

## THE IMPORTANCE OF ADVERTISING IN GLOBAL TRADE

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*Стаття отримана редакцією 17.01.2024 р.*

*The article was received by editorial board on 17.01.2024*

**Introduction.** The Importance of Advertising in Global Trade is a very necessary article if one wants to learn more about the implementation of advertising. For example, if a company is engaged in market research, understanding how trade advertising works can help increase the company's revenue. This article explains what global trade advertising is, discusses why companies use it, describes how it works, lists its benefits, and provides examples to help better understand it. Advertising can be a very useful way for companies to reach more customers without expanding their own physical or online stores. This paper can be particularly useful if Company X is (conventionally) trying to monetise its brand or has decided to launch a new product. Research and advertising decisions are very important in international marketing. Sometimes there can even be significant regional differences within a given country. Therefore, careful exploration, research and planning are essential before entering a market. That's why this is an important publication for people who need to make innovative advertising decisions.

**Analysis of recent research and publications.** Global and local marketing and advertising policy has always been a subject of research. The study of advertising policy, which is rapidly updated and presented in different forms almost every day, requires constantly updated sources. For this reason, the advertising strategies of international companies, the practice of using artificial intelligence in advertising and scientific research journals have been taken as the main research sources. At the same time, books by researchers such as S. Godin, D. Thomas and P. Gilbert with studies on modern advertising were used.

**Objectives of the article.** Globally, many companies with strong advertising strategies that spend a large proportion of their revenues on advertising have achieved great success. For this reason, this research can guide the decisions of companies and marketers conducting international advertising research. Many digital companies have strong global advertising strategies but focus on a virtual base rather than a real product that they sell. The selling point is digital services and the buyers are anyone anywhere in the world with a smart device and a payment card with international access. With multiple sales being the main objective of the companies, the subject of this article may attract the attention of many advertising managers.

**The main material of the study.** It is no coincidence that advertising is the basis of one of the main functions of marketing – the function of advertising and sales promotion. It fulfils the main tasks of informing the target audience about the company or its product, introducing the product to potential buyers and persuading them to buy it. As Seth Godin says in his book *The Purple Cow*: “Stop advertising and start innovating...” Behind this one-sentence idea lies a profound marketing and advertising fact. In other words, traditional advertising (TV shows, magazines, billboards, etc.) can no longer convince customers. For this reason, the main

detail of the research is to investigate and find innovative examples that do not look like advertising, but carry the essence of advertising, and evaluate their global impact.

Seth Godin also says: "One way to figure out a great theory is to look at what's working in the real world and figure out what the various successes have in common. With marketing, though, it's puzzling. What could the Four Seasons and Motel 6 have in common? Other than the fact that both experienced extraordinary success and growth in the hotel field, they couldn't be more different. Or Wal-Mart and Neiman Marcus, both growing during the same decade. Or Nokia (changing its hardware every thirty days) and Nintendo (marketing the same Game Boy for fifteen years in a row). It's like trying to drive by watching the rear-view mirror. Of course, these things worked, but do they help predict what will work tomorrow? What all of these companies have in common is that they have nothing in common. They are outliers. They're on the fringes. Super-fast or super slow. Very exclusive or very cheap. Very big or very small. The reason it's so hard to follow the leader is this: The leader is the leader because he did something remarkable. And that remarkable thing is now taken – it's no longer remarkable when you do it." [1] Seth Godin points out that tactics used by one successful company may be completely ineffective when used by other companies. Thus, it is necessary to be creative and innovative rather than to find common success among companies. Based on the research, it can be said that advertising should be the most creative job in marketing. Because any news about the product is delivered to people through advertising. Only a well thought out and memorable advertising style makes a brand stand out.

Marketplaces, global business and international marketing have never been easier. With so many options and tools available online, brands can expand their operations into new countries and reach untapped markets. International marketing can be defined as the tactics and methods used to market products and services in multiple countries. This can take the form of import/export, franchising, licensing and online sales. How to do thorough market research? Market research is vital to any marketing campaign, especially when it comes to international expansion. There are many factors to consider when assessing a foreign market, such as implementing a segmentation policy. Segmentation is the process of dividing an enterprise's operating environment into distinct parts or segments based on different parameters or principles. It is advisable to carry out segmentation taking into account various factors of the external environment. Leading companies often use strategic market segmentation. The main objective of strategic market segmentation is to determine the main parameters of the market through market research. This is also used in the development of the company's future action strategy. The main parameters of the global market include groups of consumers by target segments, consumer needs and functions, prices and sales periods by segments, and technologies of demand fulfilment. As an example of segmentation, consider demographic segmentation research. Whether marketing to domestic or international markets, demographic information can provide important insights into a target market and how to address consumer needs. Demographics refer to statistical information about the characteristics of a population. Marketers typically combine several variables to create a demographic profile of a target market. A demographic profile (often shortened to "demographic") is a term used in marketing and broadcasting to describe a demographic group or market segment. Common demographic variables to consider for global and domestic marketing purposes include people's age, social class, gender, religion, income budget, education, geography, etc. With demographic profiles of target segments in hand, marketers evaluate the marketing mix. They make recommendations about whether to change, reduce or increase the goods or services offered. Based on demographic data, marketers can adjust product features, distribution strategies, or other factors to reach a market segment with the most potential. A demographic profile can be very useful in determining how to achieve maximum results. Advertising is usually part of the promotional mix, especially when companies are in the early stages of entering a global market and launching products that are new to that market. Advertisers want to get the most bang for their buck, so in global markets, as in domestic markets, careful media research is done to match the demographic profile of the target market with the demographic profile of the advertising medium [2].

To make a decision to enter foreign markets, it is necessary to better understand the language and culture of these countries and implement an appropriate marketing and advertising strategy. Presumably, there is already a connection to the culture and that is why the decision to enter the market was made. If not, it can be helpful to have a local partner or representative who can provide insight into what makes the market tick. Whether the territory is large or small, there is a need for representation to conduct research. Europe, for example, is a great example of a continent with many different cultures and languages within a relatively small geographical area. People's languages, lifestyles, daily routines and purchasing decisions can vary greatly between countries and even regions within the same country. Humour isn't universal either, and marketing attempts to use humour

could fall flat or even offend people. It is beneficial to have as much insight as possible into the specifics of each market [3].

For example, one of the companies with a famous advertising strategy is the company "Nike". Its campaigns often feature global sports stars and celebrities. They are designed to appeal to a wide range of consumers around the world. Nike has consistently set the standard for innovative and effective marketing strategies. Using a combination of brand storytelling, athlete endorsements, digital campaigns and public relations, Nike has managed to win the hearts and minds of consumers around the world. As an early adopter of endorsements, Nike uses influencer marketing partnerships to expand its influence and appeal. The brand has strategic partnerships with influencers from various fields, including sports, fashion, music and entertainment. Additionally, Nike collaborates with celebrities on social media with large followings and engages new content creators known for their fitness, casual and streetwear styles. Nike can take advantage of its loyal fan base and bring its advertising messages to new audiences. Finally, Nike can combine interests. As a result, Nike's marketing campaigns leverage the brand's connection to sports, athletics, and sports fans to create compelling stories. These stories can be real or fictional. It is difficult to say anything about it. However, through emotionally charged advertising and digital campaigns, Nike shares the stories of athletes with its audience, highlighting their journeys, challenges and triumphs. This approach to storytelling creates a strong emotional connection with consumers and motivates them [4].

There is a group of advertising formats that, although not traditional, allow businesses to attract more customers. An example of this is DOOH advertising formats. DOOH (Digital Out-of-Home Advertising) formats have proven to be much more attractive to the public and attract much more attention because, unlike traditional advertising, they can play videos or images. Another difference is that while traditional outdoor advertising only allows one ad to be shown (unless the advertising contract period expires), DOOH advertising can play a carousel of ads, offering viewers different content and keeping them engaged. There is no need to spend more time looking at the advertisement. DOOH is usually an ideal way to enter the global market. Because it is a "clever promotion", people who are directly interested in a particular type of product will come across it by chance in mobile phone games or social networks. In other words, smart advertising aims to deliver more intelligent and automated offers. This makes the job of marketing teams easier and the analysis of customer search data quicker and easier. As a result, sellers can find more buyers and reach more people in the international marketplace.

The new step of digital advertising for everyone, everywhere. If one wants smart and not too expensive advertising, one has to look at how SEM works. Before diving in, there are some things that need to be clarified. SEM (Search Engine Marketing) is usually used to refer to paid search advertising campaigns. However, some purists use it to refer to all marketing activity within a search engine, whether paid or not. Sometimes SEM is also referred to as PPC. PPC, or Pay-Per-Click advertising, is a model of online advertising where the advertiser pays based on the number of clicks on the ad. The PPC model is based on the advertiser paying (either a fixed amount or determined by auction) each time a user clicks on one of their ads to visit their website. The idea of a pay-per-click campaign is to "buy visits" to a particular website. The goal is usually to generate a specific type of user action, such as registration or product purchase. The fundamental advantage of PPC advertising is its ability to give advertisers almost instant exposure on the major search engines [5].

There are several benefits to incorporating SEM into one's digital marketing strategy:

- Drive highly qualified traffic to website. Search engine marketing is very effective at grabbing users' attention and generating clicks. Since results are shown based on what the user is searching for, it increases the likelihood that traffic will consist of people who are potentially interested in that brand.
- Increase brand awareness. Getting to the top of Google's search results is a great way to increase brand awareness. Even if the user doesn't click on the advert the first time, seeing one's name in the first place will gradually get to know the brand and possibly contact for a solution.
- Generate conversions. Google Ads offers all sorts of opportunities to measure conversions and thus guarantee the effectiveness of the ads running.
- Keep an eye on the budget. SEM solutions allow to adjust and set the budget according to the needs of the business.
- Finally, with SEM solutions such as Google Ads, it is possible not only to advertise on the search engine itself, but also to use the data and parameters provided by the search engine to place contextual ads on other

websites. The possibilities for customisation are very high: users who have already visited the site, are interested in X types of products, from a certain city, and so forth [6].

Using predictive machine learning approaches, the project proposes to increase the likelihood that Internet users will click on the products presented to them in the context of advertisements on both partners' sites and purchased on advertising marketplaces. Internet advertising has become a major economic challenge for online sales companies, which need to optimise their catalogues in real time in order to propose products to users that best match their interests and preferences.

Companies are required to display advertisements and offers that users may be interested in engaging with and purchasing. The overall model must overcome several challenges, including being scalable to handle large amounts of data, working with highly sparse and implicit feedback, and being able to handle heterogeneous contextual information about both the users and the products.

**Conclusions.** The availability of information through advertising over long distances around the world has also increased the number of international transport companies. Perhaps shopping online is like taking part in a remote auction. The first person to click the "buy" button and meet the payment terms is already the buyer, and the goods are then shipped to the buyer's region. This clever sales strategy continues until the items are sold out. In this case, the insurance and transport of the goods is often carried out by the relevant companies.

Transport is fundamental to supporting economic growth, creating jobs and connecting people to essential services such as healthcare and education. Transport is fundamental to supporting economic growth, creating jobs and connecting people to essential services such as healthcare and education. But in many developing countries, these benefits are not being realised. One billion people still live more than 2 km from an all-weather road, where lack of access is inextricably linked to poverty. These are the main barriers to international trade. Although international advertising makes products known to interested consumers around the world, not everyone can benefit from the results. Transport costs can be very high. For this reason, buyers pay attention to transport costs when buying goods. Because the cost of goods is made up by adding the cost of transport, and this is very difficult for poor countries. Sometimes affordable goods are not available in developing countries due to unsuitable transport conditions.

Recently, new obstacles to global trade have emerged. From growing climate risk to COVID-19 and wars, the cumulative crises of recent years have profoundly disrupted the transport sector. Taking steps to improve the resilience of the global transport system will enable developing countries to adapt to changing global circumstances and emerging challenges.

In most cases, companies use trade advertising for wholesale trade. These are more commonly used in international trade. Advertising is an important part of most business plans and can help a business to get in touch with customers who might benefit from its products. Businesses can also benefit from advertising their products to other businesses who can then sell the products to customers. Trade advertising is a marketing technique in which marketers focus on reaching customers through other brands and retailers, rather than using advertising to connect the product directly to the customer. It's also known as business-to-business, or B2B, advertising because it involves one company advertising directly to another. This type of advertising can help a company build relationships with other companies to reach more customers. This type of advertising can also help the main company to increase international trade and be recognised worldwide.

Recently, trade fairs have also become an important form of advertising to gain recognition in a foreign environment. A trade show is an event where companies can demonstrate their products to industry peers and other interested companies. Some retailers and merchandisers attend trade shows to find new products to sell, so they can be an excellent opportunity for a company to promote its products. To prepare for a trade show, a company can print flyers and create samples to distribute. Advertisers can also invite retailers they think might be interested in their product to attend. Companies attending trade shows are usually interested in providing small gifts that represent the company. These gifts make the company more memorable for attendees. Examples include small samples of the company's products, notepads with the company's name, pens, bags, and so forth.

Standout quote: "It's no longer about who has the best data. It's about how you use that data". A large part of the result of this article is hidden in these ideas expressed by the authors in one sentence. Nowadays, people live in an era when it is not enough to know all marketing tactics. Here, one just needs to select only the necessary marketing data and pass on only the required part of this information to the client. Choosing the wrong marketing tactic is already a defeat. Keep in mind that marketing channels that work perfectly for one business

may not work for another business. To do this, when researching the external market, it is necessary to make sure that there is a market gap. Because no single perfect advertising strategy will lead to success in a market crowded with sellers. To succeed, it is important to have a product that is at least slightly different from them and advertising that emphasises the difference.

Business leaders are aware that advertising costs account for a significant proportion of production costs. It is important to ensure that the marketing and advertising strategy selected is the most effective. Every advertising expenditure made by a company is used to attract public interest in a product, which will increase sales of the product and ultimately increase the value of the company. The final cost of advertising expenditure affects the financial statements. It can lead a company to profit or loss.

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UDC 339.9

JEL F13, M37

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The convenience of distance selling is already forcing companies to develop new advertising strategies. What will attract more people's attention and interest? As is well known, advertising in international trade began with the development of trade between countries. International trade is recognised as the sum of commercial activities carried out by the countries of the world based on transactions in goods and services and import-export relations. In particular, international trade can be considered as the most positive result of globalisation. Many factors stimulate the development of international trade. One of these factors is advertising. This activity and its results have developed from ancient times to the present day. Even today, it maintains its relevance by creating new demands. Advertising should not be seen as a mere method of disseminating information. It is carried out for a specific purpose – to create demand for the product or to improve the image of the company. From this point of view, advertising in global trade serves as the driving force that keeps the wheels of corporate progress turning. The main relevance of the topic is that international advertising is much more complicated than local advertising and requires special research. It is also worth adding that products produced in the local market are usually known as the country's brand when they enter the foreign market.

If it succeeds, it can be considered a success for the country in the region. From this point of view, it is important to choose the right foreign market and develop an international advertising strategy suitable for that market. The first thing that all companies wishing to enter a foreign market should do is research the market and develop a proper advertising strategy. A well thought out advertising strategy is half the success. Advertising is important for both B2C and B2B sales. However, in international sales, advertising is more often used for B2B sales. Therefore, advertising comes in different forms. This article presents some of these forms.

**Key words:** global trade, international trade, advertising, global promotion, long distance trade.

УДК 339.9

JEL F13, M37

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Зручність міжміської торгівлі вже змушує компанії розробляти нові рекламні стратегії. Що приверне більше уваги та інтересу людей. Як відомо, реклама в міжнародній торгівлі почалася з розвитком торгівлі між країнами. Міжнародна торгівля визнається як сукупність торговельної діяльності, що здійснюється країнами світу на основі операцій з товарами та послугами та імпортно-експортних відносин. Зокрема, міжнародну торгівлю можна оцінити як найбільш позитивний результат глобалізації. Багато факторів стимулюють розвиток міжнародної торгівлі. В якості одного з таких факторів необхідно виділити масштабну рекламу. Отже, в кожен епоху реклама проявляла себе в різних формах. ця діяльність та її результати розвивалися з давніх часів до сьогодні. Навіть сьогодні він зберігає свою актуальність, створюючи нові запити. Рекламу не слід розглядати як простий спосіб поширення інформації. Проводиться з певною метою – сформувати попит на товар або підвищити імідж фірми. З цієї точки зору реклама у світовій торгівлі є рушійною силою, яка підтримує корпоративні колеса прогресу. Основна актуальність теми полягає в тому, що реклама в міжнародному масштабі набагато складніша, ніж рекламна робота, організована на локальному рівні, і вимагає спеціального дослідження. Додамо також, що продукція, вироблена на місцевому ринку, зазвичай відома як бренд країни, коли вона виходить на зовнішній ринок. Якщо це вдасться, то це можна вважати успіхом країни в регіоні. З цієї точки зору важливо правильно вибрати зовнішній ринок і розробити міжнародну рекламну стратегію, відповідну ринку. Перше, що повинні зробити всі компанії, які хочуть вийти на зовнішній ринок, це дослідити ринок і розробити правильну рекламну стратегію. Добре продумана рекламна стратегія – це вже половина успіху. Реклама важлива як для B2C, так і для B2B продажів. Однак у міжнародних продажах реклама частіше використовується для продажів B2B. Тому реклама проявляється в різних формах. У нашій статті ви знайдете деякі з цих форм.

**Ключові слова:** глобальна торгівля, міжнародна торгівля, реклама, глобальне просування, міжміська торгівля.