

EXHIBITION ACTIVITY AS A TOOL TO PROMOTE THE INDUSTRIAL ENTERPRISE

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Abstract. The article suggests the approach to manage exhibition activity at the industrial enterprise, works out the sequence and essence of the management procedures, and their information provision. According to the author's approach, the exhibition activity of the industrial enterprise is analyzed by the example of "Kerameya" Ltd. in the system: goals of participation, peculiarities of exhibitions, the main achieved results, the efficiency of participation. The efficiency to use the exhibition stand, advertising and handout materials to form the image and to promote the industrial enterprise at the market, is proved by the example of "Kerameya" Ltd. The obtained results deepen theoretical and methodological bases to manage the exhibition activity of the industrial enterprises in the part to investigate the approaches to formalize its regulation procedures.

Keywords: exhibition activity, PR, promotion of the industrial enterprise, exhibition materials, management of the exhibition activity.

Introduction

Generally, the exhibition activity is one of the most dynamic spheres in the modern economy, it plays a great role to strengthen the international economic relations, internal and external trade, propaganda of new technologies and goods, promotes the scientific and technical and technological upgrading in production. From the position of the concrete enterprise, it is one of the most effective instruments to promote its production, to form a positive image, to establish the mutually beneficial relationship with consumers, contractors and other subjects of the market. For native industrial producers participation in the exhibitions is an effective way to promote oneself, to assess the competitive abilities, to find consumers etc. Taking into account their limited financial resources, there is a problem to provide the efficiency to choose such exhibitions, in which it is reasonable to participate, to choose the effective form to present oneself and production.

The above problems were studied by the native and foreign scientists, particularly: Kotler Ph. [7], Belyavtsev M.I., Shestopalova L.V. [2], Pavlenko A.F., Voichak A.V., Pryimak T.O. [9], Pekar V. [10], Akulich I.L. [1], Bozhkova V.V., Chykalova A.S. [3] and others. However, the problem regarding the efficiency to choose the form and place of the concrete enterprise's participation in the thematic (branch) exhibitions has not enough studied yet.

Based on the above, the aim of the article is to develop approaches to manage the exhibition activity of the industrial enterprise, which will enable to choose the effective form

of the concrete enterprise's participation in the thematic exhibitions for its promotion at the market.

I. Theoretical principles of the enterprise's exhibition activity management.

The system analysis of the literature sources and practice proves that the exhibition activity management provides the following procedures fulfilment: to define objectives (goals) of participation in the exhibitions; to select the narrow set of exhibitions considering the set aims and current resources; to define the participation forms: investigation and production of the necessary presenting materials, personnel selection, production of the advertising handout materials etc.

According to [6, 8] in general, the goals of the participation in the exhibition include:

- identification of enterprise's positions in the competitive environment (competitor's, contractors' and consumers' attitude towards the enterprise and its production);
- improvement of the enterprise's image in general or in its concrete constituents, correcting of economic contractors and contact the audience's ideas about image etc;
- strengthening of relationship with current customers (an increase of the degree of commitment and loyalty to the enterprise's trademarks);
- involvement of new potential customers (extension of the target consumers audience);
- prolongation of the current agreements and concluding of new ones;
- determination of the market conjuncture and its development tendencies;
- prediction of the demand changes at the market;
- acquaintance with new investigations of the competitors;
- development of new production (goods or services) at the market (to satisfy the current consumers' demands);
- support of the enterprise's dealers;
- identification of new potential sales markets etc.

Having defined the goals, the exhibitions, which comply with prices, have proper scales and fit in the exhibition financing are selected. Let us mention that the share of expenses for the exhibitions is 30-35% in the marketing communication policy budget of the modern large industrial enterprises, and 10-20 % - for medium-sized enterprises [6].

As for the financial resources, besides the obligatory payment for participation in the exhibition, the enterprise has to take into account other expenses (construction of the exhibition stand, special advertising production, qualified specialists' business travels, corporative activity on the exhibition etc), which can essentially exceed the organizational

fee. According to the above, there is a scheme of the exhibition activity management at the enterprise (fig. 1).

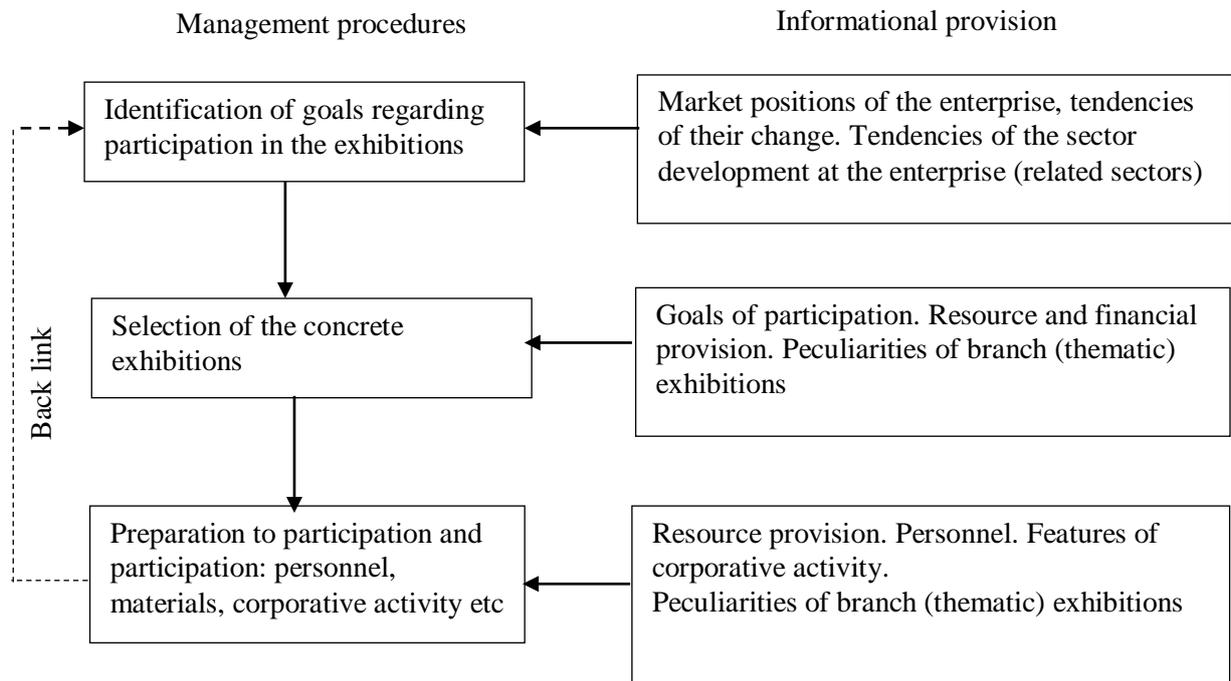


Fig 1. Scheme of the exhibition activity management

Source: Own elaboration

II. Analysis of the industrial enterprise's exhibition activity.

“Kerameya” Ltd., which is specialized on the high qualitative clinker bricks, paving stones and ceramic porous blocks, is selected as an object of the study [11]. Let us observe the exhibition activity of the enterprise in 2017, tasks of the exhibition and the obtained result. The main tasks to participate in exhibitions was: to find distributors at the markets; to conclude trade agreements; to keep contacts with current clients; to find new clients, to collect information about competitors; to form positive favourable image of the enterprise; to demonstrate abilities of the product; to support the consumers' awareness about the product.

Peculiarities of exhibitions, in which “Kerameya” Ltd. participated, are shown in Table 1. Let us observe the exhibitions, demonstrated in Table 1, in more detail.

Exhibition “Native building materials” (NBM 2017). January 24-27, 2017, “Kerameya” Ltd. together with partner «ИМС» participated in the 18th specialized exhibition “NBM 2017” (Moscow). The exhibition “NBM 2017” is an event of the Russian national scale, that is an effective lever to promote goods at the consumer market in Russia, in the organization' and participants' opinions. Information, obtained during communication with acting partners and analysis of competitors' positions, can be represented in the short list of

advantages. Advantages of “Kerameya” Ltd. at the Russian market are: price policy of the company “Kerameya” is in the segment “average +”; uniqueness of situation: variety of clinker formats (major Europeans do not have); product line: large colour gamut, types of rustic and firecrackers; attractive pricing for acting partners.

Table 1. Main peculiarities of exhibitions, in which “Kerameya” Ltd. participated in 2017

Exhibition	Participants	Visitors
“Native building materials”, Russia	230 companies from 14 countries of the world	12 500 people
“BUDMA 2017”, Poland	Over 800 companies from 32 countries of the world	45 000 people
“World Build Krasnodar / Yug Build”, Russia	353 producers from 7 countries of the world	12 808 people
“KyivBuild Ukraine 2017”, Ukraine	288 companies from 17 countries of the world	19 473 people
“InterBuildExpo 2017”, Ukraine	600 specialized enterprises and organizations, including – over 30 international ones	Over 25 000 people
“Slobozhanky bridge – 2017”, Ukraine	About 30 enterprises	...

Source: Own calculations

«**BUDMA 2017**». February 07-10, 2017, there was the 26th International Building and Architecture Exhibition” in Poznan, Poland. It is the biggest forum of modern building technologies and building industry achievements in Central and Eastern Europe. During the exhibition experts performed over 100 seminars, conferences and presentations. In 2017 “Kerameya” participated in the exhibition “BUDMA” for the third time. The exhibition stand of “Kerameya” represented the production of TM “ClinkerKeram” and TM “BrukKeram”: clinker ceramic bricks and clinker ceramic pavement.

The “Analysis of the consumers’ preferences”, carried out during the exhibition, showed that today the smooth bricks of white, black, dark-grey and graphite colours are in demand in Poland.

“**World Build Krasnodar / Yug Build**”. International exhibition “World Build Krasnodar / Yug Build” is the largest exhibition of building and finishing materials, engineering equipment and architecture projects on the South of Russia, which was from February 27 to March 2, for the 28th time in Krasnodar, in the exhibition and congress centre “Expograd South”.

“Kerameya” Ltd. participated in the exhibition together with the distributor. The private individuals market is the most attractive for producers of EU clinker and local producers, as the most “ceramic” region of RF. The participation of many European companies and trading firm confirms it.

“Kyiv Build Ukraine 2017”. The building exhibition Kyiv Build, which took place on March 1-3, 2017, is a leading international exhibition over 20 years. It demonstrates the recent tendencies and achievements of the building market in Ukraine and abroad. In general, that exhibition was visited by 8 thousand people more in 2017, than in 2016.

The general organizer of the exhibition: Ukrainian Union of Building Materials Producers, KCY and other influential organization of the building sector. The building congress “UKRAINE - BUILDING BOOM is inevitable: STATE, LOCAL COMMUNITIES, BUSINESS” was the central event of the business program. Among Ukrainian producers of bricks, the exhibition presented: “Kerameya” Ltd. together with the company “Terracot-Ukraine”, and company “СБК”. Producers of tiles for interior finish and for external use: “Cer Gres” and “Golden Tile” were also represented on the exhibition. The European company “Wienerberger”, producer of the large-format ceramic blocks and bricks, was presented at the exhibition.

During the exhibition, the stand was seen by acting distributors/subdistributors from regions, and potential partners and final consumers. The constructive negotiations with the most interested real and potential customers’ architects, master builders, final buyers, were held.

“InterBuildExpo 2017”. From March 29 till April 1, 2017, there was the main building event of the year at the exhibition centre “Kyiv Expo Plaza”. The 32d International exhibition “InterBuildExpo”, which united profile enterprises and organizations, including international companies, took place there.

Within the framework of this event, there was a round-table discussion “Improvement of the investment climate –fundamentals for development of the building complex and economy in Ukraine”, where urgent issues regarding building sector development and new investment involvement were observed.

In 2017 “Kerameya” Ltd. participated in this exhibition together with distributor “Fasad” Ltd. The workers from the department MIIJI inquired visitors of the exhibition during the work at the exhibition stand. The obtained contacts were processed by regional managers. Together with “Kerameya” Ltd., the building ceramics was represented on the exhibition by such enterprises as “СБК”, “Euroton”, “Bilotserkivsk bricks” and “Wienberger”.

“Slobozhansky Bridge – 2017”. May 26th, 2017, there was XIV Interregional universal exhibition of the interregional and foreign economic cooperation “Slobozhansky Bridge – 2017” at the exhibition centre ТПП “Illinsky” (Sumy). It was dedicated to the Europe Day in Ukraine. “Kerameya” Ltd. was among the invited enterprises. In general, enterprises and institutions of the Sumy region, Ukraine and the world, leaders in the machine-building, processing and light industry, energy complex, consulting, education and information technologies demonstrated their achievements. The goal of “Kerameya” participation in that event was to present the potential and abilities of the enterprise to extend, deepen and to strengthen the business relations. Generally, it had image character and aimed at the demonstration of the general potential of the district.

III. The exhibition stand as an instrument to promote “Kerameya” Ltd. on exhibitions.

One of the main elements in the exhibition activity is an exhibition stand, which is a brand identity of the enterprise. It attracts visitors’ attention, demonstrates the enterprise and its production, forms a positive image.

Taking into account the above arguments, “Kerameya” Ltd. in 2010 ordered the exhibition system “Clic” to perform the exhibition activity. The photo materials of “Kerameya” Ltd., particularly, the house, made of bricks of ClinCeram, layings, various forms of bricks, were used in its design [5].

The text design is a logo “Kerameya ceramic building materials”. The main features of the stand construction are mobility (stand consists of component parts and can be easily transported, it is possible to make this standoff different size, that is why such construction can be used on different exhibitions); attractiveness (the colours and logo of the company are used, stand is lighted by lamps, the external view of the stand complies with matching printed and souvenir production); functionality (various zones to construct stand can be formed, different configurations of the stand is possible); clearness and conciseness (text message, which points out the sphere of activity, and a picture of the house – representation of production in the ready object).

The stand was constantly improved, particularly, in 2013 it showed the yard – background of the house, from which there are (from the enterprise’s production) the stair steps, path, tiled with pavement; in 2014 the concept, based on the theme “Elements”, colour gamut was selected as a presentation of elements “Air”, “Ground” , “Fire” and “Water”. There were such colours as brown (colour of the baked clay); orange (colour of the fire); green (colour of environment and life). The white and black colours (background in

catalogues, leaflets, brochures, stickers are used) are used as additional colours. However, the black colour is mostly used, for example, the background in the art galleries to underline the photo of the ready objects.

The following functional zones of the exhibition stand “Kerameya” Ltd. are distinguished (fig. 2):



Fig 2. The exhibition stand of “Kerameya” Ltd.

Source: Own elaboration

- presentation, which demonstrates the production: an island, tiled with pavement, advertising stand with tablets;
- information, that is a pedestal with advertising production, prices, at which stand-assistant stands;
- negotiating consists of a round table with chairs in the centre of the stand to conduct negotiations and to consult consumers;
- storeroom, that is a small utility room, access to which is given only to stand-assistants, it stores various additional materials and personal belongings.

Samples of the souvenir production, which complete the stand on exhibitions, are shown in fig. 3.



Fig. 3. Souvenir production of “Kerameya” Ltd. For use during the exhibitions

Source: Own elaboration

All advertising and information messages are given in several languages Ukrainian, Russian, English, Polish etc.

IV. The effectiveness of “Kerameya” Ltd. participation in exhibitions

Analysis of “Kerameya” Ltd. participation in the above exhibitions, mentioned in p.II through using of presentation materials, mentioned in p. III enables to conclude that the set tasks (see p. 2) have been totally solved. The main results of participation in every exhibition are demonstrated in the fig. 2. The main result is the sales amount increase, the growing dynamics is shown in fig. 3. It proves that the increase in sales amounts of main goods, produced by “Kerameya” Ltd.

Table 2. The effectiveness of “Kerameya” Ltd. participation in exhibitions in 2017

Exhibition	The obtained results
“Native building materials” , Russia	22 meetings with acting partners were held, 64 contacts of various clients, including 10 final consumers, were obtained. The competitive advantages of “Kerameya” Ltd. at the Russian market are outlined
“BUDMA 2017”, Poland	Meetings with partners, where the cooperation results and strategic plans were discussed, were organized. Polish consumers’ preferences were defined. Data were given to the production department for an introduction.
“World Build Krasnodar / Yug Build”, Russia	Image support of distributor in the region. Assessment of the competitive environment at the market of façade ceramics of the Southern Federal District. Evaluation of the work in the previous period, preliminary assessment of the market level and current prices. Organization of the seminar-presentation for representatives of sales departments. Backlinks with clients.
“KyivBuild Ukraine 2017”, Ukraine	Consumers’ requests have been specified. The competitive environment has been evaluated. Agreements with new consumers have been concluded.
“InterBuildExpo 2017”, Ukraine	The complex analysis of the market has been performed: consumers’ preferences, competitive environment, price policy. The plan of work with current and potential partners for 2017 has been formed.
“Slobozhansky Bridge -2017”, Ukraine	The increase of the “Kerameya” Ltd. image acceptance level among economic contractors and contact audiences

Source: Own calculations



Fig 3. Sales of “Kerameya” Ltd. production for 2008-2017, thousand conventional units

Source: [4]

One should mention that expenses for the exhibition activity make a small share of the profit. It shows that due to the right strategy, the optimal budget of the exhibition expenses, the company receives maximum effect and achieves the set goals.

Conclusions

Generalizing the above facts, we can make the following conclusions.

1. Theoretical principles to manage the exhibition activity of the enterprises are investigated. The bigger block-scheme of the exhibition activity management algorithm at the industrial enterprise is suggested, the sequence and essence of management procedures and their information provision are developed.

2. The exhibition activity of the industrial enterprise by the example “Kerameya” Ltd. is analyzed by the author’s approach in the system i: goals of participation, peculiarities of participation, the main obtained results, the efficiency of participation.

3. The example of “Kerameya” Ltd. proves the efficiency to use the exhibition stand and related advertising and handout materials to form the image and to promote the industrial enterprise at the market.

4. The high efficiency of the exhibition activity of “Kerameya” Ltd. that confirms the author’s approach to its management, is proved.

The obtained results deepen the theoretical and methodological principles to manage the industrial enterprises’ exhibition activity in the share of approaches investigation to formalize the management procedures. Further studies have to be oriented to develop and scientifically to ground the criteria base and methodic principles to manage (regulate) the exhibition activity of the industrial enterprises.

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