PERSONAL SALES, ADDITIONAL PROMOTION, PUBLIC RELATIONS AND PUBLICITY AS ELEMENTS OF HORTICULTURAL SEED COMPANIES’ PROMOTION ON THE POLISH MARKET

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Abstract. This research was conducted in the years 2001–2005 with the main goal to estimate the importance of personal sales, additional promotion and public relations as elements of seed companies’ promotion in the Polish market. The personal sales used in marketing activities in seed companies had two forms: passive and active. It was used only in contact with professional gardeners. The additional sale promotion included many tools, often used at the same time. In the case of the amateur gardeners, the most common sale promotion tool was an increase in seed weight in small seed bags while keeping the same price. For the professional gardeners, the most important sale promotion tool was a field day meeting organized by seed companies, especially the foreign ones, as well as participation in fairs and branch exhibitions. The sale promotion tools for seed wholesalers included mainly discounts based on the selling results of the former year. The seed companies also paid attention to public relations by using various activities.

Key words: personal sales, additional promotion, public relations and publicity, seed marketing, seed market, seed company

INTRODUCTION

In the Polish seed sector, under existing competition, marketing has become more and more important. It is so because in highly developed markets it is much easier to produce seeds than to sell them [24]. The competition has definitely become even tougher since Poland joined the European Union [21]. Under these circumstances, marketing will play a more and more important role in the operational activities of seed companies.
Despite the very important role of marketing in the seed sector in Poland, complex research in this area did not start before 2000 [2]. One area of research was promotional activities of seed companies. Its classical elements include: advertising, commercials, personal sales, additional promotion, as well as public relations and publicity (PRP) [16, 17, 25]. The results of our research concerning advertising and commercials have already been published [3, 4, 5, 6]. This paper shows the results of research concerning the remaining elements of promotion, i.e. personal sales, additional promotion, as well as PRP.

MATERIALS AND METHODS

In order to describe the promotion activities of the horticultural seed companies operating on the Polish market, at first, the most important enterprises were selected. The companies were selected based on both their breeding achievements (based on the number of the newly registered vegetable cultivars in the years 1998–2001) and share of the amateur seed market in the years 1998–2001 (dominated in 80% by the domestic enterprises). These were 7 national and 3 foreign companies. The domestic firms included: PlantCo – Golembew – the most active Polish vegetable breeding and seed production company located in the middle of the country. They have breeding programmes of all the most important vegetable species. They are the only Polish breeder of leek, Roman lettuce and yardlong bean (Vigna unguiculata Walp. ssp. sesquipedalis (L.) Verd.). They also have the most advanced seed processing line in the country. Spójnia – Nochowo – a leading plant breeding and seed production company located in Western Poland. They have the biggest breeding team (over 50 employees) in the country and a few real market cultivar hits such as e.g. filed cucumber “Śremski F1”. They were also first to develop overwintering onion in Poland. The company was one of the first enterprises to start multiplying seeds abroad. It runs modern and highly profitable agricultural and dairy farms. Poland – Cracow is the biggest and the oldest national plant breeding and seed production company in Horticulture located in southern Poland. It has registered altogether over 250 cultivars of vegetable and flowers. They have the best domestic common bean cultivars and were the first in Poland to develop hybrid cultivars in red beet and carrot. They export their seeds to former Eastern Block countries such as Ukraine, White Russia and Lithuania. It runs highly profitable agricultural and dairy farms. PlantCo – Zielonki – a leading breeding and seed production company located in middle Poland (near Warsaw). They are famous of many very good cultivars, e.g. of stem and root celery. They have the most advanced in the country facilities for storing seeds. They have developed their own national seed distributors’ network. They were the first to start multiplying their seeds in Chile. The company is a country leader in seed company management and use of advanced biotechnology in plant breeding. PNOS – Ozarów – another state-owned company located near Warsaw. Although itself it is not so strong in developing new cultivars (they get them from others), still it is the most important (23% of the market) Polish company in terms of selling vegetable and flowers seeds on the amateur market. They have very experienced sale and marketing crew. The company has also developed an effective network of their own seed distributors. Torseed S.A. – a completely private seed production company located in Toruń in the northern middle
of Poland. It also runs three garden centres. It has been known as a country leader in putting on the market new product lines such as e.g. organic seeds or interesting pictorial packets. They are more orientated for trade than plant breeding. **W. Legutko** is a family business located in the middle Poland. They specialise in breeding flowers, produce and trade horticultural seeds. They employ 160 people and have the largest foreign production of flower seeds in China (over 700 plantations), Tanzania (over 300 plantations), India (over 100 plantations) and Chile. They export 30% of their seeds, mainly to former Eastern European countries (including Russia). They have the biggest flower seeds offer in the EU (over 400 species and cultivars).

The investigations included also Polish representatives of three dominating foreign companies operating on the Polish market: **Bejo Zaden** Poland, **Syngenta** and **Seminis**. Their choice was based on the number of registered cultivars on the Polish National List and market activity in the years 1998–2001.

The analysed in the paper data was received from various sources. The most important were: interviews (at least 3 on each company), visits (3–5 on each company including plant breeding and seed production fields), the internet pages (checked every half a year), annual reports about official registration trials (issued by the Polish governmental unit called Centre of Plant Cultivars Testing – COBORU – every year), field trials and open days meetings, printed materials studies and direct talks with company employees (from few to several times). All information came from the years 2001–2005.

**PERSONAL SALES**

Personal sales used in the seed companies had two different forms: passive and active. Passive personal sales concerned preparing, selling, and buying contracts during fairs, exhibitions and other major events when visitors meet with employees at their company’s exposition stands. In this case, the customers were professional gardeners as well as mediators (wholesalers) and representatives of food processing plants. Reaching a purchase-sale agreement with them was also achieved during events organised by the seed companies, e.g. field days, company open house days, extension training workshops, trainings, lectures, etc. In the case of active personal sales, the above mentioned potential clients were visited by the seed company’s representatives to present them the company’s trade offer and to encourage them to buy seeds\(^1\). Such personal sales techniques have never been used in relation to amateur gardeners.

**ADDITIONAL PROMOTION**

Additional promotion was carried out by the seed companies to activate final seed buyers (it was then orientated for customers) and to increase the products’ sale by individual wholesalers and retailers of the existing distribution system. It was then orientated

\(^1\) Full time employees of the seed companies looking for clients usually get a salary consisting of two parts: basic, which is permanent, and usually low and changing, which is based on commissions calculated on the total value of the sold seeds.
for either final customer or a wholesaler, because the latter was then reselling the product to a retailer.

Promotion activities in various forms were used by all the seed companies operating on the Polish market. Its applied forms depended upon the market orientation of a given company. These forms were different for the enterprise oriented for amateurs than for professional and amateur gardeners.

ADDITIONAL PROMOTION ORIENTED FOR CONSUMERS

Additional promotion forms depended upon the final target group, on which they, when used, were supposed to affect. The seed companies undertook the following activities in order to increase seed sale amongst amateur gardeners:

- putting into the seed bag a label to specify the sowing rate,
- organising a contest with rewards for clients,
- increasing the weight of seeds in a seed bag without increasing the price, which was a common practice and a permanent element of competition amongst the Polish seed companies,
- giving free seed samples for amateur gardeners as a newspaper’s insert,
- participating in branch fairs and exhibitions.

In reference to professional gardeners, seed enterprises used the following forms of additional promotions:

- organising Field Days (for individual vegetable species, e.g. Carrot Days, Onion Days, Pepper Days, etc.),
- organising research conferences, seminars and workshops connected with presentation of the company’s plant cultivars,
- arranging for seed growers and production department employees of the company trips abroad to horticultural farms growing plant varieties coming from or developed by a given company,
- free delivery of seed samples of plant cultivars trials carried out by other enterprises (e.g. groups of growers, extension services farms),
- free delivery of seed samples of the new cultivars not yet registered or in the official registration trials for testing amongst the professional gardeners,
- taking part in branch fairs and exhibitions.

The most important forms of sale promotion for professional gardeners were field days and taking part in branch fairs and exhibitions. All of the big seed companies put them into their promotion.

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2 For example, the seed company “CNOS-Vilmorin, Ltd.” In 2002 organised a contest for an advertising copy of the company, and in 2003 sponsored a drawing contest for children under the title “the Magic Garden”.

3 For example, the seed company “CNOS – Ożarów Mazowiecki’s” seed offer for trade season 2004/2005 included 91 varieties of 29 species of vegetables with increased seeds weights.

4 The topic area of the organised events varied significantly. Except for growing problems, it also covered marketing of vegetables, or gardeners’ tax calculation problems. For example, the seed company SVS in 2003 organised 37 meetings with growers in the territory of Poland.

5 These activities were connected with the strategy of introducing new cultivars in the Polish market.
The main purpose of Field Days was to allow participants to get acquainted with the company’s latest plant cultivars offerings in production conditions. Some of the companies also offered cultivars which were still under official registration trials. Sometimes Field Day also included plant cultivars from other competitors. This would enable the visitors to compare the firm’s product line with the competitor’s one. Quite often such days were also accompanied by lectures concerning growing instructions of the displayed plant cultivars. Field Days enabled the company’s employees to collect precious opinions and remarks from the participants about the product line, as well as provide an opportunity to distribute advertising materials.

The Field Days were organised at the company’s own research farms or at the farms of its leading growers. This was sometimes connected with testing new, not yet introduced on the market plant cultivars in day-to-day production conditions. The show also was used to promote other companies, whose products had been used to carry out seed production, e.g., fertilisers, pesticides, irrigation systems, cultivation machines and facilities. Utilizing promotion activities of several companies reduced costs and increased the attractiveness of the event itself.7

A big advantage of Field Days over other forms of mass meetings organised by the seed companies was the fact that their participants were either growers truly interested in buying seeds, or research centre employees. These participants were actively solicited. Written invitations were sent8, and similar announcements about the show were published in professional journals. Field Days were advertised by the seed companies as the most effective form of a company’s promotional activities9. In terms of current marketing policy, a given seed company organised either one main show once a year, at the headquarters of the company, then followed by a few smaller shows, or had more complex programmes. In the latter, especially popular amongst large foreign companies, there were several large shows in a year. Field days as a main element of additional promotion were underestimated by a majority of the investigated Polish seed companies.

Other types of additional promotion for seed companies were branch fairs and exhibitions. The investigated companies were participating in them to get new clients, carry on the existing contracts with purchasers, sustain a company presence on the market, present their own updated offerings and collect information about competitors’ offerings. Amongst the branch fairs, special attention was paid to the biggest horticultural fair in Poland called “Polagra”. The comments made by employees of the seed companies taking part in the exhibition referring, e.g. to clients’ enquiries were also collected. The number of potential seed clients truly interested in buying seeds amongst the fair’s visitors has been systematically decreasing. For this reason, some of the companies

6 As a principal, such confrontation should end by showing an advantage to the company organising Field Days. Sometimes, however, the organiser dishonestly “helped” his own cultivars a little by planting the competitors’ plants too shallowly, so their roots looked much worse than their own.
7 For example, in 2001 during Open Days of the seed company Bejo Zaden, in addition to their cultivars of vegetables, the visitors could see the production means of 14 other producers.
8 Most clients and potential buyers invited had already taken part in such events before.
9 The growing popularity of such events can also be measured by the number of guests participating in such events. The Bejo Zaden Open Days in Konotopa in 2001 was attended by about 3000 people. In 2005, there were over 5000 visitors.
discontinued it and built up other forms of promotion instead (primarily Field Days)\textsuperscript{10}. The main reason for staying with the Fair was a possibility to be rewarded with the Golden Medal of “Polagra” and other rewards in different categories which then could be used for various marketing purposes. After some time, the importance of other regional agricultural and horticultural shows increased. Their number in Poland has been increasing. Such shows, exhibitions, and meetings were organised by groups of growers, branch organisations, societies, local governments and companies selling production means.

**ADDITIONAL PROMOTION ORIENTED FOR RESELLERS**

These activities concerned mostly wholesalers, seldom retailers. They came from the vertically organised system of distribution channels in the market, especially when a final seed buyer was an amateur gardener. In this case, the following forms of promotion were used:
- a basic discount calculated based on the last season’s selling results,
- an additional discount for selected products,
- contests with rewards for the best wholesalers\textsuperscript{11},
- gifts and money rewards for the best wholesalers,
- taking part in branch fairs and exhibitions.

Out of the abovementioned activities, only contests concerned the retailers\textsuperscript{12}; all others were aimed at wholesalers.

**PUBLIC RELATIONS AND PUBLICITY**

Seed companies operating in the market undertook activities to build a positive picture of their companies, mostly among clients, wholesalers and the mass media. This goal was achieved thanks to special operational steps and activities carried out, together with advertising, direct selling or additional promotion. They included:
- sending information and inviting representatives of the press and other mass media to events connected with the activity of the company, such as opening a new research station, gardening centre, Field Days, workshops, lectures, conferences and other meetings with gardeners,
- sponsoring different institutions and social organisations,
- sponsoring different events, e.g., research conferences,
- enabling students, professionals and technical gardening school pupils to get acquainted with a company during their lessons and field trips,
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\textsuperscript{10} Such decisions were taken by Bejo Zaden from the foreign companies and by Torseed (since 2004) from the domestic ones.

\textsuperscript{11} The condition, under which there was a possibility to take part in the contest, was to exceed a certain level in the value of the sold seeds within a season. The loss prizes were, for example, foreign trips.

\textsuperscript{12} Such practices were begun by “CNOS-Vilmorin, Ltd.”, which in 2001 announced a contest for the owners of horticultural shops for the most interesting display of their products on the stand. The main prize for the winner was the car “Seicento Van”.

- sponsoring students’ domestic and foreign trips to get acquainted with plant breeding and seed production,
- enabling students to carry out foreign and domestic professional placement,
- free plant sowing materials to start collections for teaching purposes as well as research projects,
- free extension publication concerning vegetable production sent to professional growers\textsuperscript{13},
- business correspondence with clients and go-betweens (sending thanks for visiting stands during exhibition and fairs, Christmas and New Year’s greetings),
- free distribution of seeds which have lost their sowing value, for consumption purposes by penitentiary, social care and charity units,
- free distribution of seeds which have lost their sowing value, to foresters to feed animals.

DISCUSSION

One of the ways used by seed companies to promote their products is personal sales. This form of selling seeds allows the company to gain information about the purchasers’ needs \cite{11, 12}. Direct selling makes possible “getting a product closer to a client”, unlike advertising through public relations and publicity when they are actually “getting a client closer to a product” \cite{34}.

Seed companies in the Polish seed market have undertaken various activities in additional promotion towards go-betweens and consumers. As mentioned by Zrobek \cite{37}, proper promotions have become the most important means of increasing competitiveness in the market. Kall \cite{14} claimed that additional promotion has the strongest effect on a client. Such activities undertaken by seed enterprises showed that they had been using various marketing strategies oriented for purchasers or go-betweens \cite{26}. The tools of additional promotion used by the seed companies included, amongst others, taking part in branch fairs and exhibitions, organising Field Days and other meetings, price reductions, free seed samples, contests, and discounts, which in terms of direct marketing were mentioned by other authors \cite{7, 9, 11, 12}. Some of these elements Sowa \cite{29} considered as classical elements of additional promotion.

Field Days were one of the most important tools of the additional promotion. They were organised by all of the main seed companies. Another important tool was taking part in branch fairs and exhibitions. The role of Field Days and its effect on public relations and publicity of a company was also underlined by Braun \cite{7}. The other authors pointed out the role of Field Days in the marketing activities of seed companies \cite{7, 11, 12}.

Another important element of the additional promotion was the fair. This was a crucial event in the marketing life of a seed company \cite{23, 33}. Others considered it as an element in building a positive picture of a company \cite{8}. The important role of additional promotion in taking part in fairs and branch exhibitions was also pointed out

\textsuperscript{13} Such advice is usually given by company people and experts. Some companies run internet services enabling gardeners to ask questions concerning growing problems.

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by Hołubowicz [11] and Hołubowicz and Braun [12]. Goals included getting new clients, carrying on trade contacts, presenting new offers and collecting information about one’s own and competitors’ offers remain classical marketing goals of such kinds of events [23, 33, 35]. Participation in fairs depends on the strategic goals of a company [30, 31, 32], as pointed out by the authors when referring to some companies which had withdrawn from “Polagra”, also mentioned by Babula-Grzmil and Werner in 2001 [1]. A big advantage of participating in “Polagra” is the possibility of getting various prizes and using them later on in all kinds of marketing activities [12]. The authors identified the growing role in promotion at regional meetings and shows. As mentioned by Lisowski [20], in the years 1989–1995 the number of such events increased over 10 times: from less than 50 to 528.

The companies also carried out various activities with the purpose of building up their own public relations and publicity. They included, amongst others, contacts with mass media organising all kinds of events, e.g. Field Days, contact with selected institutions and sponsoring of prestigious events. Such activities as presented by Languer [19], Cenker [8], Zrałek [36] as well as Laermer and Prichnello [18] belong to the classical elements of public relations and publicity forms of activity. Moreover, they also affect the competitiveness of a company in the market [8, 10, 13, 18, 28]. The need of such long-term activities carried out by seed companies and their role in building a position of a company in a market was also shown by Hołubowicz [11] and Hołubowicz and Braun [12]. Sponsoring prestigious events as a part of building a positive picture of a company in society has also been reported by others [8, 15] as an important part of its strategy. Its popularity amongst seed companies has been increasing [12]. As presented by Mruk [22], such elements of strategies such as product quality and client service should be connected with public relations and publicity activities. Recently, they have become more important than advertising and commercials [27].

CONCLUSIONS

Based on the conducted research the following conclusions can be made:
1. Personal sales used in seed companies had two different forms: a passive one and an active one. It was used solely with professional gardeners.
2. The sale promotion carried out by seed companies included many tools. They often interacted with each other.
3. In promotion activities orientated towards amateur gardeners, the most popular was increasing the weight of seeds in a seed bag while keeping the same price. In reference to professional gardeners, the most popular tool was Field Days organised by seed companies, especially foreign ones, as well as taking part in branch fairs and exhibitions.
4. Seed companies undertook numerous activities oriented for go-betweens, in which the most important were basic discounts calculated on last season’s selling results.
5. The seed companies took care to build their own public relations and publicity by using numerous and various activities.
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SPRZEDAŻ OSOBISTA, PROMOCJA DODATKOWA ORAZ BUDOWANIE POZYTYWNEGO OBRAZU PRZEDSIĘBIORSTWA JAKO ELEMENT PROMOCJI OGRODNICZYCH FIRM NASIENNYCH NA RYNKU POLSKIM


Słowa kluczowe: sprzedaż osobista, promocja dodatkowa, budowanie pozytywnego wizerunku firmy, rynek nasion, firma nasienna

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