



Activity Update

Rural Trade Fairs Spotlight Innovation and Promotion

The USAID-funded Cambodia MSME Project promoted trade fairs for rural entrepreneurs to attract new customers and encourage rural firms to practice business promotion.



An estimated 25,000 potential customers attended the two-day trade fairs in Kampong Cham and Prey Veng provinces where they engaged with local firms across the swine, fish, and tile value chains.



Rural enterprises are stymied by poor promotion and weak business development skills. The Cambodia MSME Project's rural trade fairs proved to be an effective model for demonstrating the benefits of participation.

Cambodian trade fairs almost always take place in Phnom Penh and showcase businesses that are based in or around the capital. Most participants promote imported products rather than locally made products. Rural enterprises remain mostly isolated from the capital's markets, product and service suppliers, and credit providers. As a result, rural entrepreneurs often lack the confidence, as well as the know-how and ability, to promote their products and services, acquire new technologies, improve productivity and develop new relationships with like-minded firms. The MSME Project promoted a new growth channel for rural enterprises in 2008 by introducing provincial trade fairs in Kampong Cham and Prey Veng provinces.

MSME Project team worked with provincial officials, owners of fish, swine, and tile firms, and a limited number of national firms to develop a model for the trade fairs that had a local feel, practical result and could be promoted without subsidy. The trade fair in Kampong Cham town had 60 booths and drew an estimated 15,000 visitors. The trade fair in Prey Veng showcased 40 booths and drew more than 10,000. This was the first such event of its kind ever in Prey Veng and was very welcomed by the firms and local residents.

Project-assisted clients in the four value chains were provided with booths on a cost-shared basis ranging from a high of \$350 to as little as \$55. The participants included the Kampong Cham Swine Association, a local fish association, one large telecom firm, ACLEDA Bank, several local and Phnom Penh-based agriculture input suppliers, and firms selling technologies such as water-purifying and solar panel systems.

The late afternoon and early evening provided the crowds with the opportunity to engage in discussions with participating firms and observe their products. After dark, television entertainers drew large crowds and many families to the fair grounds. Previously unknown rural firms and associations gained broad exposure and thousands were introduced to their product and service offerings

Participants gained customers, networked with each other, opened direct channels to markets in Phnom Penh, discussed credit terms with ACLEDA bank, improved relationships with input suppliers, and networked with other business persons with similar interests. An important benefit for participants is that they learned the importance of business development and promotion. Provincial officials saw that tailored trade fairs can be a spark for economic development. The private firm hired to manage the event saw an opportunity to promote more their own trade fairs in more provinces in the future.