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**Trade Marketing, ICT and Loyalty:
Some Possible Intersecting Points between
Food Industries and Retailers**

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Abstract

In recent decades, the relationship between suppliers and retailers has changed radically. The role of the retailer has evolved from a passive position to that of an active business entity. For industrial companies, managing relationships with distribution companies is becoming essential for good performance or even for survival. The period has also seen the explosion of the so-called “Web 2.0” phenomenon. ICT and social media are assuming increasingly central roles in the marketing strategies of successful companies.

Many studies have already been conducted on the question of how digital media can become a critical success factor for increasing consumer loyalty. Yet, there is a lack of studies on the role of digital instruments as strategic B2B marketing tools.

The aim of this paper is to discuss whether ICT can be used for trade marketing purposes. The evolution of trade marketing will be analyzed through a literature review. Next, the role of digital media in B2B will be discussed, with an analysis of the differences between the use of social media marketing in business and trade marketing in a B2C context. Later, an empirical analysis will be used to study how a food manufacturer has dealt with the introduction of a trade marketing function. Finally, we discuss how this food manufacturer developed an innovative loyalty program for its retailers using ICT instruments.

This paper contributes to existing literature by advancing studies on a topic which is currently important in both professional and academic contexts.

Keywords: Trade Marketing, Business Marketing, Social Media Marketing, Loyalty

Introduction

In recent decades, the relationship between suppliers and retailers has changed radically. The role of the retailer has evolved from a passive position to that of an active business entity. For industrial companies, managing relationships with distribution companies is becoming essential for good performance or even for survival. The period has also seen the explosion of the so-called “Web 2.0” phenomenon. ICT and social media are assuming an increasingly central role in the marketing strategies of successful companies.

Many studies have already been conducted on the question of how digital media can become a critical success factor for increasing consumer loyalty. Yet, there is a lack of studies on the role of digital instruments as strategic B2B marketing tools.

The aim of this paper is to discuss whether ICT can be used for trade marketing purposes. The evolution of trade marketing will be analyzed through a literature review. In detail, a conceptual framework of the various theories developed by the authors will be provided, together with the mix of optimized operating tools for this branch of marketing. We also look at how this function was introduced to a local food company, which will be the subject of this research. Next, the role of digital media in B2B will be discussed, with an analysis of the differences between the use of this type of ICT in business and in trade marketing in a B2C context. A gap emerged at this stage of the analysis, which this paper seeks to fill. In fact, there is a need to collect organically the contributions made in recent years by various authors on a topic that has not yet received thorough attention. On one hand, there are many different approaches to the topic (though much less than B2C). On the other, there is a paucity of case histories of companies that have applied these technologies for B2B purposes. There are even fewer studies in which collaboration with the trade marketing function has taken place. To fill this gap, we analyze an empirical case in which an ICT tool was developed for B2B use: the website of “Club dei Galli,” a project developed by the aforementioned food company.

The Trade Marketing Approach

The Trade Marketing Management

Trade Marketing is a management approach that characterizes relationships between industrial companies and business enterprises. It can be considered as marketing to distributors, who are recognized for their relevance and criticality. Trade Marketing, in plain terms, is marketing that targets trade customers rather than consumers.

Industrial companies are increasingly forced to compete in two markets: the first being the world of consumer demand and the second the sphere of intermediate demand, or distribution channels. For these purposes, marketing is divided into two major components: consumer marketing and trade marketing.

Consumer marketing encompasses all the strategic, operational, and organizational actions that a manufacturer has to implement in order to progress on the final market. The specific targets of focus in this area of activity are product innovation, communication and price placement.

Trade marketing, on the other hand, includes all the strategic, operational, and organizational actions that a manufacturer needs to develop in order to conquer the intermediate market of distribution and business customers. Here, the key areas of leverage are commercial conditions, in-store promotion, logistics and merchandising initiatives.

Trade marketing policies have become the reflection of those of consumer marketing. The notion coined by Lawrence in 1983, “twin marketing strategies”, is extremely effective in explaining complementarity (Cuomo, 1988) and the relationship between the two concepts. In business practice, marketing investment decisions are increasingly the result of an attempt to find solutions to the dilemma of how to invest on both sides.

In recent years, trade marketing has progressively absorbed much of company investments, leading to a profound change in the balance between investments in the two components of marketing.

The evolution of consumer and purchasing patterns is one of the phenomena that have led to an increase in the importance of trade marketing (Fornari, 2009) relative to the importance of the demand for products and commercial services, which has radically changed. At the time of purchase, consumers are more informed and seek a competent counter part with whom to relate.

The second reason for the prevalence of trade marketing is the retail revolution. In recent years, distribution has been modernized, differentiated and concentrated (Sicca and Adreassi, 1988). The context is changing so that the opportunities offered by the market can be captured. A good example of this is the sale of products via the internet and the first e-commerce experiences – including with problematic goods – of large-scale retail operators.

The third and final reason lies in the structural decline of the consumption growth rate. With the widespread presence of mature markets, now similar to each other and lacking in innovation, products and brands have become replaceable.

These phenomena have led to a change in hierarchical relationships both within the industry and between industry and distribution. It is easy to understand the growing interest of industrial companies in increasing the value and weight of their investments in trade marketing, so that they can improve the efficiency and effectiveness of their sales policies.

The structural application of trade marketing can improve the role of products at large-scale distribution level and address the demands of the end consumer. For a company, trade marketing is crucial to achieving effective marketing strategies that target quantitative and qualitative objectives, such as the market, a chosen segment, large-scale distribution itself, the relative sale, and so on. “Trade Marketing becomes a categorical imperative that cannot be taken away because it is the only one that can ensure success in this field” (Foglio, 2014). In order to be trade marketing oriented, an enterprise must produce what large-scale distribution can and wants to sell, that is, what the final consumer wants, rather than merely trying to sell what it produces. A company that does not

have this approach does not meet the needs of big business and will not be able to intercept and plan product demand. From the point of view of marketing, this vision is achieved by producing goods aligned to the demands of large-scale distribution and end consumers, and not the demands of business alone.

Therefore, a continuous exchange, an “intelligent bond” (Sheet, 2014) with large-scale distribution is very important for a company. Trade Marketing is, in fact, the critical factor that brings together the company and large-scale distribution. Only on these premises can the company implement its trade marketing strategy.

A correlation can be found between the development of a company and its retail system, meaning that where there is business development, there is trade marketing. Trade marketing has therefore taken on a strategic value, becoming a source of competitive advantage (Marino, 1988).

The Concept of Trade Marketing: Origin and Evolution

The emergence of trade marketing, both as a research topic and as a business function, is to be attributed to the evolution of retail enterprises and the resulting substantial changes in supplier relations. The concept appeared in several European countries in the late 1980s and early 1990s, and over the years it has developed gradually, with several different definitions and/or descriptions presented by various authors.

In 1983, in the book “The Management of Trade Marketing,” Lawrence provided the first definition of trade marketing: “What the manufacturer must do therefore is to cultivate the development of his marketing policies through the Trade by equal attention both to the needs of the consumer and the needs of the distributive trade.” A few years later, still in the English-speaking world, the authors Davies (1993) and Randal (1994) refer to the concept of trade marketing as an industrial practice that evolves in response to changes related to the growing power of distributors. Without defining the concept, the authors provide a series of interesting notes that outline the subject. On one hand, they stress the need for manufacturers to consider distributors as customers rather than as distribution channels, and on the other, they point out that trade marketing should be geared to the needs of consumers and the market through the integration of supplier and distributor marketing activities.

In defining the meaning of trade marketing, many other authors refer to the concept of alliance/integration between supplier and distributor – though with different characteristics depending on their context – in order to serve and best meet the consumer’s needs. For example, in France, in his vision of trade marketing, Chalouin (1992) emphasizes the need to optimize relationships and harmonize resources. Dupuis and Tissier-Desbordes (1996), on the other hand, focus on the importance of the methodological procedures that must be implemented jointly by manufacturers and suppliers. In Spain, Velando and Curras (1996), Santesmases (1999) and Domènech (2000) highlight the concept of the strategic alliance between supplier and distributor as being indispensable not only to satisfy the needs of the final consumer, but also to increase the profitability benefits of the two players in the distribution chain. In the same years, trade marketing quickly became popular in Italy. Three volumes (Mauri,

1987; Marino, 1988; Fornari, 1990) and numerous articles (Predeal, 1983; Fornari, 1985; Marcanti 1989) were published, as well as a magazine dedicated to this topic.

The first Italian definition, on which almost all subsequent contributions are based, was proposed by Predeal in 1983, in an article published in a marketing magazine: "Trade Marketing is a sales and planning activity complementary to and integrated with consumer marketing." This definition was developed further by Fornari (1985) as follows: "Trade Marketing is the distribution strategy which, based on the concept of customer/channel, aims to know, plan and manage the distribution process in order to achieve, on the one hand, effective use of corporate resources and, on the other, enduring competitive advantages in product trading." Other authors (Marcanti, 1989; Pellegrini, 1993; Lugli, 1998; Beltramini and Gaeta, 1998) point out the set of actions that the supplier puts in place to facilitate relations with the distributor.

Contributions in literature to defining trade marketing are multiple and fragmented. This depends on the lack of a common definition for the phenomenon. From the analysis of the literature, the concept of trade marketing emerges as:

- A strategic and operational alliance between supplier and distributor to jointly define Marketing plans and reduce conflicts (Sicca and Andreassi, 1988)
- A set of activities of a well-defined function that is present in the corporate organization
- A general orientation in terms of channel/customer thinking, structuring the marketing strategy on the basis of sales channels and customers, resulting in better management of the customer portfolio

Finally, there is the latest definition of trade marketing provided by Fornari (2009), which is the most appropriate from the point of view of this study: "the set of all those strategic and operational activities which, based on the product/customer/channel trinomial, are intended to plan/organize/manage vertical chain relationships with the aim of meeting the needs of distributors and consumers maximizing the return on investment in the final market and in the intermediate market."

Table 1. *Trade Marketing definitions (Scattolini, “Management of the Relationship in the Supply Chain: from Trade Marketing to BRM”, Univpm, 2015)*

CHALOUIN (1992)	Trade marketing is a common effort by suppliers and retailers to optimize relations and harmonize resources to better serve the consumer and/or try to achieve mutual economies of scale... It is a question of the supplier considering the retailer as a customer, with all that that entails. The retailer is no longer a mere subcontractor, he has become a partner – and more than a partner, he has become a customer and should be treated as such.
TISSIER- DESBORDES ET AL. (1993)	Trade marketing is a strategic process covering everything that enables the optimization of trading methods between a retailer and a supplier.
DUPUIS ANDTISSIER- DESBORDES (1996)	Trade marketing is a methodical procedure carried out jointly by suppliers and retailers, whose objective is to better serve customers’ needs and expectations, increase profitability and competitive position while considering each other’s constraints and specificity.
SANTESMASES (1999)	Trade marketing is a strategic alliance between manufacturer and distributor, whose aim is to develop joint actions relating to the advertising, promotion and presentation of the product in the retail outlet and to incentivize final demand, to the benefit of both.
DOMENECH (2000)	Trade marketing is a strategic alliance between different-level members of the sales chain, whose aim is to develop all or part of a shared marketing plan for mutual benefit and to the benefit of the consumer.
MARCANTI (1989)	Trade marketing is marketing targeted at commercial intermediaries.
PELLEGRINI (1993)	Trade marketing identifies the set of actions that the manufacturer implements in order to facilitate trade relations with distribution.
LUGLI (1998)	Trade marketing is the strategy and the actions that are aimed at creating a competitive advantage in the intermediate market.
BELTRAMINI AND GAETA (1998)	Trade marketing reduces antagonism between manufacturer and customer by bringing together the needs of both.

The Organizational Dimension of Trade Marketing

Over the years, many authors have stressed that it is impossible to define an ideal organizational configuration for the trade marketing function (Beltramini and Gaeta, 1998). However, some have tried to provide general indications to promote the development of this function in the company organization. The first condition for developing a trade marketing strategy is to modify the organizational structures (Predeval 1983; Fornari, 1990), considering that the traditional ones are inadequate. Indeed, the marketing division is mainly oriented to the consumer and not to sales problems, while the sales division is focused on

operational rather than management actions. Regarding structural changes, the analysis of the literature shows that the first step involves the inclusion of a key account manager (KAM) in the commercial or sales division, whose task is to manage the issues of large-scale customers. In this perspective, some customers are more important than some products (Predeval, 1983, Fornari, 1990).

Several authors (McDonalds and Rogers, 1998, Millman and Wilson, 1995) have emphasized the role of KAM for developing long-term relationships with strategic clients and for creating value-added solutions. This method for managing intermediate customers can involve adopting different business solutions. In order to manage this problem, in recent years, many companies have included the new trade marketing function in their corporate organization charts. The companies that have implemented this change have mainly used three different organizational solutions, each with its advantages and disadvantages (Vicari and Castaldo, 2005).

The first solution places the trade marketing function at the same level as the sales and marketing divisions, directly reporting to top management. The main advantage of this configuration is the involvement of top management in distribution choices, while recognizing the strategic importance of relations with commercial customers. The disadvantage is that it reduces the responsibility of the sales division.

The second solution, on the other hand, sets the trade marketing function within the marketing division. The advantage of this configuration is that it exploits analysis and planning skills. The disadvantage is that there is excessive focus on the consumer.

Finally, the third solution places trade marketing in the sales division. This is the most appropriate position, with trade marketing providing support to the different channels. Namely, it provides information to key account managers, helping the sales function (Domènech, 2000), and liaising between the marketing and sales divisions. The benefits lie in the knowledge of existing sales and on the ability to identify opportunities for customers and channels. The limitations of this set-up are that it is difficult to introduce planning aspects to sales. This last configuration is the one more widely applied in company settings (Fornari, 2009), including with different arrangements.

The Strategic Dimension and the Operational Dimension: From Planning to Trade Mix Tools

An analysis of the literature shows that few studies identify the areas of activity and responsibility of the trade marketing function within a company. There are no specific constraints on its tasks or a single configuration. However, two main dimensions can be identified. The first is strategic and focuses on back office activities such as planning, analysis, and control. The second is operational and focuses on field activities, using trade mix strategies. These two perspectives are closely linked. In fact, planning is essential to support operational decisions. The first step for trade marketing oriented companies is therefore to apply the methodologies and planning tools traditionally used in consumer marketing. Indeed, although the two functions operate in different

markets, they use and manage the same marketing tools, albeit differently, depending on their context.

Planning, as described above, involves the formalization of a “trade plan” that is complementary to a “consumer plan” (Fornari, 2009), with a structured and exhaustive information system. The definition of trade marketing as “marketing targeted at commercial intermediaries” (Marcanti, 1989; Pellegrini, 1993; Lugli, 1998) emphasizes similarities with business marketing (Fiocca, Snehota and Tunisini, 2009). Both sectors have different aspects in common, such as the type of demand, customer concentration, the importance of service components, the need for adjustments in product delivery, and so on. These affinities and similarities seem to justify the application of concepts developed in the field of industrial goods (Ford and McDowell, 1999; Gadde, Hjelmgren and Skarp, 2012), such as relationship management, information exchange, and collaboration. Essentially, logic and management tools do not change; they are simply redesigned and implemented differently.

In summary, it can be stated that the stages of the marketing process are similar, regardless of the reference market. However, they need to be tailored to the specific context, starting with a definition of the objectives, through the development of strategies (market targets, segmentation and positioning) and operational actions (product policies, price, communication and others) to finally identify the procedures of control (Marcanti, 1989; Vicari and Castaldo, 2005).

Although both dimensions of trade marketing are fundamental to the success of the business, many authors focus mainly on operational aspects. Management tools are closely interdependent and used together, albeit in combinations that vary from company to company or within the same enterprise, but in different situations. To emphasize the coordinated use of the various strategies by industrial companies, the term “trade marketing mix” is used, where mix indicates the different combinations of actions that can be undertaken.

There are several ways to classify trade marketing strategies. Many authors (Mauri, 1987, Fornari 1990, Pellegrini 1993, Beltramini and Gaeta, 1998, Vicari and Castaldo, 2005) agree on the classification that includes the following elements: product policies, sales conditions, promotions, logistics and merchandising. Examples of product policies determine which quality and price placement is included in customer assortments, whether to produce items with the distributor’s brand, etc.

Decisions are very important, as they require very different production, marketing and sales resources and skills. In fact, products must be tailored to the demands of business partners and those of their customers. The goal is to ensure the product is profitable for the industrial enterprise, and is the best it can be in terms of brand, physical and technical characteristics, performance, quality, reliability, differentiation, etc. (Foglio, 2014). Regarding sales conditions, the aim of industrial companies when dealing with distributors is to gain benefits in pricing policies, payment terms, discounts and other forms of price reduction. Obviously, the goals differ for manufacturers with leading brands and those with smaller brands. The aim of the first is sell-out, i.e. sales at the point of sale, as the brand's reputation guarantees its presence within the commercial range. Sell-out is achieved through coordination with the distributor's

marketing policies. The second goal is sell-in, to ensure their presence in the distributor's channel (Burresti et al., 2006).

Promotional policies are another area of action in trade marketing. These are marketing interventions that offer favorable conditions to a specific target audience for a limited time, in order to push them to make impulsive decisions (Fornari, 1999). The industrial company seeks the collaboration of distributors to avoid losing the effectiveness of their pricing policies and, ultimately, harming their brand image. Another intervention area is logistics, which concerns the physical flow of goods from suppliers to distributors. Greater coordination between the two parties reduces product management costs, prevents goods from going out of stock and improves service delivery.

Finally, merchandising is a key component of marketing within points of sale. It concerns the management of the exhibition space and therefore the layout of the equipment, as well as product display decisions with the shelf positioning of products (Lugli, 1998). Merchandising may also include the provision of material intended to communicate with final customers when they are inside the store: the so-called point of sale. The importance of this strategy is considerable, since it has evolved into visual merchandising, also defined as in-store marketing (Zaghi, 2013). Today, 82% of purchasing decisions take place directly at the point of sale (Popai, 2014). Given this data, we can understand the growing importance of in-store marketing, which promotes better collaboration between suppliers and distributors (Sciarelli, 1994) in order to meet the final consumers. This also leads to a shift in their relationship, towards a better partnership.

Social Media

Social Media: Literature Review

Social media have attracted significant attention, as scholars and practitioners need to understand their potential in supporting brands (Michaelidou et al., 2011; Yan, 2011), sales, customer service, and product development (Culnan, McHugh, & Zubillaga, 2010). Consumers perceive social media as more trustworthy than any other information sponsored by organizations. Consequently, consumers are increasingly turning to social media to get more information about products and services (Foux, 2006). By leveraging the popularity of social media and their perceived trust, more and more organizations have a social media presence so they can engage customers with their products and brands (Mangold & Faulds, 2009). Empirical evidence suggests that adoption of social media can significantly benefit organizations. In particular, research indicates that social media can generate higher brand attitudes and purchase intentions than more traditional digital media (Colliander & Dahlen, 2011). Social media and social networking sites have also been used extensively as a marketing communications tool, owing to their potential in spreading viral messages (Bampo, Ewing, Mather, Stewart, & Wallace, 2008) and generating word of mouth (Trusov et al., 2009). Within organizations, social media have the potential to create capabilities that could translate into useful resources, which

in turn result in competitive advantages and higher performance (Lau, 2011; Leonidou, Palihawadana, & Theodosiou, 2011). Despite the potential of social media and the need for marketing departments to capture the value generated by such channels, marketers tend not to evaluate their effectiveness (Michaelidou et al., 2011). The literature suggests that traditional metrics are unsuitable for this dynamic and highly interactive environment (Borders, Johnston, & Rigdon, 2001; Hoffman & Fodor, 2010), which might be one of the reasons for the tendency of marketers not to assess their effectiveness. Research on the use of social media largely focuses on B2C contexts (Michaelidou et al., 2011). In fact, social media are powered by user-generated content or content from sources produced by end-users. However, the heterogeneity of the social media landscape also allows B2B companies to use these digital tools for their marketing purposes (Swani, Brown and Milne, 2014). Despite this, some authors have shown that social media-based communication can be more profitable for B2C, because final consumers are able to take advantage of the online communication channel. From this perspective, it is often hard for B2B-oriented companies to grasp the real potential of these tools. Michaelidou, Siamagka and Christodoulides (2011) point out the lack of research and literature on the relationship between social media marketing and companies that operate in B2B markets. Almost all studies focus on B2C-oriented companies. The authors argue that, although all B2B companies appear to be willing to increase their investment in social media, the delay in the adoption of these tools for marketing purposes compared to companies in the B2C sector is still quite substantial (Gregori, Marinelli, Temperini, 2015).

Social Media Websites in B2B Marketing: Advantages and Obstacles

To date, research has shown that social media sites are effectively and efficiently used for many B2B Marketing activities. These include targeting and consumer relationship management (Moor, Hopkins, & Raymond, 2013). Specifically, it has been shown that B2B marketers successfully use social media sites to identify and attract new business partners (Michaelidou et al., 2011) and new business opportunities (Breslauer & Smith, 2009). They also use social media sites effectively to reach existing consumers and engage them in two-way communication, which is valued by industrial partners. Such online interaction enables marketers to obtain valuable feedback (Kaplan & Haenlein, 2010), which, when analyzed, allows them to better tailor products and services to the needs of industrial partners. This in turn is directly related to an improved sales performance and a greater return on investment. Furthermore, research has shown that use of social media sites and a two-way communication between B2B companies allow marketers to reinforce relationships with industrial partners (Jussila, Karkkainen, & Leino, 2012). This is because such a two-way online interaction creates the perception of the company being closer to its target market (Breslauer & Smith, 2009), which results in greater trust and loyalty (Mangold & Faulds, 2009). Effective consumer relationship management, trust established between B2B business partners and loyalty are all key elements for successful business transactions.

In addition to the already mentioned application of social media sites in B2B marketing, Kaplan and Haenlein (2010) emphasize that B2B marketing professionals effectively employ these sites in branding strategies. On social media sites, they can create a unique brand identity (Michaelidou et al., 2011) and brand loyalty (Rapp, Beitelspacher, Grewal, & Hughes, 2013). Furthermore, they use these sites to direct traffic to a company's branded website (Breslauer & Smith, 2009), significantly increasing brand awareness worldwide (Van Den Bulte and Wuyts, 2007; Rapp et al., 2013). Finally, Bughin, Manyika, and Miller (2009) report that the biggest advantage deriving from use of social media sites by B2B marketers is the access to knowledge it affords. Research has shown that social media sites encourage two-way communication and therefore virtual co-creation (Simula et al., 2013). They also facilitate intra- and inter-organizational collaboration (Moor et al., 2013). This has a positive impact on innovation and product management, as it may result in the development of innovative offerings, which in turn can provide a company with a competitive advantage (Bughin et al., 2009; Jussila, Karkkainen, & Leino, 2013). This view is further underscored by McKinsey (2013), who suggests that B2B firms can increase sales innovations and reduce time to market if their marketers use social media sites.

Despite the numerous advantages arising from the use of social media sites by B2B marketing professionals, Swani et al. (2014) note that B2B marketers “struggle to implement successful social media strategies”, and indeed many B2B marketers perceive these sites as being irrelevant in the B2B context (Michaelidou et al., 2011; Järvinen et al., 2012). This is because there is a common perception among B2B marketers that social media sites are more suitable for the B2C sector and that they cannot support B2B marketing objectives (Buehrer et al., 2005; Järvinen et al., 2012). This is due to the nature of the B2B business environment, as well as several other barriers, both internal and external, which B2B marketers must face when incorporating social media sites into their strategies (Buehrer et al., 2005). One of the biggest barriers deterring the adoption of social media sites in the B2B context is the marketers' poor understanding of how to use these sites for B2B marketing purposes (Lu, Zhou, & Wang, 2009; Michaelidou et al., 2011; Järvinen et al., 2012). They are also unable to recognize the benefits of using these sites in the B2B context (Buehrer et al., 2005). This lack of “know-how” and the perceived lack of benefits of B2B social media marketing create a negative attitude among marketing professionals towards social media sites in the B2B context (Buehrer et al., 2005). Consequently, this prevents the adoption of those sites in many B2B business environments (Michaelidou et al., 2011).

In addition to the lack of understanding of how to use social media sites in B2B marketing, the lack of control over communications via such sites deters marketers from adopting them (Mangold & Faulds, 2009). This is because marketers are not able to control the exchange of online information, which carries the risk of disclosing confidential information, with a potential profound impact on the future of B2B business (Kaplan & Haenlein, 2010; Simula et al., 2013). This view is further supported by Jussila et al. (2014), who argue that the possibility of confidential information leakage discourages B2B marketers from using social media sites. As such, the two-way interaction recognized

earlier as an advantage of social media sites in the B2B sector may also be perceived as a disadvantage, which seriously affects marketers' perception of the usefulness of social media sites in the B2B environment (Nordlund, Lempiala, & Holopainen, 2011).

Finally, Swani and Brown (2011) show that there is a common belief among B2B marketing professionals that social media sites do not fit with the nature of the B2B sector, where industrial partners are greatly involved in the buying process. According to marketers, B2B partners require face-to-face interaction and the individual approach, which cannot be achieved online. The interpersonal nature of the online environment is therefore yet another factor which creates a negative perception of the usability of social media sites in B2B marketing. This in turn, prevents marketers from adopting social media sites for marketing.

Nevertheless, despite the numerous barriers obstructing marketers' adoption and use of social media sites in the B2B environment, Van Den Bulte and Wuyts (2007), Michaelidou et al. (2011), and most recently, Veldman, Van Praet, and Mechant (2015) observe that some innovative marketers have established a social media presence for B2B firms. Indeed, many of them aim to further increase their investment in B2B social media marketing. Thus, B2B marketers are beginning to recognize the value of these sites for marketing (Swani, Milne, & Brown, 2013) and so have started using these sites to support their marketing strategies (Brennan & Croft, 2012). Despite this early adoption, however, the full potential of social media sites in B2B marketing has not been fully exploited (Jussila, Karkkainen, & Leino, 2011; Järvinen et al., 2012). Furthermore, while there are different ideas in the literature about B2B and social media usage, there are no specific references to using them in terms of trade marketing. This is a gap that emerges strongly from our research and to which we wish to give a first, though partial, response with this paper.

Methodology

This paper follows the qualitative research method, owing to a lack of case studies in the literature on the topic addressed. More in detail, this study shows, through an ongoing action research project (Vignali, 1988) based on the case study method (Yin, 1994; Eisenhardt, 1989), how a website can be used as an instrument of social media marketing for business and trade marketing purposes. The case study is a particularly useful tool for the analysis of ongoing processes or practical applications, because it is a description of reality. Therefore, it raises many issues and observations to be considered in order to arrive at good results.

This ongoing research design started two years ago with the qualitative phase through semi-structured and in-depth interviews with people with different roles (trade marketing manager, customer sales director, commercial director and sales manager). To do this, an important Italian food company, Fileni Group, was chosen. This company allowed researchers to focus on the introduction of the trade marketing function, in 2015, and to follow the development of a website designed for a B2B context by this newborn division. It would be interesting to repeat the analysis in one year to check for changes and expand the sample (repeat the same survey in other companies).

This study stands as a first attempt in the development of a theoretical model, moving from the qualitative to the quantitative study phase, following the Sequential Exploratory Design model (Creswell, 2009).

Table 2. *Sequential Exploratory Design Model (Creswell J. W., Research Design. Qualitative, Quantitative and Mixed Methods Approaches, Third Edition, SAGE Publications Inc., pp. 209-212)*

Quantitative data collection	Qualitative data collection
Quantitative data analysis	Qualitative data analysis
Quantitative results	Qualitative results
Interpretation of results	

Discussion

The Fileni Group Company Profile

Founded by Giovanni Fileni in 1970, the Fileni Group is the first Italian producer of organic farming poultry and the third player in the national poultry sector. “Fileni”, “Fileni BIO”, “Club deiGalli”, “Almaverde BIO”, “Sempred omenica”, “Magic Zoo” and “Maestridella carne” products are featured in all the points of sale of the large-scale modern retailers and in catering and normal trade channels. Fileni also supplies white meat to large industrial food processing groups. To date, the Group produces over 100,000 metrictonnes of meat annually and revenues of €340 million (2015), offering work to more than 2,900 people (approximately 1,700 direct employees and 1,200 indirectly, thanks to business done with the company). The key to their success lies in the strategic choice of combining tradition and innovation as a sign of quality, achieved by aligning business models and products with new consumer trends. The company’s mission is to become the mainwhite meat brand in the wellness and gourmet segment. To achieve this goal, the Fileni Group is now implementing an organized strategy to create value for trade.

The Trade Marketing Function in the Fileni Group

The configuration of the Fileni Group’s trade marketing function has taken on a significant role since the early stages of its development, carrying out new activities and also dealing with activities that were previously conducted by the marketing and sales divisions.

In this regard, it is important to emphasize the liaising role that this new function plays within the company between marketing and sales. In fact, the relationship between the two divisions is discordant, owing to different positions and visions. For example, when defining strategies or activities to be implemented, the marketing division is ambitious, while the sales division tends to be more analytical and cautious. Additionally, sales divisions are typically not as optimistic about the possible outcome. In these circumstances, the importance of trade marketing’s role emerges as one of translating the negativity of sales into

forecasts. Where a risk is raised, it is examined in-depth with the aim of eliminating it.

In addition to supporting the relationship between the marketing and sales divisions, the trade marketing function performs certain tasks that are identified in the literature within the evolution of trade marketing (Fornari, 2009):

- Providing information support for the design of business plans through the analysis of the income statement and definition of the business calendar. Specifically, if on one hand realistic forecasts are made through investment simulations, costs and revenues, on the other hand, activities are planned in terms of product, customer, period, etc.
- Supporting the marketing division to define product price placement and marketing planning activities by collecting and processing both internal and external data sources. Specifically, it defines the price list and organizes customer management in terms of priorities and assortments
- Supporting the sales division in the negotiation phase with customers by providing quantitative and qualitative information. This may concern, for example, market trends, solutions that can improve product visibility and accessibility at points of sale, and so on
- Defining merchandising tests with customers to evaluate product shelf placement

These tasks were previously carried out on an occasional and unstructured basis and therefore provided limited benefits. With the new organization, however, there is greater clarity in defining and implementing tasks and, furthermore, an increased potential for better performance.

The real evolutionary aspect of the Fileni Group following the introduction of the trade marketing function focused mainly on finding solutions to improve the activities at the point of sale, with the aim of providing customer support, and consequently engaging with and meeting the needs of consumers. In this respect, two new activities were undertaken: analysis of promotional leaflets and points-of-sale monitoring. As can be inferred from what we discussed earlier, the distinctiveness of this company's trade marketing function is that it performs all the operational tasks that usually relate to business marketing activities, leaving market control, communication activities and B2C relationship leads to the marketing function. As a consequence, it has become an example of how B2B marketing activities can benefit greatly from using ICT and social media tools, as will be discussed later. For this reason, when ICT tools for B2B are discussed in the case study, they are also intended as ICT tools for trade marketing.

“Club Dei Galli” as an ICT Tool for B2B

“Club deiGalli” (rooster club) is a project created from the collaboration between the divisions of marketing, trade marketing and detail of the Fileni Group in 2006. It is defined by the company as “a place where the best butchers meet”: those who share a passion for an ancient and precious profession and

hold a unique knowledge. It is an exclusive space dedicated to professionals who want to meet, exchange views and grow together to achieve ever-higher goals. For those who join the club, the company promises they will discover high quality products and new trends; they will be able to make constructive comparisons, share experiences, form new relationships and get help for development and face the challenges of the future. “Club deiGalli” was created as a tool for a project that brings mutual benefits to the parties and leads to more and more loyalty-based collaboration. Fileni Group also wants this club to become an important virtual community, especially through the website. Among the various activities carried out by the club are meetings, training, new ideas, sharing experiences, news, official publications, and the provision of communication material and gadgets. The objective for the butchers involved in the project is to grow as professionals by following a shared vision and focusing on innovation, connectivity, and quality.

The benefits identified by the company for those joining the club include:

- Access to an exclusive line of retail products to help the butchers stand out, offering customers meat that they would not find from other retailers (and specifically from large-scale retailers)
- Provision of quality products selected, controlled and certified by CSQA, all strictly made in Italy
- Provision of Club Advertising material, such as a certificate, an apron, cap, visual merchandising, banners and briefcases that will give visibility to the Club membership
- Discount program related to quantities purchased, fixed prices for every year, unrelated to the daily market trends
- Possibility to attend events and training courses specially tailored to Club members
- Free access to projects, support and advice: the butchers are provided with market research and industry studies to propose to the final consumer the right product at the right time
- Free subscription to “Voce del Club deiGalli” (roaster club voice), a quarterly publication that talks about the world of the butchers who are members of the club so that they can keep up to date on the latest Club news. Created in 2014 as the house organ which Fileni offers to customers and end consumers, this newspaper aims to tell readers about the world of “Club deiGalli” through in-depth research on the supply chain, interviews with the most representative butchers and food and wine itineraries

Becoming a member of the Club is very simple and, above all, it is free. Applicants just need to sign up for a membership form. The Club is intended as a gateway to a world of courses, training sessions, and exchange opportunities. The company aims to work with butchers and guide them along a path that will continually improve their profession and consistently provide new ideas. To date, the project has been joined by about 1,500 members, a number that has steadily increased over the years.

The Website as an Instrument of Social Media Marketing for Business and Trade Marketing

The “Club deiGalli” website was launched in 2014 with the aim of being the main tool to advertise the brand and all related initiatives and to become a virtual community. Mainly targeted at butchers (retailers, in a B2B perspective), the website is nevertheless optimized for end consumer use (B2C perspective). Thanks to responsive technology, www.clubdeigalli.it is available for all devices on the market today: desktop computers, tablets and smartphones. For each of these devices, the display is customized to give the user the best possible experience. The website is divided into seven main sections:

- Homepage: dedicated to club staff, from relational marketing purposes: key figures of the Galli Club are featured in turn, with their picture and a brief presentation presented in this section
- What is “Club deiGalli”: contains a description of the project, benefits for affiliates, and practical tips for joining the club
- Products: contains the entire range of products dedicated to Club Affiliates. A recipe is offered for each product. It is also possible to navigate to the Fileni blog, containing articles related to the specific product from a social media marketing perspective
- Store locator: in this section, it is possible to search retail outlets that have joined the project. Visitors enter the name of the town or city (or the ZIP code) to look for the closest butchers. It is also possible to search by the name of the butcher or by locating a place on the map
- Our Butchers: this section features pictures of butcher’s shops that have joined the club. From social media marketing purposes, the company is planning to let retailers upload pictures, under admin control. To date, pictures can only be uploaded directly by the webmaster
- Publications: in this section, the last issue of “Voce del Club deiGalli” (the club’s quarterly publication) can be viewed. There is also an archive with previous issues
- Contacts: shows the company's main business information and a form to contact the club staff.

At first glance, it may seem that the site is primarily a classic ICT tool, rather than being conceived as a social media marketing tool in every sense of the term. According to the already famous definition of Kaplan and Haenlein (2010), “social media is a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content”. This definition was resumed in 2012 by Agnihotri et al. (2012) who defined the use of social media as “any social interaction enhancing technology that can be deployed by sales professionals to generate content (e.g., blogs, microblogs, wikis) and develop networks (e.g., social networks, online communities)”.

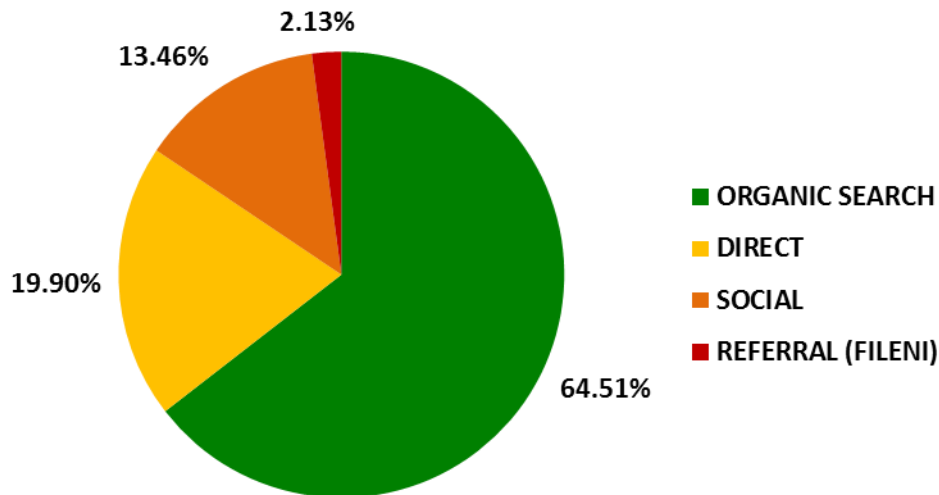
In the case of the Club website, exchange and content creation does not take place directly and immediately, as it would in the case of social media,

since it is not yet possible for consumers and retailers (in this case, butchers, in a B2B perspective) to upload their content directly to the website. However, it is apparent that there are sections of the website that are indirectly generated by the butchers, even though they are moderated by an administrator, such as the images and store locator sections. In addition, as already mentioned, the product section contains a direct reference to the company's blog, a social medium in every sense, where it is possible to exchange ideas and recipes on the various products. Lastly, it should be remembered that in every section of the website there is a direct link to the company's various social channels. It is precisely by analyzing the impact on the company's social media, and especially on Facebook, that it is possible to understand how the website can be configured as a social media marketing tool dedicated to B2B for use by the trade marketing function.

While it is true that there is not yet an official Facebook page of "Club deiGalli," content from the website is shared on Fileni's official Facebook page. This is particularly the case with articles, news about the world of butchers, new profiles of butchers who have joined the club and more. But the most interesting data come from the activity of the butchers themselves on social media. They are often the first to share content from the Club and to create it themselves, by posting on both their own social channels and on the company's official channel.

A detailed analysis of this volume of content is complex to achieve, since it is generated not only by Fileni Group but also by end users. In addition, the absence of an official Club channel (the company is considering creating one) makes it difficult to separate traffic generated by the Club brand from traffic generated by all the Group's brands as a whole. However, an analysis of the results provided by the company on the "Club deiGalli" website (data regarding one year, 2016) reveals interesting information. In 2016, there were 5,428 sessions pertaining to the club website, equivalent to 4,408 users who visited the website. Concerning the devices used, it is possible to see that optimization through responsive technology was a valid strategic choice. Indeed, only half of the sessions (52.15%) came from desktop computers, while the remaining half came from new devices (39.20% from mobile phones and 8.65% from tablets). However, the most interesting data is the source of traffic generated by the website: 13.46% of traffic comes directly from a social medium. Since the Club does not have an official channel, as mentioned earlier, this traffic must come directly from the content generated and shared by club members on their Facebook profiles and groups. Moreover, only 2.13% of the traffic generated by the website comes from the official Fileni website, a figure that confirms the central role of the Club's website as a tool for building a brand with different values, even if it is primarily a tool for B2B users.

Figure 1. *Source of Traffic generated by the Club's Website*



Conclusions, Limitations and Future Research

In the first chapter, we saw how trade marketing theories have developed since the first definition given by Lawrence in 1983. These now provide operating tools that are specific and distinct from the traditional marketing mix. We have tried to fill a gap in the literature, concerning the study of the issues that firms face when introducing this function. In fact, although the concept of trade marketing is consolidated in literature, there are still few companies, especially in SMEs, that have developed this function. In this regard, we have briefly analyzed how a local company has structured this type of function, deferring to further research a more structured analysis of a marginal gap with respect to this specific paper.

In the second chapter, the possibility of using ICT and social media marketing tools in a trade marketing and B2B context was discussed, since these two functions are closely related. This analysis shows that, in a market context strongly dominated by large-scale retail, social media marketing can become a critical tool for effectively managing distribution relationships in a loyalty-based perspective. In this context, we sought to fill the gap concerning the absence in literature on interventions that organically collect the various contributions that have recently been made in this field.

In the third chapter, we sought to fill another gap which emerged from the analysis of the literature in the second chapter. An operational case was used to show how a company has tried to develop an innovative ICT tool to build a collaborative relationship with its suppliers, in a trade marketing context. The performance analysis obtained from the website studied (www.clubdeigalli.it) shows that, in some ways, it can be compared to a social media marketing tool. In addition, the results obtained showed that the development of this tool has allowed the company to build a strong and differentiated brand compared to that of large-scale retail trade. Furthermore, its affiliated retailers have become the real promoters of the company, capable of creating and sharing original

content. This, in a virtuous circle, generates more traffic on the website and strengthens brand awareness and demand, further enhancing the relationship between a company and a single distributor.

The limitations found in the analysis consisted mainly in the inability to isolate the traffic generated by the Club's content from the traffic generated by other Fileni brands. Additionally, the absence of an official Facebook Club channel and the impossibility for consumers and retailers to upload content directly onto the website means the website can only partially be considered a real social media marketing tool (making it difficult for the company to seize the related opportunities). Moreover, the main limits of this research lie in the choice of the qualitative methodology, through the analysis of a case study. This choice was determined by the lack of similar studies in the literature. Future research will provide a much more significant contribution, starting from the results of the qualitative analysis to develop a quantitative analysis (Sequential Exploratory Design model, Creswell, 2009). Furthermore, in order to develop a true theory for how to apply these types of instruments in real cases, it will be essential to compare this case with others and arrange benchmarks. In this sense, future research will seek to provide operational tools to all companies that want to fine-tune these types of tools and fill the gaps found in literature.

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