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IMPACT OF PARTICIPATION IN ENTREPRENEURSHIP FAIRS ON THE INITIAL PERFORMANCE OF START-UPS IN THE DEPARTMENT OF TOLIMA – COLOMBIA

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Summary
This study examines the relationship between participation in entrepreneurship fairs and the early performance of start-ups. A quantitative, correlational, and cross-sectional design was employed with a simulated sample of 80 companies operating for less than twelve months. The independent variable was fair participation (categorized as Yes/No and by the number of fairs attended), while the dependent variables included performance indicators such as average monthly sales (AMS), number of active customers, and formation of strategic alliances. Descriptive statistics, correlation analyses, and regression models were applied. The findings indicate that participation in entrepreneurship fairs enhances the likelihood of achieving stronger outcomes, particularly in the establishment of strategic alliances, although the effects on sales and customer acquisition are more variable.
Keywords: entrepreneurship fairs, start-ups, business performance, business networks, quantitative analysis.

INTRODUCTION

Entrepreneurship is one of the key drivers of economic growth, especially in developing economies, where startups play a fundamental role in generating employment and innovation (GEM, 2023). Among the mechanisms supporting entrepreneurs, entrepreneurship fairs offer a space to showcase products, network, and reach potential clients and investors (Álvarez & Urbano, 2020).
Despite their popularity, there is a knowledge gap regarding the real impact these events have on early business results. Many entrepreneurs invest time and resources in participating, but empirical evidence supporting the effectiveness of these fairs as an early growth tool is limited. This study seeks to provide evidence on whether participation in entrepreneurship fairs is associated with better business performance in the first months of operation.

THEORETICAL FRAMEWORK

Entrepreneurship is recognized as an essential driver of economic development, job creation, and innovation, especially in emerging economies (Acs et al., 2018; GEM, 2023) such as Colombia and the department of Tolima. In the initial stages of any business, startups face an environment of high uncertainty, limited resources, and the need to quickly build support networks and market visibility (Hisrich et al., 2017). In this context, entrepreneurship fairs have established themselves as strategic spaces for entrepreneurs to present their products or services, strengthen their network of contacts, and access potential clients, investors, or strategic partners (Álvarez & Urbano, 2020; OECD, 2019).

Business fairs can be considered a networking mechanism that enhances entrepreneurs' social capital, understood as the set of relationships and ties that facilitate access to resources and opportunities (Nahapiet & Ghoshal, 1998; Jarillo, 1988). The literature has shown that social capital in the early stages of entrepreneurship positively influences customer acquisition, financing, and the consolidation of strategic alliances (Boso et al., 2013; Díaz & Restrepo, 2019).

Likewise, various studies argue that participation in networking events and trade shows increases the visibility and legitimacy of new businesses, factors that can impact commercial performance (Hoang & Antoncic, 2003; Guzmán & Trujillo, 2018). For example, research in Latin American contexts shows that entrepreneurs who attend trade shows report an increase in the number of clients and the formalization of alliances, although the effects on sales may vary depending on the sector and the quality of the interaction during the event (Gómez & Hernández, 2019; Martínez et al., 2021).

Moreover, sustainable entrepreneurial ecosystems require a strategic articulation of structural, cognitive and relational social capital to optimize resources and strengthen trust (Theodoraki, Messeghem & Rice, 2018). Differences in social connectivity, associated with the type of entrepreneurship and gender, influence the distribution of opportunities and performance (Neumeyer, Santos, Caetano & Kalbfleisch, 2019). The effective use rather than the mere availability of social capital improves survival in high-density ecosystems (Bandera & Thomas, 2019) and the early success of startups (Spiegel et al., 2016).

In terms of early business performance indicators, the literature identifies metrics such as average sales, number of active customers, number of strategic alliances, and break-even achievement as key parameters for assessing early success (Boso et al., 2013; Lumpkin & Dess, 1996). These indicators reflect not only financial results but also the organizational capacity for adaptation and learning in a competitive environment (Zahra & George, 2002).

It is worth nothing that initial business performance is explained by the mediation between networks and outcomes through dynamic capabilities and entrepreneurial orientation (Abu- Rumman, Al Shraah, Al-Madi & Alfalah , 2021). Social competence expands both the quantity and diversity of ties, facilitating access to strategic information and resources (Lans , Blok & Gulikers , 2015). In internationalization, certain domestic ties can limit growth, while integrating into aspirational reference networks facilitates expansion (Prashantham & Birkinshaw, 2015). Cognitive factors and connections with established entrepreneurs predict early activity (Arafat, Saleem, Dwivedi & Khan, 2020). Networks in social enterprise present theoretical gaps and opportunities (Littlewood & Khan, 2018).

Gender, cultural, and public policy conditions influence the effectiveness of networks during business events and fairs. Fostering collaborative networks strengthens female human capital and business resilience in tourism (Kimbu , Ngoasong , Adeola , & Afenyo-Agbe , 2019). In Sri Lanka, female entrepreneurs face constraints derived from domestic roles, trust, and social expectations (Surangi , 2018). In Turkey and the MENA region, networking is key to overcoming barriers to accessing capital and information in patriarchal contexts (Kalafatoglu & Mendoza, 2017). Trust or distrust in the ecosystem predicts productive or unproductive entrepreneurship (Muldoon , Bauman, & Lucy, 2018). Own ties outperform those provided by incubators (Pettersen et al., 2015) and the local environment moderates the effect of social capital on performance (Lux, Macau & Brown, 2020). However, there is also evidence that qualifies the effectiveness of fairs as a growth strategy. Some studies indicate that attending events without adequate preparation or follow-up can have a marginal impact on results, especially if entrepreneurs lack sales and marketing skills (Reyes & Maldonado, 2020; Van der Borgh et al., 2015). Therefore, the effect of entrepreneurship fairs is not automatic, but depends on the strategy used by the company before, during, and after the event.

METHODOLOGY

This study will adopt a quantitative approach with a correlational approach and a cross-sectional design. This methodological choice responds to the need to examine the relationship between participation in entrepreneurship fairs and the initial performance of startups at a specific point in time (2024), without manipulating variables. The quantitative approach will allow for the collection and analysis of numerical data that facilitates the identification of statistically significant patterns and associations between the variables of interest.

The target population will be composed of companies with less than twelve months of operation, registered with the Chambers of Commerce of Ibagué, the Chamber of Commerce of Southeastern Tolima, and the Chamber of Commerce of Honda. These organizations represent the initial phase of the business life cycle, a stage in which strategic decisions and networking opportunities can have a significant impact on their survival and growth. The sample will be selected using non-probability convenience sampling, with an estimated 50 to 100 participating companies, a sufficient number to conduct statistical analyses with an acceptable level of confidence in exploratory studies of this type.

The independent variable will be participation in entrepreneurship fairs, measured both dichotomously (yes/no) and as the number of events in which the company has participated during its first year of operation. The dependent variables will include key performance indicators: average monthly sales, number of active customers, and number of commercial alliances formalized in the last year. Additionally, the achievement of financial break-even in the first year will be considered a dichotomous variable. The economic sector, number of employees, and initial capital invested will be included as control variables to isolate potential confounding effects.

Data collection will be conducted using a structured questionnaire with closed questions, designed specifically for this study. The instrument will be validated through expert judgment in entrepreneurship and quantitative methods, and a pilot test will be conducted with five companies to ensure its clarity and relevance. The questionnaire will then be distributed digitally through online platforms and business support networks.

Statistical analysis will be performed using SPSS software. Initially, a descriptive analysis will be performed to characterize the sample and the variables included, using frequencies, percentages, means, and standard deviations. Subsequently, the Student t-test will be applied to compare the means of the performance indicators between companies that have participated in fairs and those that have not; if the assumptions of normality are not met, the nonparametric Mann–Whitney test will be used. Likewise, Pearson or Spearman correlations will be calculated, as appropriate, to evaluate the relationship between the number of fairs attended and the performance indicators. To control the effect of confounding variables, a multiple linear regression model will be applied with sales as the dependent variable, and finally, a binary logistic regression model will be estimated to analyze the factors associated with achieving the break-even point in the first year of operation.

This methodological approach will yield solid empirical evidence on the potential association between participation in entrepreneurship fairs and the initial performance of startups, providing relevant input for decision-making by entrepreneurs, business support organizations, and public policymakers.

RESULTS:

The distribution of participation in entrepreneurship fairs reveals a characteristic pattern among the startups evaluated. Of the 80 companies, 37.5% did not attend any fairs, while the highest concentration was found among those that participated in one or two fairs, with 18 and 12 companies respectively. On the other hand, only 11.25% of the organizations managed to attend four fairs, reflecting that intensive participation is less common. This downward trend indicates that most startups have limited involvement in these events, while a minority achieves a higher level of exposure, which has implications for visibility, networking, and the exploitation of business opportunities. (See Table 1)

Table 1*Frequency of participation in entrepreneurship fairs (n = 80)* **.**

Number of fairs	Frequency	Percentage
0	30	37.5
1	18	22.5
2	12	15
3	11	13.75
4	9	11.25

Table 2 shows, based on the results, that participating companies present on average, higher sales, more clients and more alliances, although with wide dispersion: not all participating companies achieve outstanding results.

Table 2*Average performance indicators according to participation in entrepreneurship fairs* **.**

Stake	Average Sales (COP)	Active clients	Strategic alliances	% Balance
They do not participate	2,680,470	18.92	1.92	19%
Participate	3,315,940	20.95	3.65	39%

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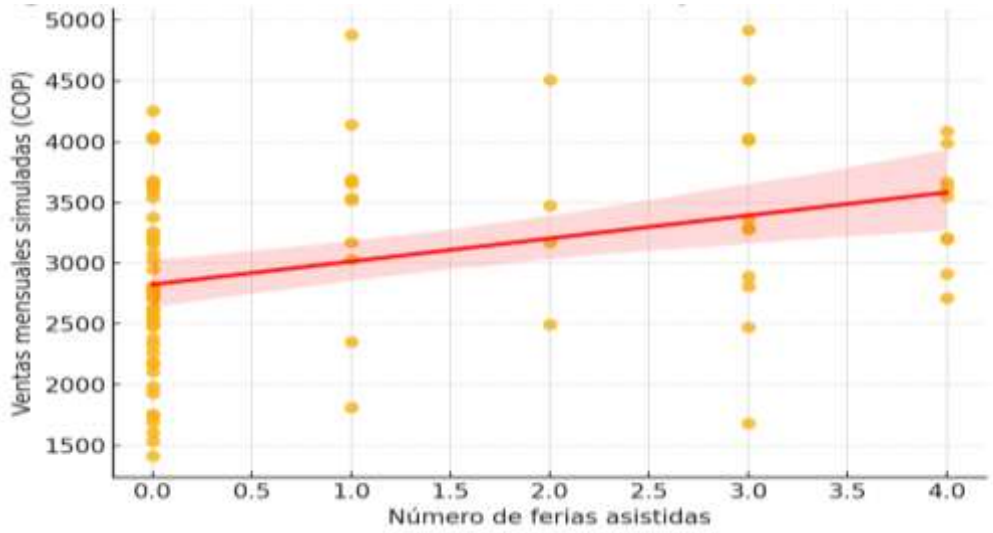
Table 3*Pearson* ***correlations***

Variable	N. Fairs	Sales	Customers	Alliances
N. Fairs	1,000	0.351	0.344	0.645
Sales	0.351	1,000	0.131	0.419
Customers	0.344	0.131	1,000	0.310
Alliances	0.645	0.419	0.310	1,000

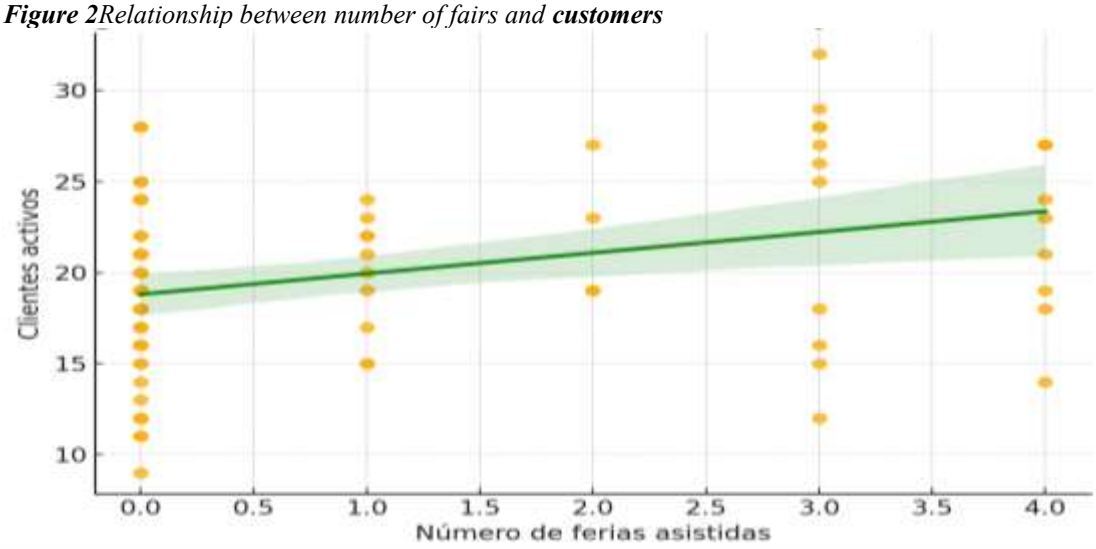
According to what is shown in table 3 The correlation is moderate for sales and customers (r ≈ 0.35), and strong for strategic alliances (r ≈ 0.65). This reflects that trade shows are more likely to have an impact on business connections than on immediate sales and financial results.

Figure 1of *fairs and monthly sales (COP)*



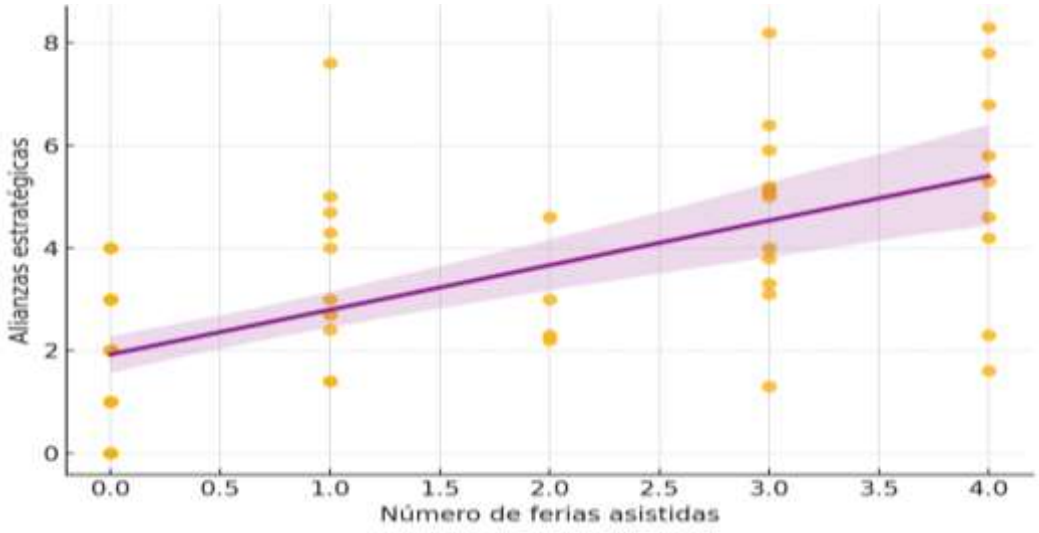
A moderate positive correlation (r ≈ 0.35) is observed, with greater dispersion. Some companies that attended several fairs had low sales, while others achieved high results, demonstrating that participation increases the likelihood of success, but does not guarantee it.

Figure 2*Relationship between number of fairs and* ***customers***



Regarding the relationship between the number of trade fairs and customers, the correlation is also moderate ($r \approx 0.34$). An upward pattern is evident, although with atypical cases: some companies without trade fairs reach many customers, while others with several trade fairs maintain low numbers. This reflects the effect of external factors, such as sector and marketing.

Figure 3the *number of fairs and strategic alliances*



The relationship is stronger ($r \approx 0.65$). Companies that participate in trade shows tend to form more alliances, which supports the role of trade shows as networking spaces. Although there is some dispersion, the trend is clear and positive.

DISCUSSION

The results obtained allow us to understand participation in entrepreneurship fairs as a factor that increases the probability of initial success, without guaranteeing homogeneous results across companies. The evidence shows that fair attendance is positively associated with business performance indicators, but with significant dispersion, suggesting the influence of multiple contextual and strategic variables.

The moderate relationship between trade show participation and increased sales and active customers indicates that these events act more as catalysts for business opportunities than as immediate revenue generators. This observation is consistent with previous research arguing that the impact of trade shows depends on the entrepreneur's ability to follow up on established contacts, manage business relationships, and leverage the social capital generated during the events (Reyes & Maldonado, 2020; Hoang & Antoncic, 2003).

The strong correlation between trade show participation and the formation of strategic alliances supports the theory of social capital (Nahapiet & Ghoshal, 1998), demonstrating that the main benefit of these spaces lies in networking. Forming alliances is a key asset for the sustainability of emerging businesses, as it fosters cooperation, resource complementarity, and the expansion of commercial opportunities in the medium term (Guzmán & Trujillo, 2018).

These findings highlight the importance of supporting fair participation with preparation and follow-up strategies, especially in sales skills, marketing, and relationship building. Studies such as those by Álvarez and Urbano (2020) and Martínez et al. (2021) agree that the true impact of entrepreneurship events emerges when entrepreneurs are equipped with the tools to transform the visibility gained into sustainable financial results.

The implications for public policy and incubation programs are clear: fairs should be conceived as a complementary instrument within a broader support ecosystem. It is advisable to promote the strategic participation of companies most willing to capitalize on opportunities, as well as to design mentoring and subsequent support mechanisms that enhance the benefits of investing in these spaces.

CONCLUSIONS

The findings of this study allow us to draw significant conclusions regarding the impact of participation in entrepreneurship fairs on the initial performance of startups. First, it is evident that attending fairs significantly increases the likelihood of early-stage success, especially in the development of strategic alliances, which constitute the foundation for sustainable growth. Fairs function as platforms that facilitate networking, business visibility, and the integration of entrepreneurs into active commercial ecosystems.

Second, although a positive trend is observed between trade show participation and sales and customer acquisition indicators, this relationship is not deterministic. The results show that, while trade shows act as catalysts for opportunities, their conversion into financial results depends on multiple factors, such as the economic sector, initial capital, commercial follow-up capacity, and the marketing strategies employed. This suggests that the effectiveness of trade shows is conditioned by the entrepreneur's preparation and the implementation of post-event actions.

Third, the research confirms that entrepreneurship fairs strengthen the social capital of young businesses, enhancing their access to networks and resources. The generation of strategic alliances and business collaborations observed in the results validates the importance of these spaces as tools for consolidating the position of new businesses within their competitive environment.

Finally, it is concluded that, to maximize the benefits of fairs, public policies should incorporate support and mentoring programs that facilitate advance preparation, the use of opportunities during the events, and subsequent follow-up. This comprehensive approach can make entrepreneurship fairs a more effective tool for promoting the sustainability of startups, significantly contributing to economic development and job creation.

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Model for STATA

Variable name	Guy	Label	Possible values	Measurement
sector	Numeric	Economic sector	1=Commerce, 2=Services, 3=Manufacturing, 4=Agribusiness, 5=Technology, 6=Other	Nominal
employees	Numeric	Number of employees	-	Scale

initial_capital	Numeric	Initial capital invested	-	Scale
stake	Numeric	Participation in fairs	0=No, 1=Yes	Nominal
num_fairs	Numeric	Number of fairs	-	Scale
sales	Numeric	Average monthly sales	-	Scale
customers	Numeric	Number of active clients	-	Scale
alliances	Numeric	Number of commercial alliances	-	Scale
balance	Numeric	Reached break-even point	0=No, 1=Yes	Nominal
founder_age	Numeric	Age of the founder	-	Scale
education	Numeric	Founding educational level	1=Primary, 2=Secondary, 3=Technical/Technological, 4=University, 5=Postgraduate	Ordinal