

## Show Report of the 7th Hortifloorexpo China

Dear Sir or Madam:

Thank you for your kind participation in the 7<sup>th</sup> Hortifloorexpo China, the largest official trade show in Chinese horticulture, floriculture and garden field and which was held from Apr. 6-9, 2005 in Intex Shanghai. The show was organized by China Flower Association. As the show management of this year, Intex Shanghai was responsible for all the service of this edition from project scheming, marketing, sales and on site, etc. Below please kindly find some summing-up,

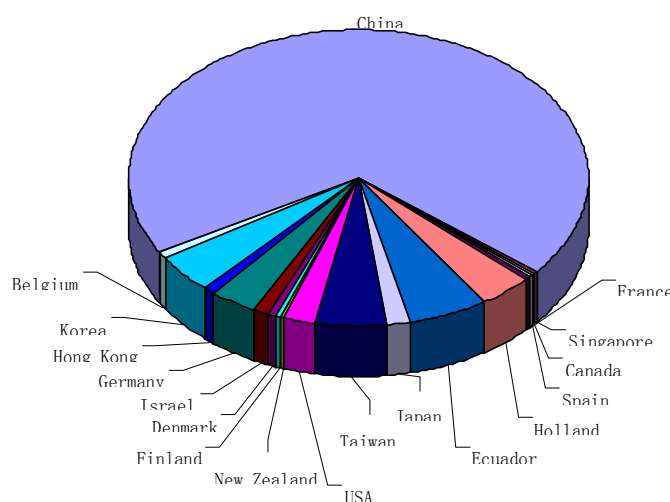
### ***Main Characteristics:***

#### ***Broad Exhibitor Distributing & a Larger Scale of the Show***

This exhibition covered a total show area of 14000sqm which is 23.47% larger than that of last edition in Shanghai in 2003 with a nearly 1000sqm's outdoor exhibiting area.

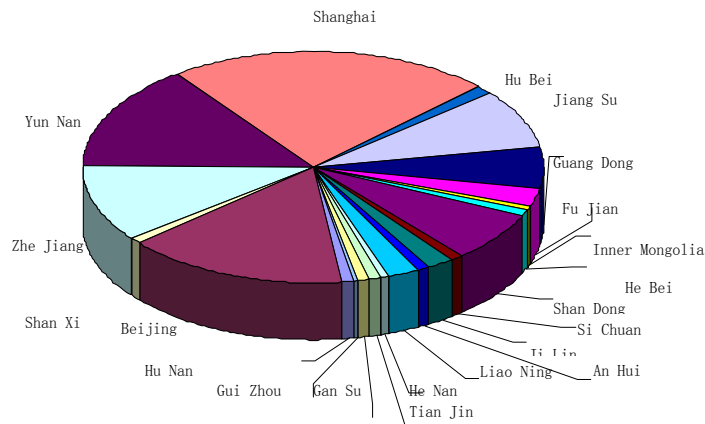
380 well-known companies from 18 countries and regions such as Holland, Germany, Ecuador, Belgium, Korea, USA, France, Finland, Denmark, Israel, Spain, Canada, Japan, Singapore, New Zealand, China Mainland, Hong Kong SAR and Taiwan Province participated in the show, among which, we have 3 national pavilions (i.e., German pavilion, Ecuadorian pavilion and Korean pavilion) and 94 companies coming from abroad. (These data were obtained and analyzed based on the exhibitors name list provided by exhibitors for badges.) Here we specially would like to draw your attention to Ecuadorian pavilion. Small as their booth was, that was only 27sqm big, it represented a delegation of 18 Ecuadorian flower-producing companies under the lead of Expoflores. And this is also the first time in the show's history when Ecuadorian flower companies send flower experts and business people to the show in person instead of asking officials from CORPEI (who do not know so much about flower production) to take care of their booths.

### Where are Exhibitors From?

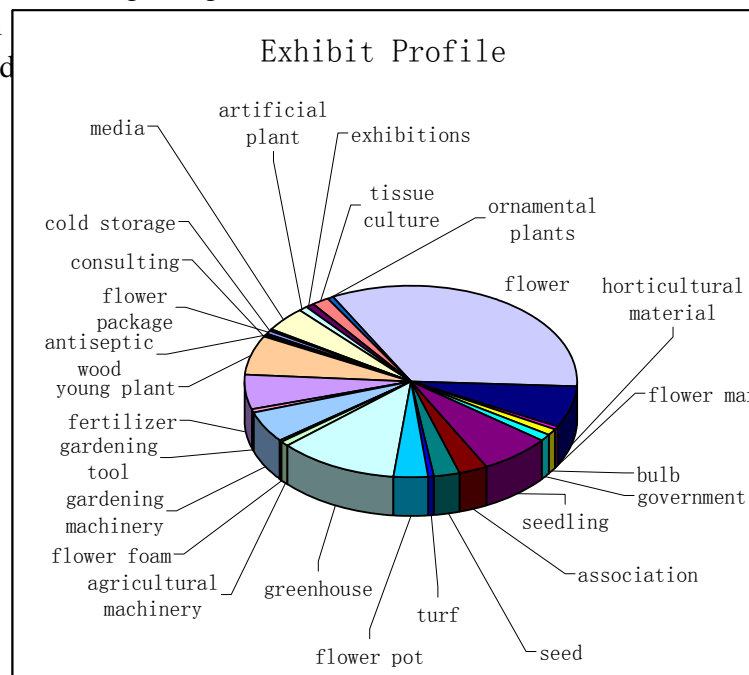


Geographically speaking, as far as China mainland is concerned, exhibitors are from numerous provinces and regions. Apart from East China, 51.94% of domestic exhibitors are from Southern, Northern, South West, North East, North West and Middle part of China.

Where are Domestic Exhibitors from?



Having a wide span of exhibits, The 7th Hortiflorexpo China has attracted quite a few leading companies in Chinese horticultural, floricultural and garden field. Judging from the chart below, we find that flower, seed, bulbs amounted to 46%, greenhouse reached 12%, horticultural materials rising from 5% of last edition to 7%, and young plants are 7%. After comparing the data of this edition with that of 2003 edition, we found that the percentage of gardening machinery dropped from 12% to 6%. The reasons, after studying we think, is a relatively low profit of the sector. And the other reason is that gardening machinery companies prefer to stay indoors while its low marketing budgets make it embarrassed. Besides, it always take a long time for them to finally decided



Colorful Fringe Programs

In order to lead so many floricultural, horticultural and garden companies to survive and further develop themselves in the more and more vehement competition, we have specially organized a series of fringe programs on the exhibition to target at different audience groups.

a. Conference

14 conferences were organized in the first 3 days of the show. Mr. Rokus Hassefras of Flower Council of Holland, Mr. Stephan Braun of Zentralverband Gartenbau e.v. (ZVG), German Horticulture, Mr. Miguel Marcer o, President of the Board of Expoflores, Mr. Mike Samilian, Vice President of Speedling Inc., Dr. Th. H. Geiling, Chairman of International Horticulture Association, Sensor Sub-branch, Mr. William Irion, President of Irion Enterprises, Mr. Vincent Asselin, President of Waa International China, Mr. Yang Yu Yong, GM of Kunming Yang Chinese Rose Gardening Co Ltd., Mr. Bernard Durand, Asia Area Manager of Meilland International, etc. were invited to give speeches on various interesting topics such as “The Flower Culture in Netherlands”, “Horticulture- a Productive Branch of the Agricultural Sector in Germany”, “Opportunities of the Ecuadorian Floriculture Industry”, “Intelligent Control System of Greenhouse Climate Control of Water and Nutrient Supply to Greenhouse”, “International Trade: Doing Business with American and Japan”, “Seeding Technology Development and Sub-irrigated System”, “Planting Design, the Foundation of a Successful Green Space”, “Rose Breeding, Promotion and Plant Breeder’s Rights in China” and so on.

b. Seminars

In order to help those companies who would like to make full use of the exhibition to promote themselves, 19 seminars were organized to market their products and promote their ideas.

c. Flower Arrangement Show

For the sake of expanding flower consumption, leading public to love flowers and buy flowers, we specially invited 13 famous florists from Germany, Japan, Hong Kong SAR, Taiwan Province and China Mainland to give wonderful flower arrangement shows. Hundreds of people were attracted in the 3.5 days. Noteworthily, 2 genres of the present 3 genres come to give performances.

d. Field Visits

Targeting at different audiences, keeping pace with the latest trends, 3 Field visit routes were made to benefit visitors. They are: Flower Distribution Route, Flower Production Route and Garden Route.

*More Special Design and Better Visual Effect*

More exhibitors took special designs in their booth arrangement. For this edition, the net space of Raw Space has reached 2050sqm which is 23.34% higher than

1662sqm in the year of 2003. And the raw space percentage is, for the first time, as high as 35.5% which shows not only domestic companies would pay a lot in the booth whole cost, but also foreign big companies begin to pay more attention to the show. For example, a Belgium famous company, Deroose, which always took 1 booth in past editions, this year, for the first time took 72sqm raw space.

#### Better Overall Services and Higher Customer Satisfaction Rate

To better serve our customers, we specially dispatched out Questionnaires to exhibitors and visitors at different time respectively. The results are as follows respectively,

##### **a. Questionnaires to Exhibitors**

Altogether we have issued 280 questionnaires and successfully recollected 189 valid ones. After careful analysis, the result is as follows,

1. 46.03% exhibitors feel very good with our Exhibitor Manual and 49.21% feel quite good. (In the telephone following to those exhibitors who expressed their unsatisfaction on Exhibitor Manual, we found that a lot of exhibitors mistakenly take Official Catalogue as Exhibitor Manual. And most of the exhibitors who feel unsatisfied with Catalogue were mostly because there are missing in the Entry.
2. 20.04% exhibitors feel very good with visitor quality and 59.79% feel quite good
3. 28.57% feel very good with media promotion and 61.91% feel quite good

##### **b. Questionnaires to Visitors**

Apart from Exhibitor Questionnaires, we have also sent out 500 visitor questionnaires in all and reclaimed 328 valid ones.

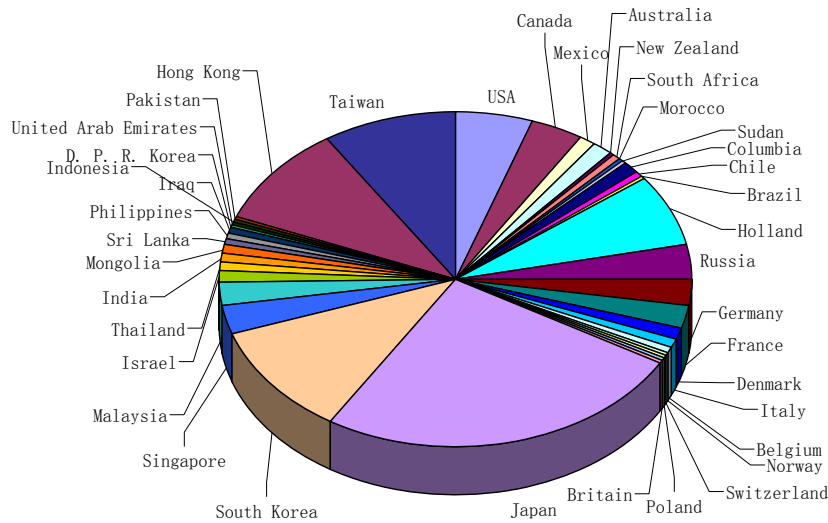
1. 85.98% visitors feel very good with organization of this exhibition, 10.67% feel quite good,
2. 71.95% feel very good with quality of exhibitors, 23.78% feel quite good,
3. 90.24% express their willingness to visit the show in the future if possible,
4. 88.41% visitors say they will recommend this show to others.

#### *Visitor Analysis*

The 4-day-show altogether has attracted 12249 visitors in the field of floricultural, horticultural, garden field from home and abroad with the number of person times of 18813.

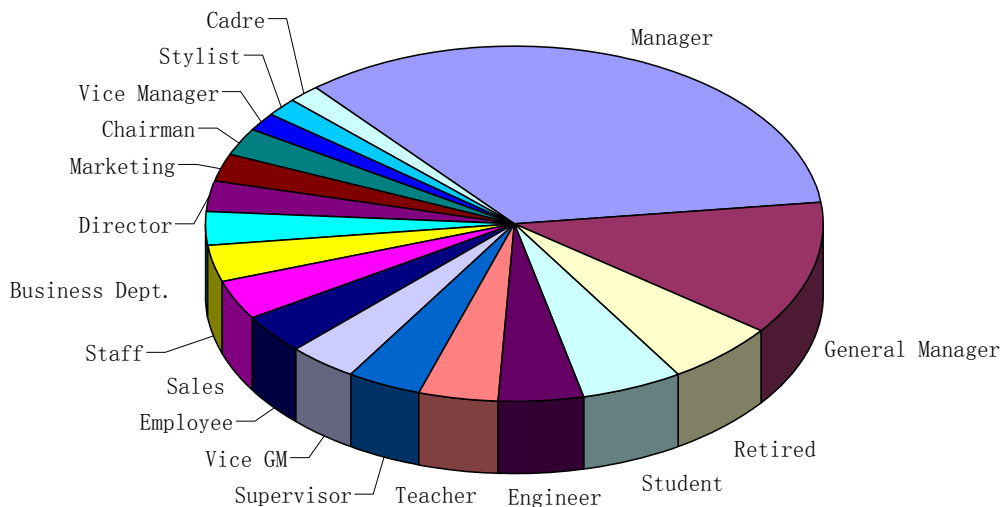
The total number of foreign visitors was 344 which has a great increase over 140 of last edition in Shanghai.

## Where are Foreign Visitors From?



To have an intuitionistic view of the visitors' structure, we specially listed all the positions that appeared more than 50 times in the below chart.

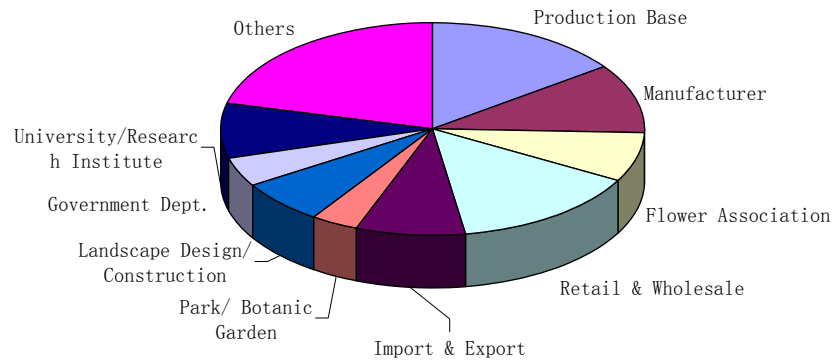
## Visitors' Position



According to the report of Eastfair (the professional company which we appointed as official visitor registration company), we found that 15.03% visitors were from production bases, 10.4% were manufacturers (mainly greenhouse facilities, gardening machinery, tools, flower pots, etc.), 14.26% were Retail and Wholesale. And the buyer of floriculture and horticulture field, i.e., Landscape Design and Construction, Park and Botanic Garden, I & E, altogether amounted to 23.08%. It is known to all that high quality of exhibitor lead to a good exhibition. But whether an exhibition is good or not is mostly decided by the quality of visitors. So long as exhibitors meet the right persons in the show, business can be done, we conclude it a good exhibition.

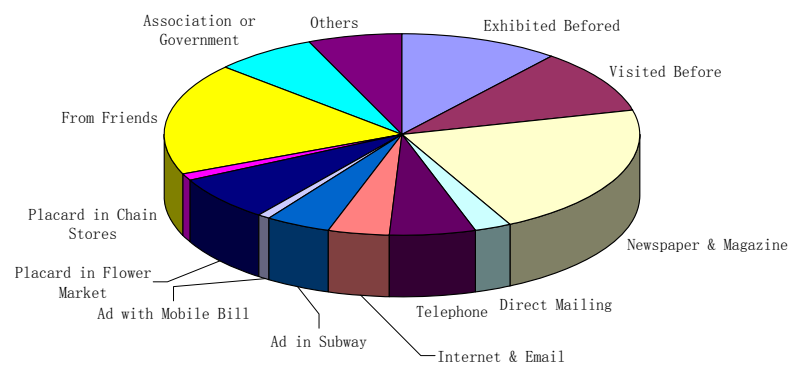
After comparing the data with that of last edition, we found that the structure of this show's visitors is almost the same with that of last edition.

### Question 1: Nature of Your Business



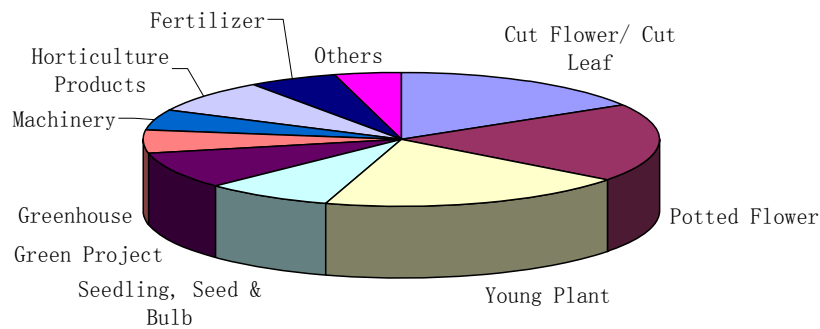
In the question concerning how do visitors know the exhibition, we found that 10.9% visitors exhibited before, 10.27% visited before, 21.31% know it through Newspaper and Magazines, 18.22% know it from friends. And to our surprise, there are only 6.03% visitors received our phone calls, 2.42% visitors were practically reached by our DM and 1.02% visitors see our placard in chain store. Therefore, in the future work, we will continue to expand the exposure in professional newspapers and magazines, to update database more frequently, try to reach our target visitors more actively and effectively and try to obtain more and more recognition.

### Question 2: How Do You Know This Exhibition?



The following questions in the following chart, from some point of view, will speed the sales of next edition. The percentage of visitors' interest in cut flowers, cut leaves, potted flower, fertilizer and horticultural materials is almost the same with that of last edition. While, the interest to young plants has increased from 15% to present 19.54%. Thus it can be seen that it will do if we pay more attention in the marketing and sales promotion in this aspect.

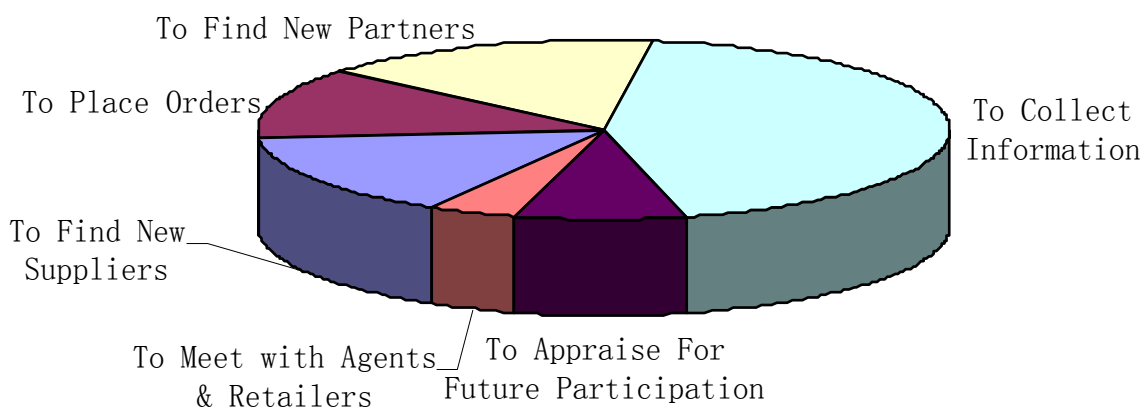
### Question 3: What Products Are You Interested In?



The following question may be of same importance to both our exhibitors and we, show management. In the following chart, apart from 14.97% visitors would like to find new suppliers, 12.81% to place orders and 16.04% want to find new partner and agent, 43.83% visitors would like to collect information. To this, most visitors have not made it clear why they collect information for. Hence, we are not sure when more and more foreign flower companies will come to China, there is learning from one another among competitors to promote new products and new technology, Chinese flower and horticulture industry may enter a rational development period after a rapid growth.

Besides, the percentage of appraisal for future participation as exhibitors gave us a lot of confidence. We sincerely hope that through our untiring efforts and struggle, in next edition in Shanghai, we can expand the show 15-20% further.

### Question 4: Purpose of Your Visit?



#### *Some Problems in the Exhibition*

The show is closed now but our work goes on. After collecting and analyzing all the questionnaires and interviewing some of our staff, we found that the 7<sup>th</sup> Hortiflorexpo

China still have quite some problems. Please refer to the following to see some examples,

1. Some foreign exhibitors complained that the official freight forwarder could not provide quick and on-time delivery. There were several Holland exhibitors that only obtain freights at around 4pm the second day of the show. For this, we will act energetically to have exhibitors' satisfaction and on the same time, we promise to change our partner and to appoint a forwarding company focusing on flowers' transportation for the next edition in Shanghai.
2. The timetable for some conferences is not so reasonable because as early as 9:00am may be a big obstacle to have a big audience.
3. The venue is a limit to some seminars, especially those in Rm. 2001 where its location is not so good and it happened to be hide behind the Yunnan stage.
4. Relatively speaking, the number of visitors in tent outside the venue is much fewer compared with that of indoors. Although we added indicators times and times again, the effect is not so obvious.
5. Most greenhouse and facility companies would like to move out in the public visitor day. To this we will try to take measures to designate a sub-area for facility companies so that their leaving will minimally affect the whole show in the next edition.

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All in all, aiming at the above problems, steps have been or will be taken to improve our work and to ensure that the next edition in Shanghai a better and more profit-bringing-show to our exhibitors. If you have any questions please do not hesitate to contact with us.

Best regards,

Yours sincerely,

Catherine Cui  
Project Manager  
Intex Shanghai Co Ltd