

A FAIR(Y) TALE: THE SEMIOTICS OF B2B COMMUNICATION *

Work-in-progress paper

Diego Rinallo⁽⁺⁾ & Stefania Borghini

Business Management Department

Bocconi University

Via Filippetti 9 – 20122 Milan, Italy

E-mail: diego.rinallo@uni-bocconi.it – stefania.borghini@uni-bocconi.it

⁽⁺⁾ Correspondent author, tel. +39-02-5836.3719, fax +39-02-5836.3791

* The financial support of Bocconi University and of its Centre of Researches on Markets and Industries (CERMES) is gratefully acknowledged. We would also like to thank Cristian Chizzoli, Francesca Golfetto, Giampaolo Proni and Michael Gibbert for support and insightful suggestions during countless discussions; and Emanuele Guido, Viviana Pedretti, Elena Vismara, and again Cristian Chizzoli for their professional assistance during the fieldwork.

A FAIR(Y) TALE: THE SEMIOTICS OF B2B COMMUNICATION

Abstract

In this paper, we intended to investigate the content of the communication realised by a sample of fashion textile and accessories firms while exhibiting at an important international trade fair. Our results constitute a first empirical validation of the competence-based-communication (CBC) research program, recently proposed by Golfetto's (2003) seminal contribution, which suggests that by communicating their competencies firms may achieve a competitive advantage over rivals. To do so, we adopted an innovative methodology based on semiotics that could be of interest to scholars involved in the analysis of trade fairs and B2B communication in general. Our main result is that also in a context in which imitation is relatively easy, most firms adopt a CBC approach and show how their generic competencies could be employed in the customers' specific sector of activity.

Key words

Competence-Based Communication; Semiotics; Trade Fairs; Fashion Industries

Introduction

It has been recently suggested that in business-to-business contexts firms may achieve a competitive advantage over their rivals by investing in the communication of their distinctive competencies (Golfetto, 2003; forthcoming). Such approach, termed "Competence-Based Communication" (CBC), is relatively widespread in the practice of many firms in business markets, and is theoretically supported by the relational and partnership views proposed by different schools of B2B marketing and in the Resource-Based View of strategy. Some of the basic tenets of this approach are the following (Golfetto, 2003):

1. CBC refers to the resources and capabilities that the supplier makes available to the business customer in a "purchase proposition" in which the former acts as a competence provider. Such approach moves attention from the standard offer to the activities and competencies which could be refined in different ways, according to customers' specific needs;
2. Firms adopting CBC frequently do not limit themselves to communicate their general resource and competence profile; they instead typically present in their communication

activities the applications of their resources and competencies which could solve potential customers' problems or satisfy their specific needs;

3. from a functional perspective (Möller & Törröen, 2003), the competencies that suppliers propose to transfer in their communication activities may create value for the customer along the axis of efficiency (which concerns the quality/price ration of products, reduction in costs, efficiency and flexibility of processes); effectiveness (which has to do with the capacity to innovate in order to increase efficiency or to support customers' business beyond present possibilities); and networking (which involves access to the portfolio of relationships with other subjects and the capacity to enter networks able to support radical innovation and new business opportunities);
4. CBC is supposed to be widespread in situations where, metaphorically speaking, what is purchased is not just "solid competence" (i.e. suppliers' standard offer, incorporated in the physical product or basic service) but also "fluid competence" (i.e. the potentiality, not yet incorporated in products or services, to solve non-standard problems or to satisfy non-standard needs in tailor-made ways);
5. from customers' point of view, the most useful instruments to appreciate suppliers' competencies are instruments that imply an experiential communication like sales representatives, open houses, product demonstrations, and trade fairs, i.e. ones in which suppliers' skills may be tested before the actual purchase and, in the case of trade fairs, compared respect to those of competitors'.

An interesting paradox however emerges from such perspective. Since CBC requires early disclosure of solutions, products and operating modes, firms adopting such approach face the risk of producing free externalities for rivals that might imitate either the products that are the final fruits of such competencies or, what is worse, the processes and solutions that were employed to craft them, so reducing their rent-generation potential. In this paper, we explore the

trade-off between efforts to communicate distinctive competencies to customers and efforts to avoid imitation from competitors in the context of the communication activities of firms producing fabrics and accessories exhibiting at an Italian trade fair. Trade fairs are particularly important among experiential sources of information since they allow customers a direct comparison among different suppliers, permitting consequently to reassure business purchasers new to selection processes which are usually extremely complex and risky, and to offer guarantees to habitual customer that their supplier is more (or, at least, as) competitive, competent, or innovative than its competitors. More specifically, the purpose of this research is to empirically explore: (a) whether and to what extent firms communicated their competencies during their trade fair participation; (b) which kinds of competencies were actually communicated.

There are many methodological approaches that could be employed to further such ends; we however argue that through its distinctive and rather sophisticated literature, the discipline of semiotics can provide methodologies among the most appropriate for our research questions. Instead of analysing suppliers' communication intentions or customers' perceptions of messages, in this paper observations regarding the emission or reception of messages are voluntarily forsaken and, following one of the basic tenets of semiotics, the focus is instead on the message itself (Floch, 2001): as Greimas, one of the French fathers of semiotics used to so often repeat, “beyond the text, no salvation”. With these intentions in mind, two semiotic conceptual instruments were chosen as methodological cornerstones: the semiotic square (Floch, 2001; Greimas, 1974, 1984) and the narrative schema (Floch, 2001; Greimas, 1976). The former permits to develop in a reliable way a morphology of trade fair communication, as evident in booth design. The latter, on the other hand, by explicitly considering competence in its structure, appears to be particularly appropriate for our purposes. The logic behind the use of the narrative schema is that the way firms represent themselves while exhibiting can be treated as a text,

through which stories are told in front of a public composed of visitors. If this holds true, the narrative schema, which derives from Vladimir Propp's (1958) morphological analysis of Russian fairy tale, is a powerful instrument to identify exhibitors' "fair tales".

This paper intends to contribute to several conversations in which scholars of different disciplines and perspectives are currently involved. Firstly, it constitutes an empirical validation of the CBC research program, in that, as suggested by Golfetto (2003), it explores the effective spread of CBC among suppliers and in the context of an experiential, comparative communication instrument and shows that: (a) also in a context in which imitation is relatively easy, firms tend to actually communicate their competencies as applied to solve specific target groups' needs; (b) contrary to expectations, a majority of firms communicate solid rather than fluid competencies, and ones referring to a value-creation potential for customers along the axis of efficiency rather than effectiveness. Secondly, it contributes to the discipline of semiotics, by extending the use of two of its conceptual instruments to the study of a phenomenon, trade fairs and the communication taking place within them, which has so far been surprisingly neglected, in spite of the relevance of exhibiting for the practice of firms operating in industrial markets. Finally, it contributes to the methodologies available for scholars interested in the study of trade fairs, for which all extant research is based on surveys, and for which instruments to capture the content of communication are instead, because of intrinsic difficulties, almost entirely lacking.

The paper is structured as follows. In the first section, since our methodology is rather innovative in the context of business marketing and communication, a brief literature review is proposed, focusing on the origin of semiotics and its relationships with marketing and communication, where we describe in detail the semiotic square and the narrative schema. The second section describes instead the empirical setting in which the study took place and the reasons for choosing it. In the third and fourth sections, methods, hypotheses and results are

described. In the final section, such results are discussed, methodological limitations are considered, and implications for research and practice are proposed.

A Brief Literature Review: Semiotics, Marketing, and Communication

Semiotics is traditionally defined as the discipline of signs. Human speculation about signs and meaning dates back to the beginning of western philosophic thought (Calabrese 2001); as a modern science, it was however independently founded twice, by the Swiss linguist Ferdinand de Saussure (1857-1913), which called it semiology, and by the U.S. philosopher Charles Sanders Peirce (1839-1914). These twin origins of the discipline are present nowadays in its two main perspectives, the structural (or generative) semiotics, linked to de Saussure's work, whose main exponent was the French scholar Algirdas G. Greimas; and the interpretative semiotics, mainly developed by the Italian Umberto Eco in Peirce's tradition (Volli 2000)¹.

In the marketing field, semiotics has mainly found applications in product and shop conceptualization and design; in the study of consumer behaviour; and in the decoding of firm communication (Mick 1986; Umiker-Sebeok 1987). As far as the latter is concerned, efforts have been mainly directed to the interpretation of advertising messages; the first attempts started at the end of the 1950s, with the work of Roland Barthes, which considered advertising as a privileged field of analysis because the communication taking place in its messages is intentional. In subsequent decades, semiotics was extensively employed to analyze and decode advertisements targeting final consumers, with many contributions using semiotic methods to some degree (e.g. Ceriani 1997; Codeluppi 1997; Cook 1992; Dyer 1982; Myers 1994; Vestergaard & Schrøeder 1985; Williamson 1978). The analysis of communication instruments other than advertising has been limited to firms' visual signs and packaging (e.g. Ceriani, 1997; Ferraresi, 2001; Floch, 2001). Research examining communication taking place in B2B settings or explicitly

¹ For a review of origins, developments and applications, see Codeluppi (1997) and Mick (1986).

considering trade fairs is instead non-extant, even though trade fairs as “a vehicle by which signs are delivered” were recently theoretically discussed in a semiotic perspective (Blythe 2002).

The Semiotic Square

The semiotic square (Greimas 1974, 1984; Floch 2001) permits to logically represent the relation of opposition between two semantic categories. Its origins lie in the Saussurian idea that meaning occurs only in and through difference; it permits not only to apprehend differences, but also to define relations among such differences (Floch 2001).

The procedure to build a semiotic square starts with the identification of two opposing elements of the semantic category taken into consideration (e.g. black and white); of course, such an opposition is not a natural one, but is arbitrarily established by the analyst and should be effectively active and relevant to the text being examined, i.e. it can be conceived as an hypothesis to be rejected or confirmed according to its effectiveness (Volli 2000).

After having identified two opposing terms, each of them is linked, through negation, to a contradicting one: hence, in terms of our example, black is linked to non-black and white to non-white. The last step consists in the identification of a relation of *implication* between, respectively, non-white and black, and non-black and white. Thus, with the three logical operations of *opposition*, *contradiction*, and *implication*, it is possible to derive a quadripartition of the semiotic space regarding a collection of texts of interest.

The Narrative Schema

The narrative schema is based on Vladimir Propp’s (1958) notable study aiming at identifying the constant themes underlying the variability in the morphology of Russian fairy

tales. The 31 fundamental functions identified by Propp, i.e. the action realized by a character from the point of view of its meaning for the deployment of the story, were later further reduced by Greimas (1976), with a structure composed of the following elements (Floch 2001):

- *Contract*: Program that the sender proposes to carry out, and its acceptance by a receiver;
- *Competence*: Acquisition of the ability to realize such program;
- *Performance*: Realization of the programme;
- *Sanction*: Comparison of the completed programme with the contract to be completed; can be either positive or negative.

In the context of a fairy tale, a queen may ask a heroine to rescue her son, kidnapped by a fire-breathing dragon (contract); before challenging the beast, the heroine may need to acquire a magical armour, to be protected from fire, and a map, to know where the beast is located (competence); after much efforts, the heroine eventually save the prince (performance) and the queen rewards her with half of her kingdom (sanction). The narrative schema has been proposed as a tool to interpret advertising, to develop creative ideas for advertisements, and to compare "consumer stories" relating to specific product categories across cultures (Valentine, 1995). The narrative schema's effectiveness to decode all sorts of communication is based on the fact that narration is a widely diffused, if not universal, mechanism for meaning generation (Volli 2003) and, as shown by research regarding advertising, it may be highly persuasive (Boller, 1990; Boller & Olson, 1991; Bollen, Olson & Babakus, 1992; Deighton, Romer & McQueen, 1989; Stern, 1990; 1991; 1992; 1994; Wells, 1988).

Although the specific narration morphologies can be highly differentiated, some typical examples in the case of consumer advertising are the following (Volli, 2003): (i) *contract/sanction*: the brand, sometimes through a person acting as representative, explicitly propose a contract; in these cases, implicitly, the product will realize the performance; (ii)

competence: often, the communicative strategy does not describe product features, but rather brand competencies, e.g. it is shown that the brand knows consumers' needs, or that the consumer, through the product, may acquire the competence needed for certain performances (a seduction; a success in front of friends, etc.); (iii) *pure sanction*: in other cases, the advertising text takes for granted the product's ability to realize some kind of performance, and focuses instead on the gratification the consumer will experience during a purchase or consumption act.

The Empirical Setting

Our empirical setting is constituted by exhibitors' communication activities taking place within an important international fabric and accessories for women's and men's wear trade fair, the 39th edition of ModaIn, which took place in February 2003 in Milan, attracted 416 exhibitors and over 20,000 visitors (mainly apparel firms' buyers and fashion designers), and intended to present proposals for Spring-Summer 2004 collections. ModaIn is dedicated to innovation, i.e. is an event in which exhibitors present new collections and visitors go not to buy, but rather to be informed about the new season's trends. The event organizer tries to co-ordinate the directions of the innovation efforts of its exhibitors through a mechanism known as "concertation" (Golfetto 2000), which permits to reduce innovation risks and increases overall industry efficiency and consists in the forecast, months before the actual fair, of various macro-trends in style, taste, habits, society, and materials, which are then expressed in various themes which are then declined in terms of colour nuances, type of fabrics and accessories, etc.². Such trends are eventually communicated to exhibitors and deeply affect the design of new collections.

The fair's layout is arranged in order to save time and effort to visitors, i.e. firms with similar products will be located in the same areas. This means that, typically, firms are

² For example, the trends identified for the 2004 Spring-Summer collections were labelled: "Soothing - Calming treatments that relieve and make you dream"; "Sun-burnt - Heat and scorching atmospheres of far away lands"; and "Tonic - A shot of vitality and frivolity without excess".

physically contiguous to their most direct competitors. Unlike other events in the fashion industry in which exhibitors are very creative in their communicative efforts, ModaIn is characterised by a high degree of similarity among booths, which are standard in fittings and modular in size. Firms differentiate their booth from competitors, when deciding to do so, mainly through its size and, more important, through the number and content of the window displays they choose to have.

We chose to explore CBC practice in these industrial sectors and with respect to trade fair participation because of theoretical reasons and past empirical research, as explained below.

- When adopting a CBC theoretical perspective, experiential means of communication, and particularly those permitting customers to compare purchase alternatives, are assumed to be the most effective (Golfetto, 2003; forthcoming). Moreover, empirical research in a CBC perspective shows that industrial customers consider trade fairs among the most important sources of information for evaluating suppliers' competencies, and, to this end, they are much more useful than, say, advertising or internet-mediated sources (Borghini, Rinallo, 2003). More broadly speaking, trade fairs are among the most important communication instruments for firms operating in Western European industrial markets, and absorb an estimated average 35-55% of the total promotional budget (Golfetto & Uslenghi 1999), and are consequently a natural starting point for any analysis of B2B communication.
- Both our industrial setting and the specific communication instrument we selected should discourage CBC practices. With respect to the former, in fashion industries at all stages of the pipeline, imitation of style, patterns, and trends is a relevant problem (Sabbadin, 1999), and this has encouraged over time an attitude towards secrecy. With respect instead to the latter, empirical evidence suggests that firms participate to trade fairs both as exhibitors *and* visitors for competitive intelligence reasons, in order to obtain information about rivals' innovations, activities, etc. (Bello & Barczak 1990). Since perceived risk of imitation is assumed to limit the diffusion of CBC practices, results in the setting we chose could be

considered a sort of lower-bound in this sense, i.e. if firms adopt such an approach when they have disincentives to do so, they will adopt it to a greater extent in settings where such disincentives are more limited.

The Exhibitor' Dilemma: To communicate or not to communicate?

The first, preliminary part of our study aims at analyzing to what extent firms tend to be silent or, rather, to communicate openly their products and competencies in the setting we chose. From a methodological point of view, the following activities were realised: (a) identification of the semantic categories most appropriate to make sense of the differences in exhibitors' booth design and realization of the corresponding semiotic square; (b) structured observation of a sample of exhibitors' booths, on the basis of the grid resulting from the previous step; (c) test of statistically significant differences in booth design of firms producing, respectively, fabrics and accessories.

In order to identify an opposition effectively active and relevant for the fair's exhibitors the following steps were followed:

- We visited the exhibition during its first day of opening and separately observed the booths. Our general impression was that, unlike other trade fairs in which booths appear quite open with products openly displayed, within ModaIn most booths appeared closed and made a very limited use of window displays, that in a few remarkable cases were not present, and that in many others did not exhibit product samples. Even if terming them with different labels, we both perceived the desire of privacy from many exhibitors, and interpret it as a determinant of overall booth design.
- Further validation for the idea that the opposition between the semantic categories initially termed by the two Authors, respectively, “openness/desire to be looked at” and “closeness/desire not to be looked at” was relevant for exhibitors and their booth's design

was provided through interviews to exhibitors, visitors, organizers and experts in this field. Overall, 7 semistructured interviews were realized, and with few variations our initial idea was confirmed.

After this procedure and confrontation between the Authors, the final opposing categories were labelled as “hiding oneself” versus “showing oneself”, and the semiotic square in Figure 1 was sketched. Table 1 shows booth features that we attributed to the semiotic square’s poles. Also in this case, to reduce to some extent the non-eliminable elements of subjectivity in the process, we tried separately to link booth features to each of the four semantic categories; again, initial disagreements were resolved through confrontation.

---Insert figure 1 and table 1 around here---

We then observed the frequency with which each of the four semantic categories identified occurred on a sample of 68 exhibitors (or 16,5% of total), chosen through a random procedure as follows: firstly, and in accordance with the layout of the exhibition, some corridors were randomly selected in the areas dedicated, respectively, to women’s wear fabrics and fashion accessories; secondly, we separately classified all exhibitors in the selected corridors according to the typology previously defined; finally, we compared results and resolved disagreement, when needed, through joint re-analysis. Results are also shown in table 1: overall, about two thirds of the firms examined had rather articulated communication concepts; on the other hand, more than one third of exhibitors chose to greatly limit communication to external observers.

Since, under a CBC perspective, experiential communication implies a non-eliminable risk of imitation, particularly in the case of comparative instruments (Golfetto, 2003), we were interested in observing differences in the communicative behaviour of firms producing different types of product. In our sample, both fabric and accessories producers are present, and they differ in terms of product and creativity likelihood of imitation: in the case of textiles the

innovation cycle is biannual, leads to high profits for the most “trendy” firms, and refers to elements such as new materials and colours that are not particularly difficult to imitate. For firms producing accessories (buttons, zip and press fasteners, labels, buckles, etc.), on the other hand, the innovation cycle takes longer, margins are lower, and innovation refers to elements such as technological innovation that present higher barriers to imitation. We consequently performed a chi-square analysis in order to test the following hypothesis:

H1: Exhibitors located in the fabrics for women’s wear area tend to hide/not to show themselves more than exhibitors located in the fashion accessories area.

As shown in Table 2, the distribution of frequencies of the semantic categories referring to booth design for firms producing, respectively, women’s wear fabrics and accessories, is rather different, with the former tending to hide/not to show and the latter tending to show/not to hide themselves. Moreover, the chi-square test’s value permits to accept the hypothesis that differences in the two frequency distributions are statistically significant.

---Insert table 2 around here---

Exhibitors' Narration: Which competencies will be communicated?

In this section, we report our analysis of what those firms which were previously codified as showing/not hiding themselves actually communicated by employing the narrative schema as methodological basis. Firms adopting a CBC approach are not supposed to present their *general* competencies, but rather to present them in a *customized* way, i.e. adapted to their target groups' specific applications. We consequently propose the following hypothesis:

H2: The number of suppliers communicating customized competencies will be greater than that of those communicating generic competencies.

From a different perspective, as previously suggested, suppliers may communicate competencies referring to the potential to create value for their customers along the axes of efficiency, effectiveness (Möller & Törröen, 2003). In the fabric and accessory sector, customers (i.e. apparel firms and designers) are likely to buy product because, through them, they can incorporate the newer fashion trends in their new collection or can otherwise innovate: we consequently suggest that most suppliers will chose to propose a purchase proposition centred around effectiveness benefits rather than just efficiency. We consequently proposed the following hypothesis:

H3: The number of suppliers communicating competencies concerning “effectiveness” benefits will be greater than that of those communicating “efficiency” benefits.

Finally, firms employ products in their communicative efforts not only to propose to customers their present, standard offer, i.e. solid competence, but also “to symbolize solutions, experience, expertise and ability to adapt” (Golfetto, 2003), i.e. fluid competence. We expect that, in our setting, most firms will communicate their fluid competencies rather than limiting themselves to communicate the competencies embodied in product features and performance. More formally, we propose the following hypothesis:

H4: The number of suppliers communicating fluid competencies will be greater than that of those communicating solid competencies.

In order to test the previously stated hypotheses, the Authors and a group of four trained assistants carried out semiotic analyses of the content of window displays and, when possible, interior design and visual aspects of ModaIn exhibitors’ booth. In doing so, we adopted the perspective of a visitor looking for new suppliers and trying to evaluate whether entering the booth or not on the basis of potential interest. We are aware that this approach is somewhat limited, since in a related study we found that, in trade fairs, visitors make sense of exhibitors’ competencies mainly by interacting with the technical personnel present at the booth (Borghini,

Rinallo, 2003); interaction with booth personnel takes however place only after visitors decide to enter the booth and, in the case of new customers which are not in relationship with the exhibitors, this would occur as a consequence of an evaluation process based on the examination of booths' visual elements. Furthermore, from a different perspective, we expected that if a CBC approach is found in booth visual aspects, then it will be more so in the interaction of booth personnel with customers.

Overall, 21 booth were analysed, each of them separately by two members of the research group, with each on-site observation taking 40-80 minutes, and transcription and comparison of notes taking much longer. When possible, booth pictures were taken after asking exhibitors' permission. Booth were randomly chosen among those previously identified as showing/not hiding themselves. For each selected booth, a semiotic analysis was conducted, using a methodology adapted from Proni (2000): (1) *syntactic analysis*, i.e. thick description without interpretation of booth features in terms of size, interior design, window displays, technical and managerial booth personnel appearance, lighting, etc.; (2) *semantic analysis*, i.e. synthesis of textual elements and analysis of the narration being realised on the basis of the narrative schema; (3) *pragmatic analysis*, i.e. interpretation of exhibitors' communicative intentions. The two separately-performed semiotic analyses available for each booth were compared soon after the end of the fair, with disagreements resolved through confrontation with the help of pictures. The final reports which were the end results of such procedure were then content-analysed, in order to detect the overall narration taking place and classify each exhibitor according to whether the content communicated referred to generic vs. specific competencies; effectiveness vs. efficiency benefits; and fluid vs. solid competencies. Basic descriptive statistics of our analysis are reported in table 3.

---Insert Table 3 around here---

From a methodological point of view, our analysis shows the possibility to empirically treat the visual aspects of trade fair communication as a collection of texts that may be compared or employed for further analysis. Some considerations about our descriptive results follow.

1. *A contract is always present.* Of course, this result is by no means unexpected, since the mere presence of a firm at a trade fair may be interpreted as a sign of its desire to stipulate some specific type of contract, even when adopting hiding/not showing oneself approaches. That said, the specific target groups firms intended to contact were not specified in the majority of cases; on this, the most explicit exhibitor was a firm producing fasteners that made evident through the use of ad hoc promotional material that its product mix was suitable for different types of industrial buyers (sportswear; women's wear, baggage producers, etc.).
2. *Competence, although in differentiated shapes, is always present but only very rarely refers to the customer.* Unlike B2C advertising, where the brand is typically narrated as enabling consumers to obtain different kinds of performance, in the cases examined firms tended to show their own competence, rather than that the customer could acquire as a result of entering in relationship with the supplier. The rare cases in which this occurred depicted customers as able to obtain press coverage on fashion magazines.
3. *Performance, both past and present, was sometimes referred to.* When this occurred, exhibitors referred to their own past or intended performance in terms of product quality. This typically occurred by exploiting the principles of contiguity and similarity (Leach, 1976), i.e. the bringing together of objects (e.g. works of art, orchids, jewels) with the product to transfer to it their symbolic properties.
4. *Sanctions were communicated in a few occasions.* In two cases firms communicated their own past sanctions (e.g. an accessory producer exhibited the brands of its customers, famous fashion designers; another exhibited instead its ISO 9000 quality certifications). Reference to sanctions that customers could achieve by entering in relation with the exhibitor was present

in one case only, when an exhibitor suggested through pictures taken from a fashion magazine that its customers could reach the success of the most known fashion designers.

5. *Overall, the narrative structure of booths tended to be incomplete.* Only two booths out of the 21 examined reported a complete narration; when this occurred, however, the booth appeared to be of great visual impact and, in our opinion, of great communicative effectiveness.

More in detail, and with respect to our hypotheses, our findings are as follows (see Figure 2).

- *H2 is verified*, since almost 81% of firms in our sample did arrange communicative efforts in order to suggest customers specific applications of their products, in some cases by having the booth personnel actually wearing dresses realized with the exhibitors' fabric or accessories. This suggestion of possible applications was particularly evident in the case of firms whose output could be employed by buyers belonging to industries other from those of ModaIn visitors (i.e. producers of synthetic crystal stones or of mother of pearl accessories; firms producing fabric that could be employed also for footwear and furnishing; etc.). Also in the cases in which firms produce goods that can be employed only by the downstream market represented by ModaIn visitors, however, it was almost always noticed an effort to show applications regarding specific target groups; in the cases of bigger booth with more than one window display this typically occurred by having each of them dedicated to a different application of the firms' products (e.g. wedding vs. cocktail vs. ceremony dresses). A minority of firms, on the other hand, communicated their generic competencies, not declining them in terms of specific applications or customers' needs; in almost all cases, the communication of these exhibitors was very effective in attracting visitors' attention, but did not make any reference to firms-specific competence (i.e. an image, rather than competence-based, communication strategy).

- *H3 is not verified*, since only 43% of firms in our sample communicated their competencies as to suggest effectiveness advantages deriving from entering in relationship with them. In most cases, in fact, exhibitors' communication was centred around ideas of efficiency, and referred to: product and/or process quality, the latter suggested by showing ISO 9000 certifications or technology-enabled quality control; and capability of alignment with customers' specific requests. On the other hand, when the communicated competences referred to effectiveness, firms suggested their innovation capabilities, both incorporated and not incorporated in products; and problem-solving capabilities.
- *H4 is not verified*, since only 33% of the firms we observed communicated fluid competencies, i.e. competencies going beyond standard offer. Such firms propose themselves as partners able to adapt their offer to specific customers' requests (e.g. in terms of desired raw materials, processing, creative ideas) or, more broadly, to solve problems for which the customers do not have the knowledge to specify their needs (e.g. problem solving capabilities with respect to technical problems; capability of co-designing exclusive patterns with high fashion content; etc.). On the other hand, for two thirds of the firms examined, firms presented their solid competencies, either as embodied in the physical products or by suggesting the distinctive technical competencies employed to produce the standard offer (e.g. technological know-how, zero-defect quality control, knowledge of fashion trends, etc.). What is worth noting here is that, from an analysis of ModaIn catalogue and such exhibitors' Web sites, we realized that, at least in some cases, firms' did not communicate their fluid competencies (i.e. they did not communicated specific capabilities to adapt products or processes, or to solve problems, that were evidently owned). In general, we found that efficiency benefits were mainly referred to solid competencies, while effectiveness benefits were referred to both solid and fluid competencies.

---Insert Figure 2 around here---

Limits, Discussion and Conclusion

Our research design suffers of some limitations, here discussed.

- In terms of *construct validity*, i.e. the degree to which a research investigates what it claims to investigate, as previously suggested this study is limited in that it focused on booth design and window displays, not examining instead thoroughly the role of the booth personnel, that can highly contribute to visitors' perceptions of exhibitors' competencies (Borghini & Rinallo, 2003). It could however be expected that those firms that communicate their competencies through their booth design, will even more do so through their human resources. More research, adopting appropriate methodologies, is anyway needed, since booth personnel role appears too important under a CBC perspective to be neglected.
- In terms of *reliability*, i.e. the extent to which later researchers would reach the same conclusions if they conducted the same study again, this study adopted a dual-observation procedure with confrontation in case of disagreement for all activities in which the risk of subjectivity was considered relevant. Consequently, although such risk is inevitable in interpretative research, it was perhaps limited and, at least, we defy criticism that "semiotic analysis invariably consists of individual readings" and lacks "evidence of any kind of consensus among different semioticians" (Chandler 2001).
- In terms of *external validity*, i.e. the extent to which findings can be reproduced in other settings, this study is evidently limited because of sample size and its focus on two specific sectors of the textile-apparel industry and one specific communication instrument, i.e. trade fair participation. With regard to the former, however, limits in sample extension are coherent with the qualitative nature of this study; moreover, trade fairs typically last no more than 4 days and semiotic approaches tend to be time-consuming, so there are intrinsic limits to the extension of samples that do not exist, for example, when analysing advertising. With

regard to the latter, instead, and coherently with the CBC research program, future research should assess whether similar findings are also valid in other industrial contexts and with respect to other communication instruments.

Notwithstanding such limits, taken as a whole our research findings constitute a first validation of the CBC research program for what concerns the diffusion and content of CBC practices among firms since they show that:

1. also in a context where incentives not to communicate competencies are extreme (i.e. in the industry, imitation is common and feared, and trade fairs lend themselves to ease imitative efforts by competitors), a CBC approach is somewhat widespread, with about two thirds of the firms in our sample (i.e. those adopting a showing / not hiding oneself approach) communicating their competencies.
2. in the vast majority of cases, the firms examined do not show their general competencies: on the contrary, clearly detectable efforts are made to adapt such competencies to specific target groups and customers' applications.
3. unexpectedly, only a minority of firms communicated competencies referring to the potential of creating value for the customer along the axis of effectiveness (i.e. new products or markets), with most of them focusing their communication activities on efficiency benefits (i.e. present products and markets). Similarly, only a minority of firms communicated their fluid competencies, with most of them proposing messages regarding their standard offer. This phenomenon is to some extent surprising; the limited diffusion we documented may be however due to both theoretical and methodological reasons: as regards the former, as previously discussed, both the specific instrument and the industry investigated are ones in which risks of imitation are relatively high, and under such conditions firms have disincentives to adopt CBC; as regards the latter, we adopted semiotics instruments to analyse visual aspects of communication, while other research designs based on different

methodologies (e.g. surveys to identify suppliers' intentions; (participant) observation of visitors-exhibitors interactions, etc.) could have likely documented a wider diffusion of CBC practices. On the other hand, to the extent that CBC actually leads to competitive advantage for firms adopting it, as proposed theoretically (Golfetto, 2003; forthcoming) and resulting from empirical research (Borghini, Rinallo, 2003), it cannot be adopted to all firms in an industry, otherwise it would lead to just competitive parity (Powell, 2003). Future research may explore the effect of communicating fluid rather than solid competencies, and effectiveness-based rather than efficiency-based advantages, on various indicator of cognitive, evaluative, and behavioural effects on exposed customers.

Table 1 – Booth features attributed to semantic categories

Semantic category	Booth features	Total	%
To hide oneself	Window displays are either not present or filled with printed promotional material showing firm brands.	6	9%
Not to show oneself	Window displays appear not to be prepared with care and, although products can be present, they are few in number and arranged with no detectable communication intent.	17	25%
Not to hide oneself	Window displays show to some extent firm product mix and a communication concept is detectable.	35	51%
To show oneself	Window displays are noticeable, tend to attract visitors' attention and show product arranged in creative ways.	10	15%
Total		68	100%

Table 2 – Distribution of booth features according to firms' sectors

	Women's wear	Fashion accessories	Total
To hide/not to show oneself	19	4	23
Not to hide/to show oneself	15	30	45
Total	34	34	68

$\chi^2 = 14,78; p = 0,99$

Table 3 – Frequency distribution of narrative schema elements

	Frequency (N = 21)	%
Contract	21	100%
Competence - own competence - customer's competence	- 21 - 2	- 100% - 9,5 %
Performance	8	38%
Sanction	3	14%
Exhibitors with complete narration	2	10%

Figure 1 – Semantic categories active in trade fair communication

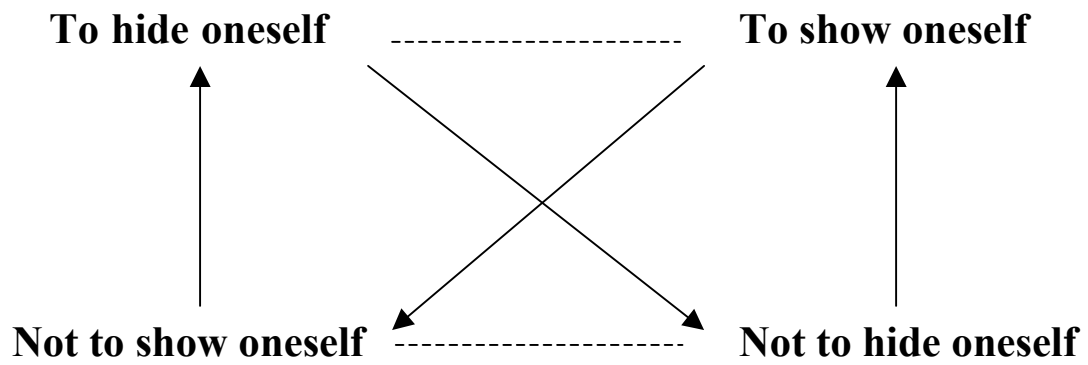
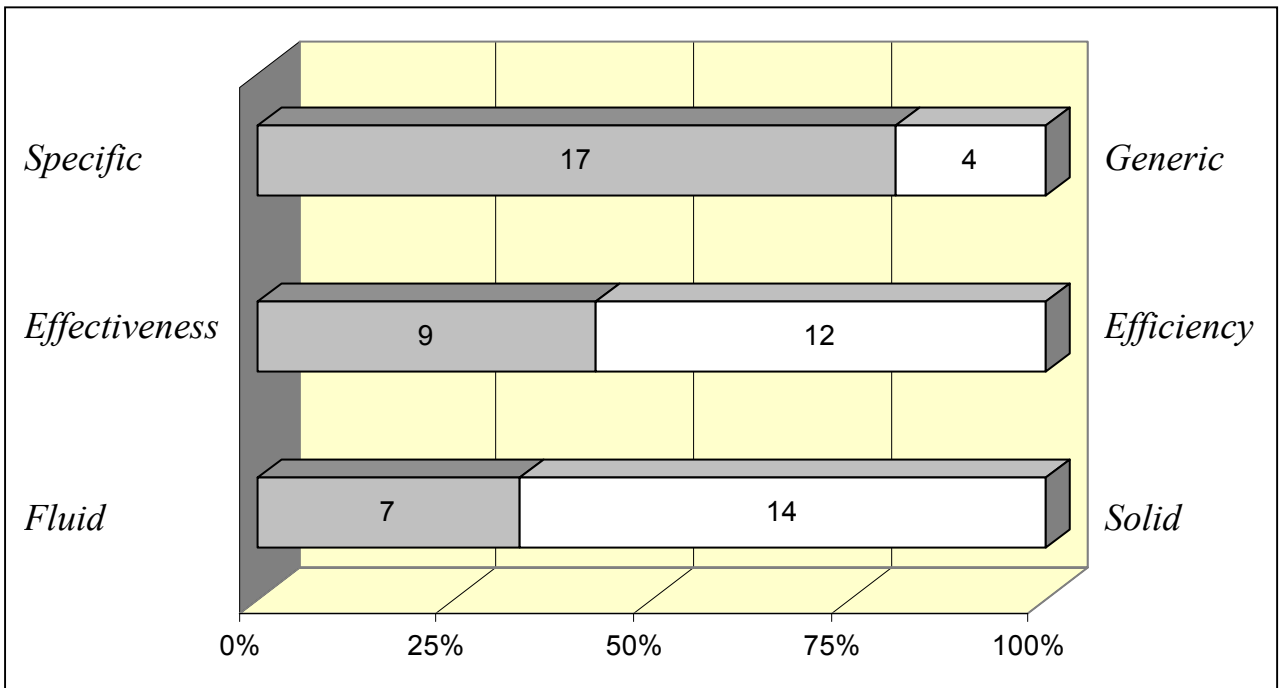


Figure 2 – Distribution of competencies communicated by exhibitors (N = 21)



References

- Bello, Daniel C. and Gloria J. Barczack (1990), "Using industrial trade shows to improve new product development", *Journal of Business & Industrial Marketing* 5 (summer/fall): 43-56.
- Blythe, Jim (2002), "Using trade fairs in key account management", *Industrial Marketing Management* 31: 627-635.
- Boller, Gregory W. (1990), "The vicissitudes of product experience: 'Songs of our consuming selves' in drama ads". In *Advances in Consumer Research*, Vol. 17, ed. Marvin E. Goldberg et al. Provo, UT: Association for Consumer Research, 621-626.
- and Jerry Olson (1991), "Experiencing ad meanings: Crucial aspects of narrative/drama processing". In *Advances in Consumer Research*, Vol. 18, ed. Rebecca H. Holman and Michael R. Solomon. Provo, UT: Association for Consumer Research, 172-175.
- , Jerry Olson and Emin Babakus (1992), "A model of drama ad processing", working paper, Marketing Department, Memphis State University, Memphis, TN.
- Borghini, Stefania and Diego Rinallo (2003), "Communicating competence in diagnostic and medical industry: A view from customers", paper presented at the 19th IMP Annual Conference, 4-6th September, University of Lugano.
- Calabrese, Omar (2001), *Breve Storia della Semiotica. Dai Presocratici a Hegel*. Milan: Feltrinelli.
- Ceriani, Giulia (2001), *Marketing Moving: L'Approccio Semiotico. Analizzare il Mix di Comunicazione, Gestirne gli Effetti di Senso*. Milan: Angeli.
- Chandler, Daniel (2001), *Semiotics for Beginners*. London: Routledge
- Codeluppi, Vanni (1997), *La Pubblicità. Guida alla Lettura dei Messaggi*. Milano: Angeli.
- Cook, Guy (1992), *The Discourse of Advertising*. London: Routledge.
- Deighton John, Daniel Romer, and Josh McQueen (1989), "Using drama to persuade", *Journal of Consumer Research* 16 (December): 335-343.
- Dyer, Gillen (1982), *Advertising as Communication*. London: Methuen.
- Ferraresi, Mauro (2001), *Il Packaging. Oggetto e Comunicazione*. Milan: Angeli.
- Floch Jean-Marie, (2001). *Semiotics, Marketing and Communication. Beneath the Signs, the Strategies*. New York: Palgrave.
- Golfetto, Francesca (2000), "Reti di imprese e meta-organizzatori: Il ruolo delle fiere", *Sinergie* 52 (maggio-agosto): 189-211.
- (2003), "Communicating competence. An experiential communication approach for business markets", paper presented at the 19th IMP Annual Conference, 4-6th September, University of Lugano.
- (forthcoming), "Business-to-business marketing e comunicazione: Enfasi sulle competenze del fornitore", *Finanza, Marketing e Produzione*.
- and Anna Uslenghi (1999), "L'euroglobalizzazione della comunicazione", in *Euromanagement. Scenari Competitivi e Politiche Aziendali in un'Europa Quasi Compiuta*, Enrico Valdani and Sandro Castaldo, eds. Milan: EGEA.
- Greimas, Algirdas J. (1974), *Del Senso*. Milan: Bompiani.
- (1976), *Introduction à la Sémiotique narrative et discursive*. Paris: Hachette.
- (1984), *Del Senso II*. Milan : Bompiani.

- Leach, Edmund (1976), *Culture and Communication*. Cambridge: Cambridge University Press.
- Mick, David G. (1986), "Consumer research and semiotics : Exploring the morphology of signs, symbols, and significance", *Journal of Consumer Research* 13 (September): 196-213.
- Möller, Kristian K.A. and Pekka Törröen (2003) "Business suppliers' value creation potential. A capability-based analysis", *Industrial Marketing Management*, 32: 109-118.
- Myers, Greg (1999), *Ad Worlds: Brands, Media, Audiences*. London: Arnold.
- Powell, Thomas C. (2003), "Varieties of competitive parity", *Strategic Management Journal*, 24: 61-86.
- Proni, Giampaolo (2000), "Analisi del testo pubblicitario", accessed April 30, 2003, [available at http://www.infotel.it/fabula/dispense_poli/indexske.htm].
- Propp, Vladimir J. (1958), *Morphology of the Folktale*. Bloomington: Indiana University Research Center.
- Sabbadin, Edoardo (1999), *Contraffazione e Abusivismo nel Settore della Moda*. Milan: Camera di Commercio Industria Artigianato e Agricoltura.
- Stern, Barbara B. (1990), "Marketing as drama: Theatre of the absurd", in *Research in Consumer Behavior*, Vol. 4, ed. Jagdith N. Sheth and Elizabeth C. Hirschman, Greenwich, CT: JAI, 195-215.
- (1991), "Who talks advertising? Literary theory and narrative point of view", *Journal of Advertising* 20 (September), 9-22.
- (1992), "What's in a name? Aristotelian criticism and drama research". In *Advances in Consumer Research*, Vol. 19, ed. Jphn F. Sherry, Jr. and Brian Sternthal. Provo, UT: Association for Consumer Research, 452-454.
- (1994), "Classical and vignette television advertising dramas: Structural models, formal analysis, and consumer effects", *Journal of Consumer Research* 20: 601-615.
- Sturrock, John (1986), *Structuralism*. London: Paladin.
- Umiker-Sebeok, Jean, ed. (1987), *Marketing and Semiotics. New Directions in the Study of Signs for Sale*. Berlin: Mouton de Gruyter.
- Valentine, Virginia (1995), "Opening up the black box. Switching the paradigm of qualitative research", ESOMAR Qualitative Seminar, Paris, 6-8th December, p. 25-47.
- Vestergaard, Torben & Kim Scrøeder (1985), *The Language of Advertising*. Oxford: Blackwell.
- Volli, Ugo (2001), *Manuale di Semiotica*. Rome-Bari: Laterza.
- (2003), *Semiotica della Pubblicità*. Rome-Bari: Laterza.
- Wells, William W. (1989), "Lectures and dramas", in *Cognitive and Affective Responses to Advertising*, ed. Patricia Cafferata and Alice M. Tybout, Lexington, MA: Lexington, 13-20.
- Williamson J. 1978. *Decoding Advertisements: Ideology and Meaning in Advertising*. London: Marion Boyars.