



UNIVERSITY OF AGDER

# On the Relationships Between Trade Show Participation, Networks and Market Development in the MILPRO Sector

- A Multiple Case Study -

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*This master's thesis is carried out as a part of the education at the University of Agder and is therefore approved as a part of this education. However, this does not imply that the University answers for the methods that are used or the conclusions that are drawn.*

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## Preface

This master thesis was conducted spring 2014, at the University of Agder, School of Business and Law.

The background for this research is a dialogue initiated in the fall of 2013 with the VP of Marketing, Arild Hansen, at Norsafe, an international company which produces lifeboats, davits, fast rescue boats and daughter crafts.

NORSAFE has set ambitious growth-goals for their segment of military and professional (MILPRO) crafts and this project was derived from these goals and a previous paper by the author on the potential of trade shows as part of the marketing communication mix, using Norsafe as a case example. The MILPRO products are currently offered products and the recognition of a lower possibility for further penetration in the already served markets lead to the conclusion that Norsafe needs to develop new markets in order to achieve their goals.

The combination of Norsafe's extensive trade show activity and the author's interest in the field further shaped the theme and the question sought answered became how trade shows could mediate this new market development.

I would like to use this opportunity to thank Arild Hansen at Norsafe for input in the process of shaping this study.

Further I would like to thank all the informants for their participation, knowing that this study would not have been possible without their contributions.

A special thanks goes out to my Supervisor Rotem Shneor for his rich and thorough academical advice, guidance and constructive feedback throughout the process.

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Kristiansand, June 3<sup>rd</sup>, 2014

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## Summary

Trade shows are recognized as constituting a substantial part of the promotional budget of most industrial firms. Despite of this, trade shows as a concept is not awarded much attention in the existing marketing literature and previous research efforts in the field are limited.

This thesis aims to further enlighten the potential of trade shows in terms of new market development for a particular segment (MILPRO – military and professional).

The purpose is theory development and thus a qualitative inquiry was chosen as the more appropriate method. The approach is twofold; first a literature review on trade shows, relationship marketing, networks, and B2G business with a particular focus on the defense sector was undertaken. Second a multiple case study was conducted using cases that dealt exclusively in the defense sector and cases dealing in both the defense and civil sector. Data was collected through shorter case study interviews with respondents regarded as the most qualified informants for the inquiry at each case.

The claim is that trade shows can essentially be seen as platforms for relationship marketing and network building. The paper concludes by relying on evidence from these four cases that the three major trade show objectives of on-show relationship management (RM) efforts, on-show information exchange, and joint on-show promotions; by its effect on network development in terms of network power and network trust; enhance new regional and segmental market development.

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## 1. Introduction

For industrial firms; trade shows, next to print advertising, represent the largest component of the advertising and promotion budget (Gopalakrishna and Lilien 1995). The rising importance of this medium has been documented through increasing show participation, expenditure levels, and net square feet of exhibit space (Ling-Yee 2007) and there are major international trade shows for nearly every industry out there. Particularly for B2B marketing, but increasingly also for B2G marketing as this paper will show, where personal contact remains one of the dominant elements, trade shows offers a unique ability to assemble a concentrated group of industry specific buyers and suppliers over a short period of time (Smith, Gopalakrishna et al. 2004).

Most literature acknowledge trade shows as a business and sales-force promotional tool, however, its scope seem to go beyond that. By regarding trade shows as temporary clusters, Bathelt and Schuldt (2008) found that the face-to-face communication that is enabled at international trade shows is very important in the sense that it aids the establishment of new network relations, and to maintain and intensify existing networks. Relational development is a major trade show objective and one of the most important trade show performance indicators (Hansen 2004). This paper will argue for how trade shows can be seen as mainly arenas for relationship marketing and network building.

The importance of networks in today's globalized business environment is quite prevalent. Firms are not autonomous entities in an impersonal marketplace, rather they are actors within various networks (Zaheer, Gulati et al. 2000). Networks and networking in terms of firm performance are important as they will reduce uncertainties, provide greater speed and momentum to seize unexpected opportunities, provide resources and skills not owned by the companies themselves (Zaheer, Gulati et al. 2000), and, for international marketing in particular, networks may be seen as an instrument for reaching new clienteles and additional countries (Thorelli 1986).

The prevalence and expenditure levels of trade shows in today's business environment would indicate that they are perceived as enhancing firm performance (Gopalakrishna and Lilien 1995, Smith, Gopalakrishna et al. 2004). Most of the existing literature on trade shows acknowledges its inherent quality as a facilitator of relational development and networking (Godar and O'connor 2001, Blythe 2002, Bathelt and Schuldt 2008). Networks are further

defining today's international business environment and are recognized as important mechanisms for achieving growth (Thorelli 1986). Despite of this, no efforts to bridge the issues of trade shows – networks – firm performance have been made to the knowledge of the author. This is a gap in the current trade-show and network literature that this paper will seek to close.

The purpose of this study is to help develop theory as a response to the identified gap in what currently exists on trade shows, networks and firm performance. There is a recognized need to better understand the relationships between on-site trade show activities, their effects on network development, and furthermore on firm performance in terms of new market development. The study's approach to this is the development of a model that attempts to capture these relations based on qualitative case analyses.

The strategy of inquiry to this study is twofold. Initially an extensive review of relevant literature on trade shows, relationship marketing and networks was conducted that lead to the development of an initial model and set of propositions. After developing the interview guide and carefully selecting and engaging with four different cases willing and able to participate, the empirical data collection commenced by conducting the individual case interviews. Each case was then subjected to its own individual case analysis resulting in an individual case report. After concluding the individual case studies, a cross-case analysis was performed, leading to the more general cross case conclusions and the revision of the initial research framework. This culminated in a final discussion and conclusion with policy implications and the report laying before you now.

The MILPRO/Defense Industry have a particular focus in this study due to its role in the shaping of the study's theme and initiation by Norsafe. There are signs of a paradigm shift where the defense industry and B2G trade in general are moving from a purely transactional form to being more relationally oriented (Wang and Bunn 2004, Kapletia and Probert 2010). There is also the uniqueness of the defense industry in terms of characteristics such as; sensitivity of technology, its sensitivity to political trends and development, dominance of a small number of large integrator companies, split customers and the difficulty of accessing end-users (Datta and Roy 2011), single sourcing (Pyman, Wilson et al. 2009), and highly technical and complex specifications (Markowski and Hall 1998) that make this industry particularly interesting .

The structure of this study will begin with a literature review on the topics of trade shows, relationship marketing and networks, and public buying/B2G. Following the literature review the initial propositions and conceptual framework will be presented. The subsequent chapter will address the methodological approach and research design. The next chapters are the presentations and the analyses of the four different cases, each ending with a case summary. Following the individual case analyses, the cross case analysis will be presented. The study concludes with a revision of the research framework, a discussion, and finally a conclusion with theoretical and managerial implications.

## **2. Literature review**

The purpose of this study is to determine the role of trade shows in new market development for the MILPRO industry. The following is the literature review conducted for the task at hand. Initially there will be an introduction to trade show literature with an emphasis on processes, most important objectives from an exhibitor point of view, and objectives from a visitor point of view. The chapter on trade shows concludes with a more comprehensive list of exhibitor and visitor objectives for trade show participation. The next chapter contains a review of relationship marketing and network development, ending with a list of critical dimensions of relationship marketing and networking. The final chapter is on public buying/B2G relationships, containing a subchapter revolving specifically around the unique aspect of the defense industry, and ending with a list of key characteristics of government and defense procurement processes and a concluding text with a justification of the purpose of this study.

The sources for the literature review were identified through web based search engines, in particular Google Scholar and EBSCO. Starting with a broad search on the topics, related studies were identified through using the studies' own references and through references used in textbooks on the different subjects. On occasions the web based search engines also proposed additional studies relevant to the purpose based on my search history.

Additional studies than what is referenced here were reviewed, but found inadequate or of limited value to the purpose of this research.

### **2.1 Trade Shows**

Next to print advertising, trade shows are expected to represent the largest component of the advertising and promotion budget of industrial firms (Gopalakrishna and Lilien 1995). Reports on increasing show participation, expenditure levels, and net square feet of exhibit space further document the importance of this medium. This particularly holds true for B2B marketing where personal contact remains the dominant element and the unique ability of trade shows to assemble a concentrated group of interested buyers and sellers within a particular industry over a short period of time (Smith, Gopalakrishna et al. 2004).

We distinguish between two major types of trade shows, vertical and horizontal. Where the vertical is very particular about industry and products, the horizontal trade shows has a much larger scope with participants from multiple industries and a range of products.

The nature and possibilities of trade shows will here be explained through first going through the trade show marketing processes and how these matter, then examining and elaborating on the most prevalent trade show objectives and goals for participation for both exhibitors and visitors.

### **2.1.1 Trade show processes**

Trade show marketing processes are usually divided in pre-show promotion, at-show activities (included personal selling), and post-show follow up.

Pre-show promotion relates to the exhibitors' decision to attract and invite customers to their booth through any kind of medium (phone calls, advertising in trade or industry magazines, email, etc).

An at-show activity is the carrying out of any given objective set for the particular trade show. This might be handling product inquiries, customer handling, meetings with existing and potential clients, etc. It is the exhibitor interacting with the target group/audience given the set objective.

Post-show follow up refers to analyzing the outcome of the attended trade shows. Trade show exhibition normally involves a fairly large investment, and the importance of examining the objectives and outcomes in order to improve and enhance the return on the trade show investment should not be underestimated (Ling-Yee 2007).

Ling-yee (2007) found in her research evidence of all three processes having significant relationships to both the achievement of sales- and non-sales objectives. Implying that all processes needs to be considered.

### **2.1.2 Trade show objectives exhibitors**

Trade show objectives are in most existing literature distinguished as either sales related (selling-activities) or non-sales related (non-selling-activities).

Companies attend trade shows for a variety of reasons, for the purpose of the current study the author focused on the following key objectives, which were refined from earlier literature as will be presented below:

1. Selling activities
2. Relational development
3. Information gathering / Information exchange

4. Awareness/Image building
5. Promotional Activities / New product introduction

A more comprehensive list (Table 2) of trade show objectives is presented at the end of this chapter.

#### **2.1.2.1 *Selling activities:***

The prominence of selling-activities at trade shows is obvious. Much of the reason for this has to do with the recognition of trade shows as presenting an opportunity to sell in-person at a lowered per-contact cost compared to e.g. a sales call (Tanner Jr and Chonko 1995).

Through focusing on the staffing practices of contract manufacturers, Tanner Jr and Chonko (1995) confirmed the position of sales and selling activities as primary goal and motivation for exhibiting at trade shows. The larger proportion of their survey reported titles from sales areas and “getting sales” as their primary goal, with “getting leads and prospecting” following as a close second.

As further support of the selling objective, Hansen (2004) reports on sales-related activities as one of the most important dimensions to rate trade show performance. Bellizzi and Lipps (1984) propose as the major advantage of trade show exhibition that; the selling message reaches a large number of interested people at the same time.

Selling-activities seem to be one of the major goals for trade show participation and exhibition.

Smith et al.’s (2004) research among US industrial firms, report on the complementary effects of trade shows on personal selling. Investigating personal selling efficiency, interest, profitability, and visibility measurements, their general conclusion is that trade shows have a complementary effect on personal selling. Through advancing buyers to an elevated level of interest, creating a foundation for later communication that reduces the effort required to obtain future sales. This implies that it is not necessarily at-show selling that is the main objective, but the trade show enables and mediates post-show sales contact. This is also supported by Munuera and Ruiz (1999), who investigated visitor objectives of SMEs in the industrial sector in Spain. They found that not much trade activity took place during the fair, because purchases were more easily performed in future contact after evaluating market and product information.

### **2.1.2.2 Relational development**

Another major objective of trade show participation is personal contact with new and existing customers. Bathelt and Schuldt (2008) found through surveying a variety of employees with different responsibilities in firms exhibiting in a major B2B trade show in Germany that the most important goals for participation were:

1. To inform customers of their presence
2. Make new customer contact
3. Maintain and intensify contact with existing customers
4. Present innovations

By regarding trade shows as temporary cluster, the authors found that the face-to-face communication at international trade shows is very important in the sense that it helps the establishment of new network relations, and enables the exhibiting firm to maintain and intensify existing networks (Bathelt and Schuldt 2008).

Blythe (2002) investigated the role of trade shows in solving problems at different stages in relationship development in key account management (KAM). He found that for key account managers, trade shows offer three main opportunities:

1. First contact at the pre-KAM stage (defining and identifying key account potential)
2. Building partnership and establishing a common culture at the mid-KAM stage (building partnerships, consolidating preferred supplier status) and partnership-KAM stage (develop spirit of partnership, build common culture, lock-in customer)
3. Offers the opportunity for a shared voice at the synergistic-KAM stage (continuous improvement, shared rewards, quasi integration)

Hansen (2004) found that relationship building was the second most important performance indicator in his research. Evers and Knight's (2008) research further supports relational development as an important objective in their research of the role of international trade shows in the internationalization process. They found that trade shows were an important mechanism for network building and acted as a very efficient platform for actors within the industry to meet and interact. This is also in compliance with the proposition of Sharland and Balogh (1996) in their paper on the value of non-selling activities at trade shows; that trade shows provide an excellent environment for relationship building.

### **2.1.2.3**      *Information Gathering / Information Exchange*

Representing a unique venue with industry actors and interested visitors from all around the world, information gathering and information exchange is proposed as another important objective for trade show participation

Sharland and Balogh (1996) proposed how, due to the heterogeneity of the international business environment, trade shows offer international companies the opportunity to gather vital information quickly, easily, and cheaply. They further found the most important information types to be; competitor assessment, technology assessment, and channel partner assessment. Hansen (2004) lists information gathering as one of the top five performance indicators. Evers and Knight's empirical research complies with this as, for their sample, trade shows were seen as crucial in obtaining foreign market knowledge on subjects such as exporting, competitors, product requirements for different regions etc. (Evers and Knight 2008).

Bettis-Outland et al. has specifically looked into the value and return on trade show information. In a conceptual paper from 2010 Bettis-Outland et al. propose that tangible and intangible return on information obtained at trade shows is dependent on the use of trade show information throughout the organization (Bettis-Outland, Cromartie et al. 2010). Following up the paper with an article containing empirical research on the value of trade show information, Bettis-Outland et al. (2012) found that their respondents considered information obtained at trade shows to be a useful, if not critical, factor to company success. However, this does not necessarily imply that trade shows is a suitable venue for companies to conduct formal market research, rather it should function as a venue for informally gathering information through interaction and at best use it to conduct some preliminary research. Bettis-Outland et al. (2012) support this as they found that for their respondents, discussion with other exhibitors (business issues) failed to produce information of particular value and that increased the chance of company success. The reason for this is the fear of exhibitors to give away vital information and company secrets to other trade show exhibitors. However, they did find that interactions and discussions with visitors mediated the ability to detect changes in customer preferences, which had a positive impact on the success of the respondents' companies.



#### **2.1.2.4      *Awareness/Image building***

In order to expand a business in general, and particularly overseas, it is crucial to be in the evoked set of the industry's potential customers. You need to inform and make potential customers aware of your presence within any given industry. Further you need to create an image of your company as a competitive and serious actor. As most trade shows are industry specific and are international of nature, they should provide an efficient platform for creating awareness of your presence and to maintain and enhance company image.

In compliance with the findings of Bathelt and Schuldt (2008); to inform customers of their presence, as an important goal for trade show participation, and Hansen (2004); image building as the most important dimension of trade show performance, awareness and image building is an important trade show objective. Kerin and Cron (1987) provides further support as they found in their research that trade show performance was rated, among other functions, on enhancing corporate image.

Gopalakrishna and Lilien (1995) developed a sequential process in which interest lead to attraction, attraction to contact, and contact to conversion of leads into sales. Interest is contingent on awareness and given the sequential nature of this process, the decisions made on the earlier stage (awareness and interest) has a major influence on the outcome of the latter sequences. This strongly supports awareness and image building as an important objective for trade show participation.

#### **2.1.2.5      *Promotional activities/New product introduction:***

Promotion of the company and its products is a given objective for trade show participation. Attracting more or less only potential customers with an established interest in the industry and the products, trade shows are a very efficient promotional tool that unlike most other tools will most efficiently serve a desired target audience with a lower possibility of non-effective excess communication. The research of Tanner and Chonko (1995) showed that, for their sample, general market communication was listed as the third most important primary goal, and the most important secondary goal.

The promotion of new products or innovations is stressed by much of the existing literature as being one of the major objectives for trade show participation. In addition to Carman (1968) who lists "introduction of new product line", Bathelt and Schuldt (2008) list as their fourth major objective; "to present innovations".

### 2.1.3 The importance of objectives

Cavanaugh (1976) states that to set the objective for the company's purpose of exhibiting is of utter importance. Objectives related to target audience, efficiency/effectiveness balance, budgets, etc. are also proposed, but most importantly is the purpose. Further, Bellizzi and Lipps (1984), states that the most crucial factor of success for trade show participation is to have a clearly stated objective. Without a clearly stated objective, it is hard to develop quantitative measures of performance, which Tanner (2002) found to be one of the elements distinguishing successful from unsuccessful exhibitors. A clearly communicated and explicit objective will ease the planning of all processes and act as a motivator for booth personnel.

### 2.1.4 Trade show objectives visitors

Although most of the existing research and literature on trade show objectives is related to the exhibitor, there are some who have taken the visitors objectives into account.

Godar and O'Connor (2001) investigated short term and long term motives using data from industrial buyers in the helicopter industry. Distinguishing between current, potential, and non-buyer, they found that the short- and long term motives for the different visitors were:

Visitor type	Short term motives	Long term motives
Current buyer	Confirm decision	Reinforce contact
Potential buyer	Become advocate (convinced)	Develop contact
Non-buyer	Receive reward	Support industry

**Table 1 – Visitor trade show motives, adapted from (Godar and O'connor 2001)**

In an even later study, Berne and Garcia-Uceda (2008) found that changes in the marketing orientation of the exhibiting firms had affected the evaluation criteria used by professional visitors in the shows they examined in Spain. Seemingly companies have shifted their emphasis from transactions to relationships within business networks. The relative importance of non-selling activities being higher than selling activities for exhibitors was reported more than twenty years earlier by Kerin and Cron (1987). Berne and Garcia-Uceda (2008) found no relevance of making purchase or sales as motive to visit trade shows. The major emphasis was on customer and channel relationships. They further concluded that although a trade show may be seen as a reasonable platform for market research for exhibitors, it was much less so for visitors.

Gopalakrishna et al. (1995) investigated buying intentions at trade shows, and concluded through sales related measurements that visitors who had been exposed to a product at a trade show were more inclined to buy through increased awareness and interest, yet little trade activity took place at the trade show itself. This further supports the prevalence of non-transactional (non-buying) motives for visitors' trade show attendance.

Table 2 include a more comprehensive list of objectives for attending trade shows and an attempt has been made to match exhibitor objectives with those of visitors.

<b>Objectives for attending trade shows</b>		
<b>Exhibitors</b>	<b>Literature ref.</b>	<b>Visitors</b>
<b>Direct selling</b>	(Kerin and Cron 1987) (Tanner Jr and Chonko 1995)	<b>Direct buying</b>
<b>Inform customer of their presence</b>	(Godar and O'connor 2001) (Bathelt and Schuldt 2008)	<b>Confirming buying decision</b>
<b>Make new customer contact</b>	(Godar and O'connor 2001) (Bathelt and Schuldt 2008) (Tanner Jr and Chonko 1995) (Evers and Knight 2008) (Smith, Gopalakrishna et al. 2004) (Blythe 2002)	<b>Develop contact</b>
<b>Maintain and intensify contact with existing customers</b>	(Bathelt and Schuldt 2008) (Godar and O'connor 2001) (Blythe 2002)	<b>Reinforce contact</b>
<b>Present innovations / Generate new ideas or applications for products</b>	(Carman 1968) (Godar and O'connor 2001) (Bathelt and Schuldt 2008) (Munuera and Ruiz 1999) (Bellizzi and Lipps 1984)	<b>Become advocate</b>
<b>Direct and indirect contact with competitors</b>	(Bathelt and Schuldt 2008) (Bettis-Outland, Johnston et al. 2012) (Sharland and Balogh 1996)	
<b>Contact with suppliers and complementary firms</b>	(Godar and O'connor 2001) (Bathelt and Schuldt 2008) (Sharland and Balogh 1996)	<b>Support industry</b>
<b>Information gathering / exchange</b>	(Bettis-Outland, Johnston et al. 2012) (Bettis-Outland, Cromartie et al. 2010) (Berne and García-Uceda 2008) (Hansen 2004) (Evers and Knight 2008) (Sharland and Balogh 1996) (Munuera and Ruiz 1999) (Kerin and Cron 1987)	<b>Information Gathering</b>
<b>Relational development /involving entire value chain / network)</b>	(Bettis-Outland, Johnston et al. 2012) (Berne and García-Uceda 2008) (Blythe 2002) (Hansen 2004) (Godar and O'connor 2001) (Evers and Knight 2008) (Evers and Knight 2008)	<b>Relational development</b>
<b>Motivating personnel</b>	(Carman 1968) (Kerin and Cron 1987) (Hansen 2004)	

<b>Personnel training</b>	(Tanner Jr and Chonko 1995)	
<b>General market communication</b>	(Godar and O'connor 2001) (Tanner Jr and Chonko 1995) (Bellizzi and Lipps 1984) (Gopalakrishna, Lilien et al. 1995) (Carman 1968)	<b>Receive reward</b>
<b>Channel partner assessment</b>	(Sharland and Balogh 1996) (Munuera and Ruiz 1999) (Bathelt and Schuldt 2008)	<b>Channel partner assessment</b>
<b>Technology assessment / Solve technical problems</b>	(Sharland and Balogh 1996) (Carman 1968)	

**Table 2 – Objectives for attending trade shows**

The non-selling (i.e. non-transactional) activities and objectives are prevalent for both exhibitors and visitors at trade shows. After reviewing the literature, the author claims that trade shows can essentially be regarded as arenas for engagement in relationship marketing and network development. The following is a review of these two dimensions.

## **2.2 Relationship Marketing and Network development**

### **2.2.1 Relationship marketing**

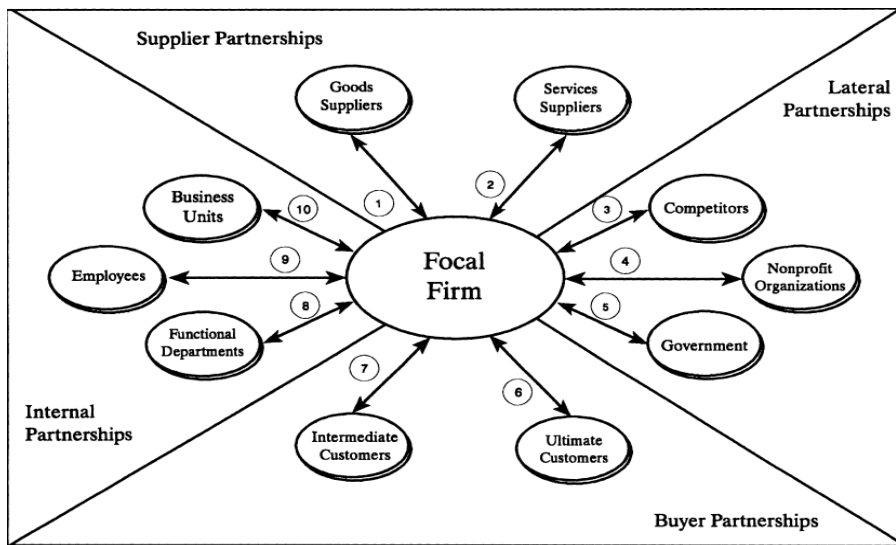
*“Relationship marketing is marketing seen as relationships, networks, and interaction”*  
(Gummesson 1994) p.5

*“Relationship marketing is all marketing activities directed towards establishing, developing, and maintaining successful relational exchanges”* (Morgan and Hunt 1994) p.22

Much of the existing marketing theory treat buyer-seller exchanges as discrete events and not as ongoing relationship (Dwyer, Schurr et al. 1987). Long term relationships however, are found to be more profitable than one-shot transactions (Gummesson 2002). Relationship marketing has thus, both in practice and in academic research experienced rapid growth. As marketing moves away from its traditional microeconomic maximization paradigm, relationship marketing has gotten its breakthrough. When the aim is to deliver superior value to your customers, the key to competitive advantage and strategic resource will be the relationships you are able to maintain with your customers (Webster Jr 1992).

Relationship marketing will generate stronger customer relationship which in turn will have a positive impact on seller performance measures, including sales growth, increased share, and profits (Morgan and Hunt 1994). The performance of the exchange is seen as mediated by several factors, commitment, trust, and relationship quality and/or relationship satisfaction (Palmatier, Dant et al. 2006). Relationship marketing does not solely refer to the relationships

with customers, there are multiple relational exchanges in relationship marketing, and figure 1 illustrates some of the relationships that may exist



**Figure 1 – Various relationships of focal firm, Source: (Morgan and Hunt 1994) p.21**

Gummesson (1994), in an attempt to operationalize relationship marketing, distinguished thirty different relationships classified into

- Mega relationships; above the market - governments, legislators, influential individuals
- Inter-organizational relationships; customers, suppliers, competitors in B2B
- Mass marketing relationships;
- Individual relationships; between buyer and supplier
- Nano relationships; internally directed

In viewing marketing through the lens of relationships, networks, and interaction, Gummesson (1994) propose that it is of utter importance to establish which portfolio that is essential to your specific business and handle that portfolio in the best possible manner.

The commitment trust theory of relationship marketing (Morgan and Hunt 1994), suggest that successful relationship marketing require relationship commitment and trust. Morgan and Hunt (1994) posit that trust and commitment develop when firms in a relationship;

- Provide resources, opportunities, and offerings that are superior to the offerings of alternative partners

- Maintain high standards of corporate values and allying oneself with exchange partners having similar values
- Communicating valuable information, including expectations, market intelligence, and evaluation of partners' performance
- Avoid taking advantage of their exchange partners in bad faith

Ravald and Grönroos (1996) proposed how traditional value may differ from that of value in a relationship. While traditional value is often derived from benefits / sacrifice, value in a relationship relates to both episode and relationship benefits, as well as episode and relationship sacrifice. The authors propose that that poor episode benefits can be balanced by the relationship as a whole, and that positive episode benefits enhance the relationship value, and a positive relationship value increase the total episode value (Ravald and Grönroos 1996).

Through an empirical meta-analysis of previous work on the topic, Palmatier et al. (2006) drew some general conclusions about the antecedents, outcomes, and moderators in relationship marketing. They found that the most effective antecedents for generating strong relationships were expertise and communication. Relationship benefits and similarity followed, whereas dependence, frequency and duration were all found to be relatively ineffective. The negative impact of conflict was found to be larger in magnitude than the positive effect of any of these. Related to the commitment-trust theory of Morgan and Hunt (1994), Palmatier et al. (2006) found that relationship benefits, customer dependency, and similarity were more effective for increasing commitment than for building trust, while relationship investment and frequency were more effective for building trust than for increasing commitment.

Further Palmatier et al. (2006) found that relationship marketing is typically more effective when relationships are more critical to customers such as for (1) service versus product offerings (2) channel versus direct exchanges, and (3) business versus consumer markets. Additionally the authors concluded that customer relationships often have stronger effects on exchange outcomes when their target is an individual person than when it is a selling firm.

The different relationships a company maintains will constitute the different networks in which it is embedded. Networks will be covered in the next section.

### 2.2.2 Networks

Zaheer et al. (2000) highlight that networks should provide a firm access to information, resources, markets and technologies; with advantages from learning, scale, and scope economies; and allow firms to achieve strategic objectives. Through linkages and flows of resources, information, technologies etc. networks are built from complex relationships involving both competition and cooperation.

Thorelli (1986) states the particular importance of networks in international marketing. Networks may be seen as an instrument for reaching new clienteles and additional countries, in many aspects networks could serve as an engine of growth. Marketing is at the core of network management, but it also involves aspects such as technology transfer and information exchange, and public and interpersonal relations.

Achrol and Kotler (1999) proposed that an increasing amount of marketing activities will be characterized by the management of inter-organizational relations as the firm has dissolved into a network of internal units, suppliers, allies and distributors. In networks, marketing operates less in the service of a given function or unit than it does on behalf of the marketplace as a whole and its customers (Achrol and Kotler 1999).

The dominating forces in network relationships, according to Thorelli (1986), are power and trust. He further identifies five sources of network power:

- A firms economic base
- Its technologies
- Its range of expertise
- The level of trust
- Legitimacy (evoked from the networks fellow members)

Although, by virtue of their membership, firms are regarded as equals, they will not have the same level of power and needs to be stronger than its partners on at least one of the sources listed above (Thorelli 1986).

Networks themselves will also rise and fall in power, and the prospect of future profits within the network depend on the establishment, maintenance and strengthening of relationships (Segal-Horn and Faulkner 2010).

Håkansson and Ford (2002) propose how viewing the network as a pure resource constellation may limit innovation. Zaheer et al. (2000) support this view further; even though networks provide access to information, resources, markets, and technologies that may not be accessible outside the network, if poorly constructed, the network may very well lock the members into unproductive relationships. The conclusion is that networks seriously affect firm performance, and that the impact may just as well be negative as opposed to positive (Zaheer, Gulati et al. 2000). Håkansson and Ford (2002) suggest a holistic approach where members of the network needs to constantly use interactions as a way to learn about the linkages that exist between its own resources and the resources activated in the network, and to understand how the network functions from the perspective of other actors in addition to its own.

Related to the purpose of this study the most critical dimensions of relationship marketing and networks are found to be:

- Relationship marketing is typically more effective in B2B as oppose to B2C dealings
- The majority of buyer-seller exchanges cannot be treated as discrete events, but rather as ongoing relationships
- Relationship marketing generates stronger customer relationships, which will have positive impact on sales growth and market share (more profitable than one-shot transactions)
- Relationship marketing is critical to network development
- Firms are not autonomous entities in an impersonal marketplace, rather they are actors within various networks
- Networks reduce uncertainties by the mutual solidarity developed through relationships
- Networks provide greater speed and momentum used to seize sudden or unexpected opportunities
- Networks provide access to resources and skills not owned by the companies themselves
- Networks are highly effective in reaching new clientele and additional countries.
- The dominating forces in networks are power and trust

The majority of the customers in the MILPRO segment are expected to be governmentally funded institutions. The following sections will look into the unique aspects of public buying and B2G relationships, and the defense sector in particular.



### 2.3 Public Buying/ B2G

In public buying the purchases are made to support the functions of service agencies and realize social-economic policies (Wang and Bunn 2004). The realizations and goals aspired in the public sector also tend to be far more complex and ambiguous compared with those in the private sector (Van der Wal, De Graaf et al. 2008). While in a business to business (B2B) setting the relationship between buyer and seller can be used to increase the competitive advantage, the relationship in a B2G setting is usually restricted to being a facilitator of the exchange and fulfilling the requirements in the contract (Wang and Bunn 2004). The process of public procurement is meant to be fair and open to all bidders, thus the relationships (i.e. their span) gets restricted as they cannot be seen as tools to intervene in the procurement process. As a result of this the perceived value, from a business point of view, of a B2G relationship is lower compared to that of a B2B relationship (Purchase, Goh et al. 2009).

Purchase et al. (2009) found that especially in terms of innovation and information exchange, businesses found their B2B relationships of greater value than their B2G counterparts. In the B2G relationships, information exchange on how to do business had the largest significant effect on perceived value, further strengthening the notion of B2G relationships being of a more transactional rather than relational nature.

Earlier work on the problem of selling to governments revealed that only one third of the responding US firms found government procurement practices to be either, efficient, equitable, or competitive (MacManus 1991). The five most frequently identified shortcomings were:

1. Slow payment cycles
2. Bid specifications written too narrowly to promote competition
3. Difficult making contact with the end user of the service or product
4. Too much paperwork required for application
5. Competition from other firms reducing profits

(MacManus 1991)

Although results varied some by product offerings and whether or not the firms had current or previous experience with selling to governments, the elements listed above was prevalent in all cases. The surveyed firms identified more negative than positive, but only a very small percentage of the firms found governments to be undesirable customers. When asking the

firms to identify why they found governments to be attractive customers, MacManus (1991) lists these as the top five:

1. Confident payment will be received
2. Experience in dealing with government
3. Predictable revenue source
4. Firm produces a service/product primarily used by governments
5. Good relations with government purchasing officials

Reason number five contradicts the prior assumption of B2G relationships being primarily transactional in nature. While in the B2B literature the importance of relationships is obvious, this element seems more restricted in B2G dealings. In a B2B setting the relationship may act as both a facilitator of the exchange and as an order qualifier, the latter is restricted in a B2G setting due to the requirement of accessibility and openness in the procurement process (Wang and Bunn 2004). There is however, no reason why the facilitator role could not be fulfilled, and both government agencies and suppliers are now speaking in favor partnerships between governmental buyers and business sellers as a facilitator of contract implementation (Wang and Bunn 2004).

The tendency of moving away from a purely transactional and “arms length” customer (government)-supplier(business) relationship to a more integrated view was documented by Kapletia and Probert (2010). They presented a model modified from the UK Ministry of Defense (MoD) that showed the transformation steps involved in moving from the traditional contract to a capability based contract.

To rely on industry for the whole operation of a platform to deliver a public service or capability would involve increased cooperation between the two parties, furthering the emphasis on relational issues as compared to the traditional transactional approach of merely contracting out the supply of assets and spare parts.

TRANSFORMATION STEPS	CONTRACT TYPE
4	CAPABILITY Industry is responsible for the operation of platform to deliver a service/capability
3	AVAILABILITY Industry is responsible for ensuring that platforms are available for use against a predetermined target. Industry will therefore take responsibility for the planning and execution of maintenance tasks and the supply chain activities that support them
2	SPARES INCLUSIVE Industry has responsibility for the repair of assets (all necessary spares included for a fixed price, variable only by activity levels)
1	TRADITIONAL Industry is contracted for the supply of assets and spare parts

**Table 3 – UK MoD transformation steps, adapted from Kapletia & Probert (2010) p.585**

### 2.3.1 Defense Sector

Traditionally the defense industry has been characterized by the country of its origins. Many governments relied on self sufficiency and the industry was seen as an important driver of the economies of the developed world. This held true for manufacturing as well as the services related. This is now changing. Signs are that the ministries and departments of defense (DoD) are increasingly emphasizing their core military role and are opening up what was previously acquired internally to the private sector (Kapletia and Probert 2010). This was also proposed by Markowski and Hall (1998) on how the use of private financing initiatives (PFI) is changing the role of the MoD from being a provider of services to becoming a procurer of services (e.g. logistics, support, equipment).

Globalization and internationalization of the defense industry has made its impact on the procurement strategies in the defense sector as well as most other sectors. Dealing across borders has changed the environment and characteristics of the MoDs/DoDs. Where the previous market position was of a monopsonistic nature (Temple 1994), globalization of production and suppliers has lead to more of a market/commercially oriented industry and removed some of the sovereign power previously vested by the single buyer (Gansler and Lucyshyn 2013). The shift from heavy equipment (arms) to information and communication technology, in which technology development is now largely driven by the commercial sector, has strongly contributed to this. The cuts in military and defense spending have made

it difficult for the national defense sectors to be self-sustained at the technology forefront, but a country's defense is still dependent on being there, thus forcing the MoDs/DoDs from provider to procurer in a more commercially driven market (Markowski and Hall 1998, Gansler and Lucyshyn 2013).

In public buying the purchases are made to support the functions of service agencies and realize social-economic policies (Wang and Bunn 2004). The task of the defense procurement system is to equip its customers (i.e. the armed forces) and support them in meeting national security objectives (Markowski and Hall 1998).

Specifying, developing, and introducing high technology equipment as such used by the armed forces is a very technical, in terms of engineering-, accounting-, and strategic issues, and time consuming process (Willett 2009, McGuffog 2011). The complexity of these transactions stems from both the technical nature of the products and the vast amount of regulations governing these transactions.

Markowski and Hall (1998) proposed that one of the main challenges of defense procurement were the user requirements. Military specifications have broadened from a purely technical specification (requirement) to now include functional and performance requirements, including operational availability, safety, interoperability, life cycle cost, and distribution of risk between user and supplier. The adopting of a more elaborated and life-cycle approach to defense procurement is supported by the UK MoD which now defines acquisition as the activity of requirement setting, procurement management, support management and termination/disposal (Kapletia and Probert 2010).

Further challenges are that the private companies involved need to satisfy two customers, both the commercial customer in terms of the given defense logistics organization, and the operational customer (the operative forces). Through investigating performance-based industrial service contracts from the UK defense industry, Datta and Roy (2011) found that one of the main challenges was the lack of visibility of frontline usage. Additionally it has been suggested that the rapid pace of technology improvements offsets the defense capability needed and the means for achieving it, and that the continuity in personnel at buyer/user is low, rendering the procurement capabilities for long term complex projects inadequate (McGuffog 2011).

### 2.3.2 Single Sourcing and Corruption

Although signs of more commercially driven market forces governing defense procurement seem prevalent, statistics show that still an unexpectedly high percentage of defense work is awarded through single source contracts and not through competitive procurement (Pyman, Wilson et al. 2009). The nature of much defense and military materiel is highly specialized and the number of suppliers may very well be constricted to one or two suppliers (Gansler and Lucyshyn 2013), thus giving the finding by Pyman et al. (2009) a natural probable cause. However, organizations such as NATO are able to maintain a much higher overall competitive procurement percentage, this raising the question of corruption risk.

Single source contracts are prohibited in most countries, but exceptions exist in matters of national interest or defense procurement (Pyman, Wilson et al. 2009).

The funding mechanisms for defense procurement is exceptionally complex (McGuffog 2011) and so are many of the products procured. Even with proper systems in place for public accountability and transparency, the complexity of these contracts makes it hard for any civilian authority to evaluate the necessity, appropriateness or value for money (Willett 2009), leaving it prone to corruption.

Characteristics of government and defense procurement processes

- Goals and realizations are far more complex and ambiguous than in the private sector
- Difficult making contact with the end user of the service or product
- Tedious and abundant paperwork in application process
- Too narrowly written bid specifications (do not promote competition)
- Specification of defense equipment is very technical, complex, and time consuming
- Need to satisfy two customers, commercial and operational
- Low continuity in personnel versus long purchase cycles
- Much defense work is still awarded through single source contracts
- The complexity of the funding mechanism for defense procurement and the complexity and technical nature of the equipment specifications leaves it hard to audit and prone to corruption
- Sensitivity of technology
- Sensitivity to political trends and development

The author sees a need for a reevaluation of our existing knowledge of exhibitor trade show participation objectives and outcomes in B2G trade and in the specific defense industry context. Firstly there is recognition of little research in the area in general and from what does exist there are unconfirmed signs of a paradigm shift in terms of B2G trade moving from a purely transactional form to being more relationally oriented. Second there is the uniqueness of the defense industry in terms of characteristics such as:

- Sensitivity of technology
- Sensitivity to political trends and development
- Dominance of a small number of large integrator companies
- Low continuity of personnel versus long purchase cycles in customer organizations
- Split customers, commercial and operational, and the difficulty in access to end-user
- Single sourcing
- Highly technical and complex specifications
- Difficult to confirm a clear buying center

The approach to this will be elaborated in the following chapters.

### **3. Propositions and conceptual framework**

The purpose of the study is to investigate how trade shows can enable new market development in an international context. By new market development the author here refers to geographical regions, customer segments, and channels. The more specific research question is:

- How can trade shows enable new market development for the MILPRO segment?

In reference to the previous chapter on trade shows and trade show objectives, the author proposes an operationalization of the major objectives into the following three activities and efforts:

- On-show customer relationship management (CRM) activities
- On-show information exchange / gathering business intelligence (BI)
- On-show promotional efforts

The evidence of a business environment dominated by networks seems prevalent and networks are thus regarded as the primary tool for increasing performance, in this case market development, through its impact on reaching new geographical regions, new segments, and new channel partners.

The effect of trade show objectives; on-show CRM efforts, on-show information exchange / BI, and promotional efforts, are thus seen as mediated by the two network facets of power and trust in its positive impact on new market development.

On-show CRM efforts refers to how trade shows may be regarded as excellent arenas for engagement in relationship marketing. Making new customer contact and maintaining and intensifying contact with existing customers are major objectives for exhibitors (Bathelt and Schuldt 2008), while developing and reinforcing contact remains major objectives for visitors (Godar and O'connor 2001). Relationship investment and frequency is effective for building trust (Palmatier, Dant et al. 2006) and the relationships you are able to maintain is a key strategic source of power in your networks (Webster Jr 1992). This leading to the following propositions:

**Proposition 1:** On-show CRM efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets

**Proposition 2:** On-show CRM efforts enhance trust in relationships with other organizations and partners in the firm's network

Commitment and trust will develop when, among others, firms in a relationship communicate valuable information, including expectations, market intelligence, and evaluation of partners' performance (Morgan and Hunt 1994). Information exchange and business intelligence are key elements of a firm's evoked legitimacy, trust and expertise, which are among the main sources of network power (Thorelli 1986). This leading to the following propositions:

**Proposition 3:** On-show information exchange / BI enhances the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets

**Proposition 4:** On-show information exchange / BI enhances trust in relationships with other organizations and partners in the firm's network

The promotional efforts made at trade shows should prove a company's technological advantages and, if applicable, a strong economic base. As well as being regarded as key sources of power (Thorelli 1986), these elements and further promotional efforts should convince prospective partners of your company's offering being superior to those of alternative partners which is a criteria for the development of commitment and trust (Morgan and Hunt 1994). This leading to the following propositions:

**Proposition 5:** On-show promotional efforts enhance the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets

**Proposition 6:** On-show promotional efforts enhance trust in relationships with other organizations and partners in the firm’s network

The role of networks in international marketing is of particular importance and may be seen as instruments for reaching new clienteles and additional countries (Thorelli 1986). Coviello and Munro (1995) found that the international expansion for their cases were enabled through the linkages maintained in their international network, affecting both market selection and entry strategies. By virtue of the position in the network, determined by the level of power and trust, network linkages should enable new market development, with effectiveness somewhat proportional to the level of power and trust. This leads to the following propositions:

**Proposition 7:** Power in networks enhance new regional market development

**Proposition 8:** Trust in networks enhance new regional market development

**Proposition 9:** Power in networks enhance new segmental market development

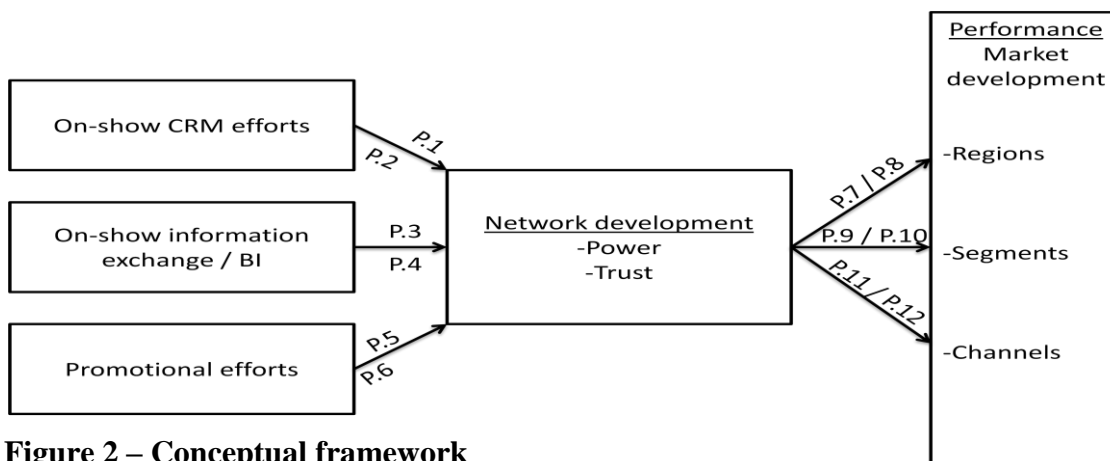
**Proposition 10:** Trust in networks enhance new segmental market development

The network position a company possesses, with the trust, power, and legitimacy evoked by other network members should increase its attractiveness towards potential channel partners. This leading to the following propositions:

**Proposition 11:** Power in networks enhance new market development by channels

**Proposition 12:** Trust in networks enhance new market development by channels

From the previous literature review and propositions stated above, the following conceptual framework was developed:



**Figure 2 – Conceptual framework**



<b>Definitions of variables in conceptual framework</b>	
<b>On-show CRM efforts</b>	Procedures to manage, improve, or facilitate sales, support and related interactions with customers, prospects, and business partners throughout the enterprise (Davenport, Harris et al. 2001)
<b>On-show information exchange /BI</b>	Communication of valuable information, including market and business intelligence (Morgan and Hunt 1994)
<b>On-show promotional efforts</b>	The display of innovations and new technologies, with a particular focus on confirming the firm's strong position in the industry and enhance prestige and public image (Albaum and Duerr 2011)
<b>Network power</b>	The ability to influence the decisions or actions of other actors in the firm's network (Thorelli 1986)
<b>Network trust</b>	The existing confidence in an exchange partner's reliability and integrity (Morgan and Hunt 1994) (a belief in non-opportunistic behavior from network members)
<b>Regional market development</b>	Reaching new geographical markets
<b>Segmental market development</b>	Reaching new customer segments
<b>Channel market development</b>	Reaching new markets by utilizing new/different channel partners

**Table 4 – Definitions of variables in conceptual framework**

The next chapter will address the research design and methodological approach.

## **4. Research design**

The research design is the overall plans and procedures for conducting the research. It should specify the methods and procedures for collecting and analyzing the information needed to reach the goal of the research (Zikmund, Babin et al. 2012).

### **4.1 Strategy of inquiry**

As opposed to theory- or hypothesis testing, where quantitative methods would excel, the purpose of this study is to develop a deeper understanding and gain new insights of a given phenomena in a specific context (Zikmund, Babin et al. 2012). Given the exploratory nature of this research, no evidence of previous similar research, and the purpose of this study thus being theory development, a qualitative approach was chosen as the more appropriate.

The strategy of this qualitative inquiry is twofold. It consists of a theoretical part, the literature review as presented with the initial model and propositions, in addition to an empirical data collection and analysis in the form of a multiple case study.

## 4.2 Case study

The purpose of this study is to answer a “how” question and the focus is on contemporary events. These are two of the salient situations where case studies will excel (Yin 2009).

Yin (2009) suggests a twofold definition of a case study:

*“1. A case study is an empirical inquiry that*

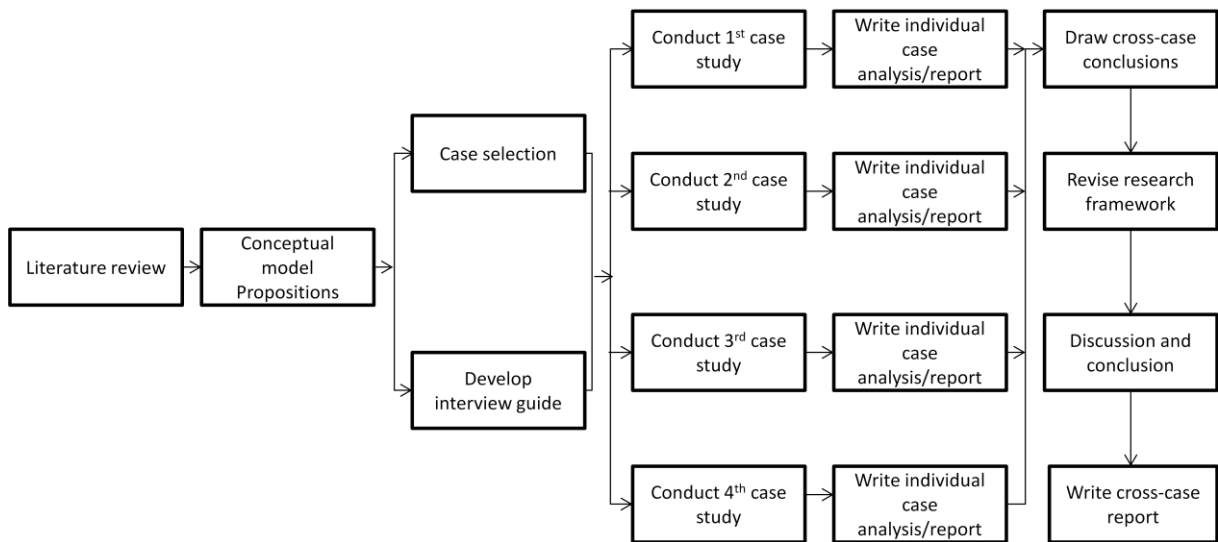
- *investigates a contemporary phenomenon (the “case”) in depth and within its real-world context, especially when*
- *the boundaries between phenomenon and context may not be clearly evident*

*2. A case study inquiry*

- *cope with the technically distinctive situation in which there will be many more variables of interest than data points, and as one result*
- *relies on multiple sources of evidence, with data needing to converge in a triangulating fashion, and as another result*
- *benefits from the prior development of theoretical propositions to guide data collection and analysis”* (Yin 2009) p.16-17

The choice between a single-case or multiple-case approach is affected by several elements. First of all the resources required to conduct multiple case studies is normally far greater than those required for a single case study (Yin 2009). The benefits of a well conducted multiple-case study however, far exceed those of a single case study. By only choosing two cases you enable the possibility of direct replication or contrasting, and the analytic conclusions derived from two individual cases, as with experiments, are far more powerful than those derived from a single case (Yin 2009). This study relies on a multiple-case study approach with an adaptive design, meaning that the case study design may be modified during the course of the study due to new information or discoveries in the data collection phase (Yin 2014).

The procedure for this multiple case study is depicted in the model below. What follows is an elaboration on the different elements in this model, apart from the literature review and propositions and conceptual model which has already been presented.



**Figure 3 – Multiple case study procedure, adapted from (Yin 2014)**

### 4.3 Case selection

A holistic multiple-case design is applied, meaning that the different cases will have a single unit of analysis (Yin 2009).

When identifying and selecting the cases the following criteria for relevance to this particular study was applied

- current engagement in some part of the defense sector
- international presence
- B2G experience
- Trade shows are part of marketing efforts

In addition to these criteria, the limited time and resources assigned to this study sets other

SME	Case 1	Case 2
Large Enterprise	Case 3	Case 4
	Defense	Defense + civil

prerequisites related to availability in form of geographical location and willingness and ability to participate within a given timeframe.

A set of criteria were selected to ensure variance between the cases. As figure 4 shows, at least four different cases are required to ensure sufficient variance.

**Figure 4 – Variance matrix**

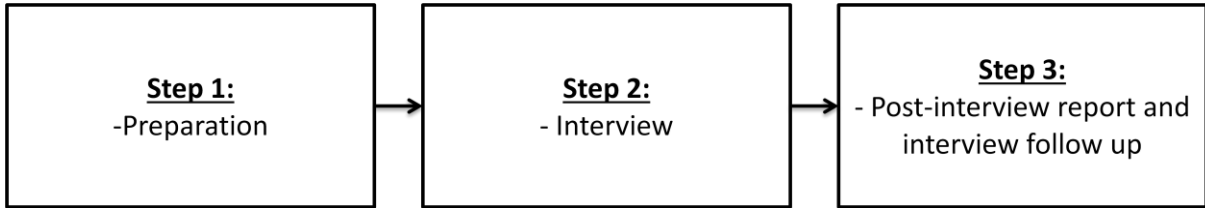
Relying on the European definition of small to medium sized enterprises (SME), the criterion for SME in this matrix is to have revenues not exceeding EUR 50mill. Additionally, this criteria needs to hold for the last three available fiscal years. The large enterprises need to be well above the EUR 50mill marker, also for the last three fiscal years.

“Defense” and “Defense + civil” refers to cases operating solely in the defense sector or in both the defense and civil sector.

Having cases of both pure defense and mixed civil-defense operations will help identify unique aspects associated with the defense sector vis-à-vis civilian commercial sectors.

#### 4.4 Conducting case study

The process of conducting the different case studies was divided into three parts.



**Figure 5 – Individual case study procedure**

Step 1:

In order to familiarize with the context of the different cases and in preparation for the different cases-interviews, an initial secondary data retrieval from sources such as websites, media clips and annual reports (where available) was performed. To guide this retrieval a secondary data audit form was developed to ensure that relevant aspects were covered prior to the conducting of interviews. Using multiple sources of data/evidence is referred to as triangulation and is an important aspect in securing the construct validity of the research design (Yin 2009).

See appendix 1 for secondary data audit form.

Step 2:

The second step is the primary data collection, conducting the interviews with the appropriate individuals within the chosen cases. The interview is regarded as one of the (if not the) most important sources of case study evidence (Yin 2009). The form of interviews conducted in case study research is normally referred to as “in-depth interviews” and is not be confused with the structured queries of surveys. In-depth interviews are more appropriately

acknowledged as guided conversations and the stream of questions will be more fluid than rigid (Yin 2009). There are different types of case study interviews, Yin (2009) distinguish between three main types:

- Prolonged case study interviews
- Shorter case study interviews
- Survey interviews

The type of interview conducted in this research is a “shorter case study interview”, which is a more focused form of interview following the interview guide more closely. Still remaining open-ended and of a more conversational nature like the prolonged interviews, the more focused interviews can be conducted in a single sitting. Although the prolonged case study interviews could be preferable in terms of deeper insights into meanings and interpretations, the resources available in this study would not allow for such an interview approach with four different cases.

A detailed interview guide was developed to ensure the relevance and appropriateness of the questions, and to ensure that the interviews stayed on topic and didn't stray from the purpose of the study (ref. shorter case study interviews). The interview guide contains instructions for the conduction of the interview, a list of all questions, and an empty model template.

See appendix 2 for interview guide used in this study.

Step 3:

More or less immediately after conducting the interviews a post interview report will be prepared. These are the initial thoughts and reflections coming to mind after the interview without relying on transcripts or notes from the interviews. New questions may arise or you may find that important questions have been left out. The immediate interview follow up involves addressing these questions with the responsible informants.

#### **4.5 Individual case analysis/reports**

The individual case study analysis will be conducted by addressing the different variables in the conceptual framework and its related predefined propositions. This will ensure that the individual reports remain focused and address the research question (Baxter and Jack 2008). For analytic purposes, relying on the theoretical propositions as the general strategy is an

advantage as these have already shaped the data collection plan. Accordingly, the propositions will have yielded analytic priorities.

The individual case reports will also address any additional findings occurring during the course of the analysis, and make suggestions for additional propositions.

An individual case summary will be given in the form of a table providing an overview of the variables in the conceptual model and their manifestations in the case with quote references, as well as a table summing up the predefined propositions and whether or not they were supported by the findings.

After the case analysis has been conducted, it will be sent, in its full, to the responsible part or contact person for the different cases. This to ensure that there has been no misunderstandings or misinterpretations along the course of the analysis.

The following section will, in further detail, address the data analysis for each individual case.

## 4.6 Data analysis

The data analysis will consist of three flows of activities, as suggested by Miles and Huberman (1994):

- Data reduction
- Data display
- Conclusion drawing and verification

The interviews will be transcribed and *data reduction* refers to the process of selecting, simplifying, abstracting, and transforming the data that appears in these transcriptions (Miles and Huberman 1994). It was previously stated how following the propositions will guide the individual reports, this also holds for the data reduction process. This form of initial analysis helps to sort, focus, and organize data to enable the drawing of some final conclusions. Relying on the propositions as guides for the data reduction will ease the decisions of which data chunks to code, and which to discard.

### 4.6.1 Coding

Codes are usually assigned to “chunks” of varying size, words, phrases, sentences, or whole paragraphs, connected or unconnected to a specific setting, they can take the form of straightforward labels or more complex like metaphors.

Codes are used to retrieve and organize the chunks, the organizing part will entail some system for categorizing the various chunks, so the researcher can quickly find, pull out, and cluster the segments related to a particular proposition. Clustering and display then sets the stage for drawing conclusions.

An initial set of codes derived from the propositions and conceptual framework was developed before collecting and transcribing data, following the recommendation by Miles and Huberman (1994). The three columns show a descriptive label of the following code, and the proposition to which it is related. While coding the transcribed interviews, a fourth column was added giving reference to the pages and sections where the various codes had been attributed.

The process of coding will not be restricted to the initial set of codes, additional codes are likely to emerge and be implemented during the course of each individual analysis.

<b>Descriptive label</b>	<b>Codes</b>	<b>Propositions</b>	<b>Page reference</b>
Trade show habits	TS-HAB		
Trade show objectives	TS-OBJ		
Trade show on CRM and Networks	TS-RM-NET		
CRM efforts and activities	CRM-EA	1,2	
CRM on network relations	CRM-NET		
CRM on power	CRM-POW	1	
CRM on trust	CRM-TRU	2	
BI efforts and activities	BI-EA	3,4	
BI on network relations	BI-NET		
BI on power	BI-POW	3	
BI on trust	BI-TRU	4	
Promo. efforts and activities	PRO-EA	5,6	
Promo. on network relations	PRO-NET		
Promotional efforts on power	PRO-POW	5	
Promotional efforts on trust	PRO-TRU	6	
Networks on mkt. development	NET-MKT		
Network power on regions	POW-REG	7	

Network trust on regions	TRU-REG	8	
Network power on segments	POW-SEG	9	
Network trust on segments	TRU-SEG	10	
Network power on channels	POW-CH	11	
Network trust on channels	TRU-CH	12	
Alternative growth mechanisms	ALT-MEC		
Interesting additional findings	ADD		

**Table 5 – Initial set of codes**

Once the transcriptions have been coded, it will enable a clustering of the various chunks of data related to each of the propositions and any additional findings. This is the activity previously referred to as *data display*, an organized and compressed assembly of information allowing for conclusions to be drawn and actions taken (Miles and Huberman 1994).

Once this is done, it will enable a concluding remark on whether or not the individual cases support the predefined propositions, and to which extent the model adequately seem to capture the phenomenon investigated.

#### 4.7 Draw cross case conclusions

By doing a cross-case analysis and drawing cross-case conclusions it significantly increases the generalizability of the study, as well as deepen the understanding and explanatory power (Miles and Huberman 1994). This study relies largely on the strategies advocated by Yin (2014) and employs what he refers to as a replication strategy. A replication strategy involves using a previously developed theoretical framework to study carefully chosen cases that are expected to either (a) predict similar results (literal replication) or (b) predict contrasting results for anticipatable reasons (theoretical replication). By choosing four cases, this study relies on literal replication as more would be needed to produce sufficient data for a theoretical replication. The cross case conclusions will largely revolve around the predefined propositions and whether or not they were supported with an emphasis on any potential differences between the cases.

The cross case conclusions will lead to a revision of the research framework and a final discussion and concluding chapter. It will all culminate in a final case study report (i.e. master thesis).



The next chapters will address validity and reliability issues, as well as potential limitations to this study.

#### 4.8 Validity and Reliability

Four tests are commonly used to establish the quality of any empirical social research, including case studies, construct validity, internal validity, external validity, and reliability (Yin 2014). Internal validity is about seeking to establish causal relationships in explanatory or causal studies (Yin 2014) and given the exploratory nature of this study the measure of internal validity will not be applied here

The construct validity is about identifying the correct operational measures for the concepts being studied (Yin 2014). Most importantly, the operational measures need to measure what they are intended to measure (face validity) and adequately cover the scope of the domain of interest (content validity) (Zikmund, Babin et al. 2012).

External validity is about the ability to generalize the results, whether the findings are generalizable beyond the immediate study (Yin 2014). This is a common concern with case studies and a common question relates to the inability to generalize from single cases. A case study however, will be generalizable to theoretical propositions as opposed to populations. The generalizations are analytic in the sense that the goal is to expand and generalize theories (Yin 2014).

Reliability is about consistency, a highly reliable study should demonstrate that operations such as the data collection and analysis procedures produce the same results if repeated (Yin 2014).

The following table presents the case study tactics applied to ensure these three measures of quality in this particular case study.

Case study tactics; Validity	Tactic description
Academic supervision	Throughout the process regular meetings and correspondence with the assigned supervisor will be held. This will increase the validity of the research design. Particularly in designing the interview guide, this tactic will ensure that the measurements are on target.
Interview guide	In a multiple case study, using an interview guide ensures that the same topics are addressed with each case and that the

	questions are on target
Informant review	Having the draft case report reviewed by the key informant will increase the construct validity (Yin 2014). The informant will have the opportunity to provide feedback and correct any misunderstandings from either side.
Literature review	By reviewing relevant literature previous to the study the construct validity is improved by enabling a clear definition of concepts related back to the objective, and identifying operational measures matching the concepts (Yin 2014)
Replication logic	A result deriving from findings in multiple cases carry far more strength in terms of generalizability, thus increasing the external validity
<b>Case study tactics; Reliability</b>	<b>Tactic description</b>
Case study protocol	A case study protocol contains the procedures as well as the instrument in for carrying out the data collection. In a multiple case study, such a protocol ensures that the different cases are treated in the same manner and that it's possible to retrace the steps of the study. By carefully developing and having the research design chapter reviewed by the supervisor, it largely constitutes what would be found in a case study protocol
Case study database	A case study database is a separate and orderly compilation of all data from the study. By digitalizing and gather all data for each case in separate files the study and conclusions may be audited.

**Table 6 – Validity and reliability tactics**

#### **4.9 Limitations**

Case studies are among the most challenging of all social science research (Yin 2014). There are limitations to this study, including the author's role as an initially novice in the field. The theme and research question is a result of a correspondence between the author and one of the companies used as an individual case in this study. The possibility of biases is therefore present. Both the issue of being less experienced and biased are to a large extent addressed by

careful academic supervision, but one cannot conclude that to some extent the study could be influenced by them.

An ever occurring issue in case studies is the representativeness of the informants. This case builds on four key informants from four different cases. That their opinions are undisputedly representative for the rest of their companies is difficult to assume. To have more than one informant for each case could have been beneficial in terms of both validity and reliability, unfortunately the resources granted this study did not allow for it. In terms of topic for the study the author feels that the informants chosen were the ones best suited for addressing the questions at hand for their respective companies, but still this remains an issue.

As previously mentioned, a prolonged case study interview might be preferable in terms of gaining deeper insights into meanings and interpretations. There are no guarantees that such an interview would render more meaningful data, but the issue needs to be stated nonetheless.

Given the exploratory nature and lack of previous research covering the topic, the conceptual framework and propositions are derived from research and theory that to a large extent is supplementary to the topic of this thesis. Due to this there is a possibility that the chosen design and protocol do not capture the breadth and depth, and highlight the research question in the best possible manner.

The next chapters will present the findings and analysis of the four cases.

## 5. Case 1: SME, Defense

Case 1 is a company within the defense industry. They have an international presence and international customer portfolio.

Due to wishes from the informant and his company, case 1 will remain anonymous.

This analysis is based on an in-depth interview with a leading figure in the company, and some available secondary data in the form of information from the company's home page.

The company's annual trade show activity extends to 3-4 shows per year, two national shows and 1-2 in other parts of the world where they participate with a stand. There might also be one or two additional shows they consider to attend only as visitors.

### 5.1 On-show CRM efforts

The on-show relationship management activities that the company engages in largely revolve around meetings, both official and more informal.

*"It's B2B meetings. We don't attend events outside of Norway unless we have at least three to four meetings booked in advance."* (Quote 1, informant 1)

There's seemingly no restriction to whom these meetings are with and that their RM efforts have a broad perspective.

*"It largely revolves around relations, building networks. We build networks downwards, sideways and upwards. I feel everything is important, to have a good oversight over potential suppliers, exchange experiences and information with competitors, and obviously with customers."* (Quote 2, informant 1)

#### 5.1.1 Influence and power

In terms of how these on-show relationship management activities can enhance the relative influence and power in certain industries, sectors, and/or markets, there are definite findings of this being a possibility, and as informant 1 puts it:

*"I hope so, it's part of the point"* (Quote 3)

In terms of how other exhibitors' RM activities may influence the company, the response was:

*“Particularly customers, if they provide inputs on what we should do differently or how to handle particular situations.... It’s absolutely a potential possibility for making us change.”*

(Quote 4, informant 1)

The informant is quite confident in on-show RM activities being a factor in enhancing their position in the industry network. Further, to maintain your position in the network, the importance of being present at these events should not be underestimated.

*“We have heard comments when someone is not attending as to why they’re not. We don’t want such comments about us, why we aren’t there.”* (Quote 5, informant 1)

For proposition 1:

- On-show CRM efforts enhance the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets

In addition to attending the events being important to maintain a position within the network, the evidence of other exhibitors’ RM activities having influencing power over the company (quote 4) is a good fit with proposition 1. Further the possible detrimental effect of not attending (quote 5) strengthens the relevance of proposition 1.

The findings support proposition 1.

### **5.1.2 Trust**

The issue of on-show RM activities and its effect on trust in relationships rendered less specific evidence and findings. However, informant 1 clearly states in relation to the meetings they engage in:

*“...to get to know each other better, and especially if the information you get is confirmed, confirm what you already know or get to know subsequently, then it’s a contributing factor for enhancing the trustful relations.”* (Quote 6).

For proposition 2:

- On-show CRM efforts enhance trust in relationships with other organizations and partners in the firm’s network

Although the findings related to RM and network trust are limited, the evidence is clear that, for this case, the on-show efforts they engage in are a contributing factor.

The findings support proposition 2.

## 5.2 On-show information exchange

To a large extent the trade shows attended by the company in this case seems to largely revolve around information exchange. Whether it's in the form of conferences, presentations, meetings or mingling, the exchange of information and experiences is prevalent.

### 5.2.1 Influence and power

In terms of how the on-show information exchange activities can affect the company's influence and power in the network, the possibility is there, but dependent upon the engagement of the representatives.

*"I think that if you're very engaged and are part of several forums you'll be able to make your mark on both persons and the company"* (Quote 7, informant 1)

*"In attending you are one of many, and if you are not one who himself contribute with something, you'll disappear in the crowd."* (Quote 8, informant 1)

Further informant 1 states:

*"... a central part of information exchange and network building; you get feedback on how to adjust or handle things, or take measures in technology or processes to prepare for what's coming:"* (Quote 9)

*"... Many of these presentations are held by suppliers, some competitors and customers, and from the ministries as well, and this is part of giving you a bit more information on how to position yourself."* (Quote 10)

For proposition 3:

- On-show information exchange / BI enhances the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets

Network power is here defined as the ability to influence the decisions or actions of others in the firm's network. From this it becomes evident that the findings (quote 9, 10) fit well with proposition 3.

The findings support proposition 3.

### 5.2.2 Trust

In terms of trust and how on-show information exchange activities affect it, informant 1 states:

*“I feel that the defense market in Norway is of such a small size that we usually know each other. We are open and have open dialogues and share information.”* (Quote 11)

*“Obviously there are things we are not allowed to share or can share due to customer relations and stuff like that, but I am sometimes almost surprised with how open we are in these settings”* (Quote 12)

This implies that there exists a high level of trust at least in the Norwegian defense industry.

For proposition 4:

- On-show information exchange / BI enhances trust in relationships with other organizations and partners in the firm’s network

The existing trust in the industry and the shows that informant 1 attends cannot easily be attributed to the on-show information exchange activities. Further informant 1 states;

*“I don’t think that if you’re not attending single event, that this would weaken the trust in the relations. It’s more a consideration whether or not that event will provide valuable information.”* (Quote 13)

From the findings the trust seems to already be established, and the effect of on-show information exchange activities enhancing trust in the network relationships has no real support. However, if relying on quote 6, the contributing factor of information exchange on trust seems present. This ambiguity may be a result of the familiarity and size of the national industry.

In a response to a second inquiry the informant clarifies and gives the following response:

*“Both building relations and exchanging information on trade shows are important. I would say that what goes on in terms of information exchange is enhancing the trustful relations”* (Quote 14, informant 1)

Quote 14 is quite explicit, and thus:

The findings support proposition 4

### 5.3 On-show promotional efforts

In addition to having their own stand and specific material for their company, giveaways, effects and video presentations, some of the promotional efforts seem oriented towards the existing network.

*“We have a stand, brochures, we are in what is really a yearbook for the Norwegian Defense, it says something about the defense industry... more or less every Norwegian defense company is represented in this book with a small presentation. We have pamphlets distributed through the FSi, where different companies are presented. We have giveaways, effects, and usually a screen with a presentation rolling.”* (Quote 15, informant 1)

The company hands out pamphlets distributed by FSi, the Norwegian defense and security industries association, which contains information and presentations of companies within the industry. This furthers the evidence of network importance.

#### 5.3.1 Influence and power

While not being perceived as a determining factor for influence and power in the networks, the on-show promotional efforts are acknowledged by the informant as being part of it.

Particularly bringing physical products would have a desired effect in terms of position in the network.

*“...especially if you bring products as promotional effects it may contribute... if you have a product that is new in the market it would be positive.”* (Quote 16, informant 1)

For proposition 5:

- On-show promotional efforts enhance the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets

While maintaining a position where the long term strategy is not affected, the findings are a reasonable fit with proposition 5. Informant 1 further elaborates on the effect maybe being stronger downwards in the network hierarchy:

*“I think that it has an effect, maybe not a lot sideways and up, but downwards against suppliers, on how they should position themselves differently against us or our customers.”* (Quote 17)



The findings support proposition 5

### 5.3.2 Trust

The influence of on-show promotional activities on trust is present, albeit more implicit. The trustful relations are more prone to being torn down as to being enhanced through promotional activities.

*“I believe that the content of what you promote yourself with needs to be in accordance with what you really are. If you hand out information about yourself and this is not in accordance with what a customer or supplier experiences, it can have a negative effect on the trustful relations.”* (Quote 18, informant 1)

Yet, if done correctly;

*“...that you are part of these kinds of promotional activities is contributing to highlighting and enhance the trust”* (Quote 19, informant 1)

For proposition 6:

- On-show promotional efforts enhance trust in relationships with other organizations and partners in the firm’s network

The finding deriving from quote 16 do not fit well with proposition 6 in its current form. There’s a condition for on-show promotional activities to enhance the trust in network relations, and thus:

The findings do not support proposition 6.

## 5.4 Networks and market development

It is evident that networks and network relations are important in terms of new market development for this particular case.

*“I think networks affect us greatly. We are part of some organizations and forums which we believe provides us with new opportunities. FSi in Norway, NADIC in the US, and similar organizations that we are part of in Sweden and Germany. To profile yourself through these organizations will give you an inn to these markets.”* (Quote 20, informant 1)

### 5.4.1 Power in networks

Power in networks and its influence on the firms' ability to address new markets, in terms of regions, segments, and channels seemingly do matter.

*“If it is in our strategy that we want to enter new markets, it can be a door opener. We get frequent invitations to meet people with decisive authority that are searching for new potential suppliers... so the moment there's a region we want to move into, there are many possibilities through the organizations and the networks that you have.”* (Quote 21, informant 1)

In terms of new segments, the informant confirms the role of networks; however power explicitly rendered no specific findings

In terms of new channel partners, this was not applicable for the company at the current stage:

*“We have reviewed the possibility of recruiting new agents in other markets, but at this stage we have not gone through with it”* (Quote 22, informant 1)

For proposition 7, 9, and 11:

- Power in networks enhance new regional market development
- Power in networks enhance new segmental market development
- Power in networks enhance new market development by channels

The findings fit with proposition 7 (regional market development), for segments and channel partners there are no specific findings.

The findings support proposition 7, there are no findings supporting proposition 9, proposition 11 is at this stage not applicable for the case being analyzed.

### 5.4.2 Trust in networks

In relation to trust in networks and its ability to enhance new market development the overall impression is affirmative:

*“Yes, networks provide relations and if you possess the trust you will get contacted with new opportunities”* (Quote 23, informant 1)

For propositions 8, 10, and 12:

- Trust in networks enhance new regional market development

- Trust in networks enhance new segmental market development
- Trust in networks enhance new market development by channels

The informant, in response to being asked whether his trustful relations with his network partners affect their ability to reach new regional segments, briefly confirms proposition 8 (regions)

*“Yes, simply put”* (quote 24, informant 1)

When directing the discussion into segments, the response is similar to that of network power on segments, this is an area where the informant has neither decisive authority nor strategic influence, and thus makes it hard to answer. Inquiries were made to other possible informants, but these inquiries produced no additional data.

For channels it’s the same as for network power (ref quote 20).

The findings provide support for proposition 8, no findings support nor oppose proposition 10, proposition 12 is at this stage not applicable for the case being analyzed.

## **5.5 Additional findings**

One interesting aspect highlighted over the course of the interview is the fact that for this case trade show efforts are made not only to maintain and build networks, which is an important part in Norway, but they are done as part of a Norwegian network abroad.

*“In Farnborough, FSi are having a large stand, and we are part of this together with eight or nine other companies. In this way we are fronted as one big Norwegian pavilion consisting of Norwegian companies, of which there are rarely competitors. We profile ourselves as one strong Norwegian unit. If we had attempted to stand alone at one of these big events, we would have become diminishingly small and it would have been too expensive.”* (Quote 25, informant 1)

Deriving from this it could be proposed that your national network is essential for international expansion, and that it has a determining effect for your international trade show returns.

In terms of alternative growth mechanisms for international market expansion, the case provides interesting insights to the defense specific industry.

*“It’s hard to enter other markets and grow in the defense industry. The industry is highly closed off in other markets as well as in Norway. The possibility to enter new markets is through acquisitions we do in Norway.” (Quote 26, informant 1)*

*“It’s a change going on in Europe, where it is said that the market is opening up. First and foremost I think this will gain the large European companies, more than the smaller ones like us. I don’t think that the opening up of the European market will gain us. So the possibilities are where official cooperation is established between the different MoDs or between the countries, or through acquisitions that the defense makes with other suppliers and that you can expect certain reciprocity” (Quote 27, informant 1)*

This would imply that a growth is dependent on the growth-rate and activity of the national defense.

## 5.6 Case summary

Variables in conceptual model	Manifestations in the case	Quote references
On-show CRM efforts	<ul style="list-style-type: none"> <li>- Business meetings (suppliers, customers, competitors)</li> <li>- Having a stand</li> </ul>	<ul style="list-style-type: none"> <li>- 1, 2</li> <li>- 15</li> </ul>
On-show information exchange	<ul style="list-style-type: none"> <li>- Presentations</li> <li>- Conferences</li> <li>- Mingling</li> <li>- Meetings</li> </ul>	<ul style="list-style-type: none"> <li>- 10</li> <li>- 1</li> </ul>
On-show promotional efforts	<ul style="list-style-type: none"> <li>- Own material in form of brochures, giveaways and effects</li> <li>- Video presentations</li> <li>- Secondary material with presentations of companies within the industry</li> <li>- Physical products</li> </ul>	<ul style="list-style-type: none"> <li>- 15</li> <li>- 15</li> <li>- 15</li> <li>- 16</li> </ul>
Network Power	<ul style="list-style-type: none"> <li>- Customer inputs</li> <li>- Visibility/recognition</li> <li>- Engagement in forums</li> <li>- Inputs on positioning</li> <li>- Memberships in organizations and forums</li> </ul>	<ul style="list-style-type: none"> <li>- 4</li> <li>- 5</li> <li>- 7</li> <li>- 10, 17</li> <li>- 20</li> </ul>

Network Trust	<ul style="list-style-type: none"> <li>- Confirming information</li> <li>- Incorrect information</li> <li>- New opportunities</li> <li>- The Norwegian defense market</li> </ul>	<ul style="list-style-type: none"> <li>- 6, 16</li> <li>- 18</li> <li>- 23</li> <li>- 11, 12</li> </ul>
Regional market development	<ul style="list-style-type: none"> <li>- Memberships in various national organizations</li> </ul>	<ul style="list-style-type: none"> <li>- 20, 21</li> </ul>
Segmental market development	<ul style="list-style-type: none"> <li>- n/a</li> </ul>	<ul style="list-style-type: none"> <li>-</li> </ul>
Channel market development	<ul style="list-style-type: none"> <li>- New agents</li> </ul>	<ul style="list-style-type: none"> <li>- 22</li> </ul>
<b>Additional variables</b>	<b>Manifestations in the case</b>	<b>Quote references</b>
Combined promotional efforts	<ul style="list-style-type: none"> <li>- Norwegian companies fronted as one big unit at Farnborough</li> </ul>	<ul style="list-style-type: none"> <li>- 25</li> </ul>

**Table 7 – Case 1 summary; variables**

All of the variables appeared to be regarded as distinctive in this case. The predefined variables are thus kept in their current form.

Related to the additional variable discovered, the following proposition is made:

- A united national pavilion of companies will enhance the effect and output of international trade show attendance

Table 7 provides a summary of the predefined propositions, giving an overview of the relationships between the variables for this case.

<b>Predefined propositions</b>	<b>Supported by findings yes/no</b>
<b>Proposition 1:</b> On-show CRM efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	Yes
<b>Proposition 2:</b> On-show CRM efforts enhance trust in relationships with other organizations and partners in the firm's network	Yes
<b>Proposition 3:</b> On-show information exchange / BI enhances the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	Yes
<b>Proposition 4:</b> On-show information exchange / BI enhances trust in relationships with other organizations and partners in the firm's network	Yes
<b>Proposition 5:</b> On-show promotional efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	Yes

<b>Proposition 6:</b> On-show promotional efforts enhance trust in relationships with other organizations and partners in the firm's network	No
<b>Proposition 7:</b> Power in networks enhance new regional market development	Yes
<b>Proposition 8:</b> Trust in networks enhance new regional market development	Yes
<b>Proposition 9:</b> Power in networks enhance new segmental market development	No
<b>Proposition 10:</b> Trust in networks enhance new segmental market development	No
<b>Proposition 11:</b> Power in networks enhance new market development by channels	n/a
<b>Proposition 12:</b> Trust in networks enhance new market development by channels	n/a
<b>Additional propositions</b>	
A united national pavilion of companies will enhance the effect and output of international trade show attendance	Yes

**Table 8 – Case 1 summary; propositions**

As depicted in the table above, this case largely supports the predefined propositions.

## 6. Case 2: TeamTec Marine Products, SME, Defense+Civil

The company used in this case study is a leading manufacturer of marine incinerators and stripping ejectors. They have operations in Norway and Singapore, as well as their own sales office in China. They have a vast customer portfolio where the majority is in the maritime, shipping, industry, but existing customers are also represented by navy fleets and coast guards, cruise lines, floating and fixed production units, supply vessels, holiday resorts, and land based power plants.

This case analysis is based on an in depth interview with the company's sales and marketing director, as well as some available secondary data.

The company's annual trade show activity totals about 10-15 shows pro anno, and of these shows there's a split between shows where they exhibit exclusively under their own brand, and shows where an agent or distributor is responsible for the event and the company participate as crew on their stands.

They attend trade shows all over the world, yet they do have a particular focus on the shipbuilder nations.

### 6.1 On-show CRM efforts

Trade shows are considered as an important part of the company's relationship management activities.

*"For relationship management I believe it's completely essential. Many expect us to be there and many go there. To maintain our network and customer portfolio it's important that we are there."* (Quote 1, informant 1)

The RM activities and efforts that the company engages in during trade shows are mainly pre-show invitations and meeting activity.

*"We are quite traditional, conservative, on these shows. We rarely engage in activities specifically to create attention. We do marketing in advance, telling people where we are and when we are there so that people can come visit us. We have done e-invites to get people to come see us...A lot of customers we schedule meetings with."* (Quote 2, informant 1)

The RM activities also extend to the network of agents.

*“We are all over the world and we have a large agent network that we can’t physically meet all of the time. Trade shows become a meeting point for our agent network, so when I’m in Asia, and at a trade show in Singapore, I schedule meetings with agents in Asia, South East Asia, so we can sit down and have a talk.”* (Quote 3, informant 1)

### **6.1.1 Influence and power**

In terms of how trade shows and on-show RM efforts can affect influence and power in the industry, informant 1 gives the following response:

*“I believe that by us having such a large physical presence around the world makes us strengthen our position as market leaders for our products. It goes without saying that we are there, and people expect us to. I think that the day we don’t exhibit at NorShipping, people will wonder what happened to the company.”* (Quote 4)

For proposition 1:

- On-show CRM efforts enhance the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets

It seems evident that the informant believes trade shows and RM activities have a positive effect on influence and power in the industry. He further states:

*“We see some of our competitors, but far from everyone are there. It’s the big players in the industry that exhibits and showcase.”* (Quote 5, informant 1)

The findings deriving from quotes four and five are a good fit with the predefined proposition 1.

The findings support proposition 1.

### **6.1.2 Trust**

In terms of trust in the network and how on show RM activities contribute to this, the informant is quite explicit:

*“I believe that our presence alone creates trust.”* (Quote 6, informant 1)

He further states:

*“I believe that it’s just as important for us to show that we are there, and that enables us to maintain the trust in the market. This is one difference with us as well, we are worldwide and*



*we are present worldwide. We are easy to get in touch with and no one should ever doubt that they can get a hold of us when they need us, no matter where they might be.”* (Quote 7, informant 1)

For proposition 2:

- On-show CRM efforts enhance trust in relationships with other organizations and partners in the firm’s network

The findings deriving from quotes six and seven are a good fit with the predefined proposition 2. To attend these trade shows and increase the company’s physical presence and getting to talk to people all over the world are a major part in enhancing the trustful relations within the firm’s network.

The findings support proposition 2.

## **6.2 On-show information exchange**

Due to the recognition of the company within the industry the informant feels there is no need to use a lot of energy on telling people at the events who they are and what they do. In terms of information out:

*“We wish, at these shows, to tell the customer which way we are headed, because, as I said earlier, people know what we are doing.”* (Quote 8, informant 1)

Being the director of sales and marketing, informant 1 has in terms of information and business intelligence a different function from the sales staff.

*“In effect of my function a lot of the trade show visits is about learning from others and figure out what is going on and not the least talk to other suppliers in the same market situation. I use the events a lot more actively than what the salespeople are doing, they are there to handle customers. I use a lot more time at the event to gather market intelligence, product information, trends, and most importantly wishes or requests from the customer. What they’re envisioning, what their problems are, and how we can solve this.”* (Quote 9, informant 1)

### **6.2.1 Influence and power**

The informant acknowledges that by showcasing physical products and product information there is a certain influence to be gained.

*“We see that competitors follow us. We are among the leaders in our industry, we are the largest company within our niche, and we come up with the innovations. We see that competitors are following, whether they get this information from customers or from seeing first-hand what we do on these events.”* (Quote 10, informant 1)

To have the role of the informant on these events, where the scope goes beyond customers, also has an effect on the potential influence and power in the industry.

*“What I see from my role of not only speaking to competitors and customers, but also others in the industry, is that we experience to receive support from other suppliers. Suppliers that are with a customer and the customer ask if they know anyone who deals with this. Because we have built a solid network among our own, we win orders by the recommendations of others.”* (Quote 11, informant 1)

The informant believes that this has a positive effect on his company’s influence and power within the industry.

For proposition 3:

- On-show information exchange / BI enhances the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets

It seems evident that by engaging in information exchange activities, there’s a positive effect to be gained in terms of influence and power, be it in the form having competitors adapting or following innovations the company come up with (quote 10) or by winning contracts due to others in the network knowing who you are and what you do (quote 11).

The finding support proposition 3

## **6.2.2 Trust**

The informant recognizes occurrences of what would be considered espionage. However, he has a fairly calm attitude towards it and emphasizes the importance of competition.

*“We experience tendencies of espionage on the events, but we are a serious company with no problems with competitors. Competition is healthy... I have the philosophy that we have a great product and should have no trouble showing what we are doing. The secret is not in the physical product that you see, so we are not afraid to show this off.”* (Quote 12, informant 1)

When asked if the information exchange can have a direct effect on trust in network relations, the informant provides the following response:

*“At least I feel that it does... if returning to other suppliers and similar, this projects seriousness and others have no problems with recommending us... I am quite clear on that, that this also builds trust.”* (Quote 13, informant 1)

For proposition 4:

- On-show information exchange / BI enhances trust in relationships with other organizations and partners in the firm’s network

The informant is quite clear on not being affected by behavior that could be expected to lead to mistrust on the events and is quite explicit when stating that sharing information throughout the network builds a trust and projects a seriousness that leads to others recommending them. These findings are a good fit with the predefined proposition.

The findings support proposition 4.

### **6.3 On-show promotional efforts**

The on-show promotional efforts that the company engages in are seemingly restricted to showcasing physical products and meeting with customers and clients.

*“We bring physical equipment to the shows, so that we can show the customer what it is we have done, what we sell and what is our innovation”* (Quote 14, informant 1)

Due to their products being on the expensive end of the scale, the informant has to use a lot of energy on explaining that the quality reduces the life cycle cost. One way of doing this is through direct marketing on these events.

*“We have to use a lot of energy to convince the customer to initially spend a little more, and how this will be reimbursed through savings on operating costs. That is why I say Greece is our biggest market, not a ship is built in Greece, but the ship owners are there. Their ships are built in China, Korea or Japan. I can’t go to a Korean shipyard and convince them to buy our product, because we are too expensive. They’ll buy from a local competitor costing less. I have to work with convincing the ship owner, and in that process we use a lot of direct marketing.”* (Quote 15, informant 1).

The company used for this case also attends trade shows as part of a larger Norwegian pavilion.

*“In us being part of a larger Norwegian pavilion, we are there with our network, a group called Norwegian maritime exporter, which is our organization. That we are there as a common group and everyone is associated with quality, trust and all of that, gains us more than being on our own next it.”* (Quote 16, informant 1)

### **6.3.1 Influence and power**

To attend several shows and exhibitions and showcase all over the world displays a certain strength in its own as it is only the big actors in the industry that do so (ref. quote 5).

Being quite confident in his own products, the informant further expects to reap certain benefits from other exhibitors showcasing their products.

*“This is a bit of a stretch, but to have others exhibit and we get to show our advantage compared to the competition, that the customer can come and see our product and walk over to see the competitor’s product gives us an advantage. We have some advantages that are very visible, so for competitors to be present is actually preferable for us.”* (Quote 17, informant 1)

Another aspect is the reoccurring factor of being present and available.

*“It’s not all about quality, it’s also the availability. We are everywhere, we are available, we are trustworthy, and we have been in the business for thirty years and plan to be here for thirty more. There are a lot of mayflies in this business, so we, through everything we do, try to project and show seriousness.”* (Quote 18, informant 1)

For proposition 5:

- On-show promotional efforts enhance the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets

By attending these events and showcasing your products you display strength and create an image of being an important player in the industry (ref quote 5), and by being a leader in your product niche there are potential benefits to reap from showcasing your product next to the competitors’. These findings are a good fit with the predefined proposition. There is also

evidence of how promotions through a united front are gainful for the outcome of trade show attendances.

The findings support proposition 5.

### **6.3.2 Trust**

To be present reoccurs also in terms of trust:

*“I believe that it’s just as important to show that we are there, and that enables us to maintain the trust in the market.”* (Quote 19, informant 1)

To have joint promotions in form of a united national pavilion was also considered to have a positive effect on the trustful relations (ref quote 16), and this effect seemingly have the potential of overshadowing any efforts done by single companies.

*“I can’t see any single company influencing our trust. I think it’s more that Norwegian suppliers have a united front and that his has an effect.”* (Quote 20, informant 1)

For proposition 6:

- On-show promotional efforts enhance trust in relationships with other organizations and partners in the firm’s network

Seemingly the effect of joint promotions and a united front is larger than that of a single company’s promotional efforts. To be present is an important factor, but not enough on its own and there is no real fit with the predefined proposition.

The findings do not support proposition 6.

The effect of exhibiting as a united front will have a greater impact and the fact that the company used in this case undertakes such joint efforts may very well influence the result of these findings. There’s a chance that the results would have been different had the company not undertaken such joint efforts, and exhibited exclusively on their own and under their own brand.

## **6.4 Networks and market development**

In terms of network and market development there is evidence of the company’s network having a direct effect on getting contracts, that they win orders by recommendation of others (ref quote 5). Further the informant explains how close relationships and cooperation with

manufacturers of other products in the same industry provides them with advantages in terms of market expansion.

*“There’s a company that deals with on board air-conditioning. Our equipment needs a lot of air and I have spent quite some time to teach this company about our product for them to take into account our product in their calculations of oxygen need. Because I have built this trust and a network with them, I believe that we receive orders due to them being in. They have sold their equipment and recommended us, and by that we receive orders for our equipment.”* (Quote 21, informant 1)

The informant emphasize how this also goes the other way around, how he recommends one of the companies in his network whom he has previously worked with.

#### **6.4.1 Power in networks**

When asked how he believes the power and influence his company maintains in their network affect their ability to develop new markets, the informant gives the following response:

*“Because we have such a reputable product, and such a strong brand, we have a beneficial position in terms of reaching new markets.”* (Quote 22, informant 1)

To maintain a position in the network where the other actors are loyal to the company is of utter importance.

*“We are completely dependent on a loyal network. In effect of us being expensive, we are quite dependent on keeping our network with customers and cooperative partners.”* (Quote 23, informant 1)

The credibility earned in the network is of importance also in terms reaching new segments:

*“In offshore we are not that known. Here it relates back to seriousness and being an established company that gives us credibility, and that we profit from that.”* (Quote 24, informant 1)

The company mainly sells their own products from headquarters, they have, for political reasons, a local distributor in China, but that is the only one.

*“Basically we promote ourselves, we produce ourselves and we sell ourselves”* (Quote 25, informant 1)

However, when asked whether people or companies approach them with requests for becoming distributors or agents, the informant gives the following response.

*“Yes, all the time. Both people who want to represent us, and people who want to be suppliers... we have such a highly recognized product and such a strong brand so people that approach me with a request for representing us, do so knowing that it’s such a renowned and solid product they would represent.”* (Quote 26, informant 1)

For propositions 7, 9 and 11:

- Power in networks enhance new regional market development
- Power in networks enhance new segmental market development
- Power in networks enhance new market development by channels

The findings in this section are a good fit with the predefined propositions. Although recruiting new channel partners was at this stage not applicable to the company, the response witnesses a positive effect from its position in the network on recruitment (ref quote 26).

The findings support propositions 7, 9 and 11.

#### **6.4.2 Trust in networks**

In terms of trust in the network and how this affects his company’s ability to address new markets, the following response from informant 1 is quite descriptive.

*“As I say, we enjoy a high level of trust because we are so renowned. Yet again, in markets not related to shipping we are to be considered novices. In a completely different market you have to use a lot of energy to promote and tell people what you are doing. But then again, we have a reference list too long to send to any potential customer, so no matter what market or segment you enter you’ll profit from that. History, tradition, and previous successes.”* (Quote 27, informant 1)

*“I believe that if we introduce a new product under our own brand, we keep that trust given that we’re able to prove that the quality of the new product is equivalent to that of the old which we are known for.”* (Quote 28, informant 1)

For proposition 8, 10 and 12:

- Trust in networks enhance new regional market development
- Trust in networks enhance new segmental market development

- Trust in networks enhance new market development by channels

It seems evident that the trust this company has in its network is beneficial in terms of new market development. The high level of trust is a result of the recognition it enjoys and whether we're talking about regions or segments the company would benefit from this. Apart from channels which are not really applicable, the findings are a good fit with the predefined propositions.

The findings support proposition 8 and 10. Proposition 12 is, albeit more implicitly, also considered to be supported by the findings (i.e. the informants link between recognition and trust, ref quotes 26, 27).

## 6.5 Additional findings

### 6.5.1 The defense industry

The references that you are able obtain is regarded as crucial in the defense industry as well as the civil industry. Having delivered products to navies around the world, the first move was against the US navy:

*"We have used a lot of energy to grow with the US navy; we had our own office in the US in the US with that agenda. We have positioned ourselves as a monopolist against the US navy, and that is a golden reference for all other navies."* (Quote 29, informant 1)

*"For India I feel that, both because we have been in the Indian Navy for a long time, and because I say we are on the US navy, the UK navy and so on, they listen and we're automatically invited to bid."* (Quote 30, informant 1)

The informant further acknowledges that there are differences in the way you are able to influence decision makers in the civil vs. defense industry.

*"It's difficult to influence the defense, because they have their own designs. An offshore vessel, whether it's built in Norway, China or India is an international design. Ulstein or Rolls Royce can be built anywhere. Where we have a good relation to the designer, and are part of his design, it doesn't mean that we get anything for free, but we have a good starting point."* (Quote 31, informant 1)

In response to a question on whether the informant thought networks had the same position in the defense industry as it had in the civil industry, he gave the following response.



“Outside of Norway it might be so. In Norway, because we so rarely build ships, it has no relevance.” (Quote 32, informant 1)

## 6.6 Case summary

Variables in conceptual model	Manifestations in the case	Quote references
On-show CRM efforts	<ul style="list-style-type: none"> <li>- Pre show marketing and invitations</li> <li>- Schedule meetings with customers</li> <li>- Schedule meetings with agents</li> </ul>	<ul style="list-style-type: none"> <li>- 2</li> <li>- 2</li> <li>- 3</li> </ul>
On-show information exchange	<ul style="list-style-type: none"> <li>- Letting customers in on where the company is headed</li> <li>- Exchanging experiences with other suppliers</li> <li>- Gather market intelligence, product information and trends</li> <li>- Handling customer requests and wishes</li> <li>- Showcasing physical products</li> </ul>	<ul style="list-style-type: none"> <li>- 8</li> <li>- 9</li> <li>- 9</li> <li>- 9</li> <li>- 10</li> </ul>
On-show promotional efforts	<ul style="list-style-type: none"> <li>- Showcasing physical products</li> <li>- Explaining the capex vs. opex dilemma of choosing a more expensive product</li> </ul>	<ul style="list-style-type: none"> <li>- 14</li> <li>- 15</li> </ul>
Network Power	<ul style="list-style-type: none"> <li>- Visibility, physical presence</li> <li>- Only the big players showcase and exhibit, recognition</li> <li>- Influence on products and technology</li> </ul>	<ul style="list-style-type: none"> <li>- 4</li> <li>- 5</li> <li>- 10</li> </ul>
Network Trust	<ul style="list-style-type: none"> <li>- Being available</li> <li>- Being recommended by others in the industry</li> <li>- Achievement through joint promotions</li> </ul>	<ul style="list-style-type: none"> <li>- 6, 7</li> <li>- 12</li> <li>- 16</li> </ul>
Regional market development	<ul style="list-style-type: none"> <li>- Recommendations by others in the network</li> </ul>	<ul style="list-style-type: none"> <li>- 21</li> </ul>
Segmental market development	<ul style="list-style-type: none"> <li>- A solid reputation for advancement in offshore</li> </ul>	<ul style="list-style-type: none"> <li>- 24</li> </ul>
Channel market development	<ul style="list-style-type: none"> <li>- Brand recognition and the effect on channel recruitment</li> </ul>	<ul style="list-style-type: none"> <li>- 26</li> </ul>
Additional variables	Manifestations in the case	Quote references
Combined promotional efforts	<ul style="list-style-type: none"> <li>- United national pavilion</li> </ul>	<ul style="list-style-type: none"> <li>- 16</li> </ul>

**Table 9 – Case 2 summary; variables**

There are certain signs of the informant not distinctively separating between the two pre-defined variables on-show CRM efforts and on-show promotional efforts. This might indicate a need to merge these two variables in the final model.

Table 9 provides a summary of the predefined propositions, giving an overview of the relations between the variables for this case.

<b>Predefined propositions</b>	<b>Supported by findings yes/no</b>
<b>Proposition 1:</b> On-show CRM efforts enhance the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets	Yes
<b>Proposition 2:</b> On-show CRM efforts enhance trust in relationships with other organizations and partners in the firm’s network	Yes
<b>Proposition 3:</b> On-show information exchange / BI enhances the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets	Yes
<b>Proposition 4:</b> On-show information exchange / BI enhances trust in relationships with other organizations and partners in the firm’s network	Yes
<b>Proposition 5:</b> On-show promotional efforts enhance the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets	Yes
<b>Proposition 6:</b> On-show promotional efforts enhance trust in relationships with other organizations and partners in the firm’s network	No
<b>Proposition 7:</b> Power in networks enhance new regional market development	Yes
<b>Proposition 8:</b> Trust in networks enhance new regional market development	Yes
<b>Proposition 9:</b> Power in networks enhance new segmental market development	Yes
<b>Proposition 10:</b> Trust in networks enhance new segmental market development	Yes
<b>Proposition 11:</b> Power in networks enhance new market development by channels	Yes
<b>Proposition 12:</b> Trust in networks enhance new market development by channels	Yes
<b>Additional propositions</b>	

**Table 10 – Case 2 summary, propositions**

As depicted in the table above, this case largely supports the predefined propositions. However, the data retrieved is expected to be largely based on undertakings in the civil

industry. The company makes a product that can easily be adjusted for use in the defense industry, but the vast majority of users are in the civil industry.

## **7. Case 3: Kongsberg Protech Systems, Large Enterprise, Defense**

The main business area of the company used in this case is weapon control systems. Their products include Remote Weapon Stations and associated training systems. Their geographic locations include Norway, US, Canada, and Australia, and their customer list spans 17 countries that use their products.

This analysis is based on an in-depth interview with the company's VP Strategic Markets and Pursuits, as well as some available secondary data.

Their trade show activity extends to seven or eight shows pro anno where they attend as exhibitors with their own stand. The company attends events in Europe and the US, as well as Asia and Australia. They are always represented in the areas where their customers are.

### **7.1 On show CRM efforts**

Relationship management efforts are regarded as an essential part of the company's trade show objectives. To meet with people in general and also specific people is emphasized from the planning stage of the trade show.

*"What we do in advance is we invite people on a broad basis, we are yet to invite too many. We make specific arrangements with people we want to meet, and request for official delegations - normally controlled by the ones arranging the event – which we want to visit our stand."* (Quote 1, informant 1)

Relationship building activities apart from attending the stand and talking to by-passers are restricted.

*"We may serve a lunch, on the large events, and only these, we have tradition for serving a simple lunch on our stand... it's not much more we are allowed to either. It has come to the point where almost everything is considered to be corrupt, so we have to monitor that we are within the ruling regulations.... Dinners are more or less a lost chapter. We can treat competitors and suppliers to dinners, but never customers."* (Quote 2, informant 1)

A lunch offers an opportunity to sit down and talk in more quiet surroundings. A trade show setting normally involves short, hectic meetings with a lot of background noise. To get some more time was emphasized as very important to the informant.

Trade shows could also act as platforms for more official introductions;

*“You might be introduced to new people. We might have an existing customer who has a project and has appointed a project leader who we get introduced to during these events”* (Quote 3, informant 1)

### **7.1.1 Influence and power**

The nature of the industry makes the network closely knit, and relationships are maintained throughout.

*“...we in the defense industry, as in maybe all industries, we become a family. We meet the same people all over the world. We are not necessarily friends, but we know each other, albeit on some distance. Everyone knows who everyone is. My motto is that I can socialize with anybody, even my fiercest competitor, but we don't have to talk business. They are colleagues and competitors in the industry and we have to behave properly with them... it's completely fair to have a reasonable and open relationship with each other, but not share customers and business information.”* (Quote 4, informant 1)

The company is very strict in abiding all governing regulations both nationally and internationally, and their RM efforts may be restricted by this. There are however signs of these activities being able to affect influence and power in the industry.

*“There are a number of nations and companies that operate in a grey area... bribes take place and in a number of markets corruption”* (Quote 5, informant 1)

The company has experienced substantial growth through conflicts like the one in Afghanistan. In effect of this situation now changing, and military spending and budgets being cut in multiple countries including the US, the company needs to expand their markets.

*“To maintain business and employees we need to approach new markets, and in these markets, we might see and feel that others have been there before us, and that these have not had the same ethical standards that we have. This hurts us to some degree and makes it harder to obtain contracts.”* (Quote 6, informant 1)

For proposition 1:

- On-show CRM efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets

In terms of on-show efforts enhancing the perception of influence and power, it seems obvious that, particularly if you operate in a grey area, you'll have the ability to enhance your influence in certain markets. In this effect the findings are a good fit with proposition 1.

The findings support proposition 1.

### 7.1.2 Trust

In relation to on-show relationship management issues and how it can affect trust in the network, informant 1 is quite explicit in saying that it does.

*"I think that is an important element for us being there... without that dimension you don't accomplish anything. As human beings we have a certain need to meet other people and get confident in them. In that sense it's important to be there, to build trust, talk to people, get to know each other"* (Quote 7)

*"Building trust is a large part of the sale, the introductory sale, this is important and we achieve this by the opportunity of meeting people... this might be for only a few minutes, people walk by your stand and you get to shake their hand, say hello and a bit, but you get to meet them in person and that matters."* (Quote 8, informant 1).

For proposition 2:

- On-show CRM efforts enhance trust in relationships with other organizations and partners in the firm's network

The findings are a good fit with proposition 2, and it seems evident that the on-show efforts the company makes related to relationship management are regarded as having a positive influence on trust.

The findings support proposition 2.

## 7.2 On-show information exchange

Related to on-show information exchange the main activities of the company is meetings and engaging in conversations. The information flow is different between new customers and existing due to the sensitive nature of the industry.

*“With new customers it’s the introduction, who we are, what we deliver, a bit hands on, but no details. The reason for this is that we demand an NDA, so we know that the information we provide is not passed on to competitors... with customers, or potential customers we have engaged in dialogue with, you’ll be able to exchange more sensitive data, we might agree that we bring something to the event that is handed over, documents etc.”* (Quote 9, informant 1)

As well as the information out (quote 9), there are occasional requests for information in from other exhibitors or visitors.

*“On trade shows, people might approach us with an RFI, request for information, because they have a project about to be initiated. This might state that ‘we in Country X are wondering whether your company is interested in becoming a possible tenderer, and then we get information about that. Given that we have been part of such an RFI, we might get a brief from someone who have a specific request and wants to talk to us about that and make sure we understand the content of such a request.”* (Quote 10, informant 1)

### 7.2.1 Power and influence

On-show information exchange activities seemingly have the potential of affecting the influence and power in the networks. Through partners the company appears to be held even more in the loop.

*“Because we’re a supplier of components and not a total supplier, it occurs that we are joining our partners in meetings with potential customers... we talk a lot to our partners on these events, partly because we are never exclusive, as I said, we might have thirteen to fifteen systems on Eurosatory, and everyone who have these systems are our partners, but they may all compete for the same contract.”* (Quote 11, informant 1)

For proposition 3:

- On-show information exchange / BI enhances the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets

What appears for this company is that the influence and power you might gain from on-show information exchange activities, is derived from the trust you create by the same activities.

*“To gain influence and power you first have to establish a strong trustful relation. You don’t get anything for free.”* (Quote 12, informant 1)

There are no explicit signs of on-show information exchange enhancing the network members’ perception of the firm’s relative influence and power. However, through analyzing on-show information activities’ impact on trust (ref next section), there are, albeit implicit, support for proposition 3

The findings support proposition 3.

### **7.2.2 Trust**

In relation to trust being affected by on-show information exchange activities, there are signs that it may have a positive effect.

In reference to quote 11;

*“...we are never exclusive, so we talk to a lot of customers. Here again it’s a matter of knowing which cards to reveal. To not reveal information obtained at one place to another party. This again relates to trust.”* (Quote 13, informant 1)

This would imply that the obtainment of information is dependent on trust, and that by keeping the information you obtain in a proper manner is part in building a trustful relation.

The information exchange activities the company engage in on trade shows largely revolves around personal meetings. Informant 1 states in response to how a trade show context may have an impact on network trust:

*“...personal relations, personal meetings, see people, look them in the eye, are all very important.”* (Quote 14, informant 1)

For proposition 4:

- On-show information exchange / BI enhances trust in relationships with other organizations and partners in the firm’s network

Seemingly the statements made and the on-show information exchange activity the company engages in is a good fit with proposition 4. This type of on-show information exchange may very well possess the ability of enhancing trust.

The findings support proposition 4.

### **7.3 On-show promotional efforts**

The company's on-show promotional activities manifest themselves through showcasing, and advertising in trade magazines that are published during the event, as well as the staffed stand handling enquiries and traffic.

*"...we are more or less obliged to advertise in trade magazines that are published daily during the course of the event. It's important to have your name in those and try to get some articles, articles I believe is important. It's much better to get a good article than ads, but the problem is that you don't get articles if you don't advertise... at the same time these articles are read and everyone knows this is how it works... other than that as I said, we showcase ourselves and talk to people. We don't do much more than that."* (Quote 15, informant 1)

As the systems the company produces are live systems, there are no real demonstrations. The products are physically present and existing customers may have mounted the systems on their products, but proper demonstrations are held at other venues.

#### **7.3.1 Power and influence**

In terms of on-show promotional efforts enhancing influence and power over network partners the informant is quite explicit. When asked if other exhibitors' promotional activities can affect their influence over his company, informant 1 replies:

*"Yes, in the same way that we try from our direction. It's a showcase, if someone comes up with something everyone remembers afterwards you've done good... at least then you have an effect for a while."* (Quote 16)

For proposition 5:

- On-show promotional efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets



The findings are a good fit with proposition 5, and if on-show promotion did not provide power and influence it's likely that the vast amount of resources spent here would have been spent elsewhere.

The findings support proposition 5.

### 7.3.2 Trust

In terms of trust and the impact on-show promotional activities have on it, the responses are held quite brief and concise. In response to whether the informant believes that the on-show promotional and advertising activities have any effect on the trust and the relationships they maintain with their network partners, informant 1 replies:

*“Yes, the specific value of it is hard to specify, but we have to believe that it does, if not we wouldn't have spent money on it. To meet people is the most important, meet people and talk to them... every opportunity to build a relation matters.”* (Quote 17)

For proposition 6:

- On-show promotional efforts enhance trust in relationships with other organizations and partners in the firm's network

In reference to the manifestations of the on-show promotional activities (quote 15) the findings are a fairly good fit with proposition 6. Although it's hard to quantify the effect, the company seemingly believes that the on-show promotional efforts could be a contributing factor for creating and enhancing trustful relations in the network.

The findings support proposition 6.

## 7.4 Networks and market development

The importance of networks and network relations in terms of market development is prevalent in this case.

*“As I said earlier, when we're out there we're like a family, the whole industry is like a family. This also holds true for the customer side. There are a limited number of countries, so that to build relations and not burn bridges, talk to people, talk to competitors and everyone you meet is probably the most important thing that we do. And this again leads to that when*

*someone has an inquiry they reach out and make contact, and you might be one step further in the process.” (Quote 18, informant 1)*

Trade shows do possess the property of acting as a meeting ground. The case utilizes others to build networks and relations as well.

*“It’s very important to build relations, and this is mainly done through meeting people in some kind of meeting ground. We are attending gatherings on the national embassies, for example; the Norwegian embassy hosts an evening with invited guests. There we meet the other Norwegians as well as a number of our suppliers and partners which we then can talk to in another fashion. A bit more quiet and calm atmosphere, more mingling, so if you’re not a person standing by yourself looking dissatisfied you’ll meet people. This is an important venue.” (Quote 19, informant 1)*

In addition to this the informant also attends gatherings on other embassies and in that way broadens the specter of people he is able to meet within a limited amount of time. This is however for invited guests only, and it is not a given that you are invited.

#### **7.4.1 Power in networks**

In terms of power in networks and its potential to enhance the company’s ability to address new markets, the informant gives the following statement.

*“Networks are central, relations and a position in the network are important for people to know you. We would like it to be so that if a request is sent out from some part of the world, a request we should be a valid supplier for, that we get this request. If people don’t know we exist, that we have a product fitting the description, we miss out on this opportunity. So we have to prevent that from happening, and that is through the network. If they don’t know who you are, they won’t come to us.” (Quote 20, informant 1)*

Further the informant states:

*“I think that as a door opener they’re important. For new people and new markets it’s very important to get to that next step.” (Quote 21, informant 1)*

For propositions 7, 9, and 11:

- Power in networks enhance new regional market development
- Power in networks enhance new segmental market development

- Power in networks enhance new market development by channels

It seems evident that the position in the networks is important in terms of new market development. To have a certain influence and be regarded as a strong contender when requests are set forth is crucial. This fits well with proposition 7 (regional market development).

The findings support proposition 7.

In terms of power and its influence on segments and channels, no real relevant data exist. Additional inquiries were made to the informant and his company; these efforts did however not result in the obtainment of additional data.

#### 7.4.2 Trust in networks

The informant has previously stated that to gain influence and power you first have to establish a strong and trustful relation (ref quote 12). Networks have been established as critical for the firm to reach new markets, and network relations would have little significance weren't it for the trust.

*"I think that building trust with a buying organization, that we get a solid relationship with someone in a buying organization is important... when we come under contract and are to make a delivery at a given point in time, if something occurs, and it usually does, related to the contract implementation, be it a delay, that something doesn't work properly... in such events a good relationship with the purchaser will be of significance. He will be a filter and can defend or support us against his user. You might say that we and our purchaser are in the same boat facing our common customer."* (Quote 22, informant 1)

*"On the other hand, if the purchaser doesn't like us, someone has picked us, but he thinks we're not the right choice, then he'll be able to practically ruin a project. If the wish is to create a riot there are several opportunities for this. In that sense it's important for us to have a good relation."* (Quote 23, informant 1)

For propositions 8, 10, and 12

- Trust in networks enhance new regional market development
- Trust in networks enhance new segmental market development
- Trust in networks enhance new market development by channels

Given the peculiar nature of the buying process in the industry and findings from quote 22 and 23, the prevalence of trust in terms of market development seem obvious, these are a reasonable fit for proposition 8 (regional market development).

The findings support proposition 8.

In terms of trust and its influence on segments and channels, no real relevant data exist. Additional inquiries were made to the informant and his company; these efforts did however not result in the obtainment of any additional data.

## 7.5 Additional findings

### 7.5.1 User conferences

The company in this case not only utilizes existing and established trade shows, they also have their own user conference held on an annual basis in which they invite existing customers. In these they are not really interested in purchasers or high ranking bosses, be it generals or admirals, but the users of their products.

*“Most of the ones coming to us are lower ranking officers or privates that have been allowed to go. The background is for us to get feedback, let the users meet each other and share experiences, strengths and weaknesses, ‘how we do it, how you do it’. This allows us to develop the next generations or add-ons to what we currently offer in the right direction.”*

(Quote 24, informant 1)

In response to a question of how these events compare to the established ones, informant 1 states:

*“I think it’s really important to us. Really important! It costs a lot of money, the customers pay a fee and they stay themselves, but it still represents a large cost for us. We demonstrate our equipment, so it’s a mix of promotions and listening to the customers’ end users. The customers really appreciate this, and they again build their own networks with other users that they can refer to and use. We use this actively in our marketing, also for potential customers... to hear what others think of us. Why is customer X buying more equipment and systems from us and not a competitor or vice versa? Why are they returning? We use this actively and to a great extent.”* (Quote 25)

This would imply that, at least in terms of end users, this sort of events is just as useful as the established ones. And the end user is an important piece of the puzzle in getting a contract.

*“... if we meet with the end user sufficiently early on, it’s the end user and his organization that sets forth demands to the buying organizations concerning what to buy in the future. If we get a firm grip, make contacts, provide and get solid information, and get to meet the end user at a later stage, so that they know what they want and can set some demands, that’s really valuable... by knowing what the different suppliers can deliver they are able to specify their demands, and if this fits us better, we are better off and one step ahead. The buying organizations would never allow for a specification to render all but one tenderer obsolete, so if the end user does that, due to our influence marketwise, the buying organization would alter the specification and make sure it has a more common format.”* (Quote 26, informant1)

From this it could be proposed that:

- The end users have a significant impact on a company’s ability to develop reach new markets in the defense industry
- In-house events are more effective in reaching the end user than established trade shows in the defense industry

### **7.5.2 Trust over power**

The informant, as previously stated, emphasizes the role of trust over power. If power in networks is dependent on trust, the chain of events and relationships between the elements in the predefined propositions needs to be altered. This would also mean that the “power – trust theory” (Thorelli 1986) at least for this case and in terms of market development, do not have high explanatory power. Thorelli (1986) suggest trust as one of five sources of network power. From the findings in this case; network power in any form seems dependent on trust.

### **7.5.3 Relations in civil vs. defense industry**

Ultimately, in response to a question on whether or not the informant thinks that relations and networks are more prevalent in the defense industry compared to the civil industry, he gives the following response:

*“No, to the contrary I think it’s easier to benefit from good relations in the civil industries than in the defense industry. Because we have to fulfill stricter customer demands and this is the salient point in this industry, not relations. It’s always beneficial to know people and gain trust, but you don’t get contracts on good relations and trust alone.”* (Quote 27, informant 1)

This would imply that by regarding trade shows as platforms for networking and relationship building, in terms of market expansion the effect from this would be greater in the civil

industry than in the defense industry. The findings throughout emphasize the role of networks and relations in the defense industry as well, and trade shows should thus not be discarded as not useful.

#### 7.5.4 Alternative growth mechanisms

In terms of alternative growth mechanisms for international expansion in the defense industry, the informant acknowledges acquisitions and joint ventures as particularly effective. Acquisitions are acknowledged as the fastest way to grow, but more interestingly, specific for the defense industry, the informant elaborates on the potential of joint ventures.

*“A joint venture is another way of entering a market, based on local rules and support for local industry. Norway is quite particular when it comes to acquiring defense materiel, we import say 75per cent from foreign companies. France on the other hand buys maybe four per cent. The US – completely open, but they only buy American. To sell a Norwegian product in France is a bit like selling sand in the Sahara, and that is because the French system is built the way it is. Same thing for the UK, they protect their own, and in that case a joint venture may be relevant, to get an inn, to get accepted, or your partner is accepted so you get to join.”* (Quote 28, informant 1)

This says something of the nature of the industry and the implications it has for strategic decisions in terms of growth mechanisms in the defense industry. Although networks are regarded as a central part of growth, and could be central to establishing a joint venture, networks alone are not necessarily enough for market expansion. The following could be proposed as a result of this:

- A joint venture would significantly enhance the company’s ability to address new markets in the defense industry.

## 7.6 Case summary

Variables in conceptual model	Manifestations in the case	Quote references
On-show CRM efforts	<ul style="list-style-type: none"> <li>- Pre show invitations and arrangements</li> <li>- Business meetings</li> <li>- Smaller on-stand lunches</li> <li>- Dinners with competitors and suppliers</li> <li>- Staffed stands, informal encounters</li> <li>- After show gatherings</li> </ul>	<ul style="list-style-type: none"> <li>- 1</li> <li>- 1</li> <li>- 2</li> <li>- 2</li> <li>- 15</li> <li>- 19</li> </ul>
On-show information exchange	<ul style="list-style-type: none"> <li>- Basic introductions to new customers (who/what/where)</li> <li>- More elaborate information with existing customers, including exchanging documents etc</li> <li>- RFIs, briefings</li> <li>- Meetings with partners</li> <li>- Staffed stands</li> </ul>	<ul style="list-style-type: none"> <li>- 9</li> <li>- 9</li> <li>- 10</li> <li>- 11</li> <li>- 15</li> </ul>
On-show promotional efforts	<ul style="list-style-type: none"> <li>- Advertisements in trade magazines published during the event</li> <li>- Articles in trade magazines</li> <li>- Staffed stands, talking to people</li> <li>- Physical products on own stand and customers' stands</li> </ul>	<ul style="list-style-type: none"> <li>- 15</li> <li>- 15</li> <li>- 15</li> </ul>
Network Power	<ul style="list-style-type: none"> <li>- Ethical standards</li> <li>- Trust as critical factor</li> <li>- Promotional impact</li> <li>- Recognition and familiarity</li> </ul>	<ul style="list-style-type: none"> <li>- 5, 6</li> <li>- 12</li> <li>- 16</li> <li>- 20</li> </ul>
Network Trust	<ul style="list-style-type: none"> <li>- Importance of meeting people face to face</li> <li>- Information handling</li> <li>- Relations with buying organizations</li> </ul>	<ul style="list-style-type: none"> <li>- 7, 14, 17</li> <li>- 13</li> <li>- 22, 23</li> </ul>
Regional market development	<ul style="list-style-type: none"> <li>- Receiving requests</li> <li>- Networks as a door opener</li> </ul>	<ul style="list-style-type: none"> <li>- 20</li> <li>- 21</li> </ul>
Segmental market development	<ul style="list-style-type: none"> <li>- n/a</li> </ul>	<ul style="list-style-type: none"> <li>-</li> </ul>

Channel market development	- n/a	-
<b>Additional variables</b>	<b>Manifestations in the case</b>	<b>Quote references</b>
In-house exhibitions	- Annual conferences on the company's own initiative with focus on the end user	- 24, 25, 26

**Table 11 – Case 3 summary; variables**

The on-show CRM efforts and on-show promotional efforts manifest themselves in the case by largely the same activities. There are reasons to believe that these two variables should be merged in a final model.

Table 12 provides a summary of the predefined propositions, giving an overview of the relations between the predefined variables for this case as well as presenting the additional propositions.

<b>Predefined propositions</b>	<b>Supported by findings yes/no</b>
<b>Proposition 1:</b> On-show CRM efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	Yes
<b>Proposition 2:</b> On-show CRM efforts enhance trust in relationships with other organizations and partners in the firm's network	Yes
<b>Proposition 3:</b> On-show information exchange / BI enhances the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	Yes
<b>Proposition 4:</b> On-show information exchange / BI enhances trust in relationships with other organizations and partners in the firm's network	Yes
<b>Proposition 5:</b> On-show promotional efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	Yes
<b>Proposition 6:</b> On-show promotional efforts enhance trust in relationships with other organizations and partners in the firm's network	Yes
<b>Proposition 7:</b> Power in networks enhance new regional market development	Yes
<b>Proposition 8:</b> Trust in networks enhance new regional market development	Yes
<b>Proposition 9:</b> Power in networks enhance new segmental market development	n/a
<b>Proposition 10:</b> Trust in networks enhance new segmental market development	n/a
<b>Proposition 11:</b> Power in networks enhance new market development by channels	n/a



<b>Proposition 12:</b> Trust in networks enhance new market development by channels	n/a
<b>Additional propositions</b>	
The end users have a significant impact on a company's ability to develop reach new markets in the defense industry	Yes
In-house events are more effective in reaching the end user than established trade shows in the defense industry	Yes
A joint venture would significantly enhance the company's ability to address new markets in the defense industry	Yes

**Table 12 – Case 3 summary; propositions**

As depicted in the table above, this case supports the predefined propositions apart from proposition 9-12 which miss data and thus rendered no specific findings.

## **8. Case 4: Norsafe, Large Enterprise, Defense+Civil**

The company used in this case study is a manufacturer of marine life saving systems. Their product portfolio includes lifeboats, davits, rescue boats, freefall systems, daughter crafts, military and professional boats, workboats and hooking systems. They have grown considerably over the last three years, increasing revenues from NOK628mill in 2011 to an estimated NOK1400mill for 2013. Their geographic locations include Norway, China, Greece, US, Mexico, Korea, Singapore, Japan, Brazil, Rotterdam, and Australia and existing customers include, among others, oil companies, governments, freightliners, and ship-owners.

This analysis is based on an in-depth case interview with the company's head of marketing and some available secondary data in the form of information from the company's home page, news clips, etc.

The company's annual trade show activity is at least one major show a month, adding up to about 12-15 major events pro anno. When attending, they do so as exhibitors with their own stand. Apart from Australia where they are yet to attend events, they are represented at trade shows all over the world.

### **8.1 On-show CRM efforts**

The informant did not separate distinctively between what was in the interview referred to as on show CRM activities and on-show promotional efforts. He felt that these elements are

interconnected in a way that allows no real distinction, thus there will be common responses and arguments related to these two elements of the objectives.

Relationship management (RM) efforts are regarded as an important part of the trade show objectives for the company. In relation to an event attended in Myanmar that ended with a golf tournament, the informant makes the following statement:

*“I’m considering getting my green card. I have no ambitions of getting really good, for that I wouldn’t have the time, but rather be adequately bad, letting the customer win. It’s about the social aspect and building relations, so I’m considering taking a novice course. This is an example of how these events also act as social meeting points.”* (Quote 1, informant 1)

The importance of personal interaction and relational development appears prevalent through the company’s activities and emphasis on creating a welcoming atmosphere and a natural meeting point. This holds not only for people outside of the company, but also for the organization’s own members attending these events together.

### **8.1.1 Influence and power**

In response to how other exhibitors’ RM activities could affect their influence and position in the industry, informant 1 makes the following statement:

*“As an example, during NorShipping, if one of our competitors has rented a big yacht and invites customers to a fabulous dinner, you would think that, OK, they are probably gaining customers, this could work. It also keeps us thinking and not necessarily to copy them, but to be creative and find new ways to gain attention and engage in dialogue... It obviously affects us if we see competitors doing successful things, in terms of what we do and how we apply ourselves come next year.”*(Quote 2, informant 1)

Related to their own RM activities, informant 1 makes the following statement:

*“We had gone all out on OTD with a massive video-wall showing films of our products. We had our own barista, coffee bar, and that massive screen. Our screen was bigger than our fiercest competitor’s stand. He came up to us and said that our setup was impressive, that our screen was bigger than his stand and that they had no visits and we were reaching capacity. So it’s about showing off to the competition, show that we are here, we are big, actually we are the biggest. It might be bit of a psychological game, and by us going all out you demonstrate strength and a position.”* (Quote 3)

The informant also believed in the positive relational effect of trade shows on their own organizations and how this manifested itself in better representation for the company.

*“Going for a run with colleagues, eating breakfast together, and attending the stand and sharing stuff through a week or half a week makes you bond and it becomes an important factor for well-being away from home. That you are together with pleasant people around the clock does something to you, and I believe that a happy person better represents the firm and sell better than an unsatisfied one, it’s that simple. We build a culture where we have fun at work, where we enjoy going to work, we are proud of our company and its products, and we are proud of our colleagues. This creates a domino effect that is very positive..... A really positive atmosphere will not go unnoticed! In Myanmar recently we were two guys from Norway and one guy from Myanmar belonging to our Singapore office. We had a real chemistry; we had a good tone, laughter and cracking jokes, people gathered there with their coffees and stopped to talk. I believe ours was the stand with the most traffic.”* (Quote 4, informant 1)

For proposition 1:

- *On-show CRM efforts enhance the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets*

The effect derived from quote 2, that competitors’ RM activities, if regarded as successful, will make the company strive to be more creative and possibly exceed these on upcoming events is in compliance with proposition 1. Power would here be in terms of better economical outlooks through obtaining new customers, and influence by setting new standards or raising the bar for successful implementation of on-show CRM activities in the industry.

The effect from quote 3, that big CRM efforts demonstrate strength and a position, is likely to be reflected in the network members’ perceptions of the company’s relative influence and power. This is a good fit with proposition 1.

Further, the positive effect of on show RM activities on the company’s own organization and the manifestation of this in better representation for the company, and that a positive atmosphere attracts more people, is likely to, at least for that particular market, be perceived as a sign of strength and influence. This is in compliance with proposition 1.

Although the stated effects largely relates to competitor's perceptions of the company's relative influence and power, it is likely that this effect would also hold true for other network members.

The findings support proposition 1.

### 8.1.2 Trust

The issue of trust as a result of on-show CRM efforts rendered less specific examples from informant 1. It is however a common understanding that building trust is a function of communication and human interaction, "trust needs touch".

In response to the objectives, informant 1 makes the following statement:

*"We rarely, or never, sign contracts on trade shows, but we schedule visits, further talks and so on, so it's an investment towards communication; visibility and communication towards the market."* (Quote 5)

*"...we are there and we meet with people, important persons who we maintain a dialogue with through these events. Also there's the obvious possibility of dinners in the evening, where you in a social setting build networks and close relations that are important for maintaining a type of friendship and acquaintance."* (Quote 6)

When specifically asked of how RM efforts such as an evening dinner with e.g. a potential supplier could affect the trustful relations, informant 1 makes the following statement:

*"If there's a supplier of something we need to know more about to build our competence, then it would be interesting to sit down and talk more to them. However, this is restricted to building competence, and not making deals or purchase anything from them, because we are not the people to make these decisions, we are there as salespeople. But of course, when we get home, we can provide inputs and say that we talked to a really good supplier, he had a stand there next to us and we went out to dinner with them. They were good people, we believe in them."* (Quote 7)

For proposition 2:

- *On-show CRM efforts enhance trust in relationships with other organizations and partners in the firm's network*

These objectives and effects say something of the importance of trade shows as a forum well adjusted for personal interaction and communication. Relying on the assumption that trust is a function of “touch” and communication, these effects fit well with the predefined proposition, that on-show CRM efforts enhance trust in relationships with other organizations and partners in the firm’s networks.

The findings support proposition 2.

## **8.2 On-show information exchange**

Related to on-show information exchange, the activities and efforts that the informant emphasize, is general info-out activities such as brochures, video walls, and conversations and Q&As concerning products. Regarding information in the informant states:

*“When I’m at a show, I’m completely conscious that, during the course of the event, I should have walked through the entire venue observing competition and other exhibitors. Myself being in marketing I am mostly concerned with how they are profiling themselves, are they doing anything cool, do they have anything new?”* (Quote 8, informant 1)

### **8.2.1 Influence and power**

While trying to disclose as much information as possible to customers, the informant states that they try to be more careful when it comes to competitors. Yet knowing what to disclose to whom is a nearly impossible task, as it is difficult to know whether it’s a potential customer who’s in the pocket of a competitor that you are sharing information with.

*“... You have to be pragmatic and think, ok, let’s talk about all the qualities of our products and be proud of that. We are the ones in our business spending most money on R&D and are at the frontline regarding our products. Those who can keep up are welcome to. We want to be a driving force in our environment and we have gained a unique position.”* (Quote 9, informant 1)

On the effect that their own information exchange activities have on their influence and position, the informant makes the following statement:

*“I believe it strengthens our position... we have now become so large and known that it will have a positive effect in terms of recruitment and recognition.”* (Quote 10, informant 1)

On information outside of the products, informant 1 makes the following statements:

*“... with other exhibitors, who you have a friendly relation with, maybe because you’re from the same country.... you give them a tip about a new project and you receive a good tip in return at a later stage... We share information that can be useful” (Quote 11)*

*“A competitor will never tell you a lead, but someone else, local to the region or Norway, who is a supplier, will be able to share this information.” (Quote 12, informant 1)*

*“In Myanmar we met people at the stand who provided us with specific leads on new projects. He was Norwegian or British stationed in Indonesia with proprietary knowledge of this market, where we are not very large, that led to a direct lead and connection between people that improves our chances and influence.” (Quote 13, informant 1)*

The effects derived from the quotes 9-13, that by disclosing much or all information, if you are a frontrunner, you become a driving and influencing force in the industry (quote 9), and that sharing information with other exhibitors might gain you a specific lead in a market, to some extent support proposition 3:

- *On-show information exchange / BI enhances the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets*

While not addressing the network members’ perception specifically, it is likely that by gaining more influence and power in an industry or market, the perceived influence and power by the firm’s network partners will also be enhanced.

The findings support proposition 3.

### **8.2.2 Trust**

On the matter of on-show information exchange activities affecting trust, informant 1 gave the following response:

*“I think that taking time with single customers/people, and actually share information on a deeper level affects positively and increases the trust towards the company. That you are offering something.” (Quote 14)*

On-show information exchange activities, when talking about competitors could, however, have the opposite effect when related to competitors.

*“You might experience that competitors are reserved, and wonder what you are doing there, some skepticism towards you.” (Quote 15, informant 1)*

This is confirmed when the informant is asked whether he himself would feel skepticism towards competitors visiting his stand:

*“Yes, I’m relatively aware when it comes to this. But I try to be relaxed about it and be pleasant, I mean, you can’t really deny people in the same hallway as you a look at what you’re doing.”* (Quote 16, informant 1)

The effect deriving from quote 14 is a fit with the predefined proposition 4:

- *On-show information exchange / BI enhances trust in relationships with other organizations and partners in the firm’s network*

The information exchange between competitors speaks to the contrary, yet this is to be expected due to the very nature of competition. Depending on the weight you assign competitors in this matter, the findings partially support proposition 4.

The findings support proposition 4.

### **8.3 On-show promotional efforts**

On-show promotional efforts and activities are largely represented by features such as the previously mentioned video-wall, brochures, giveaways, competitions, as well as the stand with its staff addressing questions and requests. As previously mentioned the informant has no clear distinction between RM and promotional activities, although the promotional activities appear to be more general.

The effect of the promotional efforts largely depends on them relating back to the company or products, while others have stunts that may draw a crowd, the informant emphasize that the activities needs to be related:

*“It’s nice to have activities, things you show off, giveaways, handouts, competitions. I think that’s cool if this relates back to the products, and there’s the limit, it needs to be related to the products!”* (Quote 17, informant 1)

#### **8.3.1 Influence and power**

As for RM activities, quote 3 is also valid for promotional activities in terms of its effect on influence and power.

There seems to a fine balance in what will be gainful and what will be over the top in terms of promotional efforts

*“One time we had a quiz and brought our chopper to OTD in Bergen, where we announced that winners would be drawn at a place and time and that the winners would get a trip in the Norsafe helicopter... I’m having doubts about the effect, if it projects something of a buffoon ‘look at me’ image. I don’t know.”* (Quote 18, informant 1)

*“In Bergen we hired a barista who is very nice, accommodating and brings very good coffee... people came by our stand every morning and got a cup. So there’s this thing about making yourself available and visible, and creating positive vibes for us as a company.”* (Quote 19, informant 1)

*“It’s about the balance, not become vulgar or dandy. I think that is negative in a sales process... In the middle of being proud of your products and company, you shouldn’t be cocky, you need to humble to the customers and their needs and always put the customer first. If you can manage that I think you’ll be successful.”* (Quote 20, informant 1)

In relation to being awarded best in show at OTD, Bergen, the informant states that this could have an effect in terms of them becoming the ones to look out for and aspire towards. Yet:

*“If you constantly are in a situation where everyone seeks to outperform each other, it might only be a cost driver.”* (Quote 21, informant 1)

The effects deriving from quote 3 fits well with the predefined proposition 5:

- *On-show promotional efforts enhance the firm’s network members’ perception of its relative influence and power in certain industries, sectors, and/or markets*

However, there seems to be a fine line between what comes off as over the top and what is gainful in terms of influence and position. No findings contradicts proposition 5, and it seems evident that, for this particular case, successfully implemented on-show promotional efforts are regarded as having a positive effect on the firm’s influence and power.

The findings support proposition 5.

### **8.3.2 Trust**

In terms of on-show promotional efforts and trust, it also seems to be a matter of how you project yourself.

*“Many places in the East it is an element of utter importance to know that you have long experience, that you’re a senior in your industry and trustworthy. I experience that the way*



*we keep our stand, how we project ourselves as persons, that's important... that you have an ok stand, you have people looking the part. This has something to do with the image, the experience and impression people are left with"* (Quote 22, informant 1)

When asked if there were something other exhibitors might do to lose the trust of the informant the reply was:

*"When you are doing business and showing off products I feel it's important to behave properly. If it comes to only jokes, you lose the seriousness, and I would lose my trust in the company if the ones standing there are making fools out of themselves."* (Quote 23, informant 1)

Promotional efforts could have the effect of increasing trust among the firm's network members as described in quote 22, but if handled incorrectly it could have the opposite effect.

The findings cannot be seen as fully supporting proposition 6:

- *On-show promotional efforts enhance trust in relationships with other organizations and partners in the firm's network*

To say that on-show promotional efforts enhance trust in relationships with other organizations and partners in the firm's network is a generalization of very broad activities. These activities are subjected to subjective interpretations from the network members and there's also the issue of cultural differences when referring to international trade shows. Carefully and successfully implemented promotional activities have the potential of enhancing trust, but the impression is that the negative effect is greater if handled incorrectly.

The findings do not support proposition 6.

#### **8.4 Networks and market development**

The proposed positive impact of networks on new market development, proposition 7-12, manifest themselves in the case as of utter importance to the informant:

*"I would say that it is an extremely important part of it. That we are visible, show face and build networks is essential. Your network is a living organism, people come and go, but to have a continuous flow of people in to that network to expand a business is a necessity and a firm belief of mine. Another belief is to consciously use these networks to access and open new markets."* (Quote 24, informant 1)

#### 8.4.1 Power in networks

In terms of power in networks and the influence of that on new regional markets, segments, and channels, the effect seemingly is that it is a mediating factor.

When asked to what extent their position and influence in their network affect their ability to address new regional markets, the informant states:

*“I think it influences our ability significantly, to have people in our sales team that have vast experience, know everyone in the industry be it competitors, products or customers, I would say is invaluable.”* (Quote 25, informant 1)

In terms of reaching new segments, power and influence in the network was perceived, here as well, as a mediating factor.

*“We have limited networks for the MILPRO segment that we are now moving into, and that’s something we need to build because that’s other networks than what we have in offshore and shipping. So when we’re now moving into MILPRO this is a challenge to us because we have limited knowledge and limited networks. At the same time we’re bringing 110 years of experience and solidity in relation to products that many will have heard about.”* (Quote 26)

The informant further acknowledges that there is a likelihood of synergies deriving from the position they have in their current network in building fresh network connections around the new area of commitment.

In response to how he believes that power and influence in the network affect their ability to recruit new channel partners, the informant gives the following reply:

*“To be honest, we are never at an event out in the world where we are not approached by someone who wants to be an agent, or service-agent, or distributor. We have a quality product that makes us well recognized, and that does not go by unnoticed. People are coming to us, offering or asking to be agents.”* (Quote 27, informant 1)

All of these findings fit well with proposition 7, 9, and 11.

- Power in networks enhance new regional market development
- Power in networks enhance new market development by channels
- Power in networks enhance new segmental market development

The findings support proposition 7, 9, and 11.

#### 8.4.2 Trust in networks

In terms of trust in networks and the influence of that on new regional markets, segments, and channels, the effect seemingly, albeit less prevalent than for power, is that it too is a mediating factor.

Trustful relations with network partners for expanding regional markets was regarded as important, especially when speaking of agents:

*“It’s important... we have agent seminars every year where we invite all our agents to Norway and pep these on new products, new projects... we train them and it’s a sort of team building. It’s important to have a good and trustful relationship with our agents, because that is very visible. We need people, all people, and especially our agents to speak highly of our company; it’s a very important matter.”* (Quote 28, informant 1)

Trustful relations with network partners were also confirmed as valid related to addressing new segments.

In terms of recruiting new channel partners:

*“It would probably have an influence as well. If things are heard and said, someone doing well, it will increase the exclusivity.”* (Quote 29, informant 1)

The findings fit well with propositions 8 and 10.

- Trust in networks enhance new segmental market development
- Trust in networks enhance new regional market development

The findings support propositions 8 and 10.

There are more insecurities regarding proposition 12:

- Trust in networks enhance new market development by channels

The findings do not support proposition 12.

In terms of recruiting new channel partners for expansion the findings does not support proposition 12. The insecurities around this aspect could probably be attributed to the ease of which the recruit new channel partners at present time. Trust when selecting these partners is likely to be a salient variable, while the existing trust, with existing network relations, has less influence.

Nevertheless, the findings support the view of trust in networks as an important factor for market development.

## 8.5 Additional findings

### 8.5.1 Image building

In addition to the objectives of CRM (RM), information exchange, and promotional efforts, a major trade show objective for the informant was image building on particular aspects:

*“My goal is to project our company as large serious, a quality supplier who won’t compromise on quality whatsoever.”* (Quote 30, informant 1)

While this could be incorporated in what is referred to as promotional efforts. The effect of image building on networks relations should be further investigated.

### 8.5.2 Co-exhibiting

One of the ways in which the company operates on trade shows, is through co-exhibiting with their agents. As principals they attend an agent’s stand in a given market and promote the agents company and their own.

*“We see the importance of not only letting him handle us; rather it’s him together with us and more of his principals.”* (Quote 31, informant 1)

This is seen as an important part of reinforcing the relation maintained with the particular agent. Further there are multiple findings supporting that trade shows are important in terms of network development.

## 8.6 Case summary

Variables in conceptual model	Manifestations in the case	Quote references
On-show CRM efforts	<ul style="list-style-type: none"> <li>- On site attractive stands with advanced visual elements</li> <li>- On-stand socializing spot (coffee bar)</li> <li>- Golf tournament</li> <li>- Dinners</li> <li>- Personal meetings</li> </ul>	<ul style="list-style-type: none"> <li>- 3</li> <li>- 3, 19</li> <li>- 1</li> <li>- 1, 6, 7</li> <li>- 5, 6, 7</li> </ul>
On-show information exchange	<ul style="list-style-type: none"> <li>- Brochures</li> <li>- Visual presentations</li> <li>- Stands with qualified and</li> </ul>	<ul style="list-style-type: none"> <li>- 3</li> <li>- 4</li> <li>- 8</li> </ul>

	<ul style="list-style-type: none"> <li>satisfied staff</li> <li>- Observing competition and other exhibitors</li> <li>- Conversations with other exhibitors</li> <li>- Conversations with single customers / individuals</li> </ul>	<ul style="list-style-type: none"> <li>- 11, 12, 13</li> <li>- 14</li> </ul>
On-show promotional efforts	<ul style="list-style-type: none"> <li>- On site attractive stands with advanced visual elements</li> <li>- Giveaways</li> <li>- Competitions</li> <li>- On-stand socializing spot (coffee bar)</li> <li>- Stands with qualified and satisfied staff</li> </ul>	<ul style="list-style-type: none"> <li>- 3</li> <li>- 17</li> <li>- 17, 18</li> <li>- 3, 19</li> <li>- 4</li> </ul>
Network Power	<ul style="list-style-type: none"> <li>- Influence of/on competition</li> <li>- Demonstrating strength</li> <li>- Recruitment</li> <li>- Recognition</li> <li>- Market intelligence/leads</li> <li>- Knowledge of industry actors</li> </ul>	<ul style="list-style-type: none"> <li>- 2</li> <li>- 3</li> <li>- 10</li> <li>- 10</li> <li>- 13</li> <li>- 25</li> </ul>
Network Trust	<ul style="list-style-type: none"> <li>- With single customers</li> <li>- With competition</li> <li>- Negative promotional efforts</li> <li>- With agents</li> </ul>	<ul style="list-style-type: none"> <li>- 14</li> <li>- 15, 16</li> <li>- 23</li> <li>- 28</li> </ul>
Regional market development	<ul style="list-style-type: none"> <li>- Knowing the industry</li> <li>- Agents / ambassadors for the company</li> </ul>	<ul style="list-style-type: none"> <li>- 25</li> <li>- 28</li> </ul>
Segmental market development	<ul style="list-style-type: none"> <li>- New segment MILPRO</li> </ul>	<ul style="list-style-type: none"> <li>- 26</li> </ul>
Channel market development	<ul style="list-style-type: none"> <li>- Requests to the company</li> <li>- Exclusivity</li> </ul>	<ul style="list-style-type: none"> <li>- 27</li> <li>- 29</li> </ul>
<b>Additional variables</b>	<b>Manifestations in the case</b>	<b>Quote references</b>
Image building	<ul style="list-style-type: none"> <li>- How to project the company</li> </ul>	<ul style="list-style-type: none"> <li>- 22, 30</li> </ul>
Combined promotional efforts	<ul style="list-style-type: none"> <li>- Attending an agent's stand as principals</li> </ul>	<ul style="list-style-type: none"> <li>- 31</li> </ul>

**Table 13 – Case 4 summary; variables**

Image building has been recognized as an important trade show objective (Kerin and Cron 1987, Hansen 2004, Bathelt and Schuldt 2008), and there are findings in this case implying that this could be an additional variable in the model, alongside CRM efforts, information

exchange and promotional efforts. In this effect there would be two additional propositions according to the ones previously defined:

- On-show image building enhances the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets
- On-show image building enhance trust in relationships with other organizations and partners in the firm's network

The informant in this case further acknowledges that he does not differentiate specifically between what here is referred to as CRM efforts and Promotional efforts. This would imply that there may be a need to merge these two variables in the final model.

Table 13 provides a summary of the predefined propositions, giving an overview of the relations between the variables for this case.

<b>Predefined propositions</b>	<b>Supported by findings yes/no</b>
<b>Proposition 1:</b> On-show CRM efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	Yes
<b>Proposition 2:</b> On-show CRM efforts enhance trust in relationships with other organizations and partners in the firm's network	Yes
<b>Proposition 3:</b> On-show information exchange / BI enhances the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	Yes
<b>Proposition 4:</b> On-show information exchange / BI enhances trust in relationships with other organizations and partners in the firm's network	Yes
<b>Proposition 5:</b> On-show promotional efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	Yes
<b>Proposition 6:</b> On-show promotional efforts enhance trust in relationships with other organizations and partners in the firm's network	No
<b>Proposition 7:</b> Power in networks enhance new regional market development	Yes
<b>Proposition 8:</b> Trust in networks enhance new regional market development	Yes
<b>Proposition 9:</b> Power in networks enhance new segmental market development	Yes
<b>Proposition 10:</b> Trust in networks enhance new segmental market development	Yes
<b>Proposition 11:</b> Power in networks enhance new market development by	Yes

channels	
<b>Proposition 12:</b> Trust in networks enhance new market development by channels	No
<b>Additional propositions</b>	
On-show image building enhances the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	
On-show image building enhance trust in relationships with other organizations and partners in the firm's network	

**Table 14 – Case 4 summary; propositions**

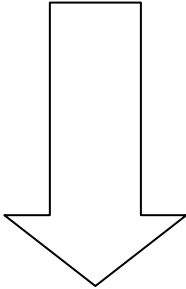
This case largely supports the predefined propositions. However, the data retrieved through the case interview is largely based on civil industry and a B2B business environment. The company is entering a new segment and strategies are likely to be altered as their focus for this segment will be directed towards B2G dealings and partly the defense industry.

## 9. Cross case analysis

This chapter will first address the different predefined variables and its various manifestations across the cases. For each predefined variable, a suggested definition and a recommended way to measure it will be presented. The same will be done for any additional variables that have emerged.

Next, a summary of the relationships and propositions will be given in relation to whether or not they were found to be supported across the different cases. The supported propositions are presented in the form of a table with an accompanying adjusted hypothesis. The relationships that were not found to be supported across all or most will be given a suggested explanation as to why. Following this, the relationships between new and old variables will be presented and finally a revised research framework and concluding remark.

### 9.1 On-show CRM efforts

Variable	Manifestations across cases	Frequency	
<b>CRM efforts</b>	-Stands with qualified staff	4/4	
	-Meetings with customers, partners, suppliers, competitors, etc.	4/4	
	-Pre-show invitations and efforts	2/4	
	-Dinners	2/4	
	-At-show, post-exhibit gatherings	2/4	
	-On-stand lunches	1/4	
	-On-stand socializing spot	1/4	

**Table 15 – Manifestations on-show CRM efforts**

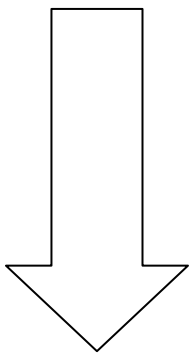
The predefined variable of on-show CRM efforts manifests itself in the cases as mainly concerning the stand and various meeting activity. The most important recognition is that these activities and efforts go beyond customers/potential customers and business partners, albeit these remaining the most frequent, and should thus be addressed as simply relationship management (RM) efforts. Further it is important to acknowledge that a lot of these activities do not exclusively take place during exhibiting hours, but also before and after (ref. golf tournament, embassy dinners etc.) The author suggests the following definition of on-show RM efforts:

- Procedures and activities to manage, improve, or facilitate sales, support and personal interactions with actors throughout the company’s network.



For future studies, to measure this variable, one should address more specifically with whom these activities take place, which activities and efforts are emphasized, and further make an effort to attribute different activities to different actors.

**9.2 On-show information exchange/BI**

Variable	Manifestations across cases	Frequency	
<b>Information exchange/BI</b>	-Stands with various tools for information out (e.g. brochures, video presentations)	4/4	
	-Mingling and informal conversations with other exhibitors and customers	4/4	
	-Meetings/conferences with official delegations	2/4	
	-Presentations/briefings	2/4	
	-Observing competition and other exhibitors	1/4	
	-RFI briefings	1/4	

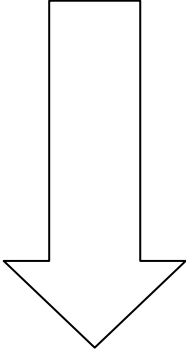
**Table 16 – Manifestations on-show information exchange/BI**

The predefined variable of on-show information exchange/Business intelligence is represented throughout the cases by the companies’ stands and mingling (i.e. informal conversations and encounters with various people attending the show). There is also an element of more formal meetings and presentations/briefings. In several cases experience exchange was emphasized alongside information exchange. The author suggests the following definition of on-show information exchange.

- Activities and efforts directed towards the communication and gathering of valuable information, including experiences, market/business intelligence, and leads.

For future studies, to measure this variable, one should address more specifically what information is considered most valuable and the associated strategy for obtaining this in a trade show specific setting. The approach should include multiple informants from various departments to capture the scope of what is perceived as valuable information.

### 9.3 On-show promotional efforts

Variable	Manifestations across cases	Frequency	
<b>Promotional efforts</b>	-Stands with giveaways, effects, etc	4/4	
	-Showcasing physical products	3/4	
	-Video presentations	2/4	
	-Giveaways	2/4	
	-Ads and articles in trade magazines	1/4	
	-Competitions	1/4	
	-On-stand socializing spot	1/4	
	-Distributing material from trade organizations	1/4	

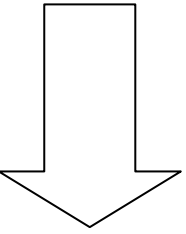
**Table 17 – Manifestations on-show promotional efforts**

The predefined variable of on-show promotional efforts manifests itself throughout the cases by having stands with giveaways and effects, and the showcasing of physical products. Having stands with qualified staff is obviously the most essential in a trade show setting. Most cases also seize the opportunity of showcasing their physical products in some form. The author suggests the following definition of on-show promotional efforts:

- Efforts to educate on and showcase companies, products, innovations and technologies with a focus on strengthening a position in the industry and enhance prestige and corporate image

For future studies, to measure this variable, a quantitative approach would be preferable to map the various efforts and their frequencies across industries and countries.

### 9.4 Network Power

Variable	Manifestations across cases	Frequency	
<b>Network Power</b>	-Recognition and visibility	4/4	
	-Strength in exhibiting	2/4	
	-Influence on product and technology	1/4	
	-Influence on competition	1/4	
	-Enhanced by lower ethical standards	1/4	
	-Knowledge of industry actors	1/4	

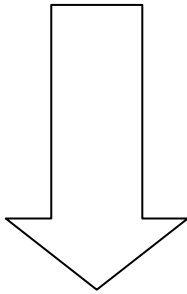
**Table 18 – Manifestations network power**

The predefined variable of network power manifests itself across the cases in various ways. One common perception seems to be that it largely revolves around the recognition and the visibility that the companies enjoy. The author suggests the following definition:

- The ability to influence decisions and actions of other actors in a network given the company's recognition attributed by those very actors

For future studies, to measure this variable, one should address this power-recognition relation more closely. Alternatively one should try to map what measures are taken to gain influence.

## 9.5 Network trust

Variable	Manifestations across cases	Frequency	
<b>Network Trust</b>	-Importance of information and information handling	2/4	
	-High existing trust in the Norwegian defense industry	2/4	
	-Recommendations by others	2/4	
	-The importance of personal contact	1/4	
	-Relations with buying organizations	1/4	
	-Availability	1/4	

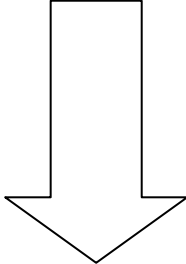
**Table 19 – Manifestations network trust**

The predefined variable of network trust manifests itself particularly for the defense companies as a matter of information and information handling. Due to the sensitivity of the industry this should come as no surprise, and the existing trust in the Norwegian defense industry is seemingly very high. Further the importance of trust in recommending others and being recommended for potential contracts is prevalent. The author suggest to keep a slightly modified version of the previously used definition by Morgan and Hunt (1994):

- The existing confidence in a network partner's reliability, integrity and non-opportunistic behavior.

For future studies, to measure this variable, one should focus on what is to be considered opportunistic behavior from a network partner and what criteria is set to deem another party as trustworthy.

**9.6 Market development**

Variable	Manifestations across cases	Frequency	
<b>Market development</b>	-Networks as mediator/door opener	2/4	
	-History and reputation	2/4	
	-Brand recognition	2/4	
	-Recommendations by others in the network	1/4	
	-Leads from network partners	1/4	
	-Memberships in official organizations	1/4	
	-Receiving requests	1/4	

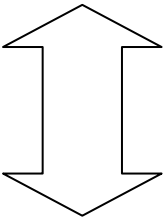
**Table 20 – Manifestations market development**

The performance measure, market development, seems to be adequately captured by regional, segmental, and channel development. The manifestations above are attributed to these three. The author suggests the following definition of market development:

- Expanding the number of users by addressing new regions, new segments, and/or utilizing new/different channels.

Market development should be measured as a function of one or more of these three, and by first establishing which one(s) is applicable.

**9.7 Emerging variables**

Variable	Manifestations across cases	Frequency	
<b>Combined promotional efforts</b>	-Norwegian defense companies fronted as one big unit at the Farnborough military fair	1/4	
	-Norwegian maritime exporters with joint efforts as one strong group	1/4	
	-Attending an agent’s stand as principals in a given market and promote the agent’s and own company	1/4	

**Table 21 – Manifestations combined promotional efforts**

In two of the cases there was evidence of a practice involving united national efforts on trade shows. By exhibiting as one big Norwegian pavilion, the effect was thought as far greater than what you were able to achieve on your own. It is noticeable that this evidence was for the two SME cases

For case 4, the large Defense+Civil company, similar evidence occurred, but they combined efforts with their agents as principals and jointly promoted the agent’s and their own company. In particular, this effort was important to reinforce the relation maintained with the

particular agent. The author suggests the following definition of combined promotional efforts, hereafter addressed as joint promotions:

- The combined efforts of non-competitive and related actors in a network to educate on and showcase companies, products, innovations and technologies with a focus on strengthening a position in the industry and enhance prestige and corporate image.

For future studies, joint promotions should be measured as the degree to which such combined efforts take place and its frequency relative to individual efforts.

<b>Variable</b>	<b>Manifestations across cases</b>	<b>Frequency</b>
<b>In-house exhibitions</b>	-In-house demonstration and efforts with a focus on the end user	1/4

**Table 22 – Manifestations in-house exhibits**

Evidence of individual user conferences/exhibitions was found for the large Defense company. These events and demonstrations had a particular focus on the end user and emphasized this group’s potential impact on decision makers and buying organizations, as well as providing valuable input for the next generation of products and/or add-ons and alterations to currently offered products. The company in this case deals in weapon control systems, live systems that have a very limited amount of suitable demonstrations venues. To incorporate demonstrations in their own controlled environments is a necessity, and to cover more than one customer/end user for each demonstrations is obviously gainful. In many ways this could be seen as an individual trade show with similar possibilities to those of traditional shows, it is the author’s claim however that this emerges from a product specific requirement rather than strategic marketing consideration.

The author suggests the following definition of in-house exhibition according to the findings for case 3:

- Private demonstrations and showcasing on the company’s own initiative with a focus on the end user input and intelligence.

For future studies, in-house exhibitions should be measured by the extent to which such efforts are utilized, who they target and why.

Variable	Manifestations across cases	Frequency
<b>Image building</b>	-A distinct goal of projecting the company as a large and serious company who won't compromise on quality	1/4

**Table 23 – Manifestations image building**

There's evidence of an additional trade show objective in Case 4. The informant states explicitly that his goal is to project an image of his company as a large and serious actor who won't compromise on quality. Evidence of wishing to project a certain image evident in several cases, but manifested itself most explicitly in case 4. The author suggests the following definition of on-show image building:

- All activities related to enhancing corporate image and reputation (Hansen 2004)

For future studies, on-show image building should be measured by addressing the desirable projected image and the measures taken to achieve it.

## 9.8 Relationships; predefined variables

Table 24 is a summary of the predefined propositions and whether or not the various cases, according to the variance matrix, produced support for these propositions.

Proposition #	SME def.+civ.	Large enterprise def.+civ.	SME def.	Large enterprise def.
1	YES	YES	YES	YES
2	YES	YES	YES	YES
3	YES	YES	YES	YES
4	YES	YES	YES	YES
5	YES	YES	YES	YES
6	NO	NO	NO	YES
7	YES	YES	YES	YES
8	YES	YES	YES	YES
9	YES	YES	NO	N/A
10	YES	YES	NO	N/A
11	YES	YES	N/A	N/A
12	YES	NO	N/A	N/A

**Table 24 – Cross case summary; propositions**

From the summary in table 24 the overall impression is that the predefined propositions are a generally good fit with the cases analyzed. The cases have such similar profiles that they, on the basis of the predefined propositions, are to be considered replications.

The table below states the predefined propositions that were found to be supported across the cases and a concluding hypothesis.

#	Predefined proposition	Support	Hypothesis
1	On-show CRM efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	4/4	On-show RM efforts enhance the firm's relative influence and power in certain industries, sectors and/or markets
2	On-show CRM efforts enhance trust in relationships with other organizations and partners in the firm's network	4/4	On-show RM efforts enhance trust in relationships with other organizations partners in the firm's network
3	On-show information exchange / BI enhances the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	4/4	On-show information exchange enhances the firm's relative influence and power in its networks
4	On-show information exchange / BI enhances trust in relationships with other organizations and partners in the firm's network	4/4	On-show information exchange enhances trust in relationships with other organizations and partners in the firm's network
5	On-show promotional efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets	4/4	On-show promotional efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets
7	Power in networks enhance new regional market development	4/4	Network power enhance new regional market development
8	Trust in networks enhance new regional market development	4/4	Network trust enhance new regional market development
9	Power in networks enhance new segmental market development	2/4	Network power enhance a firm's ability to address new segments
10	Trust in networks enhance new segmental market development	2/4	Network trust enhance a firm's ability to address new segment

**Table 25 – Summary supported propositions**

The following sections will address the predefined propositions that were not supported across (most) cases and provide possible explanations as to why.

### 9.8.1 Non-supported relationships

Propositions one through five are supported regardless of size and industry belonging. The first noticeable difference is for proposition 6:

- On-show promotional efforts enhance trust in relationships with other organizations and partners in the firm's network

Proposition 6 is only found to be supported by the findings in Kongsberg Protech, a large company dealing exclusively in the defense industry.

For Case 1, a SME-defense company, the influence of on-show promotional activities on trust was seen as dependent on how you handled the promotional efforts. The impression was that rather than enhancing trust, faulty promotional efforts would have a negative effect on the trustful relations. The informant emphasized the need for consistency in the way an exhibitor promoted himself and the product. If the impression of a network partner was not in accordance with what was projected through an exhibitor's promotional efforts, this would have a deteriorating effect on the trustful relations.

For, Norsafe, a large defense+civil company, the findings are well in accordance with those of Case 1. Promotional efforts need to be carefully implemented and carried out with cultural sensitivity, seriousness, and a certain grace. The impression is that the detrimental effect of getting it wrong far exceeds the achievable positive effect of getting it right.

For TeamTec, a SME defense+civil company there was no indications of how a single company's promotional efforts could enhance trust in the relationships. The informant believed in joint efforts in the shape of a united national pavilion and that this had the potential of enhancing the trustful relations, and that this would overshadow any single efforts.

For both Norsafe and TeamTec there were signs of the informants not drawing any distinct lines between the predefined variables of "CRM-efforts" and "Promotional-efforts". However, the responses in terms of promotional efforts and trust are quite explicit, so despite proposition 2 (CRM efforts on network trust) being supported by the findings in both these cases, it can't be assumed that the non-support of proposition 6 is a result of this.

For Kongsberg, a large defense company, the same applies in terms of no clear distinction between on-show CRM efforts and on-show promotional efforts. The findings supporting proposition 6 is less explicit and one could argue that this support is a result of this lack of distinction.

This implies that proposition 6 needs to either be altered according to the condition set by both Case 1 and Norsafe, and the united efforts implied by TeamTec, or discarded altogether.



There is evidence of a need to merge the predefined variables of CRM-efforts and promotional efforts, this could render both proposition 5 and 6 obsolete. However, the findings strongly suggest that the influence of what needs to be considered classic promotional efforts have on power, are quite evident. It is the author's opinion that it was the interaction between on-show CRM efforts and promotional efforts that had an influence on trust rather than promotional activities alone.

The second noticeable difference in the predefined propositions occurs in propositions 9 and 10:

- Power in networks enhance new segmental market development
- Trust in networks enhance new segmental market development

These propositions were not found to be supported by Case 1 and it was not applicable for Kongsberg, both of which are pure defense companies.

In terms of developing new segments, the response may have been restricted by Case 1 and Kongsberg operating within a single set segment, which is defense. Further inquiries did not result in additional data on these aspects and the reason remains that the missing support for proposition 9 and 10 for these two companies is a result of their market orientation.

The propositions are supported by Norsafe and TeamTec, both of which are companies that operate in multiple segments already. This makes the applicability of these propositions greater for Norsafe and TeamTec and the responses and findings from these cases should accordingly be weighted heavier than those of Case 1 and Kongsberg.

The conclusion for these two propositions is that they are to remain in the final model as there are factors that would imply a certain bias or non-applicability for the cases not having produced any support.

Furthermore, if we are to look at the defense industry exclusively, one would have to assume that this performance measure in terms of market development is not applicable or should be adjusted.

The last noticeable difference in the predefined propositions occurs in propositions 11 and 12:

- Power in networks enhance new market development by channels
- Trust in networks enhance new market development by channels

Proposition 11 was found to be supported by the findings in two out of four cases due to non-applicability or missing data. These were the defense + civil companies.

Proposition 12 was not supported by the findings in the case analysis for Norsafe. Data for this proposition was only available for the two companies operating in both the civil and the defense sector.

While being supported by the findings in the TeamTec case study, there was more insecurity regarding the effect of trust on channel market development. The position of Norsafe as the world leader and the documented ease with which they presumably are able to recruit new channel partners is likely to have influenced the findings in the case of Norsafe. Trust is not a negligible factor, but the trust in the existing networks did not result in any significant findings on its impact on channel market development.

For TeamTec, although considered to be supported, the findings for proposition 12 are more implicit than for the rest. Furthermore, the informant for TeamTec emphasize that they spend more energy on maintaining the channel partners they have, rather than establishing new ones as long as they are satisfied with these.

For these cases it is likely that to establish trust with a new network relation is more important than the trust and power that exist in the current network.

For the pure defense cases both proposition 11 (power on channel market development) and proposition 12 are not applicable, this and the previous arguments leads the author to discard proposition 11 and 12 and remove channel market development as a market development performance measure.

The following section will address additional relationships that occurred in the different individual case studies.

## **9.9 Relationships; new/emerging variables**

### **9.9.1 Joint promotions**

It was previously proposed that:

- A united national pavilion of companies will enhance the effect and output international trade show attendance

This is likely relevant for companies operating in small domestic markets, and companies of smaller size. The findings highlight the positive effect of such joint promotions both on the domestic network (i.e. the joint force of the pavilion) and the image it projects out to other members of the network. For Norwegian companies targeting an international defense market, this might be the only way to stand out in an industry mainly dominated by large integrator companies.

Another emerging variable; image building, should be considered as an inherent part of promotional efforts (ref. previously stated definition).

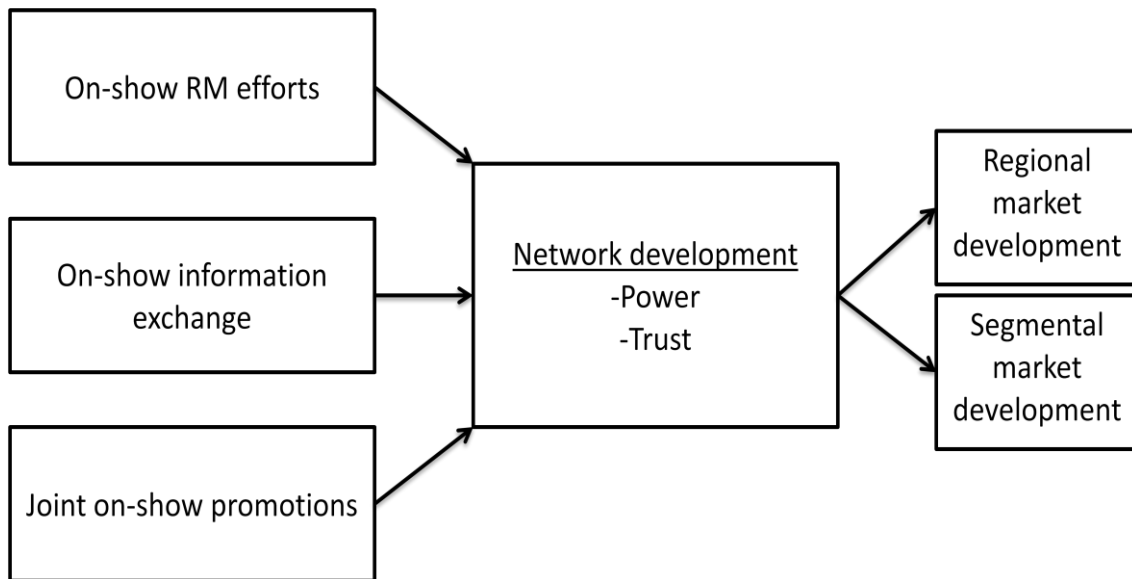
One of the advantages of the joint promotions as stated by the informants was its effect on trust between the participating parties. By being fronted as one unit it also projected a stronger and more convincing image. The author suggests adding this new variable; Joint promotions, and further propose the following relationships:

- Joint on-show promotions enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets
- Joint on-show promotions enhances trust in relationships with other organizations and partners in the firm's network

### **9.9.2 In-house exhibitions**

The in-house exhibitions are particularly useful in terms of reaching the end user, however, the informant for the case where this variable emerged also acknowledged that established trade shows allows for contact with the end user. For the purpose of this research there's a need to confine the scope to established trade shows, and thus this variable will not be addressed here. It would however, make for interesting future research.

## 10. Revision of research framework



**Figure 6 – Revised conceptual framework**

<b>Variables removed</b>	-On show promotional efforts
	-Channel market development
<b>Variables adjusted</b>	-On-show CRM efforts → -On-show RM efforts
<b>Variables kept</b>	-On-show information exchange
	-Network power
	-Network trust
	-Regional market development
	-Segmental market development
<b>Variables added</b>	-Joint on-show promotions

**Table 26 – Summary changes; variables**

<b>Relations removed</b>	On-show promotional efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets
	On-show promotional efforts enhance trust in relationships with other organizations and partners in the firm's network
	Power in networks enhance new market development by channels
	Trust in networks enhance new market development by channels
<b>Relations kept</b>	On-show RM efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets
	On-show RM efforts enhance trust in relationships with other organizations and partners in the firm's network
	On-show information exchange enhances the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets
	On-show information exchange enhances trust in relationships with other organizations and partners in the firm's network
	Power in networks enhance new regional market development
	Trust in networks enhance new regional market development
	Power in networks enhance new segmental market development
	Trust in networks enhance new segmental market development
<b>Relations added</b>	Joint on-show promotions enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets
	Joint on-show promotions enhances trust in relationships with other organizations and partners in the firm's network

**Table 27 – Summary changes; relations**

### 10.1 Concluding remark

By adjusting the variable of on-show CRM efforts to a wider scope of RM efforts, there is evidence throughout the cases of its positive impact on network power and trust. The information exchange activities that take place in a trade show setting also seem to have the quality of enhancing power and the trustful relations a company maintains with its network partners.

Evidence of on-show promotional efforts having a positive impact on network power was found, however it was not so for the relation between on-show promotional efforts and network trust. For this relation to be supported there were certain requirements as to what promotional efforts were made and the manner in which they were conducted. If these efforts were not properly executed, signs were that they would have a detrimental effect on network trust. This variable was changed to joint promotions, which evidently had a far greater positive effect on network trust and seemingly also projected a stronger image through a united front. This is particularly relevant for smaller companies operating in restricted domestic markets and in industries dominated by larger integrator companies.

Network as an important mechanism for growth was acknowledged by all cases. The author posits that network power and network trust remains the two most important facets which are represented by their positive effect on regional and segmental market development.

## 11. Discussion

This chapter will address the different predefined propositions and compare this study's findings to the claims of previous studies from which these propositions derived.

**Proposition 1:** On-show CRM efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets

By surveying firms exhibiting in a major B2B trade show in Germany, Bathelt and Schuldt (2008) claimed, by viewing trade shows as temporary clusters, that international trade shows aids in the establishment of new network relations as well as enabling the exhibiting firm to maintain and intensify existing networks.

The findings of this study support these claims, both in terms of the establishment of new network relations and the maintenance and intensifying of existing, as this was a major objective of all cases included in this study. The findings nurture the additional assumption that this claim also holds for companies largely dealing in a B2G setting. This is well in accordance with the tendency reported by Kapletia and Probert (2010) of B2G relationships moving away from a purely transactional – at arm's length – nature to becoming more integrated.

The focus on network building and relationship management evident from the findings in this research supports the claim by Webster Jr (1992), that the relationships you are able to

maintain is a strategic source of power in your networks, both from a B2B and a B2G perspective.

For some of the cases in this research it became evident that no real distinction was drawn between what was referred to as CRM and promotional activities. This could be interpreted as a manifestation of the claim made by Achrol and Kotler (1999), that an increasing amount of marketing activities will be characterized by the management of inter-organizational relations.

**Proposition 2:** On-show CRM efforts enhance trust in relationships with other organizations and partners in the firm's network

Palmatier et al. (2006) propose that investment and frequency are the two most important antecedents for building trust in relationships. The companies in this multiple case-study have an international orientation and rely on relationships spanning the entire globe, they all reported on using the opportunity international trade shows provide to meet with people in their networks. The support of proposition 2 in this study acknowledges that the investment in trade show participation and the increased frequency of personal interaction that they provide is highly likely to enhance trust in relationships.

Most of the cases emphasized the importance of meeting people in person, "look them in the eye", and being available as important for the establishment of trust with network partners. The results and findings from this study indicate that there is a common understanding of the possibilities trade shows provide in terms of building trust, mainly as part of the companies' relationship management efforts with customers, but also in a broader network perspective.

**Proposition 3:** On-show information exchange / BI enhances the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets

**Proposition 4:** On-show information exchange / BI enhances trust in relationships with other organizations and partners in the firm's network

The findings in this study confirm the role of information exchange as an important trade show objective (Hansen 2004). There is also support of competitor- and technology assessment (Sharland and Balogh 1996) and foreign market knowledge (Evers and Knight 2008) as important types of information sought out in a trade show setting.

Bettis-Outland et al. (2012) found that for their respondents, discussion with other exhibitors failed to produce information of particular value and attributed this to the fear of giving away

vital information and secrets. The results of this research to a large extent contradict the claim made by Bettis-Outland et al. While it seemingly holds for direct competitors, all of the cases in this study reported on receiving valuable information from other exhibitors. The research by Bettis-Outland et al. is based on companies manufacturing and selling promotional products like T-shirts, pens, etc. and the results is restricted to a particular industry. The companies used in this study deals in completely different sectors and the contradictions could be a result of this. Nevertheless, this is a direct contradiction and the value of information obtained from other exhibitors at trade shows should be subjected to further research.

Morgan and Hunt (1994) claimed that commitment and trust will develop when (among others) firms in a relationship communicate valuable information, including expectations, market intelligence, and evaluation of partners' performance. The findings in this study support the claim by Morgan and Hunt and further acknowledges its effect in a particular setting (i.e. trade shows) by the support of proposition 4.

Thorelli (1986) claimed that legitimacy evoked from fellow members in a company's network was a main source of network power. This study provides evidence of power deriving from information exchange in terms of information from fellow exhibitors providing specific leads as well as the recommendations by others leading to new contracts. This will improve the company's position in the industry as well as its economic outlooks. This would imply that the legitimacy Thorelli refers to in terms of network power manifests itself by recommendations and leads. This study supports Thorelli's claim and extends this by assuming that a lot of this evoked legitimacy is a result of information exchange.

**Proposition 5:** On-show promotional efforts enhance the firm's network members' perception of its relative influence and power in certain industries, sectors, and/or markets

First of all, this study acknowledges promotions as a major trade show objective, well in accordance with prior research and existing literature on the topic. From some of the earliest work by Carman (1968) to current literature, trade shows are regarded as a means for company and product promotions.

In relation to Thorelli's (1986) claim of additional sources of network power being a firm's economic base and its technologies, this study provides evidence of on-show promotional efforts being a display of strength and technological advantages and confirms their positive effect on network power.



**Proposition 6:** On-show promotional efforts enhance trust in relationships with other organizations and partners in the firm's network

Morgan and Hunt (1994) claims that a criteria for the development of commitment and trust is to provide resources, opportunities, and offerings that are superior to the offerings of alternative partners. This is a central element of a company's promotional efforts.

This study did not find evidence of on-show promotional efforts enhancing trust in network relationships. It may be suggested that the results of this study limit the claim to not being applicable in a trade show setting, but the result cannot be seen as contradictory to the claim of Morgan and Hunt from which the proposition was derived. There are two important elements to this discussion; one is that two of the cases that did not support proposition 6 did not separate distinctively between RM and promotional efforts and that the effect on trust was seen as a result of a combination of these rather than promotional activities alone. Another is that the cases not providing any support did engage in joint promotional efforts of various forms, which were found to enhance trust in relationships.

**Proposition 7:** Power in networks enhance new regional market development

**Proposition 8:** Trust in networks enhance new regional market development

**Proposition 9:** Power in networks enhance new segmental market development

**Proposition10:** Trust in networks enhance new segmental market development

**Proposition11:** Power in networks enhance new market development by channels

**Proposition12:** Trust in networks enhance new market development by channels

The results of this study support the view of networks as a growth mechanism and its particular impact on reaching new regional markets and segments, well in accordance with the claim made by Zaheer at al. (2000); that networks should provide access to information, resources, markets, and technologies, and Thorelli (1986); that networks in many aspects could serve as an engine of growth and an instrument for reaching new clientele and additional countries. Coviello and Munro (1995) found that for their case, international expansion was enabled through the linkages maintained in their network, this is further supported by this study.

From the cases analyzed in this study it becomes evident that the relationships you are able to maintain and the networks that you have are important for new regional market development.

Networks and relationships are also considered to be important for reaching new segments, however, this manifests itself by the acknowledgement of a need to build new networks and develop new relationships for the additional segment. In terms of new market development by utilizing new channels, for the cases in this study, it was not really applicable. Most theory relates market development to either new regions or segments and this seem to apply also for this study. New channels are likely considered to be a way of reaching new regions or segments, rather than a stand-alone dimension of market development.

Particularly for the defense companies in this study, there was an acknowledgement of market development being highly influenced by various national regulations and the protection of the national industry. Networks alone were then not enough. To reach new markets, either acquisitions or joint ventures with a national partner from the targeted market were the more viable options. In some way you have to have an inn via an established national actor. This is not to say that networks and relationships are unimportant, they are both highly important elements in the establishment of a JV. Further, trade shows and networks could very well aid the process of identifying prospects for acquisition as a function of it being a highly effective platform for RM and information exchange in the industry.

This study, to a large extent, supports the claim of power and trust being the two dominating forces in network relationships (Thorelli 1986). The only contradiction to the power trust theory is that while Thorelli claims trust to be one of five identified sources of network power, the results from one of the cases indicate that any power you may obtain in a network is completely dependent on first establishing a solid level of trust. This finding is attributed to one of the defense companies and it would be reasonable to assume that the sensitive nature of this industry strongly influences this proposed relationship. There are also indicators of this relationship being culturally contingent. One of the cases reported on the importance of being a well established and serious company with a long history to gain customers in several Asian countries. This could be another indicator of the relationship between power and trust being altered (i.e. trust over power), but in a culturally rather than industry contingent setting.

The contribution of the model developed in this study, to the field of trade show marketing, is a further contextualization of three established major trade show objectives and their effect on networks and market development. The study further identifies a new variable – ‘Joint on-show promotions’ – as an important element for enhancing trust in network relations. This

variable has not been clearly mentioned in earlier literature and could prove to be an important indicator in future research.

Previous models have acknowledged trade shows as a first communicative step in small business internationalization (Evers and Knight 2008) and to be an efficient platform for building networks (Blythe 2002, Hansen 2004, Bathelt and Schuldt 2008). Existing models have also proposed networks to serve as an engine of growth, particularly in international marketing as an instrument for reaching new clienteles and additional countries (Thorelli 1986).

This study, and the model presented, contextualizes network development's effects on market development in trade shows and the activities surrounding them. It further shows that not only do trade show activities affect network development, but they have a longer term effect of market development.

## **12. Conclusion**

The purpose of this study is to determine how trade shows can enable international market development in the MILPRO industry. The paper shows how network development mediates the effects of three major trade show activities and efforts on new regional and segmental market development.

On-show relationship management (RM) activities and efforts were found to enhance a company's relative influence and power in their networks. An even stronger effect is reported on these activities' influence on trust in relationships with other organizations and partners in the firm's network.

On-show information exchange, which are the activities and efforts directed towards the communication and gathering of valuable information including experiences, market/business intelligence, and leads, were found to enhance a company's relative influence and power in their networks. There is also evidence of these activities enhancing trust in relationships with other organizations and partners in the firm's network.

On-show promotional efforts were found able to enhance power in industries, sectors, and/or markets, but the same effect were not reported for trust in relationships with other organizations and partners. Joint promotional efforts, in form of a national pavilion or principals joining forces with agents were found to have a greater effect on trust, as well as

projecting a stronger image. Particularly for smaller companies operating in a restricted home market and/or industries dominated by large integrator companies, joint promotional efforts were found to enhance the participating firms' network members' perception of its relative influence and power, as well as enhancing trust in relationships with other organizations and partners in the firm's network (especially organizations and partners participating in these joint efforts).

The study provides evidence of networks, and their dominating forces of power and trust, as enhancing regional market development. This positive effect is also found for segmental market development.

It further provides evidence of trade shows as excellent venues for personal interaction and networking, and networks as an important mechanism for growth and market development, both of which are supported by previous research, but in the author's opinion neglected by much of the established marketing literature and textbooks. Some literature, e.g. Albaum and Duerr (2011), acknowledge trade shows as a first communicative step in SMEs' export development. This study suggests that trade shows could also be critical to market development of larger and established firms.

By developing a model in which these two elements are linked, the study provides new insights into how trade shows can enable new market development. The author is not aware of any previous attempts to investigate such a linkage and the model presented here is one of the first empirically driven models that link trade show participation activities, network development, and market development. It is an important contribution to the relatively sparse amount of previous research on the use of trade shows in international marketing. The results derive from a grounded and deep understanding of managerial mindsets, and while still needing to be tested quantitatively, the model presented here is a strong foundation upon which the theory-testing can be built.

### **12.1 Theoretical implications / Future research**

Findings from one of the defense companies provide evidence of trade shows in the defense industries enabling contact with the end user. The lack of visibility of front line usage and difficulties reaching the end user was highlighted by Datta and Roy (2011) as one of the major challenges of private companies in the defense sector. Trade shows could seemingly be a bridge between these fronts. This claim does need further validation and a preferable strategy of enquiry would be to quantitatively survey private companies dealing in various

defense sectors on their most effective platforms for engaging with end users of their equipment.

The value of information obtained at trade shows needs a reevaluation. The findings in this study contradicts those of Bettis-Outland et al (2012) and should be quantitatively tested for multiple industries involved in trade show marketing. All of the cases in this study reported on receiving valuable information from fellow exhibitors and there are reasons to believe that this phenomenon will also occur for other industries and countries.

It seems evident that there is a practice of joint promotional efforts on trade shows in several industries. This would imply an even stronger reliance on networks than first anticipated and subjecting the variable of booth sharing strategies to further research would be a fresh take on the existing trade show literature and extend the validity of the linkage in the model presented in this research.

Many of the cases in this study reported on repeated participation in annual or biannual major trade shows. The effect you have from repeating participation in the same trade shows year after year is likely beneficial especially for maintaining relations and position in an existing network. The variable of “repeating participation” would make for interesting future research and in relation also the “frequency of participation” should be looked into.

The activities taking place at trade shows, but after exhibiting hours, manifested in this study through activities as different as golf tournaments, dinners, and gatherings at national embassies, seems to be a very important part of the trade show process. Although it needs to be considered what Ling-Yee (2007) defines as an at-show activity, these more specific set of activities could very well be the subject of a separate study.

There are several objectives for attending trade shows and the ones used in the model developed may be inconclusive. The author acknowledge that there could be more or other variables that better capture the phenomenon, and further efforts to extend or fine tune these variables should be made.

This research is based on two cases from the defense industry, and two cases operating within the maritime sector of both defense and civil industry. To further validate the model it should be tested for multiple industries and sectors outside of Norway. The energy industry, both oil and gas and increasingly also the renewable sector, would have similar dilemmas in terms of being highly technology driven and the market is influenced by strong national interests. In

terms of countries of interest for the oil and gas industry there are the major regions of Russia, the US and Canada, the Middle East, South America, China, and some African countries (e.g. Angola, Nigeria, Algeria). For the renewable energy sector the major frontrunners and countries of interest could include Germany, India, Spain, China, US, UK, and Australia.

To further validate its relevance for the defense industry in particular, research efforts with a scope restricted to this industry exclusively should be made. Countries of interest include the US, France, Germany, Russia, China, India, Sweden, Israel etc. as major arms exporters with high national defense budgets.

As previously stated the findings of this study's model development efforts need further validation and the author strongly encourage any attempt of a quantitative survey using the items of measurement identified in the study.

## **12.2 Managerial implications**

Trade shows, next to print advertising, are expected to represent the largest component of the advertising and promotion budget of industrial firms, for them to be a worthwhile investment both in terms of money and time, there needs to be a return.

This study has shown the importance of personal relations and networks in a marketing setting, and further manifested international trade shows as excellent venues for engaging in relationship management and networking activities. They are a highly effective means for establishing a company's position and influence in an industry or sector and further carry the potential of establishing and enhancing trustful relations throughout the company's network. In terms of new market development, the positive effect of on-show RM efforts, on-show information exchange and joint on show promotions on regional and segmental market development are seen as mediated by network development. The return here, on the trade show investment, is that trade shows do enable new market development and international expansion.

The most prevalent implication for managerial decisions when preparing and planning trade show attendances is, according to this study, the perceived value of joint on-show promotions. This variable stands out in the study as an important factor for both enhancing trust and improving the promotional impact, particularly for smaller businesses (size being relative to the industry norm). It is important for managers to acknowledge these effects and incorporate these when evaluating their trade show efforts. There is evidence in this study of them being

greater in joint promotional efforts, as opposed to individual efforts. In addition to the effects stated above, joint on-show promotions could also reduce the initial trade show investment. Trade shows are expensive and, if a joint effort is applicable, this could cut the expenses on posts such as the exhibiting space and the number of staff required with their accompanying costs such as travel and accommodation.

Another implication deriving from the study relates to the value of information exchange and information sharing in a trade show setting. It has been proposed to act both as a facilitator of trust and network power, but also as having a direct impact on sales through specific leads. An important acknowledgement is that the value of information exchange is likely dependent on a two-way approach. This meaning that if you, in a trade show setting, don't contribute or share information of a certain value, the chances are that you won't receive anything in return. For a manager to set a standard of absolute non-disclosure for both himself and staff would reduce the risk of unintentionally revealing vital information to potential competitors, but also reduce the possibility of receiving vital information in return (leads etc.). It's important to have a pragmatic attitude towards information exchange and while direct competitors are one aspect, it is evident from this study that a lot can be gained from information exchange between fellow exhibitors and one should seize the opportunity trade shows provide in terms of this aspect.

It should be recognized that the network relations both staff and managers gain in their trade show efforts are largely gained by them personally. Findings in this study provide evidence of relationships of such a strong nature that some customers only wish to deal with one person in the supplying company. In preparation for a trade show one should not underestimate the value of such an asset (i.e. employee) and the value of having personnel that have the qualities needed to build and maintain such relationships. A good staffing practice is likely to be the most crucial pre-show preparation.

Even though the evidence of trade shows being an effective venue for engaging in RM and networking activities is quite clear, one should bear in mind, in preparations, that a trade show setting is normally quite noisy and hectic. Any measures taken to facilitate some sort of quieter meeting ground beyond the public stand are likely to have a positive impact on the outcome of trade show encounters and particularly with people or parties whom you schedule meetings with in advance. Further, in many situations, trade shows will enable that first encounter which lays a basis for follow up and additional meetings after the trade show.

When preparing for a trade show, managers should expect a noisy and hectic environment that is still full of potential given the right preparations. A good staffing practice, booking meetings in advance, set goals for which clients you would like to book post-show meetings with at the show, if possible make arrangements for a quieter setting than the public stand, and sufficient pre-show promotions to make your attendance known are all important parts of trade show preparations.

It is of particular importance for companies moving from operating in a B2B environment to also include B2G, to prepare and reevaluate their various RM activities and efforts in relation to trade shows. It's a different environment with different regulations governing what is considered appropriate and inappropriate behavior and to be able to stay on the right side of the line would require a familiarization with these regulations. Not all of the activities regarded as appropriate in a private B2B setting would be so for a B2G setting. To rely on existing B2B routines in a B2G environment could have serious consequences both in terms of reputation and legal prosecution.

In addition to the direct results concerning the stated trade show objectives, networks and market development, there are a few elements that are likely to enhance trade show success according to the cases analyzed in this study. All of the cases used the opportunity to book meetings in advance of any trade show participation. Trade shows normally require travel and by having pre-booked any number of meetings with clients, partners or others in the firm's network, the effort and resources would not have been for nothing. Another important factor is the prevalence of projecting yourself as a serious actor within the industry. Having qualified and presentable staff personnel, behaving in a proper manner and project a serious image are all important factors of success. However, this is not to say that you should not have any fun, as a light and positive atmosphere is reported as having a beneficial impact on the stands attractiveness. To bring physical products to these events are also reported as having a positive effect and furthermore, any at-stand activities (i.e. contests etc) should be related to the products and direct attention to these.

Related to the hectic and noisy environment that characterizes most trade shows, managers should not expect or aspire to make transactions or sign contracts at these events. No findings in this study indicate that this is an objective for trade show attendance, nor is there any indication of trade shows being a particularly suitable venue for this activity. Furthermore, to arrange over the top or extravagant "gimmicks" to draw attention could very well create a lot



of buzz around your stand, but if unrelated to the company's products this is worthless when the buzz wears off. There's also the possibility of this actually having a negative effect on the company's image, whether people perceive you as a buffoon or a dandy with a superfluously large marketing budget.

Managers in general should reevaluate their trade shows efforts when seeking new market development. By using it merely as a promotional tool they could miss out on the trade show's inherent ability to facilitate network development, acknowledged and proven here as one of today's major growth mechanisms in B2B, and increasingly also for B2G.

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## Appendix 1: Secondary data audit form

### Secondary data audit form: (Name of company)

Ownership structure:	Source:
Main business area:	Source:
B2G vs. B2B:	Source:
Supplier vs. Service:	Source:
Geographic dispersion:	Source:
Products:	Source:
Event / Trade show participation:	Source:
Revenue (last 3 years):	Source:
Existing customers:	Source:
New projects:	Source:

## Appendix 2: Interview guide

### Interview guide

Company:

Name of interviewee:

Date of interview:

Place of interview:

- Thank the interviewee for taking the time to participate, their participation is crucial to the success of this research
- State the purpose of the study
- Ensure anonymity if that is their wish                      YES:                      NO:
- Confirm position in variance matrix:

SME	Case 1	Case 2
Large Enterprise	Case 3	Case 4
	Defense	Defense + civil

**INFORM**: will send case report for their review once the analysis is done. This is to ensure my correct understanding, and for them to provide additional feedback if necessary.

### **Trade show habits:**

Do you participate in trade shows?

How frequently?

Which do you usually attend?

Do you normally attend as exhibitor or visitor?

How do you decide which trade shows to participate in?

### **Objectives:**

1.1: Can you give me 2-4 examples of trade shows you have previously participated in?

1.2: What were the reasons or objectives for participating in these specific trade shows?

2: To what extent do you think trade shows help in terms of relationship management and networking?

**CRM:**

3.1: What type of efforts and activities are you engaged in during trade shows in terms of relationship management?

3.2: How do those efforts and activities affect your network relations with other companies?

- 3.2.1:
- i. With existing customers
  - ii. With prospective customers
  - iii. With agents and distribution partners
  - iv. With competitors
  - v. With other units and people in your own organization

3.3: To what extent do other exhibitor's CRM activities and efforts during trade shows enhance your trustful relations with them? Please provide examples

3.4: To what extent do other exhibitors' CRM activities and efforts during trade shows enhance their influence and power in your industry/sector? Please provide examples

3.5: To what extent do other exhibitors' CRM activities and efforts during trade shows enhance their influence and power over your company? Please provide examples

3.6: To what extent do other exhibitors' CRM activities and efforts during trade shows enhance trustful relations with different organizations and people? Please provide examples

3.7: To what extent do your CRM activities and efforts during trade shows enhance trustful relations with different organizations and people? Please provide examples

3.8: To what extent do your CRM activities and efforts during trade shows enhance your influence and power over other organizations and people in your industry? Please provide examples

**Information exchange:**

4.1: What type of efforts and activities are you engaged in during trade shows in terms of information exchange with other organizations and people?

4.2: How do these activities affect your network relations with other companies?

- 4.2.1:
- i. With existing customers
  - ii. With prospective customers
  - iii. With agents and distribution partners
  - iv. With competitors
  - v. With other units and people in your own organization



4.3: To what extent do other exhibitors' information exchange activities and efforts during trade shows enhance your trustful relations with them? Please provide examples

4.4: To what extent do other exhibitors' information exchange activities and efforts during trade shows enhance their influence and power in your industry/sector? Please provide examples

4.5: To what extent do other exhibitors' information exchange activities and efforts during trade shows enhance their influence and power over your company? Please provide examples

4.6: To what extent do your information exchange activities and efforts during trade shows enhance trustful relations with different organizations and people? Please provide examples

4.7: To what extent do your information exchange activities and efforts during trade shows enhance your influence and power over other organizations and people in your industry? Please provide examples

**Promotional efforts:**

5.1: What type of efforts and activities are you engaged in during trade shows in terms of promotions and advertising? Please provide examples

5.2: How do those activities affect your network relations with other companies?

- 5.2.1: |
- i. With existing customers
  - ii. With prospective customers
  - iii. With agents and distribution partners
  - iv. With competitors
  - v. With other units and people in your own organization

5.3: To what extent do other exhibitors' promotional activities and efforts during trade shows enhance your trustful relations with them? Please provide examples

5.4: To what extent do other exhibitors' promotional activities and efforts during trade shows enhance their influence and power in your industry/sector? Please provide examples

5.5: To what extent do other exhibitors' promotional activities and efforts during trade shows enhance their influence and power over your company? Please provide examples

5.6: To what extent do your promotional activities and efforts during trade shows enhance trustful relations with different organizations and people? Please provide examples

5.7: To what extent do your promotional activities and efforts during trade shows enhance your influence and power over other organizations and people in your industry? Please provide examples

### **Networks:**

In terms of new market development (regions, segments, channels)

6.1: How do your network relations affect your company in developing / reaching new markets?

6.2: To what extent do your firm's relative influence and power in its business networks impact its ability to develop / reach new regional markets? How? Provide examples if possible

6.3: To what extent do your firm's relative influence and power in its business networks impact its ability to address new segments? How? Provide examples if possible

6.4: To what extent do your firm's relative influence and power in its business networks impact its ability to recruit new distribution channels? And enhance relations with existing ones? How? Provide examples if possible

6.5: To what extent do your firm's trustful relations with its business network partners impact its ability to develop / reach new regional markets? How? Provide examples if possible

6.6: To what extent do your firm's trustful relations with its business network partners impact its ability to address new segments? How? Provide examples if possible

6.7: To what extent do your firm's trustful relations with its business network partners impact its ability to recruit new distribution channels? And enhance relations with existing ones? How? Provide examples if possible

### **Alternative mechanisms for growth:**

7.1: Beyond networks, which other tools and mechanisms are useful in your opinion for international market expansion?

7.2: How important and influential are each of these additional tools and mechanisms versus network relations?

### **Ending/Closure:**

8.1: Do you have any other issues you want to add to the issues we have now been discussing?

8.2: Do you have any questions about the interview, study or process?

8.3: Can I have permission to get in touch again, in case of additional questions arising throughout the process? This will only be a short focused phone interview

**INFORM:** Will send case summary for their review and feedback later

THANK YOU VERY MUCH FOR YOUR TIME AND CONTRIBUTIONS, THEY ARE HIGHLY APPRECIATED!

**Empty model:**

O B J E C T I V E S	

G R O W T H  M E C H	

REGIONS	P E R F O R M A N C E
SEGMENTS	
CHANNELS	