

Opinion

## Accelerating economic growth through trade fairs

BY VINCE SININING

The Private Sector Federation (PSF) in partnership with the Ministry of Trade, Industry and East African Community Affairs (MINEACOM) organized the 21st Rwanda International Trade Fair (RITF 2018) that took place from 26th July to 15th August 2018 in Gikondo Expo Grounds, Kigali Rwanda.

The Fair was a multi-sectoral trade event that attracted local, regional and international exhibitors and a great opportunity not only to sell, buy, but also a venue for marketing and linking local traders to their international counterparts, exchanging business ideas as well as collaboration and partnership. It also brought together families, community members, buyers, sellers, traders, farmers, processors, distributors, small business owners and entrepreneurs and international market observers.

I enjoyed my visit at the fair with restaurants offering different kinds of foods, shops that highlighted local and made in Rwanda products, as well as exhibitors from outside Rwanda

### Why exhibitions are important in World Expo or International Trade Fairs?

People new to an industry often use exhibitions to familiarize themselves with other companies and their products. Exhibitions provide face-to-face customer contact, which is the best way to build on relationships and form new ones with potential customers.

### Why Trade Fairs and Expos are important?

With today's emerging technologies, business interactions and shopping are being done online so the opportunity to meet with and showcase products and services to prospective clients is a distinct marketing advantage in Trade Fairs and Exhibitions.

Exhibitions provide a great platform to meet and build relationships with key people in different industries. It is also a place for any business to be introduced, an opportunity for face to face interactions with key players in different industries, gain qualified leads, meet new faces and open the business to new markets. Researches have shown, 82% of trade show attendees have the power to recommend, specify, and/or make final purchasing decisions. More importantly, a higher percentage of attendees come to trade shows with purchasing intent.

By exhibiting at a business expo or Trade Fairs, the participants have the opportunity to meet a large target audience under one place that could probably take the sales team a number of months to reach. This saves time and reduces the period required to close a sales lead.



It is a reality that Exhibitions can be costly especially for small businesses. But, by investing in the short term there is a multitude of long term benefits that can be gained through the development of leads into lucrative, long lasting and loyal relationships. According to a U.S. study carried out by the Dallas based Centre for Exhibition Industry Research, the cost of an initial face-to-face meeting with a prospect is less for an exhibition lead; whereas, without an exhibition lead, the cost is much higher including the cost to identify the prospect prior to the initial sales call and another extra cost for the field-sales call. Thus, meeting a prospect at an exhibition versus finding and meeting a prospect in the field saves more money per prospect. It is also in Exhibitions where interested parties actually come for face to face interactions and understand more the [products and services.

There are many benefits associated with having a Trade Fair or Business Expo for the economy. The community and the business environment. Exhibitors not only showcase their products but also have the opportunity to sell them and attendees have the opportunity to buy at bargain prices. Attendees also have the opportunity to see different products, many even provides the opportunity to taste different food and beverage products that exhibitors are selling. Small business owners also have the opportunity to network and establish ties for marketing and distribution of their products. It is also a

perfect venue to present or introduce new products or services.

The 21st Rwanda International Trade Fair (RITF), commonly known as Expo, is a good initiative to boost the local and national economy. Ordinarily, the exhibition lasts two weeks; however, this year's edition lasted for three weeks. It has been reported that over 500 exhibitors from 23 countries across the world have participated in the Rwanda 2018 expo. This is an increase from previous trade fairs when participating countries have varied between 17 and 19.

I have enjoyed attending the Rwanda Expo. It was at the Expo that I saw so many products made in Rwanda, as well as the diverse industries, products and services that are now flourishing.

However I can't help but noticed that Gikondo Expo Ground seemed inadequate for a vibrant Expo. And it is good news that organizers and the government are working on moving to a better venue in Gahanga in Kicukiro District in the very near future.

Rwanda's market of 11.8 million people has a growing middle class, plus a market and customs union with a market potential of 162 million consumers in the East Africa Community (EAC). Close access to the Eastern DRC market of approximately 35 million people.



Potential opportunities for investment are particularly attractive in the following sectors: infrastructure, energy, agriculture, tourism, manufacturing, information and communication technology, mining, financial services, real estate, and construction.

### Understanding the World Expo

A world's fair, world fair, world expo, universal exposition, or international exposition (sometimes expo or Expo for short) is a large international exhibition designed to showcase achievements of nations. These exhibitions vary in character and are held in different parts of the world. In the case of Rwanda, the Rwanda International Trade Fair provides avenue for local and national business enterprises to showcase various products and services with a small but growing number of international participants.

A world expo is usually participated by many countries. And the site of the Expo is transformed to fit with the economic, social and cultural needs of the area. For example, in Lisbon Expo 1998, an abandoned area became an important economic center of the city, and Shanghai Expo 2010 is turned the site of the Expo into a major cultural and entertainment sector. Before I travelled back to Kigali, I attended the World Food Expo in Manila, Philippines held at the beautiful World Trade Center building.

Today, you can hear the news about how Dubai is investing so much to host the World Expo in 2020. Dubai Expo 2020 will be a six-month long exhibition of trade, innovation and products from around the world, and a showcase for the United Arab Emirates.



The author at World Food Expo, Manila Philippines (1 AUGUST 2018)

It will be held on a giant yet-to-be-built 438-hectare site on the edge of Dubai.

The reason the expo has become such a big deal in Dubai is because analysts believe it will boost tourism and other parts of the economy as the government spends a predicted \$7 billion on infrastructure, with the benefit expected to trickle down to other industries. That spending will equate to a 0.5 percentage point increase in GDP in the years 2016-2019, according to Bank of America Merrill Lynch.

Other Analysts say, the principle purpose of this expo is to educate the folks and strengthen the good relations between the host and participating countries.

Most notably, analysts also predict the

event could stimulate the real estate market, which is already on an upward trajectory following a catastrophic crash in prices in 2008 during the global financial crisis.

Dubai predicts 277,000 jobs will be created as a result of the Expo; a big number given it equates to 20% of the current workforce of 1.3 million, according to Capital Economics. The emirate also forecasts visitors of 25 million.

### About the Author

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