

*I. Varchuk, student*  
*N. Borodkina, Ass. Prof., research advisor*  
*I. Melnychenko, lecturer, language advisor*  
*Zhytomyr State Technological University*

## **PECULIARITIES OF TRADE MARKETING USE**

At present trade marketing is becoming more and more popular in communicative activity of many companies. During last few years market's attitude toward trade marketing has been changed diametrically. It is no more considered to be a fringe of direct advertising but an independent direction, a medium of influence on important target groups; that is to obtain real results. Tendencies in development of Ukrainian market of indirect advertising are similar to those of Russian market, however Ukraine surpasses Russia in some spheres but is left behind in others. According to creative approach to trade marketing Ukraine goes at the head of the whole world. The fact can be proved by numerous achievements on inter-branch competitions (Silver Mercury, Golden Propeller). As to trade promotion, Ukraine is five years behind [1].

The problems of trade marketing have been investigated by J. Bolt, A.B. Cvetkova, J. Evans, A. Deian, H. Hergshen, V.V. Nikishkin, F. Kotler. But the unified and exact definition of trade marketing and peculiarities of its use have not been invented yet.

Therefore the aim of our research is to explain the peculiarities of use of trade marketing within the Ukrainian market.

Trade marketing is a marketing direction that deals with demand increase in terms of retail and wholesale trade, that is marketing communications and other measures of distribution and not on the level of end consumer.

The term "trade marketing" has a lot of synonymic names as a result of translation of numerous business literature sources with attempt to define different kinds of trade marketing and single out trade marketing as a separate direction of marketing activity. We reckon that trade marketing is an activity aimed at stimulation of sale in trading network and among trading intermediaries.

Summarizing all definitions we can assign 4 basic variations of trade marketing: BTL marketing (Below the Line marketing); trade marketing; promotion marketing or sales promotion; promo marketing or promotion marketing.

Above mentioned definitions state the increase of short-term purchased activity on market [2].

Trade marketing includes financial, competitive, price stimuli of trade intermediaries, trade personnel of a company and is used by companies permanently and everywhere. Trade marketing presupposes observations, active influence and analysis of results of influence on different channels and participants sales network. Active influence is motivation to work with a brand by everyone who stands between goods and consumers, from wholesale operators to mini shops available at hand.

Trade marketing strategy must be accompanied by brand management because the successful work on the level of distribution presupposes overall demand. Consumer is a person who chooses specific goods in retail trade and in order to guarantee the choice of necessary goods, their qualities should be communicated on several levels. Trade

marketing may also include supply of different material and non-material profits to retail traders. Thus, the concept of teamwork of alignment of sales and marketing is important.

Scientists define 4 “bases” of trade marketing: price, distribution, sales promotion, display.

Trade marketing instruments used by manufactures and distributors are divided into two groups: material and non-material.

Material instruments give the maximum profit to trade enterprise at the expense of suppliers:

- discount on goods at purchasing (the possibility to decrease price on goods at retail for a customer, to hold promotion, sale);
- bonus (discount on goods given by retailer while sales outturning over a quarter or a year);
- trade competitions (encouragement stuff, sellers on condition of increasing of sailing of concrete goods);
- encouragement for end customer (different bonuses to goods as 2 at the price of 1, 3 at the price of 2, taking part in drawing the prize on condition of performing the terms of action).

Non-material:

- merchandising of goods, offer supplier’s merchandiser;
- offering POS materials to trade networks and placing them in shop’s sales area;
- teaching the stuff of trade network at the expense of supplier;
- offering a consultant by a supplier who will work in sales area to sell goods straight to end customer [3].

The basic aim of trade marketing is to promote goods and to increase customers’ loyalty. Any firm sets and realizes not one but many goals which are important to its functioning and development. The following goals of trade marketing have gotten the widest spread:

- to stimulate sales promotion at intermediary;
- o create competitive advantage of a supplier and certain brands;
- to improve advertising and communicative policy of an enterprise;
- to improve trading and technological processes of a firm (and an intermediary);
- to influence customers’ behavior [4].

So, it is necessary to use such methods of influence customer’s behavior as trade marketing for securing competitive advantages. Because the main advantages of trade marketing are the lower price comparing to TV advertising and an opportunity to quicken the duration of one overturn. In other words trade marketing assists to maximization of profit at minimization of expenses.