

BPA WORLDWIDE CASE STUDY:
Unexpected Benefits of the Event Audit Process
Shenzhen (China) Science & Technology, Industry, Trade
and Information Committee (SZSITIC) subsidy event audit



深圳市科技工贸和信息化委员会

OVERVIEW

The Shenzhen Government has created an initiative to improve the competitiveness and international credibility of Chinese event brands. They began to collaborate with BPA Worldwide, a global media and compliance auditing organization, to introduce international quality standards in measuring the number of attendees, their importance as purchasing decision makers to exhibitors and the depth of international exhibitor participation in Shenzhen. With the adoption of standardized audit methodology, the government's goal is to now standardize Shenzhen event industry management.

NEED

The event industry, as a high-level service industry, has become one of the most rapidly developing industries in Shenzhen. Tourism, coupled with the event industry, is listed as the fifth pillar industry of Shenzhen. With a sub-tropical marine climate and an advantageous location in the Pearl River Delta, Shenzhen is known as the "Capital of China's Theme Parks and Tourist Innovations". Quickly becoming a desired destination, Shenzhen's event industry is developing at a pace of more than 20% annual growth.

Shenzhen is also China's first "Special Economic Zone" and for the past three decades has transformed from a small border town into a modern dynamic city noted for its economic scale, infrastructure, legal system and beautiful destination-rich environment. With the world's fourth largest container port and fourth largest airport on the Chinese mainland, Shenzhen is in an enviable position to continue economic growth through trade and services and the Event Industry niche can be well-served. (Information taken from www.sz.gov.cn and www.sz2011.org/Universiade/)

Because of its geographic advantage, Shenzhen cooperates with Hong Kong to improve its event organization standards. Shenzhen officials work with the Hong Kong Trade Development Council to organize several major Hong Kong exhibitions.

Knowing that Shenzhen's exhibition industry has witnessed rapid development in recent years, where does the data come from? In the past, information detailing the growth of Shenzhen's exhibition industry was provided by the organizers of the events. However, there has been no standard for evaluating the quality of the audiences reported by the exhibitions. One Director from the Shenzhen Science & Technology, Industry, Trade and Information Committee (SZSITIC) recently discussed Shenzhen's event industry growth and talked about the recently established relationship with BPA Worldwide. "Shenzhen is the first city in China that has engaged BPA Worldwide as their third-party certification institution for exhibitions. Shenzhen Municipal Government and relevant bodies have found that passing the third-party certification is an inevitable trend for the internationalization of China's exhibition industry and also a necessary practice the Chinese exhibition industry must go through."

"...Shenzhen Municipal Government and relevant bodies have found that passing the third-party certification is an inevitable trend for the internationalization of China's exhibition industry and also a necessary practice the Chinese exhibition industry must go through."

Director, Shenzhen Science & Technology, Industry, Trade and Information Committee (SZSITIC)

BACKGROUND

The No.52 document of the Shenzhen government's "Shenzhen Event Industry Financial Support Program Guideline" explicitly revealed that "The government will provide 150,000 RMB in funding to the brand events (event organizations) which are UFI approved". The Shenzhen Science & Technology, Industry, Trade and Information Committee (SZSITIC) also appointed BPA Worldwide as an Event Audit Organization to provide the audit service to subsidy application event in Shenzhen.

Shenzhen's government sought to establish international standardized services and platforms to meet the needs of local and international exhibitors and visitors, while also offering Shenzhen's convention and exhibition sector a greater competitive edge in the international market. The Shenzhen government worked out a series of international level management and measurement plans to further advance the position of its international exhibition center, with the core elements of the effort being: investing in the creation of an international facility and employing a system of standards through international cooperation and partnership.



For this partnership, Shenzhen's government wanted to focus on creating a system that would ensure growth and progress, thus carefully researching the successful practices of globally advanced exhibition countries like Germany, Holland, the US, and the UK. Based on its research, the Shenzhen government formed a relationship with BPA to establish a tradeshow audit system in line with international practices. BPA, as an established leader in media and event auditing, offered an independent and thorough audit process for Shenzhen to validate the data of its exhibitions.

The Shenzhen Government introduced event audit for the purpose of strengthening the credibility of data provided by event organizers in Shenzhen. Such an initiative creates and also further enhances a positive event-hosting environment, accelerates event industry development and will help drive Shenzhen as an innovative city, to become even more internationalized.

Shenzhen hopes to develop its exhibitions to be more effective and efficient in terms of event organization and to provide event organizers and exhibitors with verifiable information on an objective basis to help potential exhibitors make better participation and resource allocation decisions.

The previously quoted SZSITIC Director went on to say, "BPA Worldwide is an internationally known third-party certification organization. Some exhibitions recently held in Shenzhen passed this certification. The next step is to determine how to use the certification data to announce to the public which exhibitions have passed their third-party certification because the data can help exhibitors make rational choices." The Director finally added, "BPA Worldwide is of high credibility. Exhibitions that have passed BPA's certification are eligible to become a member of UFI, provided UFI audit criteria and membership requirements are met."

IMPLEMENTATION

The objectives of the Shenzhen government event subsidy program are in place to:

- Advance and accelerate event industry development
- Attract more branded shows to Shenzhen
- Improve event quality
- Continue to build the reputation of Shenzhen as a marketplace destination
- Strengthen competitiveness to improve economic efficiencies

More city management departments and event organizers are beginning to cooperate with international audit institutions like BPA Worldwide. As the Shenzhen Municipality took its first step with the introduction of the No.52 document "Shenzhen Event Industry Financial Support Program Guideline", other relatively fast-developing local governments and associations want to standardize, systemize and regulate their own event industry. They are looking for similar ways to become more internationalized, like establishing an evaluation system. Shanghai, Beijing, Chengdu, Dalian, Chongqing, Zhejiang and other provinces and cities all hope to establish a similar evaluating system in which an event audit is an important part. Approximately 80 major events are currently organized in Shenzhen. Compared to first-tier cities in China, the quantity is relatively small. However, that does not affect the demand for high quality shows and "Being short rather than excessive" is a development strategy of an event city.

To strengthen the management process of the event special subsidy program, the Shenzhen government adopted a strategy on binding the event audit and subsidy funds together. Event organizers must provide third-party event audit reports when applying for the subsidies.

Thus far, the three-stage event auditing process (pre-show, at show and post show) has proved to be a beneficial initiative, strengthening Shenzhen's fast-growing event industry by providing certified data about attendee quality and quantity and thus allowing event organizers and exhibitors to have more accurate evaluations between events.

The Shenzhen government recognized that as global awareness and interaction continue to connect industry sectors, advancement and standardization of procedures within the exhibition industry becomes an inherent need. For the advancement of the event industry, it's not enough to have standards for understanding "who" or "what". Deeper, more qualitative questions like "how much?", "how many?" or "how well?" are certainly required. And with the increased complexity that globalization, economic hardships and technological advances now bring to those organizing events, the need for parallel advances in the transparency, accuracy and sophistication of the tools that marketers use to measure and analyze outcomes is essential.

In reference to the Chinese service industry as a whole, the national "Eleventh Five-Year" Plan stated to "accelerate the development of the service industry". Now the "Twelfth Five-Year" Plan states to "create an environment to further the development of the service industry", a much more detailed and significant statement. That means China prepares to set its expectations and objectives for further event industry development.

BENEFITS/RESULTS

The successful case of Shenzhen's exhibition and convention development not only improves the international image of Shenzhen globally, but establishes an excellent example for other cities across China on how to develop their exhibition and convention industries through creating and adhering to international standards and collaborating with international organizations. Several participating organizers went "on the record" to discuss their experiences of event auditing's "unexpected benefits":



中国国际光电博览会

CHINA INTERNATIONAL
OPTOELECTRONIC
EXPO

Before applying for BPA Worldwide certification, Li Zhaoxia, Assistant to GM and Office Director of Shenzhen UBM Herong Exhibitions Co., Ltd., noted his company's exhibition records were not in good shape. "We gradually realized that it is very necessary for an international branded exhibition to pay attention to the management of data," said Li. "In other words, standardized management is very necessary." He then added, "In this environment, the survival of the fittest is unavoidable. In the future, if China's exhibitions can compete on the same level by adopting BPA's standards of third-party international certification...it will lead to the continued development of the Shenzhen exhibition industry...and assure a fair marketplace among similar exhibitions."

Xiao Jiancheng, Deputy Secretary-general of the Guangdong Household Textile Industry Association mentioned third-party certified data as an attractant for potential overseas cooperation. "Prior to applying for BPA Worldwide third-party certification, the organizers of the exhibitions had to introduce themselves to potential exhibitors, which was not quite the objective," Jiancheng continued. "It has been found in the process of this certification that the verified data is more persuasive and helps overseas exhibitors gain a new knowledge of the exhibitions, which is instrumental in overseas investment attraction and exhibition invitation."



深圳国际家纺布艺暨墙纸家居饰品展览会

Home Decor Exhibition
shenzhen hometex

家居中国



For more information on this audit and on BPA's Events Audit services, visit the BPA Worldwide website at www.bpaww.com/ or call +1.203.447.2800.