



**THE EFFECT OF TRADE SHOW MARKETING STRATEGIES ON TRADE
SHOW PERFORMANCE OF FOOD AND BEVERAGES INDUSTRY IN
MELAKA**



UNIVERSITI TEKNIKAL MALAYSIA MELAKA

APPROVAL

I hereby declare that I have checked this report entitled “The Effect of Trade Show Marketing Strategies on Trade Show Performance of Food and Beverages Industry in Melaka” and in my opinion, this thesis is sufficient as a partial fulfilment the requirements for the award of Bachelor of Technopreneurship with Honours


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**THE EFFECT OF TRADE SHOW MARKETING STRATEGIES ON TRADE
SHOW PERFORMANCE OF FOOD AND BEVERAGES INDUSTRY IN
MELAKA**

FATIMAH AL- ZAHRAH BINTI MOHD ARIF

**A report submitted in partial fulfilment of the requirements for the Degree Of
Technopreneurship With Honour**



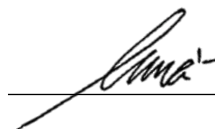
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JANUARY 2023

DECLARATION

“I hereby declare that the work in this study is the result of my own research except as cited in reference”

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Date : 7 February 2023



DEDICATION

I would like to dedicate the appreciation to my beloved parents who have been my endless source of support and motivation.

This thesis also dedicated to my supervisor, Dr Mohd Amin Bin Mohamad, who has been a great guide and motivator. Throughout his guidance and knowledge, I managed to finish my final year project successfully within the time frame given. Also, to my panel, Dr Amir Bin Aris, who help provide knowledge to improve my research.

Last but not least, for my friends that helped me throughout the whole process. Without them, this thesis could not have been completed.

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Next, my deepest appreciation goes to all of my family members who would be the pillars of my strength that never fails to support and motivate me in my whole life. It would not be possible to write this thesis without the support from them.

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Thank you.

ABSTRACT

Since the beginning of time, trade show has been acknowledged as one of the most crucial components of the industry's marketing strategy. Companies increasingly consider trade show exhibits as a low-cost and effective method for improving business performance. However, due to a lack of awareness of this trade show approach in Malaysia, exhibitors find it challenging to perform well when attending a trade show. Thus, the purpose of this research project is to determine trade show strategies that have an influence on trade show performance among exhibitors in the food and beverage industry. Therefore, four independent variables are used which is visitor – attraction techniques, booth size, booth staff training, and follow-up contacts to assess the relationship with the trade show performance. Besides, the proposed research framework was the outcome of an analysis of information from a literature review that was contributed by previous researchers. The probability sampling technique, which is a simple random sampling method, was used to collect primary data from 111 questionnaire surveys. The findings of this study help to find out the three positive relationship of trade show strategies with the performance of the trade show i.e., visitor attraction technique, booth size and follow up contacts. Nevertheless, booth staff training does not affect trade show performance. Hence, researcher suggest that this research can be expand more to gain another perspective and unique finding based on the relationship between trade show marketing strategies and trade show performance.

Keyword: Trade Show, Marketing Strategy, Food and Beverages Industry, Small and Medium Enterprises

ABSTRAK

Sejak dari awal, pameran perdagangan telah diakui sebagai salah satu komponen paling penting dalam strategi pemasaran industri. Kebanyakan syarikat semakin menganggap pameran perdagangan sebagai kaedah kos rendah dan berkesan untuk meningkatkan prestasi perniagaan. Walau bagaimanapun, disebabkan kurangnya kesedaran tentang pendekatan pameran perdagangan ini di Malaysia, peserta pameran mendapati sukar untuk menunjukkan prestasi yang baik apabila menghadiri pameran perdagangan. Oleh itu, tujuan projek penyelidikan ini adalah untuk menentukan strategi pameran perdagangan yang mempunyai pengaruh terhadap prestasi pameran perdagangan dalam kalangan pempamer dalam industri makanan dan minuman. Terdapat empat pemboleh ubah tidak bersandar yang digunakan iaitu teknik tarikan pelawat, saiz gerai, latihan kakitangan gerai, dan kenalan susulan untuk menilai hubungan dengan prestasi pameran perdagangan. Selain itu, rangka kerja kajian yang dicadangkan adalah hasil analisis maklumat daripada tinjauan literatur yang telah disumbangkan oleh penyelidik terdahulu. Teknik persampelan kebarangkalian, iaitu kaedah persampelan rawak mudah, digunakan untuk mengumpul data primer daripada 111 tinjauan soal selidik. Dapatan kajian ini membantu untuk mengetahui tiga hubungan positif strategi pameran perdagangan dengan prestasi pameran perdagangan iaitu teknik tarikan pengunjung, saiz gerai dan kenalan susulan. Namun begitu, latihan kakitangan gerai tidak menjejaskan prestasi pameran perdagangan. Justeru, pengkaji mencadangkan agar penyelidikan ini boleh diperluaskan lagi untuk mendapatkan perspektif lain dan penemuan unik berdasarkan hubungan antara strategi pemasaran pameran perdagangan dan prestasi pameran perdagangan.

Kata Kunci: Pameran Dagangan, Strategi Pemasaran, Industri Makanan dan Minuman, Perusahaan Kecil dan Sederhana

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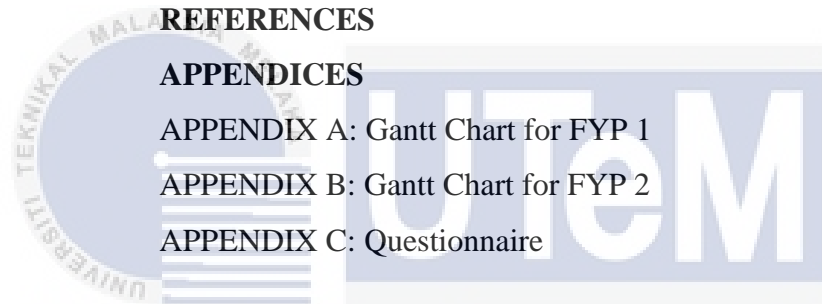
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LIST OF ABBREVIATIONS

SME	=	Small and Medium Enterprise
MIFB	=	Malaysia International Food and Beverage
F&B	=	Food and Beverages
KLCC	=	Kuala Lumpur Convention Centre
SPSS	=	Statistical Package for the Social Sciences
BV	=	Visitor Attraction Technique
BS	=	Booth Size
BT	=	Booth Staff Training
BF	=	Follow Up Contacts
ACT	=	Trade Show Performance

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CHAPTER 1

INTRODUCTION

1.0 Introduction

In this chapter, there is explanation about the background of the research regarding to the effect of trade show marketing strategies on trade show performance of food and beverages industry in Melaka. There is background of the study and problem statement which explains the problem that require to be solved. Then followed by the research questions and research objectives. Next, scope of the study refers to the aspects of this study being investigated. Significant of study will be conducted to explain on the timeline and implications. Lastly, there is the definition of term which help the reader to understand some important key in this study.

1.1 Background of Study

Trade show are considered to be one of the key parts of marketing strategy for an industry since a long time ago. Trade show or exhibition is a marketplace or venue where buyers (visitors) and sellers (exhibitors) convene for doing the business for a certain period of time (Lee et al., 2021). Participation in trade show plays most important part in the success of a exhibitors as it is an effective way to grow product awareness and generate sales. In recent time trade show has gained prominence in the

food and beverages industry. Malaysian has created a large market in the food and beverage industry since food, beverages & tobacco products were among the major sub - sectors that contributed to the growth of the manufacturing sector output on a year -on -year basis by 6.6% in February 2022. The output increased by 5.2 per cent after registering a growth of 6.8 per cent in January 2022. (Department Of Statistics, Malaysia, 2022).

The food and beverage industry involving all the exhibitors in the processing of raw food and beverages materials, packaging, and distribution. The competition among food and beverage industry this day is heating up since the rapidly change in trends and the unpredictable landscape in this industry especially among small and medium enterprise (SME). With the intense competition after recover from Covid-19, food and beverages industry are slowly exploiting a lot of marketing strategies for success. According to Minana (2017), the participation among small and medium exhibitors in trade show is one of the main reasons for the success. In many countries, entrepreneurship and SMEs has been one of the major issues, it is believed has a thoughtful effect on growth economics, job creation, and social development country (Fitriani et al., 2021). In term of Malaysia, one of the Malaysian Government's efforts in reviving the role of start -up exhibitors and SMEs as engines of economic growth is with Ministry of Entrepreneur Development and Cooperatives, MEDAC's involvement in the Dubai 2020 Expo. While in 2019, Malaysia International Food and Beverage (MIFB) trade event become a great success for Malaysia and has positioned it as the number one F&B trade in Malaysia with the recognition of a special award as Malaysia's Largest Food & Beverage Trade Show by the Malaysian Book of Records (SME & Entrepreneurship Magazine, 2020). Malaysian International Food and beverage Trade show or known as MIFB is one of the platforms for business from Food and Beverages Industry to showcase and introduce their products and services internationally. In 2018, MIFB 2018 was held in Kuala Lumpur Convention Centre (KLCC) which was attended by more than 500 exhibitors from 45 countries which have been hosted and expected more than 20,000 trade visitors come from all over the world (APAC Outlook Magazine, 2019).

Evaluation the performance of trade show activities is an important part of planning system of exhibitors marketing activities, budgets, development of promotional strategies (Kapustina et al., 2020). Trade show are one of the strategies for business to discover their new clients or target customers. Every exhibitor might great at business, but they might not be a trade show expert (Dugan, 2017). There are many of studies that studied the effects of trade show strategies on single performance measure, like booth design effectiveness (Bloch et al., 2017), return on trade show information (RTSI) (Outland et al., 2010), and sales generated by joining the trade show (Chauvel & Madjour, 2017). However, there are studies reached an agreement that trade show signify a multidimensional marketing tool and trade show exhibitors tend to have multiple objectives (Shi et al., 2012). Therefore, the goal of this study is to study the dimensionality of trade show performance in the context of the food and beverages industry. This study gives well understanding of trade show strategy factors specific to each dimension of trade show performance which can help exhibitors in the food and beverages industry that are interested in participating in trade show plan the implementation of a trade show strategy successfully. Furthermore, this study also highlights about the strategy and trade show activities that implement trade show performance. Besides, while most of the previous works merely presented the effect of trade show strategies on trade show performance overall and internationally, this study will focus on certain strategy and the researcher will be doing it domestically in terms of food and beverages industry. This study also specifically conduct research on strategies and whether they have a positive or negative impact to food and beverages trade show performance.

1.2 Problem Statement

Marketing strategies are needed to take into account the changes in the business environment that are taking place in order to make the right decisions in the purpose of the organization that wants to grow. In this regard, for the food and beverage industry especially in small and medium enterprise (SME) businesses to achieve their objectives, the adjustment of their conventional marketing strategies becomes critical

in a dynamic competitive environment after the recover from Covid-19. The changing nature of marketing in order to meeting the needs and expectations of customers has resulted in marketers looking for the most effective way to survive and maintain relationships with customer. According to Okolo et al. (2017), trade show often involves large marketing investments by participating exhibitors. As we know, trade show is one of the affective marketing strategies and known as a huge marketing investment since a long time ago. Therefore, it is still relevant in today's competitive market that need the industry to maintain their own image by participate in trade show. It is not only giving many benefits to the organization and product image of a exhibitors, but also can contribute to the economic development of Malaysia.

Several studies have been conducted on trade show in many parts of the world. Nevertheless, it seems not many researches has been conducted in Malaysia especially the state of Melaka. There also not many researchers do research in this field that cause some food and beverages industries mainly are not exposed to the knowledge of this marketing strategies. There are many foods and business SME who are fail to realize and appreciate the role of trade show as a way of survival in business organization. A study by Exhibitor Media Group stated that only 35 percent of trade show exhibitors evaluate the share of trade show indicators that end with a closed sale (Dugan, 2017). This problem is also supported by other researchers namely Chauvel and Madjour (2017), where they say that the success of trade show cannot be estimated unless the objectives of trade show participation are specifically defined in advance which ultimately bring good profits. Moreover, defined objectives help in providing guidance and path to all activities related to trade show participation. This show that many exhibitors that participate in trade show does not have the exact goals which gives a negative result in the end.

Other than that, there are many negative perceptions of trade show such as the need to incur expensive costs, not convenience and unprofitable. On the other hand, trade show has a positive side that benefits the exhibitor's organization. Okolo et al (2017) argue that exhibitors showcase their products at higher prices to cover their advertising the costs of the products and services in trade show and at the same time to maximize profits at the expense their potential customers. Additionally, referring to

Lee et al (2021), the previous study makes research regarding marketing and exhibition performance focusing on investigating the effectiveness the aspect of marketing, choices and performance factors and quality exhibition services including Hansen, 2004; Gopalakrishna & Lilien, 2012; and Shoham, 1999. Nevertheless, these studies are majority focusing on measuring and analysing exhibits exhibitors' performance regardless the effect of the trade show marketing strategies on trade show performance.

At last, less research is conducted on the trade show marketing strategies on trade show performance in term of food and beverages industry. Thus, this study goals are to fill a gap. Therefore, in this research in line with the objective provided, we can see whether trade show marketing strategies will have a positive or negative impact on the performance of food and beverage trade show.



1.3 Research Questions

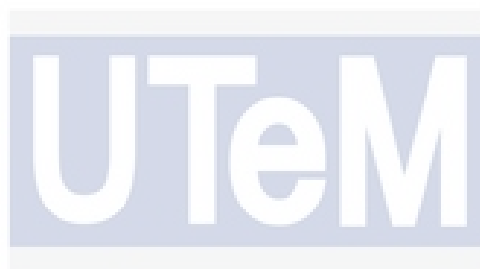
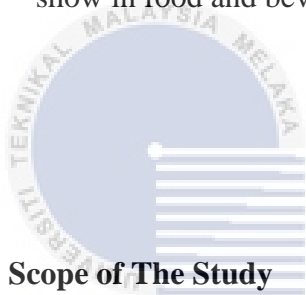
This study is attempts to emphasize the effect of trade show marketing strategies on trade show performance of food and beverages industry in Melaka. The following questions had been addressed in this research to achieve the objectives:

1. What is the effect of visitor – attraction technique towards the performance of trade show in food and beverages industry?
2. What is the effect of booth size towards the performance of trade show in food and beverages industry?
3. What is the effect of booth staff training towards the performance of trade show in food and beverages industry?
4. What is the effect of follow up contacts towards the performance of trade show in food and beverages industry?

1.4 Research Objectives

This current study is to identified the effect of trade show marketing strategies on trade show performance of food and beverages industry in Melaka. The objectives of this study are as stated below:

1. To identify the effect of visitor – attraction technique towards the performance of trade show in food and beverages industry.
2. To recognize the effect of booth size towards the performance of trade show in food and beverages industry.
3. To determine the effect of booth staff training towards the performance of trade show in food and beverages industry.
4. To examine the effect of follow up contacts towards the performance of trade show in food and beverages industry.



1.5 Scope of The Study

The study focused on the effect of trade show marketing strategies on trade show performance of food and beverages industry in Melaka mainly in term of small and medium enterprises industry. The research focus on certain strategy and the researcher will be doing it domestically in terms of food and beverages industry. This purpose is to measure whether the trade show marketing strategies have a positive or negative impact to food and beverages trade show performance. Moreover, the respondents were focus and collected from small and medium business of food and beverages exhibitors in term of the staff who had been involved in the trade show before. However, it should not be misconceived that this study has no relevance to other industries since the organizational environment might be difference. The study is limited to many aspects considering it will be difficult to take into consideration of each and every criterion. It is also impossible to conduct the study of this nature in every food and beverage exhibitors in Melaka. Therefore, the researcher decided to make her study on the effect of trade show marketing strategies on trade show performance of food and beverages industry in term of SME in Melaka.