The Regional Brand Formation in the Category “Processed Products of Oilseed Crops”

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Abstract. The article reveals the role and the structure of the regional brand in the category “processed products of oilseed crops” as a source of the region’s sustainable competitive advantages formation and one of the state projects and programs priorities. The analysis of the Krasnoyarsk territory enterprises engaged in the cultivation of grain, technical and other agricultural crops on compliance with their production potential in relation to oilseeds and market opportunities for export activities is presented. Special attention is paid to the plan on the regional brand creation in the Krasnoyarsk territory in the category “processed products of oilseed crops”, in the form of draft road maps, and organizational form (model) of participants’ interaction in the oil and fat complex of the region. In the future, the regional brand in the category “processed products of oilseed crops” should expand the opportunities for diversification of enterprises when entering foreign markets, optimize the structure of the regional economy, create a recognizable system of the region unique features through the development of its product specialization and expand the potential markets for regional products and services, as well as create prerequisites for more active use of the existing production capacities of processing enterprises in the region.

1. Introduction

The relevance of the research is substantiated by the decision of the Russian Federation government to increase exports of agricultural products, food and implementation of the priority national project “Export of agricultural products”. The Ministry of agriculture has developed a draft program “The development of agricultural products exports”, according to which the priority areas for exports from Russia are China, South-East Asia and the Middle East, and the main products are meat and meat by-products, grain, flour, cereal and fat products, as well as finished food [1].

According to the Ministry of agriculture of the Russian Federation oil and fat complex has the greatest potential to increase exports of all food industries. Further export growth is possible when entering new markets, in particular, China and India [2].

In the conditions of increasing competition in the oil and fat industry, it is necessary to focus enterprises on the production of high-quality, competitive products with a wide range (rapeseed, ginger, soy, mustard, flax, cedar oil) with a lower cost, improved consumer properties and compliance with world standards. The latter, in turn, will ensure the expansion of consumer demand and access to the world market. Taking into account the potential of the Krasnoyarsk territory, the positive dynamics of the SFD (Siberian Federal District) in the production of oilseeds with subsequent deep processing, it should be said that the region can occupy one of the leading places in this industry.
The purpose of the research is to develop a set of measures for the regional brand formation in the category “processed products of oilseed crops” as a source of sustainable competitive advantages for agro-industrial complex in the Krasnoyarsk territory.

The sample for the research was the operating enterprises of the Krasnoyarsk territory, engaged in the cultivation of grain, technical and other agricultural crops.

2. Literature review

In recent years, the development of the agricultural sector in the country has been going on in a difficult socio-economic situation due to a number of new factors of internal and external nature. Increased competition in the domestic and global agricultural food markets, economic globalization, deepening and expanding of the labor international division in agro-industrial production, sanctions against Russia and Russia’s retaliatory embargo on a number of goods, as well as a focus on non-oil and gas exports create a powerful impetus for the industry development.

The production of oilseeds is of great strategic importance for the development of the agro-industrial complex of the country. Numerous studies and publications [3, 4] indicate that interest in rapeseed among Russian farmers is growing. Primarily it is because oilseeds are more profitable than grains. In the last two or three years, prices for rapeseed were higher than for sunflower. To a greater extent, the production of agricultural crop is expanding due to the Asian part of Russia – Siberia. This is because of the fact that it is impossible to grow sunflower or soy in the regions of the SFD.

Siberia confidently claims the title of the rapeseed territory – now it accounts for over 40% of rapeseed crops [5]. Last year, the Siberian Federal District became the largest producer of rapeseed in history.

Rapeseed is one of the few crops with a guaranteed market in domestic and foreign markets. There is a high demand for seeds and rapeseed oil in the Asia-Pacific region, processing plants in the Russian Federation. Rapeseed cake and meal are in demand in the domestic market.

Far from one attempt was made by the government and authorities to popularize Russian goods abroad. In particular, in 2007, the Ministry of economic development introduced the concept of “promotion of national and regional brands of goods and services of domestic production” [6]. It was supposed to create a program “Brand of Russia” on this basis. The main goal of the concept was “to increase the non-price competitiveness of goods and services of domestic production in the domestic and foreign markets” [6]. The authors of the concept named Vologda butter [7], resorts of Krasnodar territory and tourist brand “Golden ring” (“Zolotoye kol’tso”) as successful regional brands.

Since 2014, the Ministry of industry and trade, and now the Russian export center has been working on the project “Made in Russia” – a system of marking and identification of goods produced in Russia. According to the Ministry, the presence of this emblem on the products should increase consumer loyalty. In the future, it is planned to create a whole family of labels: “Grown in Russia”, “Russian design”, “Hand-made in Russia”, etc., the implementation of the program is scheduled for 2017-2018 and the period until 2025.

In the current environment, export support is not just about helping export companies. In the future, the concept of “local market” will disappear, due to the emergence of various trading platforms, the boundaries will erase, and the market will be transformed, it will be necessary to compete with global corporations, so enterprises need to be ready for such changes.

Each of the food TNCs generally controls its own market niche where it is opposed not to such a great extent to its corporations-competitors, but to many local manufacturers. Food corporations have created their own global food division of labor, guaranteeing them a dominant role in the global market, which allows to slowly absorb local producers in local markets. In addition, corporate products are positioned not so much as food, but as unique brands, and with the help of the media, associations with emotions and social status are created [8]. Due to huge profits and regular advertising campaigns, these food stereotypes are supported from generation to generation [8].

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Today, Russia consists of 85 regions. All of them have different history and traditions; they have different resources and crafts. In the context of pervasive markets, regional brands can be considered to be a vital necessity.

Among the international brands of the Krasnoyarsk territory are: Krasnoyarsk economic forum, 29th World Winter Universiade 2019 in Krasnoyarsk, International youth forum territory of initiative youth “Biryusa”, Krasnoyarsk international music festival of the Asia-Pacific region (APF).

The attractiveness of the territory does not arise out of nowhere, but is a consequence of the established and updated image of the territory. The creation of regional brands will help to optimize the structure of the region’s economy, create a recognizable system of unique features of the region through the development of its product specialization and expansion of potential markets for regional products and services, as well as lead to the maximum and balanced use of the region’s resources and obtain a product with a high share of added value [9].

Krasnoyarsk territory is rich in raw materials. However, for the successful development of the economy and the formation of the territory positive image, it is not enough to be the main exporter of natural resources. It is necessary to become a highly developed industrial region of Russia through the production of competitive goods by local producers, providing import substitution and increasing the export potential of the region.

3. Materials and methods

3.1. Export potential of the region

One of the incentives for the Siberian rapeseed producers was the smooth export of this crop to China and Mongolia. Rapeseed has become one of the leading products in the Siberian Federal District (SFD) in terms of exports (table 1).

| № | Code  | Commodity | 2016  | 2017  | 2018  |
|---|-------|-----------|-------|-------|-------|
|   |       |           | min., dollars | share, % | growth, mln., dollars | rate, % |
| 26 | 1205  | Rapeseed  | 11.0  | 55.5  | 66.2  |

In 2018, this trend continues, SFD is in second place in Russia in terms of rapeseed exports. In the structure of non-oil and gas and non-energy exports of Russia, rapeseed occupies the 9th place and has the share of 35.2 % in 2018 in the Siberian Federal district (table 2). Exports are growing every year; rapeseed is one of the three most popular oilseeds in the world.

| № | Code  | Commodity | 2018  |
|---|-------|-----------|-------|
|   |       |           | mln, dollars | % |
| 9 | 1205  | Rapeseed  | 66.2  | 35.2 |

It is necessary to note that there exists a higher growth of area under crop in the Krasnoyarsk territory – by 13.8 times and a significant increase in seed production – by 15.6 times in 2017 compared to 2005 [10]. Even compared to the 2015 acreage increased by 2 times, and the production volume – by 2.3 times [10]. In 2018 the area of spring rapeseed in farms of the region increased in comparison to 2017 almost by 2 times and amounted 114.0 thousand ha [10]. Not only domestic demand but also external exert great influence on the expansion of oilseeds production. China is the main export consumer of rapeseed.
Krasnoyarsk territory currently exports rapeseed to foreign markets, but the existing volumes are not significant and do not play a significant role in the structure of non-oil and gas and non-energy exports of the region.

Today the cultivation of spring rapeseed on the Krasnoyarsk territory is carried out by 130 agribusiness entities (in 2017 – 76, and in 2016 – 65), which is 200% to 2016 [11]. According to Krasnoyarsk statistics service the average yield of spring rapeseed in 2017 in the region amounted to 12.0 t/ha, which is comparable to the average yield in Russia [11]. 96 agribusiness entities of the region engaged in the cultivation of spring rapeseed, have a yield below the average regional. The maximum recorded yield of spring rapeseed is 33.83 C/ha [11].

In the Krasnoyarsk territory, agricultural producers began to actively include oilseeds in crop rotations. The economic feasibility of growing rapeseed is not in doubt. As evidenced by the analysis of world and European prices [12], its cultivation provides high profitability. The increase in rapeseed production is also associated with a significant increase in the consumption of vegetable fat by the population of the planet [12].

Based on the demand analysis and market assessment, the perspective direction is the production of rapeseed oil and its export abroad (90% of the total). Without access to foreign markets, new production will not pay off, and the sale of large volumes of edible vegetable oil in the domestic regional market is an unrealistic task, due to the current domestic culture of consumption.

Studies have shown that the Siberian vector of export development includes Asia, China, and Mongolia.

Domestic consumption of vegetable oils in China has been growing steadily in recent years. According to experts of the Chinese oil and fat market, by the end of the 2017/18 season, the total consumption of vegetable oils in China will reach almost 32 million tons [5]. The main driver of the consumption growth of fat and oil products in the country is the increase in the population, which by the end of 2019 will be more than 1.4 billion people.

The growth of the country’s population combined with the growing level of citizens’ welfare has made agriculture a vital industry in China, and the production of healthy food products has become a new national trend. The structure of vegetable oils consumption in China differs from the Russian: the three most popular in the country oils used in food include soy, rapeseed and peanut. In the future, it is possible to expand the geography of sales concluding long-term contracts.

Part (about 10% of the total) of food rapeseed oil may be sold in the domestic regional market for the food industry, which is dependent on vegetable oils for the manufacture of fats, mayonnaise, salads. The rest of the rapeseed oil and all the produced cake can be sold in the feed market of the Krasnoyarsk territory. There is a high demand for cake from poultry farms, pig farms, feed mills.

Using statistical data on the enterprises engaged in the cultivation of grain, technical and other crops, the potential number of rapeseed producers in the Krasnoyarsk region is determined. At the moment – 374 enterprises have opportunities for growing rapeseed crop.

Let’s consider the leading agricultural enterprises of the Krasnoyarsk territory, specializing in the cultivation of grain, technical and other crops.

Experimental production farm “Solyanskoye” is the leading agricultural economy in the Krasnoyarsk territory, specializing in selection, production and sale of elite seeds of wheat, barley, oats. The company uses advanced methods of primary seed production with the use of crop protection products. Also EPF “Solyanskoye” is engaged in meat and dairy farming. The grain processing entities, a mill, a bakery, a cattle-breeding complex are also a part of EPF “Solyanskoye”. The company employs about 500 people.

The main principle of the enterprise is modernization of production; new equipment was purchased to carry out crop and livestock production: modern seed drills, mowers and forage shredders, harvesters, new milking equipment. All this significantly increases productivity and improves working conditions.
In recent years, the economy has repeatedly become the best among the regional agro-industrial enterprises following the results of the contest “For high social efficiency and development of social partnership”.

EPF “Solyanskoie” continues to maintain its leading position and remains one of elite producing farms in the region, bringing 60% of the total number of seeds. The farm has three drying-cleaning complexes with a total capacity of 140 tons per hour, which allows to prepare elite seeds of high quality.

From 2018, EPF “Solyanskoie” jointly with Krasnoyarsk state agrarian university has been implementing a research project aimed at the production and processing of oilseeds in the farm. In the future, it is planned to build a plant for processing rapeseed, ginger and white mustard. According to the project, it is planned to process 33,000 tons of oilseeds per year, produce 12,400 tons of vegetable oil, 18,620 tons of cake.

Another of the leading agricultural enterprises is LLC “Khozyain”, which according to the register of agricultural enterprises of the Krasnoyarsk territory, is a grain processing enterprise, with well-established sales of products in domestic and foreign markets. The enterprise at the expense of own and borrowed funds built and started the elevator and seed plant on 60 000 tons of seeds that allows to deliver raw materials in large volumes, for the purpose of further processing.

LLC “Khozyain” is actively working on the development of modern, efficient production for processing of oilseeds for vegetable oil and cake, as well as increasing the capacity for processing of grain for flour and bran. The company employs 125 people.

In 2018, 32 000 tons of rapeseed at 580 million rubles were purchased from agricultural producers of the region [13]. In 2019, 24 800 tons will be purchased, the harvest of 2018 [13]. 30 000 tons of rape seeds were sold to Belarus and 2000 tons to China [13].

It is planned to build a plant for the production of vegetable oil, processing per year of 24 800 tons of oilseeds, production of 8,400 tons of vegetable oil, 14,880 tons of cake. To implement the project, it is planned to receive the state support in the form of subsidizing the cost of equipment for the plant for the vegetable oils production.

The potential market capacity of rapeseed oil for domestic and foreign markets is calculated through specific oil consumption based on statistical data (in Russia – 13.9 kg / per capita per year, in the Krasnoyarsk territory – 11.2 kg [14]). Let’s calculate the potential of the above-considered enterprises in the market (table 3).

| Table 3. Potential market share of LLC EPF “Solyanskoie” and LLC “Khozyain” on the domestic and foreign market. |
|---------------------------------------------------------------|
| **Indicator** | **Potential (the consumption of oils/rapeseed oil), tons** | **Market share, %** |
|---------------------------------------------------------------|
| Market capacity of the Krasnoyarsk territory, thousands. | 32139/2571 | 100.00 |
| LLC EPF “Solyanskoie” | 1242 | 48 |
| LLC “Khozyain” | 840 | 33 |
| The market capacity of China, mln. | 32/ 8.4 | 100.00 |
| LLC EPF “Solyanskoie” | 11 160 | 0.13 |
| LLC “Khozyain” | 7560 | 0.09 |

Thus, the potential of the domestic market of rapeseed oil for enterprises is 2571 tons. The estimated market share for rapeseed oil, which the products of LLC EPF “Solyanskoie” and LLC
“Khozyain” can take, will account for 81%, because the competition for this product category in the region doesn’t exist at the moment.

Table 4. SWOT-matrix of strengths and weaknesses of LLC EPF “Solyanskoye” and LLC “Khozyain”.

| Strengths                                                                                                      | Weaknesses                                                                                                                                       |
|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. the enterprises are operating ones and have experience of production activity in the sphere of agro-industrial complex in the Krasnoyarsk territory; |
| 2. proven technology of cultivation of oilseeds-rape;                                                        | 1. lack of consumption culture of products in the region, distrust and doubts about the quality of products.                                   |
| 3. subject to state support, the possibility of purchasing modern, technological equipment for processing oilseeds; |
| 4. selection of a rational production site with an existing elevator, seed plant, modern sowing complexes;    | 2. high competition in domestic and foreign markets;                                                                                             |
| 5. availability of preliminary agreements with farms for the supply of raw materials and equipment suppliers; |
| 6. providing production with qualified personnel, modern agricultural machinery, road transport;            | 3. weak image of enterprises in the markets;                                                                                                    |
| 7. the absence of similar products of local producers in the region;                                          | 4. trade barriers when entering foreign markets.                                                                                               |
| 8. the best characteristics of products in comparison with analogues.                                          |                                                                                                                                                 |

| Opportunities                                                                                                  | Threats                                                                                                                                           |
|----------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. state support of rapeseed production and processing at the federal and regional level;                     | 1. non-perception of a new product, low demand and lack of interest of additional groups of consumers;                                         |
| 2. active promotion of products (oil, cake) in the domestic market to increase the idle groups of target consumers; |
| 3. growing domestic market of oilseeds and consumer demand for products;                                       | 2. emergence of competition in the market;                                                                                                      |
| 4. growing export demand for products.                                                                        | 3. the development of alternative technologies (analogues), the emergence on the market of equipment analogues and technologies of cultivation of oilseeds. |
| 5. sufficient level of profitability of the project to conduct an active marketing policy to promote products. | 4. volatility of cash flow due to the large turnover period of receivables;                                                                 |
|                                                                                                                                                                   | 5. high production costs due to rising prices;                                                                                                  |
|                                                                                                                                                                   | 6. insufficient funding for the project.                                                                                                        |

In order to cover and maintain the market position of enterprises, the tactical plan of necessary measures includes: the use of internal business processes to improve product quality; the maintenance selling prices for products at normal profitability; organization of effective feedback from customers; the promotion of products through participation in regional, city and international food exhibitions [15].
Based on the demand analysis and market assessment, approximately 90% of rapeseed oil produced by enterprises can be exported. Without access to foreign external markets, the new production of LLC EPF “Solyanskoye” and LLC “Khozyain” will not pay off, and the realization of large amounts of dietary rapeseed oil on the domestic market is unrealistic. The potential of the Chinese market is huge (tab. 3). Thanks to the right strategy of the market gradual development, enterprises will be able to prepare the ground for interaction with end users of oil and fat products and conduct productive negotiations [15].

To assess the strengths and weaknesses of the leading companies we use the SWOT matrix (table 4).

An important aspect of the implementation of design decisions of enterprises and strategic measures to create a regional brand in the category “processed products of oilseed crops” is the creation of the necessary conditions and support by the government structures of the region in all areas: legal, organizational, economic.

3.2. Brand structure of the region

Regional support is important to optimize the conditions for export activities in the region and to introduce a Regional export standard [16], one of the mechanisms of which is the “regional brand in foreign markets”. The latter is relevant in relation to the development of a model of a regional brand in the category “processed products of oilseed crops” as a source of sustainable competitive advantages of agro-industrial complex in the Krasnoyarsk territory.

In the world and domestic branding practice, regional brands mainly arise among food products.

The brand structure of the region is among the multi-format and allows any combination of sub-brands in its composition, while the integrated implementation of the concept contributes to sustainable socio-economic development of the region on the basis of effective marketing presentation to contact audiences of the maximum possible number of the regional economic space elements [17](Fig. 1).

**Figure 1.** The structure of the brand of the region and the place of the regional brand in the category “processed products of oilseed crops”.

| Brand of the region |
|--------------------|
| Brands of regional goods/products (bread, vodka, candy) |
| Processed products of oilseed crops |
| Brands of regional services (resorts of Krasnodar territory, resorts of Altai territory) |
| oilseeds |
| Brands of the territory for living (Moscow, St. Petersburg, Krasnodar territory) |
| oils and their fractions, unrefined and refined, technical |
| Brand of the territory for conducting business (Krasnodar territory, Tyumen region, etc.) |
| fodder products (cake/meal) |
| Brands of megaprojects and global events (Olympics-2014, FIFA World Cup 2018, Universiade 2019) |
| products for export (oil seed, oil, cake, meal) |
The brand of the region is not the only or the most significant factor in the model of consumer choice, but with proper organization of brand activity as part of the marketing process of the territory, it can have a positive impact on the dynamics of socio-economic development of the region, as evidenced by numerous examples from Russian regional practice [17].

Let’s consider ideas about the markets for regional production proposed by Shcherbenko E. V., Zeinog L. A. (table 5).

**Table 5. Matrix of the regional affiliation of goods [18].**

| Branch            | Goods with regional affiliation                                                                 | Goods without regional affiliation               |
|-------------------|-------------------------------------------------------------------------------------------------|--------------------------------------------------|
| Agriculture       | Individualized in the eyes of the consumer product of agriculture, intended for further processing and for the final consumer | Raw materials for further processing, goods perceived by the consumer as “just grain”, “just oilseeds” |
| Food industry     | Products of regional manufacturer with established brand                                         | 1. Global, federal brands.                       |
|                   |                                                                                                 | 2. “False” regional brands.                      |
|                   |                                                                                                 | 3. Products without brand concept.               |

Thus, under the goods of own production for the region we understand mainly products of agriculture, food and processing industry with regional affiliation of the established or emerging brand. In this case, a variety of characteristics can serve as the elements of the regional facilities that may be contained in the sound and visualization of the brand as a result of a deliberate policy to promote products of the enterprises, or as “established history” of the product [18].

The stronger the manifestations of regional belonging of the product are in the perception of the consumer, the stronger the competitive advantages of the producer and the ability to go beyond one region in the competitive struggle between federal and international brands are.

Advantages of the regional brand in the category “processed products of oilseed crops”:
- new trademark, specially developed taking into account the conditions of the region (Krasnoyarsk territory);
- development of a local industry standard, a single industry brand in the category “processed products of oilseed crops”;
- own production facilities in the region can significantly reduce the cost of production and, therefore, make it more competitive in the market;
- compliance of regional brand strategic development with objectives of the territory – ensuring brand presence in the Krasnoyarsk territory in the information space, awareness of the mark region and attracting flows of financial resources into the territory and competitiveness of the region;
- if there is a regional brand, it is possible to increase non-resource exports of the region and implement a Regional export standard [19].

The analogue of the regional brand in the category of dairy products is “Selo rodnoye” (“Native Village”) – a single brand name under which the local dairy producers in Krasnoyarsk territory united: JSC AIH “Agroyarsk”, JSC “Moloko” (“Sibirzhinka”), JSC “Dary malinovki”, LLC “Melnik” (“Minusinsky dar”), LLC “Momental”, JSC “Filimonovsky dairy-canning factory”, LLC House of Bread “Dikhleb”. The single trademark unites local producers – production of qualitative and useful products from natural milk. The basis of the cooperative positioning concept is naturalness, environmental friendliness and freshness of products.

As a result of the unification of a single trademark, the volume of products delivery to retail outlets has increased, which allows to bring fresh products daily. Manufacturers distribute their products by a single logistics system in the domestic market of the Krasnoyarsk territory.
The company guarantees high quality and products naturalness to customers, as in addition to their own strict control all products undergo additional independent quality assurance in the Krasnoyarsk Center of Standardization and Metrology, which is confirmed by a special sign “Yenisei standard” on the packaging.

4. Results
Today, the development of the regional export branding is one of the priorities of state projects and programs, as the regional brand is an effective tool for the implementation of the territory development strategy, aimed at stimulating demand for Russian products and quality improvement.

Competent development and positioning of the brand will unite the interests of the business community, authorities and the population of the region as a whole. Regional brand promotes the importance and awareness of Russian products produced in the Russian Federation, improves the quality and increases the volume of exports and number of exporters. The regional brand should correspond to the strategic objectives of the territory development.

We will present an action plan for the creation of a regional brand in the category “processed products of oilseed crops” in the Krasnoyarsk territory in the form of a draft roadmap. The action plan includes a set of regulatory measures and legislative innovations to create a modern processing of oilseeds in the region (table 6).

Table 6. Draft roadmap for the creation of the regional brand in the category “processed products of oilseed crops” in the Krasnoyarsk territory.

| Content of work                                                                 | Planned result                                                                 | Those who are responsible                                                                 |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| 1. Market analysis of oilseeds, oilseed products (market capacity, retail sales, competitive analysis). | Marketing research of domestic, regional and foreign markets of oilseeds (report). | Krasnoyarsk state agrarian university, Russian export center in Krasnoyarsk          |
| 2. Study of consumption, consumer motivation and attitude to the product (quantitative surveys, mainly face-to-face) |                                                                                  |                                                                                         |
| 3. Identification of the most promising segments of production and target groups of consumers. |                                                                                  |                                                                                         |
| 1. Development of regional standard.                                           | Regional standard.                                                             | Article I. Krasnoyarsk regional center for standardization, metrology and testing in the Krasnoyarsk territory, the Republic of Khakassia and the Republic of Tyva |
|                                                                                  | The concept of promotion and testing of the “pilot” sample of oilseeds processing products. | Krasnoyarsk state agrarian university, Russian export center in Krasnoyarsk, Krasnoyarsk regional center for standardization, metrology and testing in the Krasnoyarsk territory, the Republic of Khakassia and the Republic of Tyva |
| 1. Generation of ideas (emotional basis of the brand through brainstorming, creative group discussions). |                                                                                  |                                                                                         |
| 2. Selection of product name                                                     |                                                                                  |                                                                                         |
| 3. Development of the concept of product positioning in the markets, taking into account the requirements of the target audience. |                                                                                  |                                                                                         |
| 4. Patent search of verbal names                                                |                                                                                  |                                                                                         |
| 5. External design of the product, trademark, accompanying advertising (production of presentation models for further |                                                                                  |                                                                                         |
1. Testing of packaging and accompanying advertising (focus groups)
2. Development of a distribution model.
3. Calculation of cost, selling price of goods and evaluation of the level of profitability.
4. Description of communication channels and tools to inform the target audience in the markets.

Report on the primary reactions of end users to the products of oilseeds processing.

Krasnoyarsk regional center for standardization, metrology and testing in the Krasnoyarsk territory, the Republic of Khakassia and the Republic of Tyva

1. Development of regional product branding model
Organizational and economic mechanism (model) of introduction of the regional brand in the category of processed products of oilseed crops.

Ministry of agriculture and trade of the Krasnoyarsk territory

Figure 2. Organizational interaction form of the Association of the oil and fat complex enterprises in the Krasnoyarsk territory.

Figure 2 shows the expected organizational form (model) of interaction between members of the Association, the state and the influence groups. The association acts as the coordinator of relations on the interest observance of branch Association members.
In order to manage the Association, it is planned to create a Board of Directors, which, in addition to the heads of enterprises, should reasonably include representatives of regional authorities. World and regional practice [20] shows that such work on the creation of a regional brand requires not only the Association of initiative conscientious enterprises of the oil and fat complex, but also communication support from public authorities and other influence groups. Thus, promotion to foreign markets is more effective with the support of the Ministry of agriculture and trade, the chamber of Commerce, the representative office of The Russian export center, as well as the Department of external relations of the Krasnoyarsk territory.

5. Summary and conclusions
The growth of production and sales of products with a wide range (rapeseed, ginger, soy, mustard, linseed, cedar oil) will allow residents of the Krasnoyarsk territory to have a consumer choice and purchase quality products as the best alternative available on the market and imported to the region.

The formation of the regional brand in the category “processed products of oilseed crops” will create a new perception and product requirements of the oil and fat complex, will allow to create a new model of distribution channels, will open prospects of other regional and foreign markets, and consequently will strengthen the competitiveness position of local oil and fat industry enterprises.

The Krasnoyarsk territory is considered to be the largest agricultural region of Central and Eastern Siberia, fully meeting the needs of the population in basic foodstuff and has every reason and opportunity to increase exports of oilseeds, including by means of the regional brand creation.

The promotion of a regional brand in the category “processed products of oilseed crops” is one of the most promising regional projects, which is of great importance for the formation of the image of the region as a whole, as a territory, able to produce not only traditionally safe, but modern, high-quality food products and creates the preconditions for more active use of processing enterprises production capacities available in the region.

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