

## Evaluation and Planning Study

**Conducted for the International Business Division, Illinois Department of Commerce and  
Community Affairs  
by the Applied Social Research Unit, Illinois State University**

### Executive Summary

The International Business Division (IBD) of the Illinois Department of Commerce and Community Affairs provides services to support the export activities of Illinois businesses. Among these services are those associated with companies' participation in foreign trade shows. To support program planning activities, in the spring of 1997, DCCA commissioned the Applied Social Research Unit (ASRU) of Illinois State University to conduct an evaluation study of trade show support services provided by Chicago and Illinois Foreign Trade Office (IFTO) staff members.

To obtain information about the effectiveness and outcomes of IBD services, ASRU staff members conducted a telephone survey of 227 businesses that participated in one or more trade shows in 1996 and the first quarter of 1997. This research yielded information about the characteristics of IBD clients; services clients used; clients' evaluation of the services they used; and services not currently provided by the IBD that clients would use if offered.

The majority of businesses using IBD services are small manufacturers located in the Chicago Metropolitan area; the minority are wholesalers. For purposes of this study, the locations of trade shows in which companies participated were categorized by region. Regions identified for this research are Europe (area unspecified), East and Central Europe, Western Europe, Asia (area unspecified), North Asia, South Asia, Mexico, South America, Africa, and the Middle East.

Participating companies received pre-show, trade show, and post-show assistance from Chicago and IFTO staff members. Although a wide range of services are offered, most important to the business representatives interviewed were provision of leads and help with identifying distributors, end-users, and agents in export regions.

Overall, trade show participants rated the quality of services provided by the IBD as between average and good. Participants in North Asian, West European, and Middle Eastern shows gave somewhat higher ratings than companies taking part in shows in other regions. Lowest ratings were given by companies showing in Asia, Africa, and South America.

Information elicited by the survey research conducted for this evaluation and planning study indicates that, in general, business representatives want the export support services provided by the International Business Division and think IBD staff members are doing a good job. Furthermore, survey respondents are not requesting that the IBD offer services not currently provided. However, they are indicating that the IBD's current services could be improved in the following ways:

1. *Better leads.* Interview respondents indicate leads provided should be based on better, more detailed information .
2. *Better pre-show information.* Interviewees are particularly interested in receiving information about shows sooner so their companies can plan to participate.
3. *Better customer service.* Interviewees report that in some cases IBD staff members do not answer mail or return telephone calls. In several cases materials mailed to IBD or IFTO staff members were lost.
4. *Better follow-up.* Both perceived show experience and long-term outcomes would be positively affected by better follow-up services. It is noteworthy that a significant number of survey respondents could remember neither which foreign trade shows their firms had participated in nor whether their participation in shows was sponsored by the IBD.

In addition, survey results indicate the IBD is providing a valuable service for small firms and new exporters. The agency should continue to target this clientele and tailor services especially for them. Along the same lines, continuation of subsidies will encourage trade show participation of small firms and new exporters.

Survey results also indicate significant interest in more focused, product-targeted foreign trade shows. In the experience of survey respondents, the least successful shows were those appealing to a broad general audience. People came out of curiosity—not to do business. Along the same lines, every attempt should be made to match Illinois vendors with the appropriate foreign clientele. Prospective Illinois vendors should be targeted according to the focus of specific trade shows; members of the desired clientele should be identified through trade networks and attracted by means of personal invitations and appropriate marketing techniques.

To a large extent, success of foreign trade shows is not within the IBD's control. Business representatives surveyed recognize the difficulties associated with doing business in developing markets and different cultures. Most important to them are good specialized information about foreign markets and business practices, and expert help in developing the necessary relationships to do business in other countries. The IBD must continue to provide high quality services, tailored to meet the disparate needs of Illinois businesses as they become increasingly active in the global marketplace.

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### Report

#### **1. Introduction**

The United States is an increasingly active participant in the global market. “Foreign purchases of U.S. merchandise in 1995 were \$583.0 billion, which was 13.8 percent above the 1994 level of \$512.4 billion.”<sup>1</sup> Illinois is one of the top exporters among the states, in 1995 ranking fifth behind California, Texas, New York, and Michigan. Exemplifying the Midwest’s recent economic recovery, Illinois ranks third among states regarding increase in export sales. The state experienced a 50 percent growth in merchandise exports between 1993 and 1995.<sup>2</sup>

This performance may be related to the fact that Illinois is also a leader in providing state-supported export assistance to its business community. The Department of Commerce and Community Affairs’ (DCCA) International Business Division (IBD) was established in 1965 to offer a variety of services supporting export activities at local, state, and overseas levels. Headquartered in Chicago, the IBD manages Illinois Foreign Trade Offices (IFTO) located in Brussels, Belgium; Hong Kong; Tokyo, Japan; Mexico City, Mexico; Budapest, Hungary; and Warsaw, Poland.<sup>3</sup>

Among the services offered to Illinois businesses by the IBD is the opportunity to participate in U.S. catalog and foreign trade shows. Participating businesses receive assistance from both IBD staff members, based in Chicago, and from IFTO staff members based overseas. Business participation in catalog and foreign trade shows was subsidized by DCCA in 1996 and 1997.

To support program planning activities, in the Spring of 1997, DCCA commissioned the Applied Social Research Unit (ASRU) of Illinois State University to conduct an evaluation study of IBD services associated with catalog and foreign trade shows. This research involved a telephone survey of 227 businesses that participated in one or more shows in 1996 and the first quarter of 1997. The following report provides information about research design and methodology; survey results; and conclusions emerging from research. Research yielded information about the characteristics of IBD clients; services clients used; clients’ evaluation of

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<sup>1</sup> “State Merchandise Exports, 1987-95,” Office of Trade and Economic Analysis, International Trade Administration, U.S. Department of Commerce Web Site

<sup>2</sup> *Ibid.* All of the statistics refer to 1995 exports. Information on percent growth in merchandise exports was extracted from the U.S. Census Bureau, Exporter Location Series.

<sup>3</sup> Information about International Business Division services was extracted from the Department of Commerce and Community Affairs’ Web Site.

the services they used; and services not currently provided by the IBD that clients would use if offered.

## **2. Research approach**

There was initial discussion of bringing the IBD's clients together in focus groups to discuss the services they had received and brainstorm about ways these services could be improved. However, to support collection of honest in-depth information from each business involved, it was decided to conduct a telephone survey. The contact list for the survey was composed of businesses that had used targeted IBD services in 1996 or 1997. Telephone interviews were conducted by ASRU staff members in March and April, 1997. Data entry and analysis was also done by ASRU staff members.

### **2.1 Contact list development**

The International Business Division supplied contact information for a total of 308 businesses that had participated in one or more catalog or foreign trade shows during the period under consideration. Of this number, 81 were duplicates. The final contact list was composed of 227 companies, of which 61 had sent a representative to a foreign trade show and 166 had participated in a catalog event.

Of businesses surveyed, one-fifth are located in the city of Chicago, three-fifths are located in the Chicago metropolitan region (i.e., the "collar counties"), and an additional fifth are located outside of the Chicago/Chicago metropolitan area.

### **2.2 Telephone survey**

Applied Social Research Unit and DCCA staff members collaborated on development of a telephone interview questionnaire that addressed the following issues:

- the size and type of business represented by the interviewee;
- the company's export experience and history;
- the types and quality of services delivered by the IBD's Chicago staff;
- the trade shows the company participated in, 1996-1997;
- the type of participation (booth or catalog);
- leads or sales resulting from trade show participation;
- the types and quality of services provided by IFTO staff members; and
- services needed but not offered by Chicago or foreign office staff members.

A copy of the questionnaire appears in Appendix 1 of this report.

Interviewers were trained by ASRU's survey research manager. In the effort to obtain completed interviews, each of the 227 businesses appearing on the contact list were called a maximum of three times. Interviewers asked to speak to a contact provided by the IBD or the

person in charge of exports. Interviewees were assured that their individual responses would be kept confidential. The 129 completed interviews took an average of 22 minutes each.

## **2.3 Data analysis**

Data emerging from telephone interviews were analyzed using descriptive statistics, including frequencies and measures of central tendency (averages). Dichotomous and ordinal variables were sometimes treated as interval measures for efficient presentation. Overall response to survey questions is summarized in the Graphs and Tables section of this report. Generally speaking, data are presented by trade show regions in cases where the issue was of major importance or where significant variations existed between regions. It should be emphasized that different numbers of companies attended trade shows in different regions; thus, the percentages that are compared for different regions represent different numbers of firms.

Comments made by interview respondents were coded for characteristics including topic and respondent's attitude (i.e., positive/negative) to facilitate summary and presentation. Comments are repeated if they apply to more than one topical category. Comments and analyses appear in Appendix 2.

## **3. Research results**

Detailed survey research results appear in the Graphs and Tables section of this report. Comments made by business representatives are paraphrased in Appendix 2. The following narrative summarizes these findings.

### **3.1 Survey population and response**

Of the 227 businesses contacted for this study, representatives from 129 were interviewed, for a response rate of 57 percent. The following factors account for companies' non-participation in the survey:

- Twenty-one percent of company representatives were out or on a trip.
- Ten percent of telephone numbers supplied were either bad or fax machines.
- Four percent of representatives indicated that their companies had no involvement with the IBD.
- Three percent were uninterested in the survey or did not have time to participate.
- Five percent gave other reasons for not participating.

The majority (85%) of companies participating in the survey are manufacturers; 13 percent are wholesalers. Most of the participating businesses are small, with fewer than 100 employees. Most (50%) are active exporters, making more than 50 shipments per year to foreign clients. An additional 30 percent reported making between 10 and 40 shipments per year, while an additional 20 percent reported making between zero and 10 shipments per year. As a rule, companies making the largest number of shipments also reported the largest dollar amount in annual export sales.

Three-quarters of company representatives interviewed were owners, presidents, CEOs, vice presidents, or sales executives. One-fifth were international sales managers.

### 3.2 Trade show participation

Most survey respondents (38%) indicated that their companies had been represented at one State of Illinois Foreign Trade Pavilion during the past year. However, a significant number (27%) reported participation in two trade shows, while over one-tenth had participated in three shows and a similar number had taken part in four or more events. The lion's share of this participation (82%) was in the form of catalog materials; just under one-tenth of interviewees reported having a booth at a trade show. The only exception to this pattern was in Mexico, where 30 percent of participating companies had booths at the shows.

This report categorizes trade show locations by region, defined as follows:

<b>Region</b>	<b>Area(s) included*</b>
Mexico	Mexico
South America	Brazil, Argentina, Chile, Central America
Europe, non-specific	
Europe, West	Belgium, France, Germany, Scandinavia
Europe, East and Central	Russia, Hungary, Poland
Asia, non-specific	
Asia, North	Japan, Korea, Taiwan/Taipei, Northern China
Asia, South	India, Southeast Asia, Vietnam, Hong Kong, Singapore, Philippines, Southern China
Africa	South Africa, Nigeria
Middle East	Israel, Greece, Turkey, Saudi Arabia

\*Areas listed do not necessarily show destinations of interview respondents

Among survey respondents, the regions attracting the highest level of participation were South America (14%), Eastern and Central Europe (14%), and Western Europe (13%). Asia (area unspecified), Southern Asia, and Mexico attracted 12 percent of respondents apiece. Africa (9%), the Middle East (6%), Northern Asia (3%), and Europe (area unspecified), were the least popular trade show locations of those identified. No respondents mentioned Canada or the United States as locations of trade shows their companies had participated in.

### 3.3 Products and services represented

The companies participating in trade shows were identified by two-digit SIC codes to assemble information about the products represented. As indicated above, the majority (85%) of firms are manufacturers. Almost a third (29%) of all organizations represented at trade shows produce industrial and commercial machinery and computer equipment. Just under one-fifth

manufacture measuring, analyzing, and controlling instruments; photographic, medical and optical goods; or watches and clocks. One-tenth produce fabricated metal products. The remaining manufacturers make products categorized within 13 additional SIC codes.

Thirteen percent of companies responding to the survey are engaged in wholesale trade. Of these, 11 percent trade in durable goods, while two percent trade in nondurable goods. Services account for only two percent of surveyed organizations; one percent respectively provide business, engineering, accounting, research, management, and related services.

### **3.4 Pre-show assistance provided by Chicago staff**

The majority of trade show participants received pre-show assistance from Chicago-based IBD staff members. Firms participating in shows located in East Central Europe were heaviest users (77%) of these services, followed by those participating in shows in Africa (71%), Western Europe (68%), the Middle East (67%), and South America (63%). By contrast, only one-third of companies participating in shows located in Northern Asia utilized the pre-show services offered by IBD staff.

The Chicago office of the International Business Division offers a variety of export support services to businesses including:

- appointments with potential agents, distributors, and end-users;
- legal and contractual assistance;
- help with credit and finance arrangements;
- exchange rate information;
- help with logistics;
- market information and business briefings;
- leads;
- help with linking suppliers with producers;
- administrative and general information;
- interpretation and translation;
- travel arrangements;
- education and seminars; and
- trade shows.

Overall, the most frequently used services were provision of sales leads, followed by the trade shows themselves, market information and business briefings, and appointments with agents and distributors. However, the services utilized varied between regions. For activities in the North Asia region, for example, businesses used only appointments with agents and distributors and sales leads. Education and seminars were used only by firms showing in Asia, East Central Europe, and South America. Credit and finance services were used by companies showing in East Central Europe, Western Europe, and Africa. Exchange rate information was used only by two firms showing in Europe (area unspecified).

### **3.5 Evaluation of pre-show assistance provided by Chicago staff**

All services provided by the IBD's Chicago staff were rated as being above average in quality. However, the most frequently used service, provision of sales leads, received the lowest rating of all services offered. Comments suggested that the quality of leads provided varied from one region or type of company to another. For example, one interviewee commented that the Chicago staff members were, "responsive, helpful, couldn't be better."<sup>4</sup> Another said they were "efficient, leads nicely presented. We got three or four distributors within one month." A third commented on their "good job and moderate cost." At the other end of the spectrum, one interviewee said his firm was "totally mismatched with incompatible companies," while another complained that, "We followed all leads and nothing came of it. Chicago was no help at all."

The second most frequently used service, trade shows, received a higher rating than did sales leads. Comments indicated businesses' expectations were met and Chicago staff members provided high quality services. One interviewee commented on the "knowledgeable people" and "good market presence at show," and felt the "contacts and networking are good for future business." Another said staff members "helped a lot with the trade show exhibit and were accessible." A third indicated that the "distributor search is an excellent service."

The most highly rated services were legal and contractual support, assistance with credit and finance, exchange rate information, and travel arrangements. These services were used by relatively few companies which found them exceptionally helpful. Businesses using the legal and contractual support offered by the IBD's Chicago staff before taking part in shows in Africa, the Middle East, Western Europe, and South Asia gave these services a perfect rating. These same is true for companies using credit and finance services before participating in trade shows in Western Europe.

Evaluation of the quality of some services varied widely from region to region. For example, interpretation and translation received a below average rating from companies taking part in trade events in Mexico, an average rating from companies participating in activities in South America, and a perfect rating from companies using services for activities in Asia, the Middle East, Western Europe, and East Central Europe.

### **3.6 Outcomes of trade show participation**

This study identified as potential outcomes for trade show participants establishment of certain types of business relationships; receipt of leads; and sales of company goods or services. These outcomes will be discussed below.

#### **3.6.1 Business relationships**

Through participation in foreign trade shows, companies were trying to build relationships with agents, distributors, end-users, and licensees. They were also interested in developing joint-ventures with foreign businesses. Overall, most common was the attempt to find distributors for

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<sup>4</sup> All comments were paraphrased by interviewers—not exact quotations.

company products; 70 percent of participating businesses sought this relationship. Second in importance was the effort to find end-users for company products (35%), followed by the 27 percent of businesses seeking agents in foreign markets. Least common was interest in identifying licensees or developing joint-ventures. Eight percent of businesses participating in the survey were uninterested in generating business relationships from the show(s) in which they participated.

Businesses sought somewhat different relationships in different regions. In North and South Asia, for example, companies were exclusively interested in identifying distributors, agents, and end-users, while East Central Europe was the only region where firms were interested in developing joint-ventures. In North Asia and Western Europe, virtually all businesses surveyed sought distributors, while in Mexico this goal was mentioned by only 54 percent of respondents.

How successful were businesses in developing the relationships they sought? Overall, attempts to find licensees, develop joint-ventures, and establish “other” kinds of relationships were most successful. Efforts to find end-users and distributors were also moderately successful, while attempts to find agents met with the least success.

Success in initiating business relationships varied from region to region. For example, all of the firms seeking licensees in East Central Europe were successful; companies’ attempts to find distributors in that region were also somewhat successful. By contrast, companies seeking agents in the region were completely unsuccessful. In Western Europe, considerable interest in finding distributors met with disappointing results, while in Mexico this attempt was somewhat successful.

Regardless of the immediate outcomes resulting from trade show participation, many businesses expect future relationships to develop on the basis of that participation. Indeed, 70 percent of survey respondents expect to find foreign distributors for their products, while one-third of respondents expect to locate end-users, and one-quarter expect to find agents. Businesses understand that development of these relationships takes time—between two and three years, in most cases. However, time estimates vary from one region to another. In Western Europe, for example, identification of agents and licensees is expected to take less than one year, while locating distributors and reaching end-users should not take much longer. By contrast, in Africa it is expected to take over two years to find distributors and over three years to reach end-users. Businesses interested in North Asia expect it to take more than two years to find distributors and more than three years to locate agents and reach end-users.

### **3.6.2 Leads**

The majority of businesses got leads from the shows in which they participated. However, success varied from region to region. All firms taking part in North Asia events received leads. A preponderance (88%) of companies participating in activities in Africa received leads. Approximately three-quarters of businesses taking part in shows in the Middle East, South America, Mexico, West Europe, and Asia obtained leads. Companies participating in events in South Asia (61%) and East Central Europe (50%) were comparatively less successful in getting

leads. Just under one-fifth of interview respondents reported that their companies got no leads from the shows in which they participated.

To what extent did companies' success in obtaining leads match their expectations? Overall, the experience of the majority (70%) of firms met their expectations. However, this varied from one region to another. Firms' expectation and experience regarding obtaining sales leads matched more closely for North Asia, South America, and West Europe than for other areas. Experience and expectations diverged most dramatically for businesses participating in events in Africa, South Asia, and the Middle East.

### **3.6.3 Sales**

A total of nine percent of companies made sales as a result of participating in foreign trade shows. Most sales brought in less than \$49,000, although larger sales were made. Nearly one-half of all sales were completed within three months of trade show participation. However, a significant 12 percent of sales were made between ten months and a year after the trade show ended.

Overall, nearly one-half of businesses responding to the survey expect future sales as a result of trade show participation. However, these expectations varied considerably by region. Firms taking part in shows in West Europe were most confident, 56 percent expecting future sales. Fifty percent or more of companies involved in shows in South America, the Middle East, and East Central Europe also expect future sales to result from this participation. By contrast, only 36 percent of companies participating in Mexico and 35 percent of companies participating in Africa expect future sales to result from trade shows. About one-half of interview respondents say the future annual sales potential in the region of show(s) satisfy their company's expectations. However, less than half were able to predict the dollar amount of future sales, while most of those making a prediction estimated annual regional sales resulting from trade show participation as less than \$49,000.

There were regional variations in business representatives' estimates of the time it will take to make sales as a result of participation in a trade show. Those taking part in events in Mexico expect sales in the least amount of time—less than one year. Most companies showing in North Asia and the Middle East expect sales to take from one to two years. Almost one-fifth of companies participating in trade events in Asia and Africa expect to make resulting sales over a period of more than three years.

Just under one-quarter of businesses overall, and up to nearly one-half of businesses involved in trade events in Africa, do not expect future sales to result from trade show participation. Companies that do not expect sales to result from trade shows often blamed the quality of the leads they received. Comments indicated that one firm got “the wrong kind of leads”; another found that “sales leads were dead ends”; a third, that “the lead had nothing to do with their business.” In addition, interviewees questioned the organization of the show(s) in which they were involved, one company representative indicating that “DCCA is not in the position to sell products”; while another said “the show was not focused.” Several interviewees

complained about lack of follow-up from both DCCA and the foreign contacts they made. Finally, company representatives commented about matters associated with economic, social, and political conditions in the regions where shows were held, one saying there is “no market”; another indicating that “the peso is low, so purchasing price is low”; a third commenting that “people were looking for general information, they were not serious about buying product”; and a fourth saying the IFTO staff members were “helpful, but cannot control the market—Poland limited by government.”

### **3.7 Assistance provided by Illinois Foreign Trade Office staff**

Overall, approximately half of the firms responding to this survey received assistance from Illinois Foreign Trade Office staff members. Percentages of companies working with IFTOs ranged from 67 percent in North Asia to 35 percent in Africa. Just under one-quarter of all surveyed businesses did not make use of IFTO services. Approximately one-third of firms showing in Mexico and one-half of firms showing in Africa did not receive assistance from IFTOs.

Services offered by IFTO staff members include:

- appointments with potential agents and distributors;
- assistance with logistics;
- information about exchange rates, regional markets, and ways of doing business in targeted regions;
- leads; and
- miscellaneous “other” services.

Overall, the service most used by surveyed businesses (62%) was provision of leads. Of secondary importance were information services, used by 31 percent of firms, and appointments with agents and distributors, arranged for 24 percent of firms. The assistance received varied by region. Companies showing in North Asia utilized only appointments with agents and distributors and leads, while firms showing in Western Europe used only assistance with leads, logistics, and “other” services. Services used by businesses showing in the Middle East and Africa are not reported due to the very small number of interviewees providing information for those regions.

### **3.8 Evaluation of assistance provided by Illinois Foreign Trade Offices staff**

Illinois Foreign Trade Office staff members received average to excellent ratings for all services except leads provided in North Asia, which was given a low average rating. Generally speaking, while help with leads was the type of assistance most companies used, it also received lower ratings than other services. Interviewees’ comments help to explain these ratings. While some remarks were positive, indicating that in providing leads IFTO staff members “did what was needed without problems—good service” and that leads given were “not a five [top rating], but good,” others were less complimentary. One interviewee said leads were “good, but vague; sales leads were not well screened.” Another indicated that IFTO staff “promised to set appointments and get leads, but did not.” Worse still, one respondent reported, “leads were bogus and

inappropriate, then DCCA IBD sent a letter congratulating themselves on how many leads they generated when the leads were all false.”

Information provision services received higher ratings in East Central Europe than anywhere else. Comments suggested that personal abilities and customer service orientation were important. For example, one respondent said of IFTO staff members, “They went out of [their] way to help and gave accurate information.” In addition, one respondent referred to the difficulties many Americans experience in dealing with other countries’ regulatory systems, commenting, “I especially appreciated help with regulations about setting up licensee and joint-ventures.”

Assistance with logistics received perfect ratings in East Central Europe and Mexico. Ratings were well above average for Western Europe and average for South Asia. Assistance with arranging appointments with agents and distributors received perfect or near-perfect ratings everywhere except in Mexico.

### **3.9 Post-show assistance**

Fifteen percent (28) of companies sought assistance from DCCA after the trade show they were involved in. Most help (82%) was requested from the IBD’s Chicago staff. This assistance included follow-up on leads (50%), information (14%), interpretation or translation (7%), export guarantee loan, and intern placement. Half of the 11 percent of surveyed businesses seeking post-show assistance from IFTOs wanted help with clerical work. One-third needed follow-up assistance.

### **3.10 Extent to which trade show participation depends on subsidy**

In 1996/7, the IBD was able to subsidize the participation of Illinois businesses in foreign trade shows. One-half of all companies surveyed would not have participated in trade shows had costs not been subsidized. However, subsidies were more important for some regions than for others. For example, 67 percent of companies showing in North Asia and 62 percent of those showing in East Central Europe indicated they would not have participated without the subsidy, compared to 33 percent of firms showing in the Middle East and 44 percent respectively of those showing in South America and South Asia. One-fifth of interview respondents indicated that their companies would have participated in trade shows without the subsidy.

Approximately one-quarter of all businesses surveyed indicated that future participation in trade shows depends on availability of subsidies. However, again there are variations in this response according to region. For example, one-third of companies showing in Mexico and South Asia indicate their firms would participate in trade shows without the subsidy, while nearly half of companies showing in South Asia and two-fifths of firms showing in Africa say future attendance is dependent upon subsidies. The importance of the subsidy is indicated by a comment from one interviewee who said the company “wanted a show in 1995, but could not attend because of money, not subsidized that year.”

### **3.11 Intention to participate in future trade shows**

More than half of all survey respondents indicated their companies intend to participate in future trade shows. Companies showing in North Asia (100%), Western Europe (67%), East Central Europe (65%), and South Asia (61%) are most enthusiastic about future trade show participation, while those showing in Africa and Mexico were least enthusiastic.

### **3.12 Services needed but not provided**

Interviewees were asked whether there were services they needed before, during, and after trade shows that were not provided by the International Business Division's Chicago staff members or International Foreign Trade Office staff members. Seventeen percent of respondents needed services not provided by Chicago staff members and 12 percent needed services not provided by IFTO staff members.

It is noteworthy that, rather than naming completely new services to be provided by Chicago staff members, many respondents suggested that current services be improved. For example, one interviewee recommended provision of "more accurate and more immediate information," while others, more specifically, asked for more detailed information about potential end-users and overseas distributors. Another respondent indicated a need for "more relevant sales leads related to specific industries." These suggestions were echoed in comments regarding services needed but not provided by IFTO staff members. These services included sales leads, contacts, set-up for shows, and appointments.

Several interviewees made comments about the customer service provided by Chicago and IFTO staff members. One said that s/he had "asked for information about a show in Mexico in June and have gotten no response." Another suggested that Chicago staff members "respond to correspondence." Regarding future trade shows, an interviewee requested "more advance notice—lots of times there is no notice; then we can't participate." A majority of those making comments about IFTO services requested more information about European shows.

### **3.13 Overall evaluation of services provided by the International Business Division**

Overall, trade show participants rated the quality of services provided by the International Business Division as between average and good. Participants in North Asian, West European, and Middle Eastern shows gave somewhat higher ratings than companies taking part in shows in other regions. Lowest ratings were given by companies showing in Asia, Africa, and South America.

Comments made by interviewees help to explain these findings. Most comments (26%) concerned the performance of IBD staff members. For example, interviewees who had had a good experience commented, "We get answers to questions quickly"; "The IBD is interested and helpful to Illinois industry; knowledgeable people"; and "[Staff are] helpful and on the ball." Those who had had a bad experience made remarks including, "It was a waste of time and

effort—the blind leading the blind—we need to start over since service was poor,” and “[The IFTO] is much too reactive and not proactive.”

Next in incidence (21%) were comments about the quality of leads provided by IBD staff members. One satisfied client said, “They did what they said they would—provided information, got photos of the shows, generated proposals, leads, and lots of interest.” One less satisfied respondent commented that “leads were unscreened.” Another said, “The quality of leads was poor, did not meet expectations. IBD did not understand the product line or who may be interested in it.”

Comments also indicated the importance to trade show participants of follow-up assistance. Good follow-up reinforced a positive show experience. One respondent commented, “IBD helped with follow-up contacts.” Poor follow-up undermined the quality of show experience. For example, an interviewee said, “Information is good, clear, but show follow-up is weak. Part of purpose of trade show is to reinforce existing contacts.” Another said, “[I] expected more hand-holding for the company. There was no follow-up.” A third said, “[I am] from Iowa where every show, contact, is follow-up on. Iowa is better at helping.”

While a few interviewees complained about the expense associated with trade show participation, most tended to agree that IBD-supported trade show participation was both relatively inexpensive and cost-effective. One respondent said it was a “valuable, economic means of tapping the market.” Another said IBD staff provided “good ideas re countries, good shows, variety of industries, affordable.” A third commented services were “reasonably priced.” A number of interviewees indicated that IBD services were most appropriate for smaller companies or those with little export experience. One interviewee said IBD services were of “limited use to experienced companies, but valuable to smaller companies.” Another commented that services were “good for start-up companies, not so helpful for companies with direct contacts.” A third respondent supported these general statements, saying, “[The] state helped push [our company] into international markets—could not have been involved without them.”

Finally, the major factor determining respondents’ evaluation of the IBD’s services was the outcome. One respondent, who gave overall services an average rating, commented, “Nothing was wrong with material, but didn’t make any sales.” Another, who gave a low rating, said there was “good interest, but nothing came of it.” A third reported, “No results, no industry experts, can’t market products.” By contrast, a satisfied repeat customer commented, “Excellent service, [I] work with IBD a lot, excellent follow-up and set up and advice re cultural differences and basic information to help firms succeed abroad.”

#### **4. Conclusions**

Information elicited by the survey research conducted for this evaluation and planning study indicates that, in general, business representatives want the export support services provided by the International Business Division and think IBD staff members are doing a good job. Furthermore, survey respondents are not requesting that the IBD offer services not currently

provided. However, they are indicating that the IBD's current services could be improved in the following ways:

1. *Better leads.* Interview respondents indicate leads provided should be based on better, more detailed information .
2. *Better pre-show information.* Interviewees are particularly interested in receiving information about shows sooner so their companies can plan to participate.
3. *Better customer service.* Interviewees report that in some cases IBD staff members do not answer mail or return telephone calls. In several cases materials mailed to IBD or IFTO staff members were lost.
4. *Better follow-up.* Both perceived show experience and long-term outcomes would be positively affected by better follow-up services. It is noteworthy that a significant number of survey respondents could remember neither which foreign trade shows their firms had participated in nor whether their participation in shows was sponsored by the IBD.

In addition, survey results indicate the IBD is providing a valuable service for small firms and new exporters. The agency should continue to target this clientele and tailor services especially for them. Along the same lines, continuation of subsidies will encourage trade show participation of small firms and new exporters.

Survey results also indicate significant interest in more focused, product-targeted foreign trade shows. In the experience of survey respondents, the least successful shows were those appealing to a broad general audience. People came out of curiosity—not to do business. Along the same lines, every attempt should be made to match Illinois vendors with the appropriate foreign clientele. Prospective Illinois vendors should be targeted according to the focus of specific trade shows; members of the desired clientele should be identified through trade networks and attracted by means of personal invitations and appropriate marketing techniques.

To a large extent, success of foreign trade shows is not within the IBD's control. Business representatives surveyed recognize the difficulties associated with doing business in developing markets and different cultures. Most important to them are good specialized information about foreign markets and business practices, and expert help in developing the necessary relationships to do business in other countries. The IBD must continue to provide high quality services, tailored to meet the disparate needs of Illinois businesses as they become increasingly active in the global marketplace.