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IMPROVEMENT OF BUSINESS QUALITY BY APPLICATION OF INTERNET TECHNOLOGY

Abstract: *This paper considers some aspects of improving quality of operations and competitive performance in the current environment. The analysis is primarily related to the use of Internet technology and social networking in business operations of companies. This paper describes the importance and possibilities for application of social networks as a new communication paradigm. It can be concluded that the functionality of the presented approach to business communications is significantly reflected in the improvement of the quality of overall business activity.*

Keywords: *Marketing, Quality, Social Networks*

1. INTRODUCTION

One definition of web sites they characterized as a "web-based services that allow individuals to create a public or semi-public profile and to review and go through a selective list of connections that are called friends." [1] A social network represents a term, as well as many others, used in different contexts. However a distinction is made between the term social network [2] and the social network service (or social network sites) [3].

The development of Internet marketing Pankanatan (2007) [4] describes by the following reasons:

- The growth of the Internet and mobile users
- Television will be also based on the Internet
- All is directed to the personalization of marketing approach
- The cost of traditional marketing are on the rise;
- Ease of monitoring successes and failures
- Easy accessibility of products from any part of the world.

Extremely rapid development of Internet technology imposes "new measures which are

necessary, including measures such as a quick overview the information." [5]

Internet marketing is the focus of research of many authors, trying to analyze the "key factors that determine the popularity of the product in the online channel," [6], "the basics of internet marketing and the options available to business leaders and marketing managers" [7].

Kan, Levis and Sing (2009) [8] emphasize the importance of financial effects at the application of this technology by analyzing "financial gain and computing challenges involved in marketing."

2. RESEARCH OF THE SOCIAL NETWORKS USE IN BUSINESS ACTIVITIES

Extensive research of social networks use in business was done by Social Media Marketing (2013) [9]. The survey was conducted via Twitter by the questionnaire. A total of 200,000 companies were asked to reply to the questionnaire, and after seven days, 3,025 of them did so. The largest part of the sample, 32% were small enterprises, 23% are large companies and 21% are entrepreneurs. The largest number of companies in the sample

is based in the United States (57%), while a smaller portion of the sample consists of companies from the UK (9%), Canada (7%) and Australia (5%).

The most important results of this research show that the Facebook social network, the most companies use for marketing activities, and on which are the most active.

The companies, whose are final beneficiaries private individuals, most activities are directed at Facebook, and those whose clients are legal entities, focus on LinkedIn.

Most companies are not sure in the benefits from this kind of marketing, while 37% think that it has a positive effect on their business. Companies that pay to individuals in their operations are in higher percentage (44%) compared to those who turn to legal entities. Also, large companies more often believe that marketing via social networks have a positive impact on the business (46%), compared to entrepreneurs (29%).

The primary benefit of social media marketing is a greater visibility of the company, 89% of companies surveyed expressed this view. Another main benefit is the increase in traffic (75%), a better knowledge of the market (69%), as well as acquiring loyal customers (65%).

The companies that use social networks on a daily basis, in a large percentage (62%) responded that their sales have increased as a result of these efforts. Among the companies that use social networks in business for two years or more, this percentage is 81%.

On the other hand, 57% of companies believe that the use of social networks has not affected the sales of their products / services. The authors conclude that the reason may be lack of adequate tools for monitoring activity (sales) on social networks.

Surprising 79% of companies use social media for marketing purposes to the same extent as traditional forms of promotion, or that the marketing activities integrated into traditional marketing activities of the company. The companies that spend most of their time on social networks (several times during the day are active in them) up to and connect with other companies through the same.

Half of the surveyed companies at least six hours a week in the work carried out on social networks, see the benefit of the reduction in marketing costs.

Geolocation services are only used by 11%

of the surveyed companies.

Furthermore, judging by the report on indicators for categories of fans, action, scope and commitment [10] made by the company for the management of social media Expion, which analyzed the activity of the 50 largest US retailers on Facebook; the largest retail chains experienced a drop in hiring and volume despite the increase in the number of posts and luxury brands appearing as a marketing leaders on this social network. Expion CEO's, Peter Heffring, said that these findings demonstrate the value of quality over quantity.

3. REPORTS ON COMPANY ADVERTISING IN THE WORLD THROUGH SOCIAL NETWORKS

Web social networking sites have grown exponentially. While their users adopt this medium for the purpose, companies them continue to approach with caution. The fact is that they increase their spending on advertising on social networks, along with other traditional channels of advertising, but it still calls into question the return on investment (ROI).

Some key facts from the report presented by the Nielsen company about advertising through social networks among companies in the world are [11]:

1. Companies are increasingly watching paid advertising through social networks as a promotional tactic, integrated and implemented in parallel with other promotional techniques.

2. Paid advertising through social network is primarily used to support the efforts to create a brand. As a result, advertisers would prefer to use the exact same metrics, used with traditional media to measure the effectiveness of their campaigns. However, this is not possible.

3. Advertisers are suspicious and are not convinced of the effectiveness of this form of advertising, noting that the development of these media is somewhat constrained by the lack of relevant universally used metrics.

From this research can also be seen that most of the advertisers surveyed revealed that they plan to increase their budgets for advertising through social networks [12]. As the use of social networks continues to grow with the users in the world, market players respond to this trend by further investments in order to accompany its customers. As for the

keeping up with customers, brands invest their money where they are.

Paid ads on social networks, are attractive because they can be used for targeting the right population, increasing traffic to own website, as well as acquiring new customers. However, before initiate utilization of these tactics should be remembered and human resources (people for the execution, monitoring, analyzing and reporting on performance), tools, and often external consultation. Also, it is useful that the budget should be allocated to those social networks that most often visit determined target population.

In addition to paid advertising, currently 89% of the surveyed companies in the world uses free tools on social networks. Even with special budgets for marketing through social networks, most of them use free tools, including Facebook, Twitter and YouTube. However, paid advertising through social networks is also increased, 75% of advertisers use sponsored content (eg. promoted tweets) or leased medium (eg. Facebook ads). Surprisingly, however, the agencies rely more on paid, but the free tools.

Before invest a money, company needs to ensure that full use of free tools is available to engage (Facebook, Twitter, LinkedIn, etc.), Social listening and monitoring (eg., Google Alerts, SocialMention, HootSuite, etc.) and analyzing performance (eg. Google Analytics).

Also, 66% of advertisers use paid ads on social networks, in combination with other forms of online promotion, 51% use them along with traditional forms of advertising (print media (52%) and television (37%)). Paid advertising through social networks is only part of the overall promotional mix. The message was well transmitted through various channels so that they reached to more people and have greater impact.

Finally, 42% of companies want exactly the same methods of measurement for their online campaigns, as well as for their campaigns through traditional media.

Objectives related to the brand (eg. increasing awareness or influence on opinion of the brand) were the main reasons for the use of paid ads on social networks by advertisers (45%), while only 16% of advertisers benefit from these paid ads to the objectives of direct response (eg. to increase traffic on the website and the implementation of product testing). This particular finding is consistent with

another study conducted by the Ad Age's, which showed that market participants use Facebook paid ads to encourage brand awareness, before everything else.

Although paid advertising through social networks is relatively new territory for many market players, especially in Serbia, there is reason to believe that this tactic will continue to grow especially if they find new and easier ways to measure efficiency. Unfortunately, companies remain skeptical about the return on investment at advertising through social networks (ROI), where a large percentage of them in the world shows that they are not sure about the measurements of their marketing efforts.

In addition to this study, Forrester Consulting [13] has investigated how market participants advertise through social networks, with the aim of educating market participants in connection with the selection of the most effective goals and tactics of this kind of advertising.

The study included 105 large companies which use social networks and advertise (companies in the world which spend more than \$ 100,000 a year on ads on social networks.). The fact is that although these companies use a wide array of tactics paid advertising on various social networks, more than one-third were not satisfied with their efforts.

4. CONCLUSION

From these studies may be concluded that posting represents the most popular social tactic, but the most successful paid advertising tactics.

Advertisers on the social networks use a wide range of social networks and strategies. The most popular tactic is to maintain branded pages in general but also in business social networks, but branded sites alone does not make an effective marketing strategy on social networks, market players must also use paid advertising on social networks.

Advertisers on the social networks still do not use advanced optimization tactics. Most companies primarily use basic criteria for targeting consumers, such as demographic targeting. This leaves a lot of room for improvement for market players who aspire to achieve better results.

Around 70 satisfied companies has revealed that various paid strategy led to a

different kind of success from good positioning in the minds of consumers starting to purchase products or services.

Overall, advertisers through social networks get what they paid. Companies are satisfied with the results that are achieved as a result of payment of advertising in relation to the results achieved by other tactics such as branding site or group.

Considering these facts, it is time to market actors start using more sophisticated

tactics of advertising on social networks and to better coordinate their tactics with the goals they want to achieve.

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