

## MARKETING COMMUNICATION PROBLEMS ILLUSTRATED WITH AN EXAMPLE OF AGRICULTURAL TRADE SHOWS AND EXHIBITIONS

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**Summary:** The aim of the article is to identify mistakes and problems in marketing communication occurring during agricultural trade shows and exhibitions. The application research was carried out in the framework of research conducted at the Department of Marketing in 2014. The indirect goal was to formulate key features of trade shows and exhibitions for a given agricultural company. The research results confirmed that the respondents view trade shows as the best opportunity for identifying current market trends and selecting the best possible offer. This conclusion has also been confirmed by a large group of people who, in their questionnaires, declared their participation as observers and customers. Over a half of the respondents participate in trade shows three times a year tops. Therefore, exhibitors should make every effort to make their stands attractive, their offer unique and their staff perfectly prepared.

**Keywords:** marketing communication, trade shows, exhibitions

### 1. Introduction

The goal of this study is to identify mistakes that cause problems in marketing communication during agricultural trade shows and exhibitions. The application research was carried out in the framework of research conducted at the Department of Marketing in 2014. . The indirect goal was to formulate key features of trade shows and exhibitions for a given agricultural company. The research sample was selected randomly. The target group of the research consisted of people visiting the Case company stand (the analyzed company is the main dealer of this American brand in Poland) at 21<sup>st</sup> Kielce International Fair of Agricultural Techniques AGROTECH. The research was carried out between 27<sup>th</sup> and 29<sup>th</sup> March 2015, from 9 A.M to 5. P.M. and encompassed 238 participants. The research tools used included survey questionnaire, participant observation and personal interview with the Managing Director. The questionnaire was filled in by trade show organizers, journalists and farming industry customers.

The research results confirmed that the respondents view trade shows as the best opportunity for identifying current market trends and selecting the best possible offer. This conclusion has also been confirmed by a large group of people who, in their questionnaires, declared their participation as observers and customers. What is important for exhibitors participating in agricultural trade shows and exhibitions is how frequently the respondents participate in such shows. Over a half of the respondents participate in trade shows three times a year tops. Therefore, exhibitors should make every effort to make their stands attractive, their offer unique and their staff perfectly prepared. An exhibitor who is professionally prepared will stand out among intense competition at a large trade show. These advantages may pay off in a fruitful cooperation or be an incentive to start such a cooperation.

According to Ph. Kotler, marketing is “an administrative and social process thanks to which the individuals of the group gain what they need and desire through the creation and mutual exchange of products and values (Kotler et al., 2002)”. According to this definition, these

include all of the actions taken by a given enterprise which allow it to execute goals via providing the society with the goods it needs. The execution of marketing actions requires releasing the product that will meet the expectations of purchasers at an accepted price, convenient location and time in a distribution channel. It also requires supporting these actions with a conscious process of market communication. In consideration of the above, there are communication tools necessary in marketing that would allow to affect a target market.

Marketing communication focuses on communication between a product offerer and its receiver, i.e. consumer. Marketing communication consist in providing information, arguments and incentives conducive to trade exchange thanks to which the receivers fulfil their needs by purchasing a given product. In the communication process, the sender of the transmission is the offerer, i.e. the party that initiates the exchange (e.g. a company). The receivers are consumers or entities from the market environment that are interested in this transmission. Marketing communication is a mixture of promotion tools such as (Szymaniuk, 2006): advertising, public relations, sales promotion, merchandising, personal sales, direct marketing, sponsoring or trade shows and exhibitions.

## **2. The place of trade shows and exhibitions in marketing communication**

Marketing communication focuses on communication between a product offerer and its receiver, i.e. consumer, in order to provide information on arguments and incentives.

Trade shows are a zone of regularly organized commercial meetings that usually take place at the same location and limited time period. The origins of trade shows date back to Middle Ages, when they used to be free trade areas and places for barter exchange. Currently, there is a view that “trade shows are a market in a nutshell”. Trade shows, in a formalized manner, encompass entities from an applicable branch, i.e. exhibitors, clients (guests, visitors, customers) and organizer of an exhibition. On the other hand, exhibitions might constitute a slight fraction of trade shows, as these are places where exhibiting companies present their current offers, inform visitors on their possibilities and promote them. Unlike trade shows, there are no transactions here and their duration period is usually longer. Organization of exhibitions is carried out at different locations and various time periods (Altkorn and Kramer, 1998).

What differentiated trade shows from exhibitions was their goal and subjective, objective level, as well as purposefulness. The purpose of trade shows is to confront the demand zone with the supply zone and allow entrepreneurs to more easily find good commercial partners for concluding contracts. Practical considerations were always dominant in case of trade shows. On the other hand, exhibitions are transaction-free. Their purpose is to present the progress achieved in a given area of activity and means in possession of a company for fulfilling the needs of society. In case of exhibitions, intellectual and cultural considerations are dominant.

In the objective area, what dominates at trade shows are goods that can be objects of the contract, having a specific market value. In this area, economic features and sales that generate revenue are dominant. The purpose of exhibitions is to present products that were a result of a physical or intellectual labour, such as new technological solutions, new scientific ideas etc. Despite numerous economic considerations, their character is mainly scientific, educational and cultural.

As a rule, the main participants of trade shows in the subjective area are business entities that present their products or services to other professionally interested participants of commercial exchange. The subjects that take part in exhibitions are private persons, companies and states

which present their achievements to wide audience (not necessarily professionally connected with interests).

In a time perspective, trade shows occur regularly in specific schedule intervals and in a specific period, e.g. annually, from a couple of days to 3 weeks. Exhibitions do not have a regular character and are organized less frequently than trade shows. However, they have a longer duration period, e.g. every couple of years for a couple of months.

### **3. The role of trade shows and exhibitions**

Every marketing action should have a clearly defined goal. Having the specific goal that is achieved through the participation in trade shows or exhibitions is key to success. Many companies succumb to the opinion that participation in trade shows is mainly a matter of prestige and the remaining quantitative effects of this type of promotion are not verifiable. However, making the intentions very precise will allow to verify their execution and the rationality of investing in this form of promotion. Therefore, setting goals becomes not only an economic necessity, but also a logical starting point in plans of participating in such an event. When crafting a list of goals that the company wishes to fulfil by participating in a trade and exhibition event, it is necessary to make sure that they are realistic. Participating in trade shows allows the company to promote and increase demand on its offer and this stimulates the activities of competitive entities and allows the visitors to have a good understanding of a branch market. This is why the sales and image are keywords on which the main principles of participating in an event are based (Szołtysek, 2006; Drab, 1995).

Economic goals are goals connected with improving the profitability (Mazur, 2014):

- The sales of existing or new products and services.
- Creating an up-to-date client database.
- Establishing contacts with potential partners.
- Finding new target groups.
- Maintaining contact with current contracting parties.
- Finalizing or concluding commercial contracts.
- Launching new offers on a market.
- Technology transfer.
- Knowing the current trends in the industry.
- Carrying out market research.
- Searching for personnel that knows the industry inside out.
- Improving competence of current personnel or training new personnel.
- Understanding the purchasing process of customers.
- Making direct contact with target customer groups.
- Gaining new licences.
- Knowing preferences of new target groups.
- Finding market gaps.

Along with the improving importance of mass-media, the company image also becomes more and more important. Clients buy mainly their own ideas of benefits from having a given product or service. Promoting the offer at trade shows additionally stimulates the demand and the communication with a potential customer allows to build a positive opinion about the producer. With this in mind, the image goals have been identified (Mazur, 2014):

- Emphasising and reminding of the company presence on the market.
- Change in image perception.
- Improving the image of the company in the customers' awareness.
- Presenting the company and its offer.
- Presenting the company and its offer in comparison with the competition.

- Helping customers with problem solving.
- Winning prizes and rewards.
- Supporting the marketing activities
- Creating conditions for exchanging experiences between persons from the sector.
- Distribution of product samples and creating conditions for testing.
- Client education through demonstrating the practical use of the offer.
- Gathering information on other trade and exhibition events.
- Counteracting negative media opinion.
- Checking the efficiency of promotion and marketing campaigns used until now.
- Creating attractions for potential customers.
- Observation of activities of competitive companies.
- Observation of exhibitions and stands of the competition that may be the inspiration for the company in the future.
- Maintaining contact with the media.

When participating in a trade show it is important to remember to set priorities that lead to achieving the main goal of the company (Hadrian, 2014).

Most companies do not treat trade shows and exhibitions as an independent marketing tool. The marketing strategy of a company should encompass participation in trade shows in a way that is compatible with other promotion tools.

#### **4. Result**

The target group of the research were people visiting the Case company stand (Rzemieniak, 2014) (the analyzed company is the main dealer of this American brand in Poland) at 21<sup>st</sup> Kielce International Fair of Agricultural Techniques AGROTECH. The research was carried out between 27<sup>th</sup> and 29<sup>th</sup> March 2015, from 9 A.M to 5. P.M. and encompassed 238 participants. The questionnaire was filled in by trade show organizers, journalists and farming industry customers. The research tools used included survey questionnaire, participant observation and personal interview with the Managing Director (Rzemieniak, 2015). 238 respondents participated in the survey research. All questionnaires were filled in correctly and returned. Gender wise, 182 males and 56 females responded. In case of assessing the frequency of participating in branch trade shows, the most popular answer that occurred 124 times was “less than 3 times a year”. In majority of cases this answer was selected by males. “More than 7 times a year” was an answer that was the least popular, as it was selected by only 19% of the respondents. 38 respondents visit trade shows 7 times a year or less.

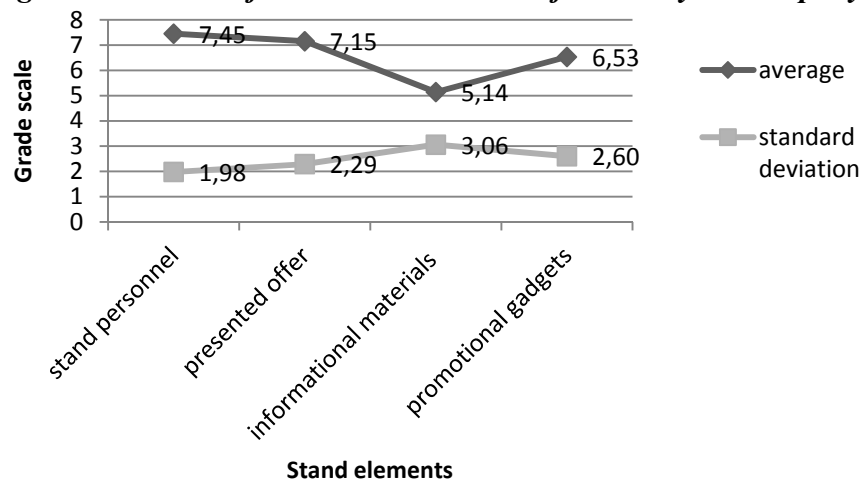
As many as 37,5% of the respondents are individuals who run business activity in farming industry. 36,7% of the research participants declared themselves as farm owners. 16,6% are employed in farmsteads.

The most often selected motivation for participating in trade shows (106 indications) was the opportunity of acquiring a wide range of information at one place. 66 respondents claimed that the presence of a popular and important person was the key attraction. Only 22 out of 238 respondents indicated branch trainings as relatively encouraging attraction. The same number of people claimed that conferences are the main motivation for participating in trade shows. It is worth mentioning that 22 respondents regard promotional gadgets and gifts as a major incentive. 16 respondents said that contests are what made them participate in trade shows.

Respondents were also asked about their view on various elements of stand of the analysed company. A ten-grade scale was available to the respondents when assessing each stand element, where 1 stood for “unsatisfactory factor” and 10 – “very satisfactory factor”. According to the respondents the most important element of the stand was the personnel – as

many as 87 out of 208 people selected “10” on the scale. The average for this answer amounted to 7,45, because a large group of respondents did not grade this element very high. Informational materials were ranked the lowest with the average grade of 5,14. It is worth mentioning that promotional gadgets of companies were ranked relatively low. The average for this element amounted only to 6,53. The respondents gave the grade of 7,15 for the offer presented at the stand of the analysed company. This analysis is based on the data included in figure 1.

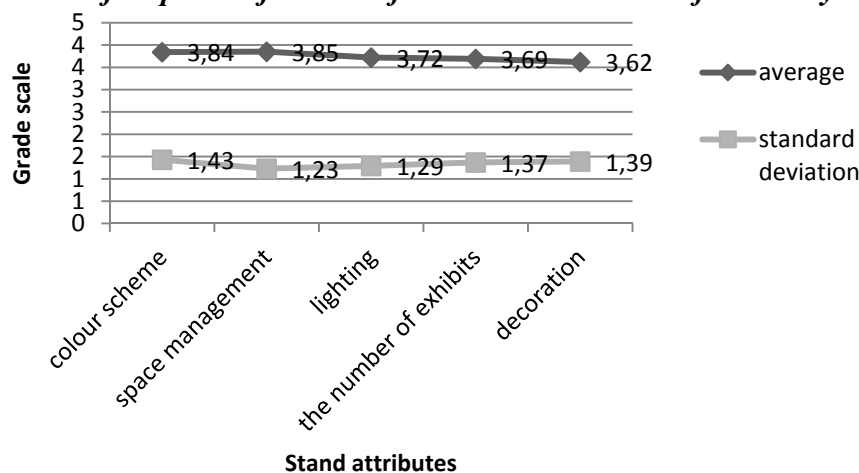
**Fig 1. Assessment of the exhibition stand of the analysed company.**



Source: Research carried out between 27<sup>th</sup> and 29<sup>th</sup> March 2015 at the 21<sup>st</sup> Kielce International Fair of Agricultural Techniques AGROTECH.

Another figure (figure 2) presents details regarding features of the stand of the analysed company. The respondents could evaluate each of the features using a five-grade scale. The research participants did not find any of the mentioned features particularly prominent, because according to the respondents’ evaluation the average for each feature varies approximately by 0,23. The high average of 3,85 was given to the space management. The general decoration of the stand was the least liked feature.

**Fig. 2 Evaluation of respective features of the exhibition stand of the analysed company.**



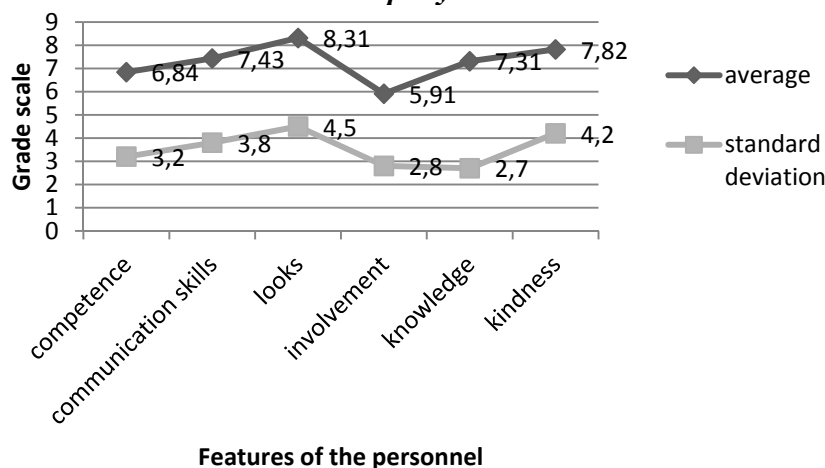
Source: Op. cit.

One of the questions considered offer that should be presented at trade shows and exhibitions. The vast majority of the respondents (76,4%) want to see only the newest offer. According to

the lowest number of respondents (3,7%), the analysed company should present the whole range of products. 26,4% think that trade exposition should only consist of products of one brand offered by a company. Only 13,5% out of 108 respondents selected the answer regarding the offer selected due to a certain criterion.

What is interesting is the question regarding perception of the attributes of the stand personnel. Each of the features could be valued using a 10-grade scale, where “1” was the worst perceived feature while “10” – the best. The involvement of the stand personnel was granted the lowest grade average of 5,91, followed by competences with the grade average of 6,84.

**Fig.3. Evaluation of respective features of the exhibition stand personnel of the analysed company.**



Source: Op. cit.

The looks of the exhibition stand personnel was given the highest average of 8,31. The remaining features’ average grades were between 7 and 8. This analysis was carried out on the basis of fig. 3.

## 5. Conclusion

A good management of the company at trade shows is the key to success. When asked about the preferred form of offer presentation at trade shows, most of the respondents indicated stand personnel. This is a very important indicator for the analysed company. It is necessary to take care of proper personnel training before the trade show. The employees should be free of any imperfections and constitute the greatest asset of the stand. Moreover, the company should equip the stand with the proper number of informational brochures so that every visitor can get one. It is also necessary to pay attention to the great role of the trade personnel. Their competences, involvement and knowledge are of major importance. The number of contracts that will be concluded with clients who were properly informed about the company’s offer will depend on the qualifications of the personnel.

Summing up, trade shows are multi-functional and complex marketing tool that supports the execution of various goals of the company. For the majority of companies, participation in trade shows is one of a kind opportunity to test themselves in the conditions of real competition.

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