
Results (2)

Importance Grid B2B-Trade Shows

I. Satisfiers

The quality of personal contacts with the fair management and staff.

The industry understanding the fair management and staff provides.

The presence of leading firms and names at the fair.

II. Performance Factors (high importance)

The estimated number of visitors.

Type of visitors.

Types of exhibitors.

The presence of leading firms and names at the fair.

III. Performance Factors (low importance)

The estimated sales at venue.

IV. Basic Factors (Dissatisfiers)

Migration trade shows to public fairs
Agenda

1. Introduction
2. Vavra's Importance Grid
3. Sample Structure and Methods
4. Results
5. Conclusion and Limitations
Conclusion and Limitations

- **Conclusion:** Vavra's importance grid is a useful method to compare perceived requirements and satisfaction items of the exhibitors at tradeshows and public exhibitions. Clear differences between the two categories of shows can be used as a **managerial guideline for fair organizers in the design of questionnaires about exhibitors' satisfaction**, depending upon which market they serve (industrial or consumer).

- **Limitations:**
  1. The study focuses on the Swiss market.
  2. The visitors' influence on the performance of exhibitions was not included.
  3. The calculation of implicit importance includes the use of natural logarithms of the score of the individual items in order to yield a desired non-linear relationship. This methodology is not backed by any theory.
  4. For both types of exhibitions the number of satisfiers in quadrant I is deceptively low, which reflects the shortcoming of this method compared to Kano's.
Thank you for your attention!
Trade Shows and Public Fairs

Terminology used in this presentation

- Under the term "trade show" we subsume exhibitions or shows for industrial goods and services, independent of regional, national or international focus and addressing multi-industries or single industries which are sold to companies and institutional customers.

- In the following the term "public trade fair" subsumizes shows or exhibitions for consumer goods, irrespective of their breadth of goods and services displayed (broad and general or narrow, or focused on a single branch, like sports) that are addressed to private customers.
Vavra's Importance Grid Framework

- Vavra's model is a framework to determine the importance of different service attributes for customer satisfaction.

- It identifies basic, performance and excitement factors comparing explicit importance scores for specific services with corresponding implicit importance measures.

Source: Vavra 1997
Vavra's Importance Grid
Explanation for basic and performance factors, and satisfiers

- **Basic factors** score high on explicit but low on implicit importance. If not offered or not delivered at or above the expected service level, they cause dissatisfaction. Overachievement does not advance customer satisfaction.

- **Performance factors** score either high or low on both importance dimensions. The relationship between service-item performance-score and the contribution to overall satisfaction is linear. Thus, the higher the delivered service level, the more satisfied the customers are and vice versa.

- **Satisfiers (excitement factors) score** low on explicit but high on implicit importance. If offered, they considerably advance overall satisfaction but satisfiers do not necessarily avoid dissatisfaction. Customers do not expect satisfiers to be part of the offered service, which is why they strongly contribute to wow and to retain customers.

Source: Vavra 1997
Methods
Analysis

- The large size of samples allowed using the **partial correlation model** to derive implicit performance for the 28 service items, thus controlling for multicollinearity. However, due to limitations in the survey, **overall customer satisfaction (OCS)**, had to be **inferred** for each respondent from the average explicit performance of service items.

- The use of the partial correlation model requires sample sizes > 200 in order to obtain significant (at $\alpha = 0.05$ level) coefficients for a high percentage of attributes, and therefore comparison of individual fairs was not possible.

- Comparing the results of B2B tradeshows with B2C public fairs can be done only by **mean** and not by relative **service attributes**.