

# *Contribution of Exhibition Industry Fund to High-quality Economic Development*

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**Abstract:** In the whole year of 2019, Jiangxi's convention and exhibition industry produced direct economic benefits of about 14.2 billion yuan and indirect economic benefits of about 112.7 billion yuan. The total industry volume was considerable and the economy was obviously driven. In 2020, the world is facing an unprecedented change, and the deep-seated contradictions in global development are prominent. The global pandemic of pneumonia in COVID-19 accelerates the change of world pattern, and the world economy is still in a downturn, and the global industrial chain supply chain is facing impact due to non-economic factors. The international economy, science and technology, culture, security and politics are undergoing profound adjustments, and the world has entered a period of turbulent change. Make every effort to promote the establishment of "provincial exhibition industry fund" in Jiangxi, and make detailed plans and implementation plans from the fund side, project side, operation side and guarantee side, with multi-level linkage and complementary advantages. By means of industrial funds, we will accelerate the high-quality leap-forward development of Jiangxi's convention and exhibition industry, create a "new engine" for Jiangxi's economic development, lay a solid foundation for building a prosperous, beautiful and happy modern Jiangxi, and promote the formation of a new development pattern with the domestic big cycle as the main body and the domestic and international double cycles promoting each other.

## **1. Introduction**

During the "Thirteenth Five-Year Plan" period, Jiangxi made remarkable achievements, and its economic growth rate ranked the first phalanx in the country. The income level of urban residents continued to increase, and all undertakings made new progress. However, Ren Zhong still has a long way to go to achieve the goal of high-quality economic development. We should accelerate the high-quality leap forward development of Jiangxi's Convention and exhibition industry, create a "new engine" for Jiangxi's economic development, lay a solid foundation for the construction of a prosperous, beautiful and happy modern Jiangxi, and promote the formation of a new development pattern with the domestic big cycle as the main body and the domestic and international dual circulation promoting each other.

## 2. Jiangxi Convention and exhibition industry has achieved good results

### 2.1 Remarkable achievements of Jiangxi exhibition industry in 2019

(1) The total amount of the industry is considerable, and the driving force of the economy is obvious

In 2019, Jiangxi's convention and exhibition industry produced direct economic benefits of about 14.2 billion yuan and indirect economic benefits of about 112.7 billion yuan. In this year, 152 exhibitions of over 5,000 square meters were held in the province, with a total exhibition area of 2,835,250 square meters; nearly 2000 meetings with more than 300 people were held, covering an area of nearly 900,000 square meters; and 243 festivals and events were held. In 2019, there are totally 15 exhibition halls in Jiangxi Province with an indoor rentable area of more than 5,000 square meters, with a total indoor rentable area of 495,340 square meters.

(2) Its comprehensive benefit is remarkable and it is the key to urban development

① In terms of economic benefits. In 2019, the direct economic benefit of Jiangxi's exhibition industry was about 14.2 billion, and the indirect economic benefit was about 112.7 billion. The prosperity of Jiangxi's convention and exhibition industry has stimulated the vitality of market players, released huge economic potential, and has become a "new engine" for driving high-quality economic development.

② In terms of social benefits. The exhibition industry prospered the social economy, raised consumption levels, increased residents' sense of acquisition and happiness, and promoted the promotion and application of new technologies and the implementation of new policies, promoted advanced cultural concepts, and created a good social atmosphere.

③ In terms of industrial benefits. The exhibition industry promotes the adjustment of the province's industrial structure, explores large-scale markets and improves the industrial system, improves the elements of the exhibition industry, takes major exhibition activities as the starting point, creates a link platform that is conducive to the rapid and large-scale application of new technologies and iterative upgrades, and accelerates scientific and technological achievements Transform into actual productivity, promote the full development of related industries, improve the level of the industrial chain, and innovate and explore the integrated development path of "industry + exhibition".

④ In terms of space benefits. The gathering of event space in the exhibition industry promotes the growth of external economies of scale, and the spread of space breaks the urban-rural dual structure, optimizes urban space, and maximizes space benefits.

⑤ In terms of urban benefits. The high-standard development of the convention and exhibition industry promotes the upgrading of urban functions, enhances the competitiveness of cities, and stimulates the vitality of urban consumption, becoming a powerful tool for promoting urban development. Nanchang, the capital of Jiangxi Province, has won the "Annual China's Best Convention and Exhibition Destination City Award", "Glorious 70th Anniversary·China's Most Influential Exhibition City Award" and other honors, showing the city's highlights.

(3) Brand activities are high-end and have a wide influence at home and abroad

In 2019, Jiangxi successfully hosted the 11th Central China Investment and Trade Expo, the 2nd World Jiangxi Business Conference, the 2nd World VR Industry Conference, the 17th China International Agricultural Trade Fair, China Jingdezhen International Ceramics Expo, the 50th National Medicinal Materials and Drugs Fair, the 12th China Green Food Expo and many other high-end major brand exhibitions at home and abroad, which brought great influence. At the same time, the international development momentum is good, and participation in national and overseas exhibitions is frequent.

In addition, Jiangxi Province started from the top-level design, scientific layout planning, and constantly issued favorable policies and innovative ideas to improve the business environment for the development of exhibition industry. All cities in the province attach great importance to convention and exhibition economy, and regard convention and exhibition industry as an important driving force for economic growth. At the same time, staffing and policy and financial support are in place to further create a good environment for the prosperity and development of convention and exhibition industry in Jiangxi.

### **3. Advantages and disadvantages of exhibition industry in Jiangxi Province**

#### **3.1 Development advantages of Jiangxi Convention and exhibition industry**

##### **① Location advantage - unique geographical location**

Jiangxi is the only inland province adjacent to "Chang Zhu Min" at the same time. It is located between the richest Pearl River Delta and the Yangtze River Delta in China. It has a railway artery connecting the capital in the north and Hong Kong and Macao in the south. It will enter the era of high-speed rail in 2020. City city one belt, one road, the most important city in Jiangxi, the important central city of the middle reaches of the Yangtze River and the important city of central China's rise are the capital of Nanchang. The unique geographical advantages make Jiangxi have great potential to develop exhibition economy.

##### **② Economic advantage - steady increase in total economic volume**

In 2019, the GDP of Jiangxi Province will reach 2475.75 billion yuan, with a growth rate of 1.9 percentage points higher than that of the whole country, ranking fourth in China and first in Central China. The economic structure of Jiangxi Province has been continuously optimized, the tertiary industry has increased by 9.0%, and the industrial structure ratio is 8.3:44.2:47.5.

##### **③ Industrial advantages strong support for industrial development**

Jiangxi is building an advantageous industrial cluster with the linkage development of electronic information, non-ferrous metals, equipment manufacturing, automobile and aviation manufacturing, cultivating six emerging leading industries, namely, mobile Internet of things, VR, big data and cloud computing, biomedicine, new energy, energy conservation and environmental protection, and promoting the transformation and upgrading of five traditional advantageous industries including petrochemical, building materials, textile and clothing, steel and food To promote the high-quality development of tourism and ceramic industry.

##### **④ Resource advantage beautiful environment and rich resources**

Jiangxi is a "red cradle, green home", with many celebrities, bright culture and rich tourism resources. In addition, Jiangxi is known as the "tungsten capital of the world", "Rare Earth Kingdom", "copper capital of China" and "hometown of non-ferrous metals". Good natural environment and profound historical and cultural accumulation can attract more exhibition organizers and conference organizers to choose Jiangxi as the exhibition destination.

##### **⑤ Cost advantage - significant decrease in cost gradient**

Jiangxi is located in the common hinterland of "two continents and one district". Compared with the coastal areas, Jiangxi has the advantage of cost gradient reduction. The main cost of organizing exhibition units comes from the exhibition hall rent and labor cost. Jiangxi Province has obvious advantage in organizing exhibition cost, especially in professional exhibition halls and conference hotels. The total number of employees in Jiangxi's service industry is more than 500,000. In 2019, the average annual salary of service industry personnel is 49,468 yuan, which is lower than that in the surrounding economically developed areas. Lower labor cost is conducive to more exhibition enterprises or projects landing in Jiangxi.

### 3.2 Insufficient development of exhibition industry in Jiangxi Province

Compared with North, Shanghai, Guangzhou and Shenzhen, where the exhibition economy is developed, and neighboring Hunan and Hubei provinces, the development of exhibition economy in Jiangxi Province is restricted by the following unfavorable factors:

① The number of professional exhibition halls is insufficient, and the infrastructure facilities are relatively backward

At present, there are 15 professional exhibition halls in Jiangxi Province, with an indoor exhibition area of more than 400,000 square meters. There are only two large-scale professional pavilions: Greenland International Expo (140,000 square meters) and International Automobile Exhibition Center (130,000 square meters). In addition to Nanchang, other professional pavilions are small pavilions, with an area of no more than 40,000 square meters. Ji'an, Fuzhou and Pingxiang have not yet built professional exhibition halls. On the whole, there is a fault between the super large exhibition hall and the small and medium-sized exhibition hall, and the medium-sized exhibition hall with 50,000 square meters to 100,000 square meters is vacant. Due to the lack of large-scale logistics distribution centers in Jiangxi Province, large-scale exhibitions need to rely on the distribution centers of other provinces for transportation, which is time-consuming, high-cost, and inconvenient transportation of large-scale equipment, which seriously affects the undertaking and holding of large-scale activities in this region.

② Brand exhibition activities are less, leading and driving effect is weak

Jingdezhen porcelain Fair and Yichun medicine fair are local brand exhibition activities in Jiangxi Province. In recent years, a number of new Jiangxi brand exhibition projects are gradually developing and expanding, such as the world VR industry conference, the world Jiangxi business conference, etc. in the future, they will form a joint force with traditional brand exhibitions to jointly help the development of the exhibition industry in Jiangxi Province. On the whole, the brand exhibition projects in the whole province still have some problems, such as small number, low level, vague positioning, lack of brand awareness and market focus.

③ Leading enterprises lead to vacancies, and the strength of exhibition organizing companies is weak

The scale of Jiangxi Convention and exhibition enterprises is generally small, UFI (Union of international fairs) and ICCA (International Congress & Convention Association) are still blank, leading exhibition enterprises are in vacancy. Most of the companies that are engaged in exhibition organizing and service have not yet formed a "one-stop" exhibition platform.

④ Regional development is uneven, and industrial advantages have not been highlighted

Nanchang, the capital of Jiangxi Province, is far ahead in terms of the number, quality and influence of the exhibition projects, with a significant leading position. Among the other 10 cities in the province, the development level of Ganzhou is slightly higher, and the development gap among cities is small. In addition, the combination of exhibition industry and industry in the provincial capital is relatively low, and the pillar industries, advantageous industries and strategic industries in various cities are not closely linked with the exhibition industry. In recent years, the "industry + Exhibition" mode has gradually become the mainstream trend of the development of the exhibition industry in Jiangxi Province. In the future, through the development of diversified exhibition activities to promote production, the industrial advantages will be further highlighted.

⑤ Lack of exhibition talents and lagging development of reception service

With the rapid development of the exhibition industry in Jiangxi Province, the problem of the lack of exhibition professionals is gradually emerging, which restricts the development of the exhibition industry in Jiangxi Province. There is a big gap in professional skills and management level between employees and developed provinces of exhibition industry. Due to the low salary of

exhibition industry in Jiangxi Province, it is difficult to introduce and retain senior professionals.

#### **4. The future development mode and Countermeasures of Jiangxi Convention and exhibition industry**

##### **4.1 Countermeasures for the future development of Jiangxi Convention and exhibition industry**

###### **① Fully implement the strategy of opening exhibition**

The first is to fully exploit the regional advantages of Jiangxi's Yangtze River Delta and Pan Pearl River Delta, relying on eight strategic industries and two dominant industries, so as to build Jiangxi into a strong exhibition Province in the central region. Secondly, the strategy and operation should be carried out along the main line of ecological and professional development. Jiangxi provincial governments at all levels should vigorously promote the brand image and core competitiveness of Jiangxi Convention and exhibition industry by developing green exhibition economy, so as to realize the ecological exhibition industry. Third, it is necessary to make overall plans for "bringing in" and "going out" at a high level, fully implement the foreign investment law, adhere to the simultaneous development of attracting capital, technology and intelligence, deeply implement the "three hundred project" of attracting large and strong enterprises, and continue to carry out the "three requests, three returns" and "three enterprises" entering Jiangxi.

###### **② Continue to promote the structural reform of exhibition market**

We should give full play to the decisive role of the market in the allocation of resources and accelerate the market-oriented reform of Jiangxi mice. First, it is necessary to strengthen the vitality of the main body of the exhibition market, focusing on the cultivation of influential local exhibition enterprises and industrial leading enterprises in China. Second, it is necessary to promote the development of the elements of the exhibition industry chain, scientifically match the input of industrial factors, make up for the shortcomings, and expand the market space of the exhibition industry. The third is to optimize the development environment of exhibition enterprises, focus on strengthening the development of exhibition informatization, and build a public information service platform of MICE industry in the whole province.

###### **③ Strengthening the construction of supporting system for leading the development of exhibition industry**

The government should do a good job in the top-level design, carry out the macro layout, and strengthen the construction of the supporting system leading the development of the exhibition industry

First, it is necessary to build a multi-level government and multi-party joint efforts to support the exhibition. The government should issue relevant documents to comprehensively lead by streamlining administration and delegating powers, improving systems, building systems, standardizing operation and protecting rights and interests.

Second, we should continue to pay attention to the construction of exhibition service facilities. We should encourage and support local cities to build professional exhibition halls according to the local exhibition needs, and improve the transportation, accommodation, storage and other infrastructure needed for the development of the exhibition industry.

Third, we should strengthen technology to lead the development of exhibition industry. We will enhance the informatization level of Jiangxi Convention and exhibition industry, and vigorously promote the deep integration of convention and exhibition industry with "six major forms" of digital economy, intelligent economy, green economy, creative economy, flow economy and sharing economy.

#### ④ Strengthen efforts to cultivate enterprises in the upper and middle reaches of exhibitions

China has entered the stage of high-quality development, and the main social contradictions have been transformed into the contradiction between the people's growing needs for a better life and unbalanced and inadequate development. The per capita GDP reached 10000 US dollars, the urbanization rate exceeded 60%, and the middle-income group exceeded 400 million people. The people's demands for a better life and the demand for exhibition activities were also increasing. First, it is necessary to improve the level of specialization, expand the popularity and influence of Jiangxi Convention and exhibition, and increase the publicity of exhibition activities. Second, it is necessary to continue to increase support for the upstream exhibition organization enterprises, and take corresponding tax incentives, financial subsidies and other measures. Encourage the first echelon exhibition enterprises in the province to actively apply for joining the International Convention and exhibition organization, and cultivate the first batch of exhibition leading enterprises in the province. Third, we should strive to promote the supporting construction of medium-sized exhibition halls with an area of 50000-80000 square meters, build a reasonable level and clear gradient construction system of exhibition halls, improve the supporting functions of surrounding areas of exhibition halls, do a good job in market-oriented operation and management of exhibition halls, and optimize the functions of urban mice.

#### ⑤ Deeply implement the project of creating excellent exhibition products

Since the international financial crisis in 2008, China's economy has been changing to the main domestic cycle. The ratio of current account surplus to GDP has dropped from 9.9% in 2007 to less than 1% now, and the contribution rate of domestic demand to economic growth has exceeded 100% in seven years. In the future, the characteristics of domestic market leading national economic cycle will be more obvious, and the domestic demand potential of economic growth will continue to release. We should seize the opportunity of domestic large cycle development and implement the excellent exhibition project.

One is to strengthen the brand of exhibition. We should concentrate high-quality resources, integrate new ideas, apply new technologies, increase investment in policies, talents and funds, and focus on cultivating a number of top brands. The second is to refine the emerging exhibition brand. Based on Jiangxi's historical and cultural, tourism and leisure, rare metals and other characteristic elements, learn from the experience of leading exhibition, improve the degree of specialization of the exhibition. The third is to do special meetings and festivals brand. We should establish the concept of "grand exhibition", give full play to the advantages of Jiangxi businessmen in capital and talents, and regularly hold entrepreneurs' forum, Jiangxi business conference and Investment Summit.

#### ⑥ Expand and enhance foreign exchanges and cooperation in exhibitions

Actively implement the "going out" strategy and promote the internationalization of Jiangxi Convention and Exhibition. First, increase the introduction of exhibitions. "Set up an international perspective, explore the common issues facing mankind from the interaction between China and the world, and contribute Chinese wisdom and China's plan to build a community of human destiny", and strive for more international and national exhibitions and conferences to be held in Jiangxi. Second, speed up the international export of exhibitions. Scientifically formulate annual domestic and overseas exhibition plans, support enterprises in the province to actively participate in overseas exhibition projects, and explore domestic and overseas markets. Third, expand international cooperation channels. Encourage domestic enterprises to actively carry out exchanges and cooperation with international famous organizations such as UFI.

#### ⑦ Accelerate the establishment of talent team in exhibition industry

We should speed up the establishment of the talent team of the exhibition industry in Jiangxi Province, and improve the talent training mechanism and system. First, introduce high-end talents at

home and abroad, attract and gather a group of exhibition leading talents, senior management talents and professional employees to settle in Jiangxi. The second is to cultivate local talents of mice, and improve the talent cultivation mechanism of "on-the-job training, overseas training, school enterprise cooperation", so as to realize the "localization of talents". The third is to strengthen the construction of exhibition think tank, establish Jiangxi Convention and Exhibition think tank, and set up Jiangxi Convention and Exhibition Economic Research Association, and attract domestic and foreign scholars to carry out special research on Jiangxi Convention and exhibition by issuing topics and forums. In order to accurately grasp the development trend of the exhibition industry, timely solve the problems encountered in the development of the exhibition industry.

#### ⑧ Setting up exhibition fund and giving full play to the advantages of Industrial Fund

Today's world is facing unprecedented changes in a century. The international situation is complex and changeable, and the deep-seated contradictions in global development are prominent. How to implement the supply side structural reform and promote the transformation from factor driven to innovation driven is very important. The global epidemic of novel coronavirus pneumonia has accelerated the world pattern and the world economy is still in the doldrums. The supply chain of global industrial chain is facing impact due to non economic factors. The international economic, technological, cultural, security, political and other patterns are undergoing profound adjustment, and the world has entered a period of turbulent change. In addition, it is necessary to carry out the projects and fund operation in Jiangxi in detail. It has signed a strategic cooperation framework agreement with large fund companies, local governments and state-owned enterprises, guided large-scale industrial central enterprises, financial institutions, expert societies and other resources to set up "Provincial Exhibition Industry Fund". It has multi-level linkage and complementary advantages to promote the development and construction of Jiangxi Convention and exhibition industry in the form of industrial fund.

First, in the fund scheme, refine the source of funds, and make good arrangements for project implementation, risk control and exit.

Second, in the development of the industry, we should introduce superior human resources, consolidate the development foundation of the exhibition industry, and cultivate a new development model of the exhibition industry.

Third, in terms of social benefits, we should build an advantageous platform and integrate the forces from all walks of life to further promote the high-quality leapfrog development of Jiangxi's exhibition industry and create a "new engine" for economic development in Jiangxi. At the same time, we will enrich the wonderful exhibition activities to realize the people's livelihood and promote the formation of a new development pattern with domestic circulation as the main body and domestic and international dual circulation promoting each other.

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