

## **The Borderline of Complexity of Business Tourism Product – The Network Concept of Trade Fairs**

Competitive paper

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### **Abstract**

The literature suggests that creation of tourism products needs cooperation of various entities, which, as a consequence, make up a network focussed on a value for tourists. From this perspective tourism products are created in destinations as amalgams of attractions, services, commodities and facilities offered and consumed locally under the destinations' brand names. We assume that a single actor has not enough resources to answer to the complexity of the demand therefore they interact with other actors to supply their sub-products and create the complex, network-origin product for business tourists. The borderline of such product may be defined by the needs of the customer or by the interactions of the actors. Our goal is to analyze the elements, levels and borders of products delivered for business tourists. It is reflected in network concept of trade fairs, which shows them as a complex business tourism product created by the actors involved both directly and indirectly in trade fairs.

The case of international trade fairs was chosen, as trade fairs are the example of complex product for business tourism. We collected data from the organizers of that event and its participants (exhibitors+visitors). The respondents were the managers of companies involved in organizing the event and 300 participants treated as business tourists.

The results enabled qualification of elements of business tourism product to one of three groups: core, enhanced or wide and allowed to capturing the borderline of product for business tourism and comparison of perceptions of the product between the suppliers and customers. Thus we propose the Network Concept of Trade Fairs which leads to a new broader perspective on a trade fair as an event that combines networks on a business level and that is embedded in the supply tourist network. This paper brings to the literature the example of complexity of product from business tourist industry and presents the differences of perception of such product.

**Keywords:** trade fairs, networks, business tourism, complex product, networked product

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## **INTRODUCTION**

When companies make a joint effort to create products, they do so to share the risk, cost and complementary resources as well as gain access to markets and accelerate the commercialisation of their ideas (Powell, Koput and Smith-Doerr, 1996). The literature on product development confirms the positive results of such cooperation mainly resulting from the availability of different resources (Dyer, Singh, 1998). It also suggests that relationships are much more complicated than in the case of ordinary market transactions (Primo, Amundson 2002). Profiting from collaborative product development requires not only integrating functions inside a particular firm, but also with external partners. It may lead to increasing coordination costs and risks caused by opportunistic behaviours (Williamson, 1975). Seeking to cope with these limitations may result in the incomplete use of potential, which is present in the system of firms that cooperate with one another (Clark, 1989). These two dimensions of collaboration are a starting point for our discussion on cooperation in the business tourism market.

Based on the ARA model of the IMP School, we concentrate on the network approach of developing a complex product such as a business trade fair. We assume that a single actor does not have enough resources to respond to the complexity of the demand of a business tourist, so they interact with other actors to supply their sub-products and create the complex, network-origin product for fair participants. We would like to propose a network concept of trade fairs by analysing actors involved in the process, their resources and the action that they take.

The paper concerns trade fairs, because they are an example of a highly complex product that requires that various actors cooperate with one another and because the diversity of viewpoints on trade fairs is rarely represented in the literature with the instrumental marketing perspective being the dominant one. The literature concentrates mainly on visitors and exhibitors. It rarely touches upon on the perspective of trade fair organizers or urban and regional systems. These issues may be particularly interesting from the perspective of Europe with almost 50% of 31 million m<sup>2</sup> of the world's fair floor space (ufi.org).

The paper is divided into two main parts – conceptual and empirical. The conceptual part refers to the literature on tourism and approaches to trade fairs. Based on that we propose their network concept. In the empirical part we analyse a case study of a trade fair, in which we compare the activities of actors co-creating a product with the expectations of the product's recipients. The conclusion offers a suggestion to analyse trade fairs from a broader perspective that considers the participants of a local tourist network.

### **BUSINESS TOURISM PRODUCT AS AN OUTCOME OF COLLABORATIVE DEVELOPMENT**

In the tourism marketing literature there is a general division between the product of individual tourism businesses and the overall tourism product, which is a composite construct of the standpoint of the destination visitor (Middleton et al., 2009). In the first case it is a seamless entity, which is a sophisticated bundle of service delivery experiences delivered by one or more collaborating firms. Therefore, business tourism can be seen as a system within which diversified organisations take collective action to attract tourists by offering a business tourism product package. Regardless of their identification with tourist industry all these firms and organizations are interdependent as they are parts of local tourism systems, which function objectively.

The overall business product approach focuses on the product as seen by a business traveller. It covers the complete experience that fulfils multiple travellers' needs, and provides corresponding benefits from the time he or she leaves home to the time he or she returns to it.

From this perspective a tourism business product is created by a business tourism destination – usually a city – as an amalgam of attractions, services, commodities and facilities offered and consumed locally under the city’s brand (Medlik, 2003). In that case a core product – a trade fair show, exhibition, conference or other meeting – is significant but the business tourist also utilizes other facilities and attractions of a city. Researchers into city tourism development highlight that the entertainment, culture, shopping and night life in a city is often very important for business travel given for example the role that dining and entertainment have in establishing business relationships (Page, Hall, 2003; Ashworth, Page, 2011; Jansen-Verbeke, Lievois, 1999). That is why tourism business product must appeal to travellers seeking either business or leisure activities (Xu, 2010).

Due to the complex needs of the business tourist, which determine the character of the offered product, the phenomenon of networking is inherently part of the business tourism sector. This means that tourism as a sector relies on the organizational complementarities and interdependences among actors and tourism companies link others’ resources to design a coherent product through the synchronization of activities in time and space (Werthner, Klein, 1999). This makes us look into the relationship between internal and external actors cooperating to create a tourist product using network approach. According to the ARA model of the IMP School, the components of a network consist of actors, resources and activities (Håkansson, 1982) that are related to one another in the overall structure of network in collaborative product development. Adopting this approach makes it possible to identify the resources from which a tourist product and the relationships among the suppliers of the resources are created.

### **TRADE FAIRS: FROM A SALES TOOL TO AN ELEMENT OF A SOCIAL AND ECONOMIC SYSTEM**

Trade fairs are most frequently discussed in the literature on business-to-business marketing from the perspective of tools. They are understood as an instrument of sales, communication, establishing and maintaining business relationships and international expansion (Huang 2015; Sarmiento, Simoes, Farhangmehr, 2012). Features of trade fairs traditionally pointed out in the literature used to include being organized regularly, always in the same place and established time (Hansen, 1996). According to Black (1986), trade fairs are events that bring together, in a single location, a group of suppliers, distributors and related services that set up physical exhibits of their products and services from a given industry or discipline. Trade fairs used to be perceived as industry meetings concluded with a transaction, but they also have an information-promotional function. The appearance of non-selling aims does not stem from a decrease in the significance of the trade function of trade fairs, but is due to an increase in the significance of promotion in contemporary exchange (Leszczyński, Zieliński, Zmysłony, 2009).

More recently, scholars have begun to conceptualize and systematically analyse trade fairs as important sites through which global knowledge flows are circulated and ideas for innovation explored (Borghini et al. 2006;). In this growing body of work, international trade fairs are recognized as temporary organized forms of spatial proximity and important temporary platforms for networking, knowledge generation, and dissemination because they enable intense interactions among economic agents despite spatial restrictions. Trade fairs enable companies to access the knowledge and opportunities for interaction similar to those provided by permanent spatial proximity. Consequently, trade fairs can be viewed as temporary clusters (Maskell et al. 2006) which gather together in one place actors from different regions, equipped with a diversity of knowledge and competence (Rinallo, Golfetto, 2011).

Trade fairs are also perceived through the prism of complex functions (social and city-forming), not only business ones. An effect of functional complementarity of trade fairs, events, conferences and business meetings is blurring the classic form of trade fairs (Leszczyński, Zieliński, 2009), which is reflected by the development of conference facilities and activities on European fairgrounds and construction of multifunctional facilities on other continents. And so contemporary industry trade shows constitute a forum to present new products, services and ideas and to make contacts and establish cooperation, and at the same time to exchange information during meetings, seminars and conferences.

Trade fairs and conferences are activities which generate mass travel movements and are a type of high-spending business tourism with profound effects on cities (Jefferson, Lickorish 1991). Because of that in the broadest approach to trade fairs they are an element of a city – a highly complex social and economic system in which they take place. Attention is paid here to their citygenic, economic and social functions. From this point of view trade fairs are also an element of a network of entities which create a business tourism product of a city in a broad sense of the word (Ashworth, Page, 2011; Spirou, 2011).

Considering the possibility of increasing the level of entertainment and recreational activity at the destination and the willingness to do so, Davidson and Cope (2003) classify the various business travel according to their 'pleasure quotient', which means the extent to which the elements of leisure and enjoyment are generally a feature of the particular type of event. The conferences are located high on the pleasure quotient scale and trade fair are located low. If we view trade fairs as a product of the meeting industry, then they largely have attributes of a tailor-made product for the target group of participants and they are less of a tourist subproduct of a city. If we consider such an approach, visitors take part in a trade fair because of the offer and the programme of that particular event and are less interested in a broad product, which comprises the city in which the fair is taking place. Trade fairs' exhibitors and visitors and conference attendees are, in general, less price-sensitive and more concerned with status than leisure travellers. They are motivated principally by the need to complete their travel and business dealings as efficiently and effectively as possible within a given time-frame – this reflects their companies motivation for their trip (Holloway, Davidson, Humpreys, 2009). Celuch (2015) points out that trade fair exhibitors and visitors are more focused on the core product of the event and the conference attendees seeks additional elements at the venue and within the city's offer.

However, since the end of the twentieth century business-to-business trade fairs, especially European one, have become events that pay particular attention to information, rather than commerce, which was previously the case. While exhibitors' offers are, as before, displayed during trade fairs, conferences and marketing events also take place. Through convergence trade fairs are becoming a multifunctional industry event, which may mean that they are becoming a product aimed at a different group of buyers who will not solely be interested in benefits resulting from suppliers and buyers meeting one another. The conference attendees are generally much eager than trade fair guests and they used to engage themselves in entertainment activities as a part of social and networking element of the meeting, to extend their visit to the destination before or after a conference, and to be accompanied by spouses or family during the business visit. When personal motivation enters the scene, conference delegates pay attention to the tourist attractiveness of a city (Davidson, Cope, 2003; Swarbrooke, Horner, 2001). Therefore such elements as climate, recreation, glamour and sights and culture are important factors of destination evaluation made by meeting planners (Law 2002) and may be important for trade fairs participants as well.

## **STRUCTURE OF TRADE FAIRS AS AN OVERALL TOURISM PRODUCT**

As a product of business tourism trade fairs are a result of numerous interdependent and independent entities cooperating with one another. The product itself, its creation and management does not translate directly into the nature of networks created in this sector. According to the Rosson and Seringhaus (2000) model of trade fairs interactions, the trade fair can be analysed through the prism of interactions of the actors involved both directly and indirectly in trade fairs. There are interactions solely between the exhibitor (the seller) and the visitor (the buyer). In another area interactions are related to building an image (additional actors include suppliers, industry analysts and purchase initiators). At least there are interactions in a network of actors including competitors, widely understood business partners, business environment organizations, the trade fair organizer (for the sake of the paper we assume that the trade fair organizer and the trade fair operator, who manages the trade fair infrastructure, are the same entity) and the city.

Seringhaus and Rosson's model of interaction may serve as a starting point for conceptualising the network concept of trade fair product as a type of an overall tourism product. According to Middleton and colleagues (2009) concept of tourism product it is build on three levels: the core, enhanced and wide product (Tab. 1.). The core product is largely controlled by the trade fair organizer. The nature of the fair and the fair participants' expectations determine the content, structure and the extent of the core product here. On the enhanced product the fair trade organizer selects entities to include in the cooperation network and develops relations with them. They will provide him or her with the product's components, starting from logistics and ending up with the content. On the level of a wide trade fair product we find components for which demand is derivative and more or less optional (Page, Hall 2003; Ashworth, Page 2011; Swarbrook, Horner, 2001). On this level a city's participation in the creation of the product depends on the strategy that has been adopted and largely on its relationship with the trade fair organizer (including proprietary relationships) (Chłodnicki, Leszczyński, Zieliński, 2011).

Table 1. Network concept of trade fairs

<b>Level</b>	<b>Nature</b>	<b>Components</b>	<b>Form</b>
Core	providing the visitors the opportunity to meet at a designated time and place for particular purposes: trade, relational, and communication purposes	venue (properly prepared fair facility), programme and schedule of the fair, system of registration and sales, information sales, trade fair materials, etc.	a package that is an inseparable combination of the elements mentioned above and offered to fair trade participants
Enhanced	additional, valuable (but not indispensable) services, and elements expected by experienced trade fair participants and elements that make the fair distinctive.	presence of special guests, security, cultural and entertainment, marketing or tourist events as part of the trade fair programme, gala dinner, industry meeting evening, architecture of the trade fair facility, competitions for trade fair participants, special	elements closely related to the trade fair facility and created by the organizer or entities that cooperate with him which may also include trade fair participants, eg.: events organized by exhibitors outside their exhibition booths which become part of the product offered to

		mobile applications.	the visitors
Wide	elements regarded as components of a tourist offer in a destination in which the fair is taking place	the infrastructure, transportation &, accommodation, recreational & entertainment services, eating places, tourist attractions and image of the city in which a trade fair is taking place	a trade fair as a territorial sub-product created on a wide dispersed demand base.

### **INTERSECTION OF INDUSTRIAL AND REGIONAL NETWORKS**

Offering trade fairs on each level of the product requires cooperation on part of numerous entities in a business network. As far as the core of a product is concerned, we can talk about numerous industry networks with a various spatial character (especially in the case of international trade fairs). On the level of the enhanced product, the network is joined by entities from their business environment and networks within which they operate. To a considerable extent they can create weak ties among the networks or act as knowledge brokers. A wide trade fair product requires that the local network of a tourist product be considered which is determined spatially, because it is consumed on the spot – the moment it is being delivered (Ashworth, Voogd, 1990). On this level the product is cocreated by tourists who are free to select its particular components (Smith, 1994). In addition, numerous facilities which are valuable tourist attractions (listed buildings, monuments, historical places) that create demand for a wide trade fair product become public goods, are offered on a non-commercial basis and mainly managed by public institutions (McNutt, 2000). These networks permeating and overlapping one another make trade fairs an interesting example of a complex tourist product created as a result of cooperation on part of entities from various business and social networks.

Viewing trade fairs as a product requiring cooperation on part of various actors that create it on the three previously defined levels makes us define a research problem which stems from three concepts being combined: collaborative product development, network approach and business tourism product. This leads to a question about the extent of cooperation on part of actors from various business networks, business environment and the local tourist network understood from the perspective of the listed resources, activities performed for the sake of the exchange and the actors involved. Participants of a business multi-network defined in this way have different positions and perform different roles. Sometimes they are not even consciously part of the meeting industry, like the authorities of the trade fairs city. They have the resources that might be necessary for the entities that create the trade fair together. The behaviours and their effects in this arrangement have not been sufficiently researched in the literature.

The problem requires that the weakening of control on part of the trade fair organizer be examined. In the case of the product core the control is considerable, as for the enhanced product it needs coordinating, but as far as a wide product is concerned it requires that the permanent elements in a city's offer be accepted which are managed by numerous entities. Managing a trade fair product on the second and third levels means having to cooperate with a large number of external entities with a various degree of involvement in the creation of the product. If this is cooperation with exhibitors participating in a trade fair or entities organising events as part of it, then the number of the entities and the heterogeneity of

expectations may become a problem. However, if we think about entities from a city which are not involved in the creation of the product on the first and second levels, then the nature of cooperation and the perception of advantages becomes an essential issue. For instance, the solution of the “freerider problem” on part of those providing services for trade participants may be an important issue, one of the problems being hotels raising their room rates for the duration of a particular trade fair.

Considering this, the expectations of trade fair participants who use the enhanced and wide trade fair product are an important problem. If they do differ from the participants who find the first level significant, then they should become the object of interest not only for the trade fair organizer, but also for entities from the cities that target their offer at business tourists in general. This may bring about change of the trade fair management model – departing from treating the fair organizer as the focal actor of a business network. This leads to a question as to what extent perceiving a product from the supply perspective is compatible with the way it is understood by the recipients in the case of developing a product that strengthens the enhanced trade fair product.

## **CASE STUDY OF ENVIRONMENTAL PROTECTION INTERNATIONAL TRADE FAIR**

### **Method**

The case study method was chosen to identify the boundaries of the trade fair as a business product. The advantage of a case study is that it makes it possible to recognize processes, interactivity and dynamics and base research on data gathered in a natural environment and in the context of phenomena investigated (Miles, Huberman, Saldana 2014). The aim of the case study described in the paper is to present an “authentic” understanding of people’s experience together with the context of the case and to refer it to existing theoretical concepts. In this case the analysed trade fairs were treated as an event which on the one hand is created through a network of relationships on the supply side, but on the other hand, it is received by the trade fair participants, which, in turn, means that it is a single explanatory case study (Yin 2014).

The study was conducted in two groups of actors – those creating a trade fair product and those buying it. The aim of the study in the first group was to identify entities co-creating the trade fair. In accordance with the ARA model, attention was paid to resources, actors and activities undertaken in business networks, whereby the major focus was on knowledge, which was treated as the key resource for service firms. Market entities for which a network was identified based on network pictures were regarded as actors.

A holistic approach was used to identify activities undertaken by various entities. To obtain data from suppliers research concerned all types of players and was regarded as a valuable source of knowledge. Snowball sampling was employed here. In each case the people responsible for implementing the project and being its executive managers acted as respondents. To obtain data the authors used in-depth interviewing including business network creation and typology of entities in a network. Data was analysed to create cause-and-effect explanations. The analysis was meant to result in theoretical generalizations regarding management methods in a network. It consisted in conducting various comparisons of the analysed phenomena with theoretical predictions that might result in revising subsequent comparisons (Yin 2014). During analysis we used the analysis model of qualitative data as proposed by Miles, Huberman and Saldana (2014). The aim of the study among fair trade participants was to determine how trade fairs were perceived as a tourist product by its recipients. Two variables were used: a trade fair as a product and expectations

from the trade fair organizer. The first was operationalised through the following scale that refers to the concept of product levels:

1. LEV1: First of all, Poleko trade fair provides me with an opportunity to become familiar with its offer and meet people from the same industry. I don't come here for the events that accompany it.
2. LEV2: Poleko trade fair makes it possible for me to gain new knowledge about general trends in the industry during workshops and conferences, and not only during meetings at exhibition booths.
3. LEV3: For me Poleko trade fair is not all about business. What I also like about it is the opportunity to see the city's attractions

The second variable was operationalised through determining the trade fair organizer's level of activity.

1. ORG1: Poleko trade fairs organizer should cooperate intensively on the trade fair programme with institutions and firms from my industry, rather than rely on his or her knowledge only
2. ORG2: Poleko trade fairs organizer should plan my leisure time in the city after a business day has passed, rather than limit that to the time during the fair

Moreover, we gathered information about respondents' characteristics: the number of employees in the company they work for (SIZE), the number of trade fairs that they attend during one year, the distance they have covered to get to Poleko and the number of editions of the trade fairs that they have participated in.

In the case of trade fair participants we adopted a quantitative approach in order to obtain opinions from a large group of the product's recipients. Data was collected in two major groups as identified by Rosson and Seringhaus (2000): exhibitors and visitors. As for exhibitors, the study population included all firms with their own exhibition booths, and the respondents comprised people responsible for the organisation of participation in the fair. On the basis of the data collected from the organizer, it was accepted that the minimum sample size was 307 people ( $N=6500$ ,  $p=0,7$ ,  $e=5\%$ ,  $Z=95\%$ ). We used a drop & collect survey in order to collect data from the exhibitors and a direct interview in the case of trade fair visitors. In both interviews the same questionnaires were used in Polish and English. As a result we gathered opinions from 184 trade fair exhibitors and 123 visitors, which were further analysed.

### **Case description**

The authors were looking for a business trade fair, which was key in the industry and performed the fair and conference function. The authors were searching among the events based in Poznań, which has the biggest number of business meeting participants in Poland. The trade fair was selected based on an interview with Poznań International Fair (PIF) and the Poznan Convention Bureau, which was assumed to be the entity with the most complete information on the city events, as it coordinates the activities of the local business meetings companies.

International Trade Fair of Environmental Protection (Poleko) was chosen for analysis. Poleko is the biggest ecological trade fair in Central and Eastern Europe. It is devoted to environmental protection, including renewable energy sources, innovative technologies and pro-ecological initiatives. Poleko 2014 was attended by exhibitors and visitors from 33 countries. They included for example representatives of research and development units, industry, ecological associations and public administration. 436 exhibitors and 8973 visitors came to the trade fair. The trade fair was exceptional since it was accompanied by over 50 conferences, which confirms the event plays an important conference role ([www.polfair.pl](http://www.polfair.pl)).

### **Trade fair product from the supply side**

Because of the open character of the network of entities involved in realizing the trade fairs, the authors decided to focus on these entities that were instrumental in realizing the project, using snowball sampling. The research began from the trade fair organizer, and went on to follow the typical network players (Table 2).

Collaboration between tourism enterprises is mostly the result of intermediation by other organizations, e.g. tourist offices, where activities are undertaken at arm's length from the individual proprietor (Hjalager, 2002). Therefore, we treated the trade fair organizer as a local firm which is also the initiator and coordinator of the network. A focal firm's position in a network can be examined by analysing its direct and indirect relationships to other actors. Soisalon-Soininen (1999) studies roles and positions in the emergence of networks and further, a case of developing a tourist product. She points out that the several actors in the network have different interests and different views. Since positions can be defined for all the actors in the network, the concept can be used to characterize network actors (Johansson, Mattsson 1992).

The authors have applied the ARA (Activities, Resources, Actors) methodology for the analysis of network relationships, with a comparative approach. This method starts from the idea that the substance of relationships is made by different layers of nodes connected by different arcs (links, ties, bonds). We should study the interactions among these layers in order to understand how network participants manage their presence in the network, and particularly what activities they undertake that helps develop the network product. As mentioned earlier, in the case of the product on the business tourism market, exchanging knowledge makes it possible to include other people's knowledge into service offerings. Cooperation in a network is perceived from the angle of knowledge and information and activities related to the exchange of both.

Case analysis requires numerous different entities be considered, because the trade fair is comprised of more than one sub-unit. Hence, looking into Poleko is an example of a nested case study. The exceptional character of the analysed case stems from the characteristics of the fair itself – an experienced organizer in a city with a long-standing trade fair tradition holds it. This has a considerable impact on the organizer's activities in the area of building and managing a network.

When it comes to the organisation of the trade fair from the perspective of its character (the conference function role) and the nature of participants (considerable attendance on part of the public sector), PIF identified important actors in the network who were the conference organizers, among whom commercial, local government, research and development, and industry organisations can be mentioned (Table 2).

Table 1. ARA analysis of the trade fair supply network

<b>Actors</b>	<b>Resources</b>	<b>Activities</b>
Poznań International Fair - the initiator and the organizer of the network, the biggest trade fair and conference organizer in Poland, the owner of the conference and trade fair facilities	conference and fair infrastructure; know-how in the area of trade fair organisation; experienced human resources; relationships with key market players; relationships with media; subsidiary companies in the organisation that support business (printing, setting up exhibition booths), factual knowledge of the industry; sales orientation	supervising the substantive programme content in cooperation with selected entities; product development – introducing innovation; maintaining and developing relationships with key market players; control of sales activities
Abrys - the company is a leader in the Polish environmental protection market in the area of publishing, organising congresses, conferences, training sessions and ecological education activities; organizer of the congress – the biggest event organized during Poleko	database; strong and coherent image; know-how in the area of conference organisation; relationships with key market players (formal and established with PIF, informal with with actors co-organising the congress; relationships with media; network co-creating its own products (a programme committee, entertainment agencies, printing houses, local governments units, industry chambers, research and development units), mostly completing commissioned jobs or co-financing enterprises – formal and informal relationships	conference organisation; sales and promotion regardless of the main actor in the network; supporting the trade fair image with own image; developing the congress programme cooperation with PIF in the area of infrastructure
Ekorum - organizer of conferences and training sessions about environmental protection; organizer of a conference devoted to regional solid municipal waste treatment plants during Poleco	own network of relationships indispensable for implementing the task (media, research and development units, local government units), formal and informal relationships with PIF; know-how in the area of conference organisation	seeking partners (speakers) actively to co-create a product; developing the substantive content of the conference; promotional activities
Poznań University of Economics - an education and research institution that is conducting a	informal relationships with the speakers and formal relationships with PIF and subcontractors (speakers, media, catering),	cooperation in the area of conference infrastructure needed for organising the event; promote own event

national information and educational campaign; an organizer of Salon Ekoinnowacji (a project financed by ECOFUND)	formal relationships with a co-financing entity; relationships with the market; brand of the research and development units; factual knowledge; access to students	independently; developing the conference programme and shaping relationships with the speakers;
Regional Fund for Environmental Protection and Water Management (ECOFUND) - a local government unit financing investment in the area of environmental protection; during Poleco participant (exhibitor, speaker, conference organizer) and supporting initiatives	funds; factual knowledge; knowledge of the market; formal relationships with PIF and other market players, relationships on the level of legislature	co-organising the trade fair – consulting the trade fair programme; preparing the conference programme, providing speakers, actively participating in the trade fair as an exhibitor
Waste Management Companies Directors' National Forum of City Cleaning System - an association of CEOs of firms responsible for city cleaning and waste management and manufacturing utility equipment and devices; during Poleco exhibitor as well as a consultant and coordinator of the trade fair programme	knowledge of trends; knowledge of the market and law; formal relationships as part of the association, informal and stable relationships with the Poleco organizer;	proposing the substantive content of the trade fair, cooperation and coordination in this area; activities promoting the trade fair
Greater Poland Association Passive House - an association comprising entities interested in developing passive construction; at Poleco organizer of a conference on passive/green construction	factual knowledge; formal relationships with PIF at initial stages, informal relationships with members of the association	cooperation with PIF in the area of infrastructure
Transmeble International (an	relationships with carriers and a developed	focus on customer service;

international trade fair shipping company) – a shipping company, providing shipment for exhibitors	logistics network; formal and informal relationships with PIF (the team that organises the trade fair and the technical staff) and the exhibitors; experience in the industry; recognized brand; know-how	developing relationships and sharing knowledge with the technical staff, which makes it easier to provide services; Focused on developing own services;
Sozosfera - Internet media, owner of the Internet service dedicated to environmental protection; media sponsor of selected events	knowledge of the market; channels of reaching the market's participants; formal relationships with PIF, informal relationships with other actors (Abrys, Ekorum, Biały Kruk)	no activities in the area of co-creating a product; events' patronage; coverage of the events – providing objective information in the market and assessing the product (the aim is to sell own services)
Biały Kruk - marketing agency responsible for providing marketing services of the biggest conference	experience and know-how of organising conferences; a network of relationships with media; formal relationships with PIF and informal relationships with subcontractors (promotion agencies, firms connected with technical facilities), close relationships with Abrys and media	actively co-creating particular events during the trade fair based on arrangements with the ordering party; seeking innovative solutions based on exchange
World Trade Center Poznań - WTCA member, organisation focused on international trade development; supporting trade fair participants in the area of departure logistics, organizer of matchmaking events during the fair	experience and know-how; a network of relationships as part of WTC with other organisation members; positive image; close and informal relationships with PIF	co-creating a product actively (business mixer organisation); services for exhibitors (service for foreign delegations, organisation of individual business meetings); building and developing relationships with industry chambers, communes and embassies)

The snow ball sampling method that we accepted made it possible to determine the boundaries of the network in which Poleko trade fair was co-created. PIF pointed out actors that participated in the creation of the product, were responsible for part of it (a sub-product) or supported the participants of the conference (e.g. when it came to shipping). The remaining actors, however, saw PIF and entities (media, marketing agencies, scientific units, etc.) they cooperated with organising their own events as participants of their network. None of the actors (with the exception of WTC) did not recognise clients' needs except those related to sales, image and information goals.

Virtually all the analysed actors paid attention to their dependence on the main actor's resources, which included his conference and trade fair infrastructure and know-how in the area of organising trade fairs. In most analysed cases relationships with the focal actor were formal and participants exchanged information on the conditions under which they participated in the trade fair. Co-creation of the final product was limited to confirming that the sub-product or services offered were in keeping with the main theme of the trade fair. On the other hand, network participants attempted to develop informal relationships with the actors that they closely cooperated with to prepare and provide trade fair sub-products, which they promoted themselves or basing on activities conducted, by PIF. The focal actor (PIF) had a minimum of redundancy in his relations and the widest choice of interaction partners. Such a structure was not conducive to exchanging knowledge, but to exchanging information necessary for the completion of tasks. The structure did not allow the actors to see the network fully and led to them being concentrated on extending relationships with those that helped them achieve his own goals.

The actor that controlled the core product on the substantive and logistic levels was the focal network actor, or PIF. On this level PIF conducted its activities based on its own resources, both material and non-material. The substantive issues (the trade fair theme and programme) were the exception. They were created with some actors as part of close and informal (Forum Dyrektorów – Managers' Forum) or formal relationships (ECOFUND). The activities initiated by PIF that were aimed at the remaining network actors were there to develop the product in accordance with the accepted concept. At this point we must mention the activities conducted by Abrys, which organised the conference as an independent event that supported Poleko trade fair. The respondents stressed the peculiar symbiosis of both the products.

At the level of the enhanced product it was worked out and outlined by PIF, whose main goal was to find new actors or develop the existing relationships with actors that would organise events matching the trade fair programme. PIF showed initiative and tried to develop the product offering innovative events, but it was also open to suggestions on part of the other entities (e.g. a proposal of a conference with a theme in accordance with the general concept of the trade fair). By organising the conference (programme, speakers, promotion, materials for participants, etc.), the actors created the final version of the trade fair programme, which was the extended product.

### **Trade fair product from the demand side**

On the basis of answers provided about the levels of the trade fair used by its participants respondents were divided in three clusters (k-average method, Tab. 3.). The first comprises those trade fair participants for whom the core and the enhanced product have the same meaning (5.64; 5.54), and the wide product plays a bit less significant role (5.19). The second includes the participants who pay attention to the core and the enhanced product (5.66; 5.94), but they are not interested in the wide product (2.01). The third concentration comprises respondents for whom only the trade fair core is important (4.68), although their evaluation scores were lower than in concentrations 1 and 2. The results show that the enhanced product is vital for 68.8% respondents (clusters 1 & 2), but the wide product is significant for less

than a half of them (cluster 1 - 46.3%).

Table 3. Opinions of participants of trade fairs – general and by clusters (7 items Likert scale, where 1 – totally disagree, 7 – totally agree)

	total		Cluster 1 n=142 (46.3%)		Cluster 2 n=69 (22.5%)		Cluster 3 n=96 (31.2%)	
	average	median	average	median	average	median	average	median
LEV1	5.40	6	5.64	6	5.66	6	4.68	5
LEV2	4.79	5	5.54	6	5.94	6	2.85	3
LEV3	3.66	4	5.19	5	2.01	2	2.63	3
ORG 1	5.59	6	5.80	6	5.68	6	5.17	5
ORG 2	3.59	3	4.26	4	2.74	2	3.12	3
SIZE	152	40	209.9	50	118.29	44	88.45	34
TR_NUM	4.6	3	4.17	3	3.68	3	5.94	3
DIST	352	250	263.57	250	262	260	558.79	250
POL_NUM	4.07	3	3.35	2	4.76	3	4.6	3
visitors/ exhibitors	40.05% / 59.95%		44.37% / 55.63%		43.48% / 56.52%		31.25% / 68.75%	

In all the concentrations respondents expected the trade fair organizer not only to select exhibitors and attract visitors, but also work on the trade fair programme together with industry institutions and firms. However, the expectation that the organizer will also deal with the organisation of visitors' leisure time was on the average level only in cluster 1. It was higher than in clusters 2 and 3, which did not differ considerably in this respect (Kolmogorov-Smirnov test  $p < 0.05$ ).

The data presented in the table may suggest that the concentrations differed as to the characteristics of the interviewed respondents, but in most cases the differences were not significant statistically. After we compared clusters 1 and 3, we noticed that in case of cluster 1 respondents came from larger firms, but attended Poleko trade fair fewer times than cluster 3 respondents (Kolmogorov-Smirnov test  $p < 0.05$ ). It is also worth pointing out that cluster 3 largely comprised more people who took part in the fair as exhibitors than clusters 1 and 2. However, the differences were not statistically relevant (Chi-square,  $p = 0.05$ ).

## FINDINGS AND DISCUSSION

The discussions conducted in the paper make it possible to draw conclusions in the area of the concept of the trade fair level, business and urban networks permeating each other, the trade fair model and managerial implications.

### Network Concept of Trade Fairs

The proposed Network Concept of Trade Fairs leads to a new broader perspective on a trade fair as an event that combines networks on a business level and that is embedded in the supply tourist network. The concept turned out to be a good basis for analysing the trade fair described in the text. The results obtained on the demand and supply sides confirm that there is conformity on the level of the product core. It is significant for trade fair participants and the organiser realises it to a large extent based on his own infrastructure by renting exhibitors space and promotion that attracts visitors. The organizer provides a service that enables the right exhibitors to meet the right visitors. In order to realise the needs from the core of the product, the organiser needs the resources or activities of external entities to a small extent because of the extent of its business scope.

The extended product comprises additional, valuable services that offer a particular trade fair a particular competitive advantage. This product level is significant in the case of respondents who were included in clusters 1 and 2, and the examined trade fair participants expected the fair trade organiser to cooperate with external entities when it came to preparing the trade fair programme. From the perspective of supply this need is also met. The trade fair organiser creates a product cooperating with external entities as part of the network in which business environment entities participate to a large extent. The cooperation resulted among other things in events – conferences, special zones and exhibitions which did not take place during the earlier editions. Activities undertaken by PIF as part of the network, which were mainly associated with coordinating the logistics of the event, concerned the substantive issues of the events to a small extent.

The gap between supply and demand is visible on the level of the wide product. Almost half of respondents (cluster 1) expect a wide product and claim that the trade fair organiser should organise their free time more frequently than others. It can be accepted that this confirms the trend described earlier – the change of the trade fair function into the conference and trade fair function is accompanied by change in participants' expectations. Apart from purely business goals new ones appear associated with urban tourism. On the supply side no cooperation was identified on this product level.

### **Permeating of networks**

The case study made it possible to identify three levels of networks whose actors are present when a trade fair is created. Three network levels were identified in the case of Poleko:

1. Creating the basic trade fair product – business network
2. Organising conferences that accompany the trade fair (also the enhanced product) – business environment network
3. The city's services offer – tourist network

In the case of the network of the first and second levels resources associated with trade fairs themselves are engaged – the ones that create the trade fair core and enhanced product. Activities undertaken by the participants of the network are targeted at the success of the product on these two levels or the success of their own sub-product which is part of a larger whole being the trade fair (e.g. RIPOK Zone conference). The trade fair organiser, who acts as the focal actor of the network, integrates these resources and activities. His activities, in turn, are carried out to coordinate resources and actions of other actors around the co-created product. The network is open, because other actors can join it if they have resources that can enhance the value of the product on the first two levels.

The Poleko trade fair case study shows that the trade fair network is limited to the subcontractors of the trade fair organiser (e.g. logistics companies) or entities that organise sub-products (e.g. industry-related media present at the conference, speakers or marketing agencies). However, the network does not have actors with resources that enable creating a wide trade fair product. Actors do not conduct activities that attract resources from the urban network, either. This means a gap in relations between the second and third levels. This confirms the functioning of a traditional model of a trade fair product defined and offered by a network of entities created by the trade fair organiser who is targeted at selling trade fair space and focuses on what is happening outside its boundaries to a small extent. As a result no activities are undertaken on the third level and there is no integration of resources. The lack of coordination and cohesion within the highly fragmented industry is a well-known problem to business tourism (Jamal, Getz 1995). The tourist network, which has its own coordinator in the form of Convention Bureau in the case of Poznań, functions along with the trade fair network and there are no relationships between them. Visitors who come to the trade fair only for a few days make use of two products – the trade fair and the urban offer,

which have been created by independent networks.

This is beneficial to actors who are part of the tourist network who seek to maximise their benefits when they are not coordinated by the focal actor. For example, hotels raise their room prices to obtain the highest revenue per available room. Restaurants, taxis, bars and night entertainment make use of higher demand generated by the focal actor's activities and resources together with actors from the first and second levels. Actors from the urban network, however, become the free riders of a trade fair product – they do not create it, yet they take advantage of it. It is possible that the focal actor's opportunity is wasted.

### **Business model of trade fairs**

Research into the supply side confirms that almost half of the trade fair participants do not perceive it only from the perspective of the product core, but the wide product. Their participating in the trade fair is not only associated with visiting exhibition booths and participating in the conferences, but also seeing the city in which the trade fair is taking place. The existence of such a large group of respondents oriented towards the consumption of the widely-defined product is one of the most important research result with reference to the trade fair product. So far such strong orientation towards an urban offer has been researched and identified in the case of participants of conferences and congresses, but not trade fairs (Ashworth, Page, 2011; Jansen-Verbeke & Lievois, 1999, Petersen, 2005; Spirou, 2011).

The trade fair business model changes from the traditional one based on maximising the sales of the trade fair offer towards an urban product of business tourism based on offering and stressing advantages (added value) stemming from the urban trade fair offer. This means a shift from perceiving a product from the perspective of business to perceiving the recipient at whom the city's offer that goes beyond the trade fair is targeted. Treating the recipients of a trade fair as the recipients of a wider urban tourism product becomes part of abundant literature on city tourism, which has so far stressed mainly congress and conference delegates. This changes the way in which trade fair participants are perceived – they are no longer recipients of a narrowly defined product core and they become business tourists, who are one of the four main segments of a city's offer recipients according to Page and Hall (2003). They use such urban resources as business infrastructure but also shops and consumptive activities, cafes, restaurants, hotels, museums and visitor attractions, nightclubs and bars, sport stadia and events, cinemas, concerts and monuments. Buhalis (2000) argues that the enhancement of local co-operation, such as developing partnerships between the public and private sector, is a necessary step to achieve the strategic goals for all stakeholders in destination marketing.

The proposed approach to the trade fair pays attention to the complexity of the network whose actors participate in and overlap in the creation of this product. In the case of the product core and the enhanced product actors from various networks may cooperate with one another thanks to the integrating and coordinating role played by the organiser, but their association with the city network is weak. It seems that there is no actor that would bridge the networks of the first and second levels with the third. This role should be played by the entity that represents the city, and not the trade fair organiser or supply in the tourist market. To ensure efficient coordination and communication, cross-functional teams may be established where different functions as well as actors are represented (Dyer, 1996). In the described situation two last groups have conflicting interests – the organiser does not invest resources outside his trade fair infrastructure, and the tourist entities are not involved in the trade fair organisation and promotion. It must result from the fact that they cannot see network outcomes in this (Socher, 2006). Another question is the one of barriers that limits such cooperation what could be the issue for another research.

## **Managerial implications**

The business model of the trade fair changing from sales of space to the urban business tourism product could create the possibility of obtaining profits from sources that are now outside the control of the organiser's network and would extend the trade fair product. For example, concluding agreements with hotel owners, which makes it possible for them to participate in creating the wide trade fair product or for the trade fair organiser to make use of advantages enjoyed now by hotel owners only. This would allow including conference facilities, restaurants, and entertainment facilities outside the trade fair into the trade fair product. Since expectations on part of a considerable part of trade fair participants were close to the model known from research into conference and business meeting participants, then the trade fair organiser should include elements of the urban tourist offer as pull factors as part of their trade fair product. This requires the collaborative development of their product in a way that would enable the urban tourist offer to be an element that helps visitors decide which trade fair to choose. With international transport being popular and big cities being available thanks to better communication, trade fair events will be organised also thanks to the attractiveness of a particular destination, which is currently the case for the market of congresses, because trade fair recipients will want to buy a product whose third level is attractive. For tourists, the product is a complete experience that fulfils multiple tourism needs, and provides corresponding benefits (Xu 2010).

## **LIMITATIONS**

The main limitation of the presented research is that its results are strongly dependent on the urban and industry contexts. The analysed Poleko trade fair is an interesting and particular case and it cannot be treated as a typical fair. It stems from the subject of the trade fair, which is environmental protection. This means that the fair is attended by a large group of government and local authority employees. They may voice more demand for knowledge gained during the conferences and have a smaller budget at their disposal than the average business tourist, although they may also have more time to make use of the urban offer.

The urban context is associated with the trade fair being placed in the urban area and the character of the city itself. In Poznań, trade fair facilities are located in the city centre, which is characteristic of European trade fairs. Because of that elements that make up the wide product are easily available – part of them are within the walking distance, and trade fair participants use part of the urban tourist offer in a natural way (hotels, restaurants). Therefore, conclusions presented in this paper can be referred to European trade fairs, rather than Asian or American.

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