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THE ROLE OF MARKETING TECHNOLOGIES IN EXPORT PROMOTION TO CHINA

The article analyzes traditional marketing tools for promoting domestic products to international markets, which include advertising, sales promotion, public relations, direct marketing, personal selling. China is one of the main and still promising foreign economic partners of Ukraine, but the export promotion to China requires the adaptation of marketing technologies to the local market peculiarities. In view of the above mentioned, the article presents the recommended marketing communication mix of the enterprise when promoting products to the PRC. In addition the most promising in terms of efficiency is the activation of marketing communications over the Internet by domestic enterprises. The use of non-standard and up-to-date marketing tools to promote the export of Ukrainian products, taking into account the peculiarities of the international marketing environment, contributes to the successful entry of the company into a new foreign market as well as strengthening its competitive position in the existing one.

Keywords: marketing technologies, promotion, export, brand, SMM.

Севрук Ірина. Роль маркетингових технологій в просуванні експорту на ринок КНР.

У статті проаналізовано класичні маркетингові інструменти просування вітчизняної продукції на міжнародні ринки, до яких належать реклама, стимулювання збуту, зв'язки з громадськістю, прямий маркетинг, особистий продаж. КНР є одним з основних та перспективних зовнішньоекономічних країнпартнерів України, однак просування експорту до Китаю потребує адаптації маркетингових технологій до специфіки локального ринку. З огляду на зазначене, у статті представлено рекомендований комплекс маркетингових комунікацій підприємства при просуванні продукції на ринок КНР. Крім того, найперспективнішим з точки зору ефективності є активізація вітчизняними підприємствами маркетингових комунікацій через Інтернет. Використання нестандартних й найсучасніших маркетингових інструментів просування

експорту української продукції з врахуванням особливостей міжнародного маркетингового середовища сприяє успішному виходу підприємства на новий зарубіжний ринок та посиленню своїх позицій на вже існуючому.

Ключові слова: маркетингові технології, просування, експорт, бренд, SMM.

Introduction. In the conditions of globalization of the world economic processes, fierce competition, saturation of markets, excess of goods supply over demand, the constant increase in consumer requirements significantly complicate the marketing activities of enterprises. It is becoming increasingly difficult to attract consumer attention through regular advertising. In order to attract customers and maintain positions in the foreign markets domestic enterprises should apply modern effective mechanisms of formation and maintenance of image of the goods or the enterprise itself, in particular, by improving the complex of promotion to international markets.

Therefore, the purpose of this article is to study tools for promoting domestic products to international markets, as well as to highlight the key development trends and features of Ukrainian goods export promotion to the PRC as one of the key foreign economic partners.

Review of previous studies and theoretical rationale. The publications of A. Derykolenko and S. Illyashenko are devoted to the issues of development of methodological tools of marketing activity of enterprises in foreign markets and study of perspective directions of development of subject branches of international marketing, in particular international marketing researches (Derykolenko and Illyashenko, 2013). V. Dobryanska and I. Kurtina in their works analyze the nature, peculiarities of implementation and tendencies of development of promotion and effective sale of products (Dobryanska and Kurtina, 2014). Such scientists as T. Bilous, O. Kovinko, and N. Slobodianyk have explored the tendency of the interconnection of economic recession and marketing methods of sales promotion and proved that the role of marketing is increasing in a crisis and the international marketing functions and tasks are complicated (Bilous, Kovinko and Slobodianyk, 2015). However, despite the existing developments of this vector of research, in the dynamic market conditions constant monitoring of trends and possibilities of application of the most modern marketing technologies of promotion of goods by domestic enterprises to international markets remains relevant.

Discussion. In view of the above mentioned, in the changing market conditions among other measures to intensify export activities enterprises should pay special attention to the improvement of ways and instruments of promotion of products to international markets, in particular, marketing technologies that promote the export to foreign markets.

It should be noted that traditionally the main (classic) promotion tools include advertising, sales promotion, public relations, direct marketing, personal selling. According to some scholars (Glushko, 2018) the promotional complex may include in addition to the major ones the so-called synthetic means which are in particular: exhibition activities, branding, sponsorship and integrated marketing communications. The latter is a comprehensive marketing communication tool that requires the use of elements of advertising, sales promotion, personal selling, public relations and other communications at the point of sale of the enterprise product (Glushko, 2018).

Analyzing the promotion of goods in international markets, we note that it is significantly different from the national. In addition to the main difficulties during the international promotion (legislative regulation, the degree of availability of media, creation of a justified message, the choice of type of advertising and advertising agency, the choice of the means of dissemination of information, the level of costs, coverage of target and potential consumers), Y. Chala also emphasizes the specific problems: translation of messages; customs and cultural characteristics of different countries and peoples; inertia, resistance, rejection and politics; competitive environment; differences in economic, political and social systems (Chala, 2014).

In order to improve efficiency, it is advisable to develop communication programs specifically for the individual market, or even for individual clients, taking into account both direct and inverse relationships between the enterprise and counterparties. Therefore, the first stage of the communication process in the foreign market should be a thorough study of the potential of interaction between the enterprise and its product with counterparties. Potential consumers, no matter what they buy, first study advertising messages, forum reviews (in case of online advertising), etc. (Tyukha, 2012).

Considering the current trends in world economic development, accompanied by the strengthening of the role of the Asia-Pacific region countries and the intensification of partnership between them and Ukraine, which is reflected in the corresponding changes in the geographical structure of export of Ukraine, we consider it promising to study the features of promoting export to the PRC, that belongs to the main partner countries of Ukraine in the export and import of goods. According to statistics in 2017–2018 years the PRC accounts for 4.6%–4.7% of Ukrainian exports and 11.4–13.3% of imports (State Statistics Service of Ukraine, 2019).

Considering the peculiarities of the PRC's marketing environment, it is possible to identify specific marketing features that businesses should pay attention to when promoting their products to the Chinese market (Figure 1).

The specifics of the Chinese market is also that the Chinese are very dependent on brands and public opinion (Gaiduk, 2017). In China nobody will buy obscure and unknown product. For this reason manufacturers who intend to market their products in China, especially consumer goods, should register their trademark with the China

Trade Mark Office (CTMO). This prevents infringement and creates a long-term brand reputation (Agronews, 2017).

We should note that the Chinese strive to be modern. Taking this into considererantion, mass advertising is an effective tool for the enterprise to enter the Chinese market. At the same time a high quality translation of the advertising message into Chinese language should be ensured with the involvement of a professional native speaker (Gaiduk, 2017).

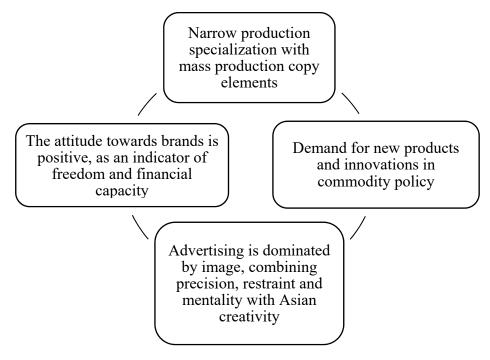


Figure 1. Specific features of marketing in the PRC

Source: compiled by the author according to (Shapenkova, 2014)

In the context of foreign trade relations advertising must: first, prepare the potential market (consumer) for a favorable perception of a foreign product; second, to support demand in the developed market; third, to promote the expansion of the market (Tyukha, 2012).

Depending on the stage of the product life cycle, the scale and intensity of advertising, the relation between prestigious advertising (advertising of the exporting firm) and product (advertising of a specific product), its means of propagation should be changed, more fresh and original ideas should be selected.

Although the costs of advertising, participation in international exhibitions and fairs are considerable, these costs are quite justified. First, advertising costs are included in the cost of exported products as overhead during export, and are accordingly offset by net sales proceeds. Secondly, without advertising, trade is usually sluggish, bringing losses that often exceed the cost of advertising (Tyukha, 2012).

Another specific feature of the Chinese market is the lack of billboards. Instead, the Chinese subway is one of the most effective tools for attracting customers. The passenger traffic of the Beijing Metro is 3.2 billion people per year, Kyiv –

536.2 million people. That is why the Chinese spend huge budgets on subway advertising (Gaiduk, 2017).

The recommended range of product promotion to the Chinese market is characterized by the use in a certain proportion of online advertising, direct marketing and sales promotion methods, ignoring personal selling and public relations methods because of their high cost and significant time, which is illustrated in Table 1.

Table 1 Recommended marketing communication mix of the enterprise in promoting products to the PRC *

№	Marketing	Characteristic
	communication tools	
1	Advertising	Typical media is online advertising and advertising in the subway or
		print media, mostly highly specialized, depending on the type of
		product, as a tool for mass audience reach and multiple exposure and
		persuasion.
		Significant costs when using the services of professional foreign
		intermediaries
2	Personal sale	The personal nature of this marketing communication tool makes it the
		most costly per one foreign economic contact
3	Propaganda	This tool is not typical in promoting products to the foreign market
4	Direct marketing	It is used in the form of address messages both in the forward (offer)
		and reverse order (request or order) and prevails in the search for
		potential counterparty (direct) and established foreign trade relations
		(reverse).
		This type is characterized by high reliability of information, trust of the
		counterparty and long-lasting effect aimed at building stable customer
		loyalty to one brand.
5	PR	Like propaganda, it is not typical for a foreign trade practice to promote
		a product because of its predominant form of news, which is usually a
		supplement to advertising.
6	Sales promotion	It has a short-term effect, which is why it is usually supplemented with
		new export-oriented products in relationships with regular
		counterparties

^{*} differentiation of tools is possible depending on the type of products

Source: systematized by the author on the basis of (Tyukha, 2012 & Gaiduk, 2017)

At the same time, this study should point out the relevance of such a tool to promote products to international markets, as the global network Internet, since active use of the Internet is an integral part of the 21st century and the ability to purchase goods through online platforms greatly simplifies the trading process.

In addition, the growing popularity of social media (hereinafter referred to as SM), which have become a significant component of doing business as the widespread

use of SM by society enables companies to better evaluate their prevailing consumer preferences and reduce the cost of promoting their products. SMM is a subspecies of digital marketing and probably the most effective channel for brand promotion and audience communication (Social Media, 2016 & Canada business, 2019).

Social networks are a very convenient platform for disseminating a relatively small amount of information with the attachment of further links. For example, the International Federation of Organic Agricultural Movement (IFOAM), in addition to having its own platform for information dissemination (website), is also present in SM («Facebook») (Derykolenko A. and S. Illyashenko, 2013).

At the same time it should be noted, that Google does not work in China as well as popular global online resources such as Facebook, Twitter, YouTube, etc. The Chinese have their own search engine Baidu, their messengers, social media. Therefore, there is no point in doing content analysis with Google Analytics and developing an ad campaign based on this (Gaiduk, 2017).

Another recent marketing trend that has a positive effect on consumers' attitude to the brand is the availability of videos or story-telling (The Seattle times, 2018) about the manufacturer, its goals, purpose, objectives that empower consumers to become closer to the production and form a favorable attitude towards the company.

China does not stay away from global trends. The number of Internet users in China in 2018 reached a record high -828.5 million people or more than 20% of the total number of Internet users in the world. At the same time, the main way of contact with the consumer is the mobile Internet, as 817 million people (98% of total internet users) use internet access through mobile devices (Statista, 2018).

Therefore, marketing on social media is a very effective method of brand promotion, since SM focus on the largest number of target audiences and enable them to quickly acquaint consumers with products and their use is expedient to study the latest trends in consumer preferences. The use of social platforms is a common business practice for both global and relatively small local businesses. In an era of digitization and active use of the Internet, social media marketing (SMM) enables the creation of a relatively new level of company interaction with consumers (Derykolenko A. and S. Illyashenko, 2013).

Conclusion. Promotion of production of the enterprise to foreign markets should be carried out taking into account their peculiarities. Given the specific features of the Chinese market, it is recommended to use such tools of the marketing communication mix as advertising, in particular, online advertising and subway advertising, direct marketing and sales promotion. At the same time depending on the product type, it is possible to adjust the promotion complex and choose the most optimal marketing communication tools. It should also be noted that at the initial stage investing in the promotion of products to the PRC should be considered as a long-term investment.

Ukrainian companies need to rely on the experience of developed countries, i.e. systematically manage the promotion, use non-standard and most modern ways of export promotion, taking into account the peculiarities of the international environment. This requires a more detailed study of foreign experience in promoting products to international markets and possible ways to adapt it to Ukrainian realities, which determines the prospects for further research.

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