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## **COOPERATIVE ADVERTISING**

Cooperative advertising is an advertising, which is placed and paid together by some advertisers. Advertising, the costs of which are distributed between the producer of goods and its marketing agents (sellers and dealers) may be financed jointly by several advertisers: nationwide, local, etc.

One of the ways that a retailer can compensate his modest advertising budget is a cooperative advertising, in which the producer reimburses the retailer all or a part of the advertising cost. Most producers are constantly carrying out programs to stimulate sales, which provide retailers advertising support in the form of cash or promotional materials. Funds for cooperative advertising are subject to compliance to certain basic conditions and are generally calculated as a percentage of sales for each retailer.

Money on advertising usually come to the retailer in one of three ways: 1) the discount to compensate for the costs of advertising, provided on every purchase, 2) support program conducted by the seller retailers (e.g., advertising applications), and 3) the retailer must provide evidence that advertising products is carried out, and the bill showing the cost of the advertising campaign.

In addition, the producers are providing illustrative matter, which can be used to create catalogs and other printed advertising. Some manufacturers also offer dealer time – free time at the end of the ad on the radio or television, during which provides information about the store.

Today's unstable economic management conditions force primarily the members of small and medium business to economize the funds allocated for advertising products. Therefore, wholesalers and retailers are often particularly pleased to participate in promotional programs offered by producers as well as in the framework of cooperative advertising it is permitted share participation of the producer and retailer in the creation of advertising. This approach saves money and enhances the important links with local merchants who consumers often entrust much more than the producer's brand image.