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EXHIBITION ACTIVITY AS AN INSTRUMENT OF TOURISM BUSINESS MARKETING PROMOTION TO THE NATIONAL AND FOREIGN MARKETS

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Introduction: The necessity of creating an effective system of innovative development of enterprises of exhibition business makes the issues of theory and methodology particularly important. With taking into account the peculiarities of this sphere and the specifics of the services provided. Scientific support for solving these problems will help to create effective functioning of all spheres of activity. It is the successful development of exhibition activity, with increasing competition and increasing demands from consumers, allows companies that use exhibition services to successfully compete in the market.

Hypothesis of scientific research. It is anticipated that the use of innovations in the exhibition business will enable the creation of efficient quality management systems for tourist services adapted to work in modern conditions.

The purpose of this study is to develop a model of justification of the use of exhibition services for the promotion of tourism business to the national and foreign markets.

Research methods:

- systematic analysis was used to justify the place and specific features of the exhibition

business in the field of services of the modern economy; for substantiation of the strategic map of the system of balanced indexes of typology of enterprises of the exhibition business by the System "Possibility of attraction / rendering of services";

- cluster analysis – for analysis and generalization of the current state of the domestic exhibition business;

- discriminatory analysis – to build a "profile of the results of exhibition activities, which will ensure the competitiveness of enterprises in this business sector.

Results: the proposed approach to the management of exhibition business, the directions of improvement of the process of providing exhibition services, the model of formation of the concept of exhibition behavior.

Conclusions: the proposed project of formation and development of exhibition and fair complex will strengthen the development of tourism infrastructure: transport, catering, hotel industry, which meet the current market needs.

Keywords: exhibition business, congress-exhibition activity, professional and business tourism, exhibition.

Formulation of the problem. Existing pace of Ukraine's development makes it necessary to use modern interactive tools for business activation. One of these is exhibitions. The modern exhibition offers a wide range of goods and services: from sample models of products and complex automation systems to the transfer of know-how conducted by expert advice.

International exhibitions are divided into two main types – general and specialized. Currently, the development of international fairs and exhibitions goes both along the way of quantitative increase, and in the direction of qualitative transformation. Along with general industry exhibitions of means of production and consumer goods exist many thematic, showing several related

branches of the economy; specialized fairs (salons, exhibitions) on certain exhibition themes and nomenclature of goods; specialized exhibitions (salons), exhibits of which are not as much about goods as about intend to show the solution of specific technical and other problems.

The tourism business for Ukraine is one of the ways of integration into the international economic community, therefore, the level of development of the country depends on the growth rate of this industry. Exhibitions and fairs represent a versatile, multipurpose marketing tool. They reflect the state and prospects of developing a specific market of goods / services in a global or local context (depending on the type of exhibition: international, regional), bringing together suppliers, buyers, science professionals, government officials and the media. These issues are of particular importance in the context of the integration of the domestic economy into the world economic system, which determines the need for reasonable use of domestic enterprises and organizations.

Analysis of recent research and unsolved part of the problem. Various theoretical and practical aspects of exhibitions and fairs have been reflected in the writings of foreign and Ukrainian scholars such as I. Gryshchenko [5], Y. Krytsakis [4], F. Sharkova [11] and others. The management of the exhibition activity as an effective tool for solving marketing tasks, an indicator of the development of individual enterprises and industries is devoted to the works of M. Arshevskaya [2], G. Zakharenko [3], S. Miller [7], T. Tsigankova [10] and others. Different methodical and practical approaches to organization of exhibition activity are studied by O. Humenna [6], V. Pekar [8], N. Tarasova [9] and others.

However, these works are mainly applied and are mainly aimed at considering the organizational moments of the exhibition. The task of developing a new one, which meets the needs of modern economic development, is the toolkit for forming a comprehensive exhibition product, integrating it into organizational forms of entrepreneurial activity in its entirety, are addressed to researchers not only in Ukraine, but also in many countries of the world.

The purpose of the study is to develop scientific and practical recommendations for the exhibition promotion of tourism business to the national and foreign markets.

Research results. Exhibition and fair activity is an instrument of macroeconomic and investment policy. Today, exhibitions and fairs provide market mobility, create the necessary information field, generate significant financial flows, and bring additional revenue to the budgets of all levels. Exhibitions are a link between domestic and international markets and promote the attraction of foreign investments for the implementation of investment projects of Ukrainian organizations.

The basis of exhibition-fair activity (EFA) is an exhibition product, which represents intangible product that has the form of exposure (Fig. 1).

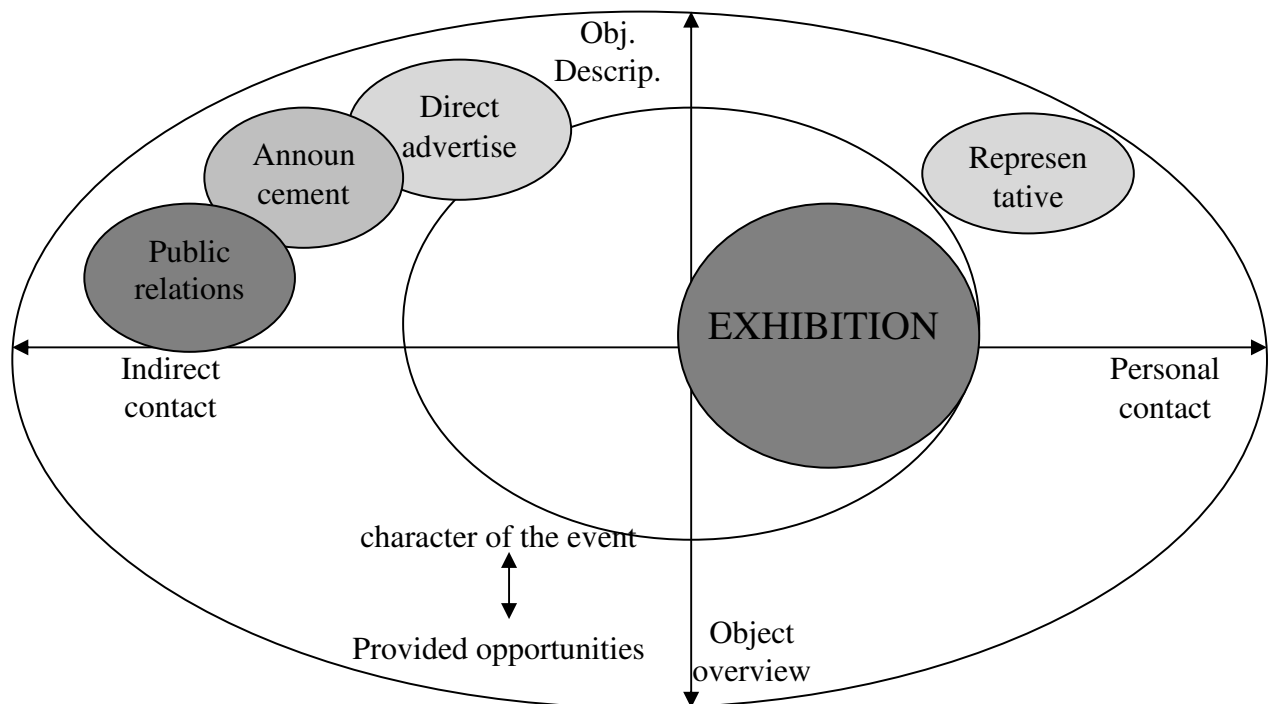


Fig. 1. Exhibition product among the tools of marketing communications

The features of the exhibition product is that it: 1) has two groups of consumers (exhibitors and exhibition visitors), whose interests do not always coincide, and often are competitive; 2) has four specific features of services: intangibility, inseparability from the source, inconsistency of quality and unsecure. The above characteristics of the exhibition services largely determine the development of marketing programs of exhibition companies.

The exhibition product, as any product in modern interpretation, can be represented in the form of five levels: 1) core profit – this is the main service or advantage acquired by the buyer; 2) the main product – based on its key benefits (for the exhibitor – the presence at the exhibition stand at a certain time in a certain place, for the visitor – a number of stands according to the proposed industry specialization); 3) expected product – the manufacturer prepared a set of properties and conditions that the consumer expects to obtain when buying a product; 4) the supplemented product is a product that exceeds the usual expectations of the consumer (for example, an electronic guide for the exhibition, organization of the VIP zone, package proposals for participation in the exhibition); 5) a potential product is a product that represents possible future additions and transformations of an existing product. Experts believe that modern competition is being expanded mainly at the level of complemented goods. The strategy of completing the goods requires taking into account a

number of circumstances: firstly, any addition requires an increase in costs; and secondly, the additional benefits quickly turn into expected; and thirdly, along with the proposal of some companies of supplemented products at elevated prices, their competitors may submit "simplified" products at significantly lower prices. As for a potential product, it is at this level that the search for new ways to meet consumers and improve market offers.

The modern exhibition and fair industry performs a number of important economic and socio-cultural functions. The European School of Business, at the request of the International Association of the Exhibition Industry, has developed a macroeconomic model of the benefits of conducting NNDs (Fig. 2).

Existing exhibitions are currently very heterogeneous. The analysis shows that exhibitions differ, first of all, according to the category of visitors, namely:

- Trade shows (business to business) – exhibitions closed to the general public. Exhibitor of such exhibitions, as a rule, is the manufacturer or distributor of goods or services typical or desirable for the industry;

- Consumer Exhibitions – Exhibitions, open to the general public. Exhibitors are usually retailers or manufacturers who want to bring their products and services directly to the end user;

- Mixed exhibitions – exhibitions that are open both for trade and for the public. Exhibitors are usually manufacturers or distributors.

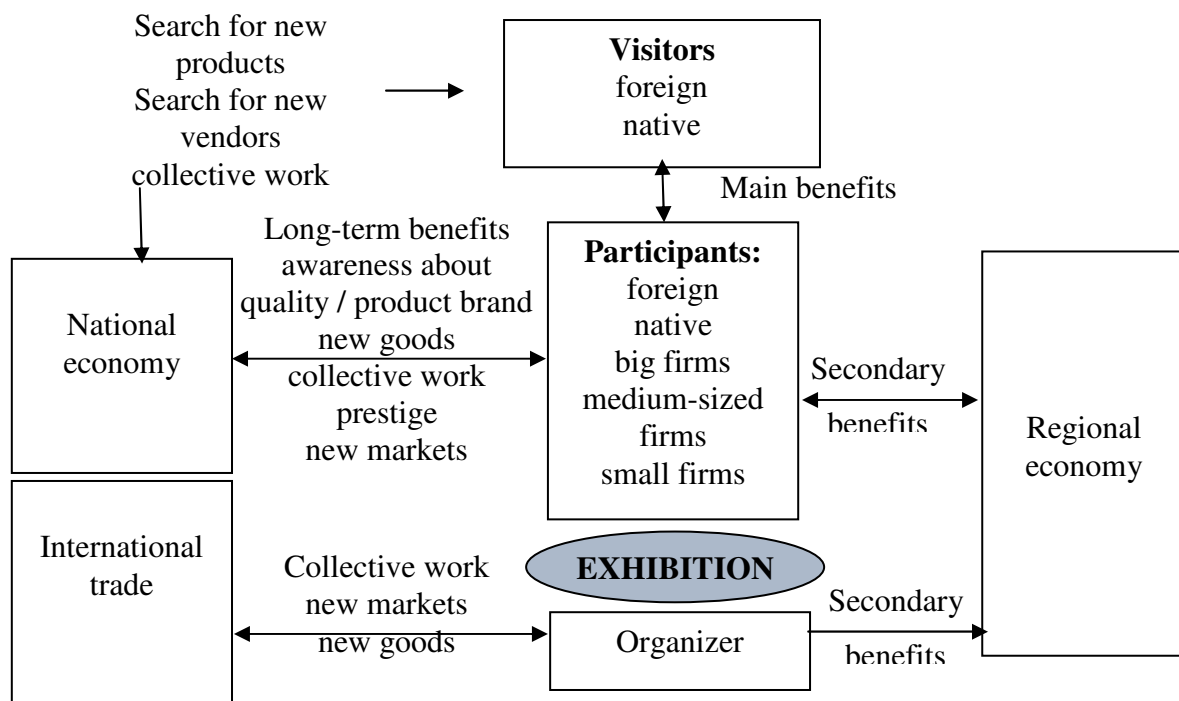


Fig. 2. Macroeconomic model of benefits from conducting exhibition and fair activity

The development of international business ties has resulted in the creation of a large number of international, national, regional, and local associations, including in the form of associations, at the exhibition market, namely: the International Association of Exhibitions and Events (IAEE), the World Council for the Management of Exhibition Centers (WCVM), the World Association of the Exhibition Industry (UFI) and others. The mission of these associations is the comprehensive promotion of the development of modern exhibition and fair infrastructure by creating a single information space for suppliers and consumers of services, promotion and development of the world business travel concept, educational and educational activities. These associations are a powerful tool for: professional counseling and training; provision of information, marketing and legal support to members of the association; integration development.

Exhibition activity in the modern world is becoming one of the most important factors in the evolution of the world economy and a key area of international cooperation, which makes it possible to demonstrate domestic innovations and achievements in one or another field, the study of foreign samples of goods and services [1]. Table 1 shows the results of the study of the structure of exhibition space in the world, conducted by the World Association of Exhibition Industry (UFI) [11].

Table 1

Distribution of exhibition complexes in regions of the world

Region of the world	Amount of complexes	Closed exhibition area, million sq. M.	Share in the world (in area), %
Europe	496	1,6	46
North America	389	7,9	24
Asia and the Pacific	184	6,6	20
South America	70	1,3	4
Middle East	33	0,8	2
Africa	25	0,5	2

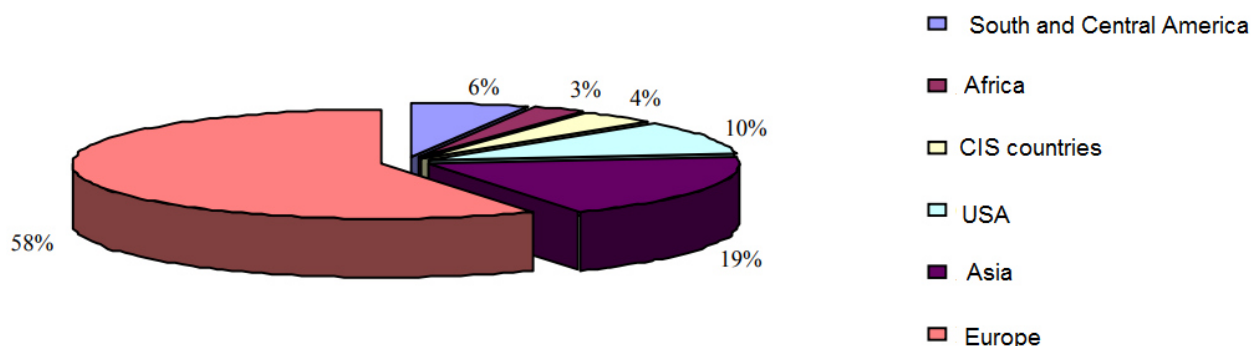
Source: [11].

As can be seen from Table 1, Europe is an absolute leader in the number of exhibitions held – its share is 46% of the total exhibition market. In three of the leading countries in terms of exhibition areas are the United States, where the area is 6.7 million square meters, or 21%, China, whose exhibition space is estimated at 4.76 million square meters, or 15%, and Germany with the exhibition area in 3.38 million square meters, or 10%. In addition, the United States is the world leader in the exhibition industry, assuming that the number of functioning exhibition venues is the main criterion [12]. In all industrial countries, NDF is an important instrument of state policy, an effective means of developing a free market and a very significant source of replenishment of the state and local budgets. Therefore, enterprises and industries for which the state

determines the priority development, receive state support in the exhibition-fair sphere, that is, subsidies and tax privileges. In many European countries, circulation in many European countries is controlled and supported by state structures, and exhibition complexes are in most cases either owned by the state or controlled by local authorities. This control is most noticeable in countries such as Germany, Italy, France and Spain. In some countries, legal acts specially devoted to NAFs have been developed and in force (for example, Italy – "Framework Law on Exhibition Industry" No. 7 of January 11, 2001, France – Ordinance No. 45 – 2088 of September 11, 1945, "On Exhibition Fair measures", supplemented by six government decrees, USA – Law "On the participation of the United States in international exhibitions").

In addition, in a number of European countries, national exhibition and trade associations are active in the field of NDFs (for example, in Germany, the German exhibition association *Ausstellungen und Messe-Ausschus der Deutschen Wirtschaft (AUMA)*). According to the German Trade Fair (*AUMA e. V.*), up to two-thirds of the most significant international exhibitions are held in Germany. Every year in Germany there are about 150-170 international exhibitions and fairs, the number of exhibitors is 160-170 thousand, the number of exhibition areas used – 6–7 million m², the number of visitors are 9–10 million people [11]. International exhibitions in Germany are held in 22 exhibition centers, the total area of which is about 2.75 million m², ten exhibition centers have an area of more than 100 thousand square meters, another six – more than 50 thousand. The world's largest exhibition centers from the exhibition area, gross: 1) Hannover (Germany), 495265 m², 2) Frankfurt am Main (Germany), 345697 m²; 3) Milan (Italy), 345000 m²; 4) Guangzhou (China), 340000 m²; 5) Cologne (Germany), 284000 m² [11].

According to UFI, about 30 thousand exhibitions are held in the world. The share of different regions of the world in the total volume of EFA is presented in Fig. 3.



Source: [11].

Fig. 3. The share of different regions of the world in the total volume of exhibition and fair activity

Along with the exhibition, a powerful tool for promoting goods and services, as well as for the exchange of up-to-date information, is congressional activity. This activity includes the organization of forums, congresses, summits, conferences, symposiums, assemblies, seminars, business contacts and related events, and thus is an "event". In the part of the "event" constituent of the congress activity corresponds to the development of national and regional tourism and is often classified as congress tourism or as a component of professional and business tourism.

It should be noted that exhibitions are also considered as part of the industry of business tourism, as they, according to experts, stimulate the travel of two categories of people: exhibitors traveling for the purpose of advertising and selling their products; visitors of the exhibitions that visit them for cognitive purposes, including in order to get acquainted with the latest achievements in various areas of the national economy, concluding contracts, making purchases. It should be noted that professional and business tourism is one of the priority directions of development for Ukraine.

Joint European economic development, construction of new and modernization of existing enterprises in various branches of the economy, intensive entry into the Ukrainian market of foreign companies will determine the further growth of professional and business tourism in most cities-megapolises. At present, with the growing unity and interdependence of the world, the expansion of international contacts in the field of economics, the investment aspect of tourism is increasing [2]. Professional and business tourism includes: congress-exhibition tourism; business trips; incentive tourism. In international practice, the concept of MICE-tourism is used, which stands for: Meetings Incentives Conferences Events (meetings, incentive trips, conferences, exhibitions, events). Promotion of the Ukrainian MICE-tourism industry based on the latest information technologies, the latest global achievements in this area can become one of the effective directions of development of domestic companies and their integration into the world economic process.

According to the European Association of Inventory-Tourism, the United States (60%), Great Britain (20%) and Germany (11%) are the main contributors to the incentive-tourists market. At the same time, the main directions of tourists insights are: Europe (80%), USA (10%) and countries of Southeast Asia (6%). In Ukraine, incentive tourism has begun to develop relatively recently and represents a few cases in the international market. In the sector of business tourism, the share of this type of tourism is small and is about 8%, but the increase in the number of incentive tours has been an impetus for expanding the topics of congress-exhibition activities and conducting specialized forums for incentive tourism [5].

According to the ICCA estimates for 2015, the ranking of leading cities and countries for major MICE events (Country and city rankings Report 2015) is as follows: the list of major congress cities was headed by Vienna, where in 2015 it held 181 events. They are followed by: Paris (174), Barcelona (150), Berlin (147). On the top lines of the ranking of MICE-leader countries - the United States (with more than fourfold increase in volumes per year), Germany, Spain, Great Britain and France.

This analysis shows the need to develop and implement a comprehensive approach to the development of the system of congress-exhibition activity in our country. The proposed methodology for the formation and development of the Exhibition and Fair Complex is shown in Fig. 4.

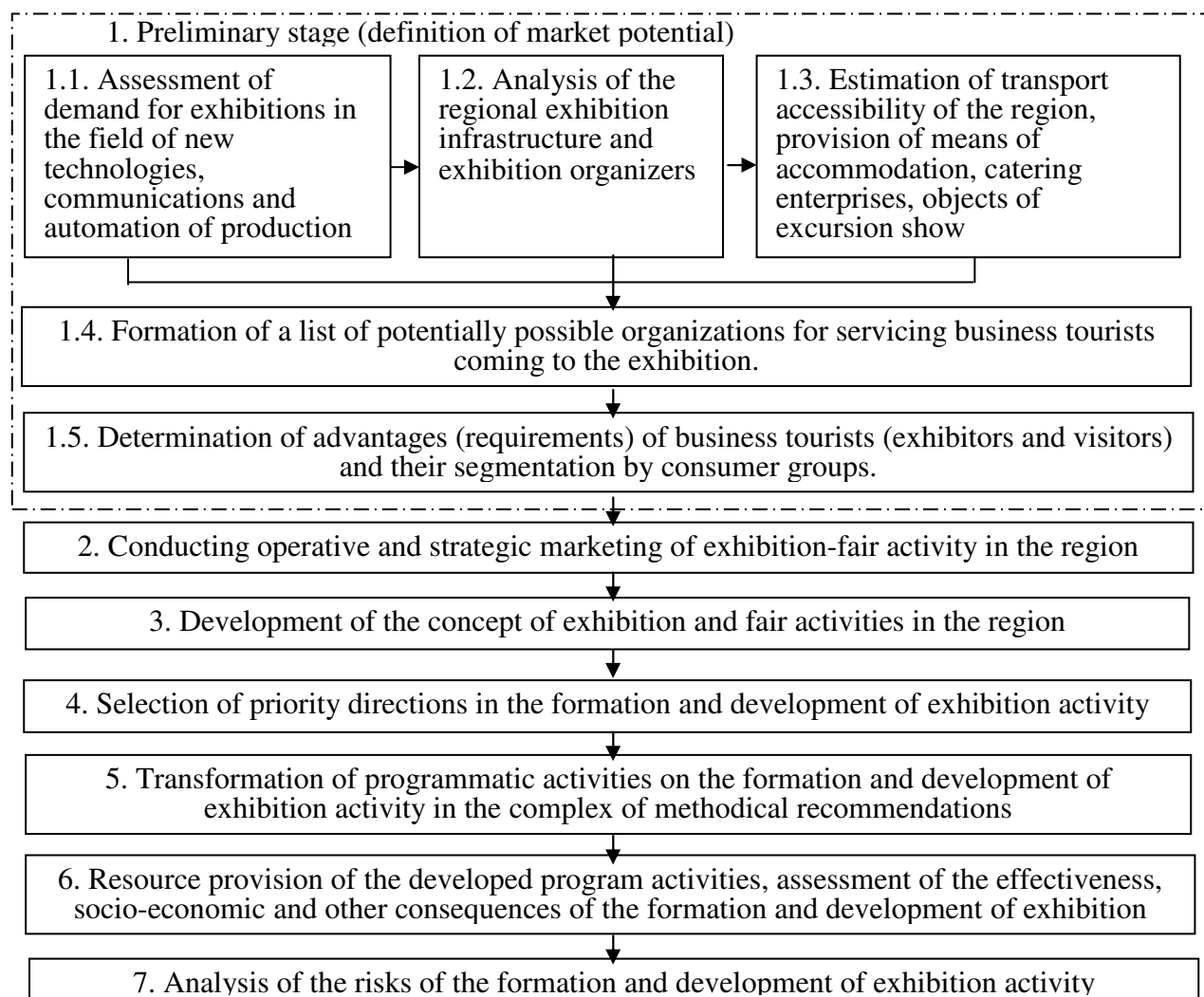


Fig. 4. Integrated method of formation and development of exhibition-fair complex in the region

The purpose of the formation of EFA is to create conditions for the growth of business activity in the region by means of revitalization of the NDF. Growth of business activity involves: increasing the quality and quantity of services provided to business tourists (hotels, restaurants, transport, communications, advertising, publishing, active trading activities, organization of cultural programs, business congresses, seminars, conferences); creating new jobs; increase of production volumes at the expense of trade agreements and sales made at exhibitions; coming to the region of companies from other regions of Ukraine and other countries.

Professional and business tourism is an integral part of the modern production process, becoming the most profitable industry of tourism. According to the World Tourism Organization (UNWTO), the share of professional-business tourism in the world is about 20%. It is one of the most profitable and promising types of travel, characterized by high and stable growth and relative resistance to the effects of economic, political, weather and other factors [3, p. 203].

The development of wind energy in the region can be achieved by solving three tasks (Table 2), which will allow the formation of a modern exhibition infrastructure that meets international standards.

Analysis of the strengths and weaknesses of each of the three ways of solving the problem allows the region to conclude which way of forming exhibition-fair infrastructure is better for it (Table 3).

Table 2

The most important directions of work on development of exhibition-fair activity in the region

Objects	Results	Indicator
1	2	3
Improvement of the EFA system in the region	1) Organization of a training system for the development of EFA 2) Effective use of exhibition space 3) Increase in the number of exhibitors 4) Change in the ratio of international and regional exhibitions	The number of specialists in the field of EFA Capacity of exhibition grounds The annual average number of exhibition exhibitors The ratio of the number of international and regional exhibitions, %

Continued tab 1

1	2	3
Increasing the status of the region as a major exhibition and fair center of Ukraine	5) Increasing the number of business tourists 6) Increase in the total number of people employed in the service of exhibition and tourist infrastructure	Number of business tourists The total number of employees in the EFA and the hospitality industry
Creation of modern exhibition infrastructure in accordance with international standards	7) The presence of world-class exhibition grounds 8) The growth of the number of international exhibition organizers 9) Development of the accompanying infrastructure (hotels, catering establishments, excursion show objects)	Area, sq.m. Number of organizers Annual average occupancy of hotels

Table 3

Possible ways to solve the problem

Method	Strengths	Weak sides
Construction of a large exhibition center	Great modern project of international importance. The administration of the region (city) gives the project a special significance, including a land plot.	A large-scale project requires large investments, which is associated with the risk of delaying the project timetable and returning investment
Construction of small exhibition grounds	Ability to organize a permanent exhibition of products of enterprises	· Lack of funding for construction. · The complexity of attracting international participants. · Incompatibility of exhibition grounds with the technical requirements of UFI, the impossibility of placing large-sized products
Modernization of existing exhibition areas	Popularity as a venue for exhibition and fairs events. Owners of existing sites have experienced staff for exhibitions and fairs	Can not be used, even under modernization, for large-scale exhibitions, as they do not meet the requirements of international exhibition grounds.

The analysis of statistical data provided by exhibition organizations showed that the main problems of assessing the effectiveness of exhibition activities is the complexity of quantitative measurements and the definition of economic indicators of the measures, the distribution in time of acquiring the effect of the actions taken. The solution of this problem is possible on the basis of the formation of a comprehensive methodology for evaluating and conducting regular analytical work in all areas of exhibition activity in order to correct and refine the exposure policy. Using the proposed approach allows assessing the effectiveness of exhibition activities by compiling a "profile of the results of exhibition activity" as a graphical representation of successful and unsuccessful aspects of the exhibition activities (Fig. 5).

Thus, the analysis and evaluation of the results of the exhibition activity can form a set of organizational and economic measures to change the exposure (for example, increasing the display advertising, increasing the accompanying measures, increasing the budget of exhibition activities, expansion of bench equipment etc.).

Conclusions and suggestions for further research. In Ukraine, the pace of development of event tourism is not so rapid, which is explained by a number of subjective and objective factors. The main factors include the following: insufficient information about the congress-exhibition opportunities of our country on the world market; absence of state conception of development of congress-exhibition activity; insufficient number of highly skilled professional staff providing organization of congress-exhibition events; insufficient security of stay of tourists in the country (in particular, the absence of special points for the treatment of foreign tourists); insufficient financing of infrastructure development as a whole, and consequently - insufficient number of congress and exhibition areas, hotel room fund, air transportation, subway lines etc.

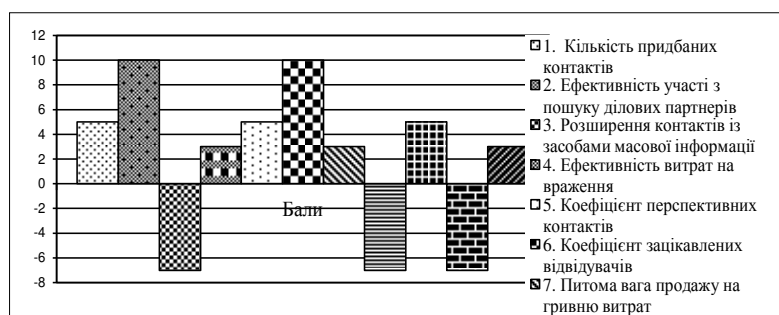


Fig. 5. Profile of the evaluation of the results of the exhibition

The proposed project for the formation and development of an exhibition and fair complex in the region will strengthen the development of tourism infrastructure: transport, catering, hotel industry. In addition to the colossal economic value, the exhibition industry plays an important role in expanding the boundaries of mutual understanding and establishing mutual trust between peoples of different countries, representatives of different religions and cultures. Exhibit enterprises, united in large business complexes, overcome the national barriers and frameworks of individual states.

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