

# Research on Crisis Management of Conference and Exhibition Enterprises in Post-Epidemic Era

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**Abstract:** *The crisis is ubiquitous, the situation of the world today is extremely complicated, and the epidemic that ravages the world brings more uncertain factors to the global economic development and social stability. The convention and exhibition industry has been hit hard, and many planned convention and exhibition activities have been canceled. Under this background, the stakeholders, social managers and scholars of the exhibition industry pay new attention to how to cope with the impact of the crisis, which has become the focus of attention. Based on this, through combing the literature, discussing the types of the convention and exhibition crisis and the present situation of the convention and exhibition enterprises, this paper discusses the problems in the crisis management of the convention and exhibition enterprises, and puts forward the corresponding strategies to promote the benign development of the convention and exhibition enterprises and provide a new research direction for the research of the topic.*

**Keywords:** *Crisis management, Epidemic, Conference and exhibition enterprises*

## 1. Introduction

### 1.1 MICE

In a broad sense, MICE mainly includes meetings, incentives, conventions and exhibitions.

### 1.2 Crisis Management

There are many theories about crisis management. This paper is based on this theory, that is, the prevention before crisis, the emergency treatment in crisis, the formulation of measures after crisis, saving losses.

## 2. Types of Conference and Exhibition Crisis Management

The conference and exhibition crisis contains many factors, mainly in the following three aspects.

### 2.1 Natural Factors

Natural factors are artificially uncontrollable, including extreme weather, natural disasters and so on. For instant, during the construction of the convention and exhibition venues, the completion was delayed due to hurricanes and rainstorms, and even earthquakes, snow storms and floods forced the cancellation of the convention and exhibition activities.

### 2.2 Human Factors

Human factors include two aspects: One is human factors inside the exhibition enterprise, which is mainly human resource crisis caused by large-scale brain drain, enterprise credit crisis caused by mismanagement of someone or leader or other loss of public trust, financial crisis caused by broken fund chain or internal fund tension, and development strategy crisis caused by misdirection of enterprise development, etc. For example, the completion time of the venue is delayed many times, the drainage system of the exhibition venue is poor, and the valuable exhibition items are lost due to improper supervision. The second is the external human factors of the exhibition enterprises, mainly including the competition of competitors of the exhibition enterprises by improper means to hinder

other enterprises' development or increase their own profits, and the losses caused by other social personnel to the exhibition enterprises. For example, the terrorist attacks cause serious losses to the exhibition enterprises, other competitors produce similar products, social personnel or competitors make malicious remarks that harm the reputation of exhibition enterprises, and so on.

### ***2.3 Compound Factors***

The compound factors are complex, including human factors and non-human factors. Such as a fire caused by an accident, a sudden explosion of equipment, etc. As a result of major public crisis events or major natural disasters, the exhibition activities are cancelled. A typical example of this is the outbreak and increasing situation of the epidemic in 2002 forced the economy to press the pause key, and the exhibition industry was also affected. Many large-scale events were strictly ordered to be cancelled, which also made the exhibition organizers and hosts suffer huge losses. The international financial crisis in 2008 also brought great impact to China's convention and exhibition industry. Popular exhibitions such as real estate, tourism products showed a cold scene.

## **3. The Development Status of Convention and Exhibition Industry under Epidemic**

In 2020, affected by epidemic, the economy was nearly closed. According to incomplete statistics from China Convention and Exhibition Society, more than 3,500 domestic exhibitions have been forced to cancel or postpone, with losses worth more than 200 billion yuan. According to a data released at the end of March 2020, most of China's MICE enterprises belong to small and medium-sized enterprises, so their anti-pressure capacity is low, but their losses exceed 1 million more than half of the total surveyed enterprises. Large and medium-sized MICE enterprises, also suffered huge losses, accounting for more than half of their lost revenue in the first half of 2019. However, in the second half of the year, the convention and exhibition activities were restarted, many convention and exhibition enterprises resumed work and many enterprises returned to work to hold exhibition activities. Internet giant JD, social giant Tencent and local associations held exhibition activities.

## **4. Problems Exposed after Epidemic**

### ***4.1 The Conference and Exhibition Enterprises Lack of Emergency Plan for Emergency***

After the occurrence of COVID-19, the government ordered all gathering activities to stop and the activities of exhibition to be canceled. Most enterprises just passively waited for the government's notice of resumption and at the same time expected the government's supportive policies for the exhibition enterprises, hoping to help them tide over the difficulties. In addition, according to the statistics of relevant institutions, epidemic made some small and medium-sized exhibition enterprises struggling, even on the verge of bankruptcy. Large and medium-sized enterprises, though more resilient, were also under pressure from capital, such as the internal spending of enterprise personnel, huge rentals and so on. Nevertheless, some MICE companies were striving to survive, joining hands with other sectors to reduce the cost of the epidemic. For example, the 127th Cloud Canton Fair, an extraordinary move with obvious benefits, has been widely praised by people at home and abroad, attracting nearly 26,000 enterprises at home and abroad to participate in the exhibition.

### ***4.2 Lack of Cooperation in Convention and Exhibition Enterprises***

First, across countries with strong development of global convention and exhibition industry, most of them have established national associations of relevant industries. However, up to now, china has not established the national-level convention and exhibition industry associations, most of which are the local nature associations, which causes the enterprise and the government cannot carry on the timely and effective communication. Second, some exhibition enterprises fight alone without cooperation with other exhibition enterprises, which will increase the damage caused by the crisis. For example, in the prevention of COVID-19 infection, most MICE enterprises have done a good job in the protection of employees, but they are independent and generally lack of experience.

## **5. Development Strategy of Crisis Management in Convention and Exhibition Enterprises**

### ***5.1 Constructing Wisdom Exhibition and Establishing Perfect Crisis Management Mechanism***

#### ***5.1.1 Early Warning Mechanisms***

The convention and exhibition enterprise should innovate the management idea. But for the special industry of exhibition enterprise, the consciousness of thinking about danger is essential. First, leaders of conference and exhibition enterprises should integrate crisis management into daily management and corporate culture. For example, the board of directors repeatedly emphasizes its importance to senior and middle leaders through several meetings. Middle-level leaders can convene small meetings to discuss their value with grass-roots employees. The second is to construct a digital exhibition hall. Through the information technology, it can effectively simulate the number of people flow, security management, venue construction, deduction of business opportunities and other services. In addition, the development of information technology can enable the exhibition enterprises to forecast the changes in the market environment and find out the crisis from the details, so as to prepare in advance. Through the early-warning mechanism, the conference and exhibition enterprises can reduce the damage caused by the crisis.

#### ***5.1.2 Handling Mechanisms***

The convention and exhibition is a large-scale event involving many stakeholders. There will be unknown crises before and during the activities. Therefore, after the crisis, we should construct a more perfect handling mechanism. First, exhibition enterprises should take reasonable measures at the first time of the outbreak of the crisis to reduce the losses caused by the crisis. Second, best efforts should be made to protect the rights and interests of stakeholders such as exhibitors, organizers, professional audience and so on. The conference and exhibition enterprises should communicate with them in the first time, listen to their demands, so as to formulate a reasonable response plan. Third, all human resources, funds, activities and other behaviors should be a certain person or a certain response group unified dispatching, unified command, so as to ensure the orderly handling of the crisis. Through the above measures, enterprises can build a more perfect handling mechanism to reduce the damage caused by the crisis.

#### ***5.1.3 Recovery Mechanisms***

First, restore effective communication channels. Firstly, the exhibition enterprises should have face-to-face consultation or teleconferencing with the participants. Secondly, the convention and exhibition enterprise should conduct the public relations after the crisis in time, such as inviting official media or influential media to hold a press conference. Thirdly, build a temporary platform to speed up multi-party communication.

Second, restore the communication environment. Generally, there are two strategies: one is to release press releases to media or social platforms with high public attention after the crisis, such as Weibo, NetEase, Baidu and so on, in order to reduce the heat of public opinion. The other is to divert the public's attention and use other information to attract the public's attention. The information should arouse people's curiosity and attract enough eyeballs to reduce the adverse effects of the incident.

Third, establish an effective communication mechanism. Firstly, in the period of enterprise recovery, the enterprise should summarize its effective experience and deficiencies for the next crisis, which is the most important point. The second is to change the original and inappropriate way of communication to make it more scientific and rational. Thirdly, the enterprises should timely change the information release mode, so that it can adapt to the early warning management and strategic objectives of enterprises, to the change of the market environment, and match the communication channels.

Fourth, the crisis can't be eliminated as soon as possible due to its great harmfulness and wide scope, so the enterprise should restore the internal and external operation as soon as possible, which not only encourages the employees better, but also helps to remodel the brand image of the enterprise.

Fifth, it is necessary to negotiate compensation with stakeholders, which is the premise of renewed cooperation with them, and it is also the responsibility and obligation that an enterprise must undertake for its long-term development and legal provisions.

### 5.2 Drawing Lessons and Strengthening Multi-Party Cooperation

MICE is a special industry. As a service industry, it depends on multi-party cooperation to successfully hold a MICE, so both the pre-warning mechanism before the occurrence of crisis and the pre-processing plan after the occurrence of crisis need to be coordinated by various parties.

Therefore, the following recommendations are available for reference. First, the exhibition enterprises should strengthen the communication and cooperation with the government and establish national associations as soon as possible to withstand the risks brought by the crisis. The second is to strengthen their cooperation with the Internet enterprises and speed up the online and offline coupling. In recent decades, the exhibition is still dominated by industry, and network communication cannot replace face-to-face contact. However, big data, cloud computing and other emerging science and technology are the inevitable trend of the development of the times. Therefore, it is necessary to strengthen the connection with Internet companies, so that the development of online and offline can complement each other and reduce the losses caused by the crisis. Third, share exhibition hall information and strengthen cooperation within the industry. At present, the development of convention and exhibition enterprises is relatively scattered, without a certain scale and agglomeration effect. When a crisis occurs, the ability of individual convention and exhibition enterprises to resist the risk is poor. Therefore, communication and cooperation in the industry should be strengthened, including between exhibition enterprises and exhibition enterprises, and exhibition enterprises and the supply chains related to the exhibition. Share the industry information within a certain period of time, so as to increase the ability to resist risks.

### 5.3 Retaining Internal Excellent Talents and Introducing High-Quality Talents

No matter the establishment and perfection of the crisis management mechanism, or the development of the exhibition enterprise, it cannot be separated from the subjective initiative behavior of people. Therefore, the exhibition enterprises should strengthen the talent construction.

First, we should strengthen the training of internal employees, improve their cognition and working ability, and make them the mainstay of the company. The second is to retain internal outstanding talent and introduce high-quality talent. The conference and exhibition market after epidemic will certainly welcome the development opportunity of "blowout." Opportunities are fleeting, and it is necessary for exhibition enterprises to resume their operations quickly, but these cannot be separated from high-quality talents. Therefore, the convention and exhibition enterprises should strengthen the reserve force of talents in order to speed up the restoration of their own brand image.

## 6. Summary

SARS, the financial crisis and COVID-19 which ravaged the world this year, are all major tests of the ability of China's convention and exhibition enterprises to manage crises. Under the background of epidemic prevention and control, the crisis management of exhibition enterprises has become the focus of public opinion. However, this epidemic has exposed the problems of crisis management in China's exhibition enterprises, such as the general lack of crisis management mechanism in the industry, the passive waiting for government measures, the lack of national industry associations, the lack of cooperation with government agencies, social organizations, other fields and so on. Based on this, this paper thinks that it is necessary to make full use of the existing information technology to build digital guild halls and realize the integrated development of online and offline, so as to reduce the loss caused by the crisis.

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