

Research on the Development of Jinan's Convention and Exhibition Industry

Ying Lian *

School of Economics and Management Beijing Jiaotong University, China

**Corresponding author. Email: 375030647@qq.com*

ABSTRACT

The conversion of old and new kinetic energy is a major strategy for Jinan to achieve economic and social development by leaps and bounds. As a rising star in the tertiary industry, the Convention and Exhibition Industry plays a significant role in driving the economy. As a component of the cultural industry, it belongs to the "top ten industries" in Shandong Province for the conversion of new and old kinetic energy. There are huge opportunities for the development of Jinan's exhibition industry, but it also faces greater challenges. On the basis of grasping the status quo of Jinan's exhibition industry, this article analyses the path of the exhibition industry to drive the conversion of new and old kinetic energy from the perspectives of multiplier effect, correlation effect, scale effect, and agglomeration effect. To make Jinan's exhibition industry play a better role in the conversion of new and old kinetic energy, transportation planning should be improved, infrastructure should be improved; innovation should be strengthened to build brand exhibitions; various effects should be used to achieve economic development; and the role of the government and the market should be brought into play.

Keywords: *New and old kinetic energy Conversion, Convention and exhibition industry, Development of tertiary industry, Development path.*

1. INTRODUCTION

In recent years, China's exhibition industry has developed rapidly and has become a new growth point for the development of the national economy [1]. Relevant data shows that under the pressure of the economic downturn, our country has held 3,793 economic and trade exhibitions, a year-on-year increase of 3.5%; the total exhibition area is about 13,000 square meters, a year-on-year increase of 4.6%. China is in a key node of economic transformation and development. The "Overall Plan for the Construction of Shandong's New and Old Kinetic Energy Conversion Comprehensive Experimental Zone" issued by the State Council puts forward the requirements to build a national pioneer area for the conversion of new and old kinetic energy, create new impetus, and promote the high-quality development of Jinan. We will give full play to the leading, promoting, and radiating role of provincial capital cities to continuously build a "modern spring city" [2].

As one of the important components of the tertiary industry, the exhibition industry is not only the key to

improving the economy, but also a powerful boost to the transformation of old and new kinetic energy [3]. As a pathfinder for the transformation of national old and new kinetic energy, Jinan should continue to increase industrial structural adjustment and develop brand exhibitions and modern exhibitions. This paper analyses the path of the Convention and exhibition industry to promote the transformation of old and new kinetic energy, which has a certain positive significance for the development of Jinan Convention and exhibition industry under the background of the transformation of old and new kinetic energy.

2. LITERATURE REVIEW

2.1. Research on Exhibition Industry

Rob Davidson and Tony Rogers (2006) conducted research on the role and function of exhibition marketing. Zhiling Li (2011) used the theory of input-output and industry linkage effects to study the industry driving effects of the convention and exhibition industry in Yi Wu, the World Expo in Tsukuba in Japan, Hong Kong convention and exhibition industry, Beijing

convention and exhibition industry, and Shanghai convention and exhibition industry. The results show that the convention and exhibition industry is driving related industries, the effect is huge, so many cities have vigorously developed it as an important industry. Yuying Yang (2019) combed the development history of Chinese exhibition industry, and put forward corresponding countermeasures and suggestions for the current problems.

2.2. Research on Exhibition Industry in Jinan

Quilling Chen (2017) and Qingqing Wu (2017) discussed the current state of the development of Jinan's exhibition industry and analysed the necessary conditions for Jinan to become an important exhibition city [4]. Ansong Wang (2013) and Yongrun Zhu (2018) have conducted in-depth research on strategies to improve the development of Jinan's convention and exhibition industry, and proposed using multiple factors to enhance Jinan's convention and exhibition industry.

On the whole, there are few studies on the problems existing in the development of exhibition industry in Jinan and put forward targeted suggestions, and the research is not systematic.

3. DEVELOPMENT STATUS ANALYSIS

3.1. Status of Jinan's Convention and Exhibition Industry

Exhibition venues. The total number of exhibition venues in Jinan is quite large, but there are not many large-scale venues and venues that hold exhibitions in normal years. The construction of exhibition venues is a necessary condition for the development of the exhibition industry. Therefore, the construction of modern and professional exhibition venues is still an important link in the development of Jinan's exhibition industry.

Exhibition companies and employees. The overall number of exhibition companies in Jinan is relatively small, most exhibition companies do not have complete exhibition business and services. The "one-stop" service of the exhibition needs to be improved. The professionalism of exhibition employees is generally low and the turnover of personnel is too high. The industry needs to continuously cultivate new employees, which is not conducive to the improvement of efficiency and the development of exhibitions.

Exhibition scale and quality. The exhibition industry in Jinan has developed rapidly. Compared with the initial stage, the number, scale and grade of exhibitions have been greatly improved. However, the overall quality of the exhibition is uneven, and there is still a lot of room for improvement.

Degree of internationalization. Jinan's exhibition internationalization is not high. Although many exhibitions in Jinan are international in scope, the actual attraction to foreign businessmen is not enough. Neither from the perspective of the number of foreign exhibitors nor the strength of its own exhibition company have reached the requirements of internationalization.

3.2. Opportunities for the development of Jinan's convention and exhibition industry

3.2.1. Policy Support

In 2018, the State Council formally approved the "General Plan for the Construction of a Comprehensive Experimental Zone for the Conversion of New and Old Kinetic Energy in Shandong". As a pilot zone for the conversion of old and new kinetic energy, Jinan has naturally received great attention from the government. In principle, the proportion of funds used for conversion of new and old kinetic energy for tertiary industry, agriculture and rural areas shall not be less than 70%. Various related policies show that the government attaches great importance to the tertiary industry in Jinan. As an important part of the tertiary industry, exhibition tourism will inevitably receive more policy support.

3.2.2. Economic Conditions

Jinan is one of the important cities in the country's economic development, with a relatively solid economic foundation. The good development situation provides a strong economic foundation for the development of the exhibition industry. At the same time, the development of the convention and exhibition industry will also adversely affect economic growth. In the context of the conversion of new and old kinetic energy, the modern service industry accounts for an increasing proportion. The adjustment of this proportion will make all regions pay more attention to the development of the exhibition industry and give more economic and policy support.

3.2.3. Geographical Culture

As an ancient cultural city, Jinan is rich in tourism resources and attracts many domestic and foreign tourists every year. Convenient geographic transportation provides strong support for the logistics and people flow of Jinan's exhibition industry. The conversion of old and new kinetic energy requires the cultivation of new kinetic energy. As an important part of the new kinetic energy, exhibition tourism is self-evident. The development of rich historical and cultural resources of exhibition tourism provides innate advantages.

3.3. Requirements for the Development of Jinan's Convention and Exhibition Industry

3.3.1. Build Brand Exhibitions

Except for world-renowned exhibitions such as Food and Drinks Expo and Furniture Expo in Jinan, there are relatively few brand fairs and only five UFI certified exhibitions have been held in Jinan. Brand Expo accounts for less than 2.5% of the total number of exhibitions held in Jinan each year [5]. In addition, the quality and efficiency of Jinan exhibitions are very different. Some companies lack brand awareness and long-term concepts, resulting in homogenized exhibitions, leading to the dispersion of exhibition market resources and affecting exhibition brands. Therefore, Jinan should combine its own characteristics and strive to create competitive brand exhibitions.

3.3.2. Improve Traffic and Supporting Facilities

The booming development of the convention and exhibition industry is inseparable from convenient transportation and supporting infrastructure. However, Jinan's transportation planning is relatively backward, large public parking lots are insufficient. The parking problem of large-scale exhibitions is more prominent. In addition, the construction of the Jinan subway has just started, travel is not convenient enough, which has affected the creation of Jinan's overall commercial atmosphere. Therefore, Jinan should actively build supporting infrastructure and improve the convenience of travel.

3.3.3. Improve Management System

Holding exhibitions often involves many local departments. Poor coordination and management may lead to problems in surrounding traffic order and urban comprehensive management. The improvement of the exhibition management system must be rationalized. Although Jinan and the High-tech Zone have set up special funds to support the development of the exhibition industry, there is still a big gap compared with other cities. In addition, the functions of industry associations are not yet complete, the coordination, management and services are not in place, industry self-discipline still needs to be strengthened.

4. THE DRIVING EFFECT OF THE EXHIBITION INDUSTRY

4.1. Multiplier Path Analysis

4.1.1. Multiplier Path

As a government regulation tool, the multiplier effect has a significant impact on macroeconomic

activities. Specifically, it means that changes in independent variables in a certain economic activity will have a non-linear pulling or restraining effect on the overall economy of the society. The multiplier effect often appears in the development of regional economy. Its concept refers to the role of pulling and demonstrating the surrounding area through the use of industrial or geographical advantages. Its essence is that the relationship between the change of the independent variable and the multiplier causes the increase of the dependent variable.

There are two ways for the convention and exhibition industry to drive the conversion of new and old kinetic energy. One is direct promotion, that is, the holding of convention and exhibition activities to stimulate economic growth. On the other hand, it is indirect driving, indirectly driving service growth through the multiplier effect path. Statistics from the "China Exhibition Industry Development Report" shows that Jinan held 100 exhibitions in 2019, which not only brings direct income to Jinan, but also stimulates the development of various service industries related to exhibitions.

4.1.2. Multiplier Effect Path of Exhibition Industry

The multiplier effect of the convention and exhibition industry is embodied in: one is the investment multiplier effect, the second is the employment multiplier effect, the third is the consumption multiplier effect. Some Chinese scholars have defined the multiplier effect of the exhibition industry as follows: multiplier effect = (direct economic effect + indirect economic effect)/indirect economic effect [6].

Among them, the investment multiplier effect and employment multiplier effect are the direct economic effects of the exhibition industry, such as the income from direct venue leasing, construction and trade transactions, which will have a direct impact on the transformation of new and old kinetic energy. The consumption multiplier effect is an indirect economic effect. By increasing the economic benefits of other related industries, thereby driving economic growth. Relying on the background of the conversion of new and old kinetic energy, the role of the exhibition industry in the economy will be more significant.

4.2. Correlation Effect Path Analysis

4.2.1. Correlation Effect

The correlation effect means that the development of one industry will have an impact on the development of other related industries. The magnitude and intensity of the correlation effect differs depending on the industry.

As a comprehensive industry, the exhibition industry is self-evident with its strength in driving the industry. The main reason for its greater impact on the economy is the demand correlation between industries. The competition for urban development is nothing more than the accumulation of information technology, talents, resources, innovation and other elements, and these elements can be brought by the development of the exhibition industry. Therefore, it can be seen from the correlation effect theory of the exhibition industry that the development of the exhibition industry has a huge pulling effect on the conversion of Jinan's new and old kinetic energy.

4.2.2. The Correlation Effect Path of the Exhibition Industry

The influence of the convention and exhibition industry on the conversion of new and old kinetic energy is realized through the forward and backward industrial chains. Nowadays, the convention and exhibition industry acts as an indispensable bridge in economic development, and its development will counteract the development of urban infrastructure, catering, communications and other industries. These new investment demands will promote the development of backward sectors. By extensively linking various sectors of the service industry economy, we can improve the internal structure of the service industry, stimulate the innovation and development of various industries, and realize a virtuous circle of development, thereby effectively promoting the development of related industries.

4.3. Path Analysis of Scale Effect and Aggregation Effect

4.3.1. Scale Effect Path

The driving effect of exhibitions on the conversion of new and old kinetic energy is realized through the multiplier effect and the industrial correlation effect, while the scale effect and the agglomeration effect expand this driving effect, promote economic growth and development to a greater extent.

The scale economy effect of the exhibition industry is very significant, when the scale of exhibition activities exceeds a certain level, the increase in income will be far greater than the increase in investment. The scale economy effect path of the convention and exhibition industry's conversion of new and old kinetic energy is mainly manifested in the exhibition industry itself gaining scale benefits, and it also drives the development of other economic sectors, which is a direct drive.

One of the important ways for the convention and exhibition industry to achieve economies of scale is

mergers and acquisitions. Mergers and acquisitions enable the rapid expansion of the scale of exhibition companies, which makes it more likely to achieve economies of scale. However, China's exhibition companies are smaller in scale and have fewer listed companies. Few companies have sufficient strength, so they are often merged by foreign countries. Foreign exhibition companies have entered the Chinese market with their strong economic strength and rich management experience, especially threatening the survival and development of small exhibition companies.

4.3.2. Agglomeration Effect Path

The agglomeration economy can be seen as the deepening of economies of scale, the coordination and cooperation between related enterprises can form a huge agglomeration effect [7]. In places where industries are concentrated, companies generally have long-term fixed cooperative relations and common corporate cultural values, which provides favourable conditions for the establishment of social networks between companies, saves material and financial resources, and minimizes transaction costs. In addition, practitioners in the agglomeration area can communicate freely to improve the quality of employees. Therefore, the agglomeration effect of exhibitions is conducive to improving the service level of the venue.

5. SUGGESTIONS OF JINAN'S EXHIBITION INDUSTRY

5.1. Create Branded Exhibitions to Achieve Innovative Development

At present, the development of Jinan's convention and exhibition industry still has the problem of uneven regional development. On the one hand, it is because of the different economic and natural environments. On the other hand, the Matthew effect is significant, the phenomenon of homogeneity is serious. This question should start with the industry, because the industry is the foundation and main content of the exhibition. Jinan should develop the convention and exhibition industry in accordance with its advantageous industries, encourage the formation of local exhibition brands. In addition, the integration of the exhibition industry and the information technology industry still needs to be continuously strengthened [8].

5.2. Improve Transportation Planning and Infrastructure

Actively connect high-speed rail and other national channels to reduce the risk of regional diversion and improve the convenience of travel. Effectively connect surrounding cities and strengthen the economic circle centred on Jinan.

Scientifically formulate traffic organization measures, allocate "rights of way", and strive to achieve staggered peak periods, reduce road occupation, and ensure the smoothness of roads to the greatest extent. Transform and improve the traffic environment, increase the green area, and create a good foundation for the construction of global tourism. The construction and improvement of infrastructure, traffic environment, urban greening can improve the comprehensive level of Jinan, further improve the level and image of the city, and lay a solid foundation for the sustainable development of Jinan.

5.3. Give Full Play to the Driving Effect of the Exhibition

Spatial agglomeration, that is, the development and growth of "exhibition clusters" in geographically close regions can produce significant economic effects. The larger the scale and the higher the degree of agglomeration of the exhibition industry, not only can reduce various transaction costs, improve service efficiency, provide more comprehensive services, but also can optimize the entire exhibition industry system, promote the composition of brand exhibitions, and increase the visibility of the exhibition [9]. From the analysis of the conversion path of the old and new kinetic energy in the exhibition industry, it can be concluded that the scale effect and the agglomeration effect can expand the two paths of the multiplier effect and the correlation effect, which have an important role in promoting economic development. Therefore, attention should be paid to Jinan exhibition industry. Through Jinan's superior geographical location, we will strive to open up the surrounding exhibition industry, promote each other, complement each other, and achieve mutual benefit and win-win results, thereby generating greater assistance in the conversion of new and old kinetic energy.

5.4. Give Rational Play to the Role of the Government

The situation of government sponsorship in the convention and exhibition industry in our country is relatively common, and excessive government intervention may be detrimental to the reasonable allocation of market resources. Firstly, the government should strengthen the market-oriented role, adhere to the premise of market allocation of resources, strengthen the integration of exhibition resources, coordinate the market and the government, and guide the rational distribution of market resources [10]. Second, the government can also guide the legislature to gradually improve the relevant legal system of the convention and exhibition industry, improve legal regulations, strengthen the protection of brands and severely punish violations of regulations and laws. Finally, the

exhibition hall is an important hardware facility of the exhibition industry, and the number of exhibition halls has a significant driving effect on the service industry [11]. Therefore, the government should pay attention to the construction of exhibition halls, and increase the proportion and intensity of capital investment in this area.

6. CONCLUSION

From the analysis of the conversion path of the old and new kinetic energy in the exhibition industry, it can be concluded that the scale effect and the agglomeration effect can expand the two paths of the multiplier effect and the correlation effect, play an important role in promoting economic development. Agglomeration in space, the growth of "exhibition groups" in geographically close regions, can produce significant economic effects. Therefore, we should pay special attention to the agglomeration effect and scale effect of Jinan's exhibition industry. Through Jinan's superior geographical location, we should strive to open up the surrounding exhibition industry, achieve mutual benefit and win-win results, thereby accelerating the conversion of new and old kinetic energy.

This article analyses the driving effect of the development of the convention and exhibition industry on the transformation of the old and new kinetic energy by studying the driving path of the convention and exhibition industry on the service industry. According to the development status of Jinan exhibition and the research on the conversion of new and old kinetic energy, it is pointed out that the development of Jinan exhibition industry in the new environment must be adapted to the scale and speed of Jinan exhibition industry development through strengthening of innovation, building brand exhibitions, and improving infrastructure. This will promote the conversion of old kinetic energy to advanced fields such as emerging industries, and contribute to the construction of the pilot area for the conversion of new and old kinetic energy.

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