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SOCIAL MEDIA IN THE MARKETING OF CONTEMPORARY COMPANIES

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The internet and social media in today's economy have become tools that can be used for private purposes as well as for public, business and scientific purposes. They are instruments that have revolutionised communication on the one hand, while on the other they are the basic method of reaching customers with a company's offer. Today, the Internet and social media have become a must in marketing strategies of contemporary companies wishing to achieve market success.

The aim of the article is to present the potential generated by the Internet due to the use of social platforms and indicating their significance for businesses. To achieve the objective, publications on this subject were reviewed and an analysis of numerical data characterising today's Internet and social media users was completed. As a result of the completed analyses, an image of contemporary Internet and social platforms was developed. It was also possible to indicate the opportunities and benefits resulting from their use by a company.

Keywords: Internet, Social Media, Internet Marketing, Facebook, Instagram

1. INTRODUCTION

When considering the subject of the Internet, it should be emphasised that it has undoubtedly revolutionised the world. When attempting to define the Internet, one may portray it as a huge "system" used for private, public, business and scientific purposes, etc. Furthermore, the Internet is a tool used for interaction between its users (Surmacz, 2014, pp. 32-51). Today, the global network provides immediate access to selected information and it opens a door for development, education and entertainment. Furthermore, thanks to the growth of internet applications and social platforms, the possibility of communication has developed even further and it does

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not generate high costs. It makes it possible to communicate virtually with the most distant places of the world at any time.

The dynamic increase in Internet accessibility, and hence an increase in the number of its users, are the reasons why many business processes were moved to this space. Thanks to the Internet, the operations of companies do not only have to focus on local markets. A new industry of online businesses is created, for which nothing is impossible and their customers are serviced 24 hours a day, 7 days a week. In the 21st century, the Internet as a marketing tool, cannot be ignored by any company. First of all, the Internet used via social media is currently the basic tool for advertising, promoting, selling, contacting customers and business partners.

The aim of the article is to present the potential generated by the Internet due to the use of social platforms and indicating their significance for businesses.

2. INTERNET AND ITS HISTORY

The creation of the Internet dates back to 29 October 1969. It was launched as ARPANET and was financed by ARPA (Advanced Research Project Agency). It was a system designed for the US Department of Defense, and it aimed at making it possible to send files after a possible nuclear attack (McLeod, 2007, p. 12). This highly secret system made from several computers grew into a network covering the entire world, and to which anyone can have easy access. The development of today's Internet started in the 1990s when scientists from CERN (European Organization for Nuclear Research) developed the WWW standard, i.e. the World Wide Web. It should be noted that the World Wide Web and Internet are not equivalent terms, despite often being used interchangeably. The Internet is a global system of computer networks connected together while WWW is one of the services available on the Internet. In 1993, there were already one million users connected to the network. In April 1993, Yahoo was developed while two years later, the first Microsoft browser, namely Internet Explorer was created. In the same year, the first search engine was launched, called AltaVista as well as eBay, the largest online bidding website. The Google search engine, dominant today, was only launched in 1998 to then reach 1 billion in the index of its elements on 11 July 2000 (About Google). In 2004, social networks appeared. The first was Skype that was used for voice calls, then on 4 February, Facebook, and YouTube one year later (History of the Internet). The next wave of growth of the Internet was associated with the appearance of mobile phones that evolved into today's smartphones with Internet access, equipped with numerous applications without which their functioning could not be imagined.

3. THE INTERNET IN NUMBERS AND ITS ROLE IN TODAY'S ECONOMY

According to the report entitled Digital in 2017 prepared by We Are Social Media (We Are Social, 2017) in June 2017, the global Internet had over 3.77 billion users, which is 50% of the population of the entire world. Almost 2.8 billion of the above users, are also social media users (37% of the global population). The number of Internet users as compared to June 2016 increased by 10%, while the number of social media users increased by 21%. An increase of 30% in the number of social media users accessing the Internet on mobile phones was recorded.

The increase in Internet users differs depending on the geographical location but the number of users with Internet access increases each year regardless of the technical, technological and IT infrastructure development. Fig. 1 presents the share of people using the Internet divided into particular regions of the world.

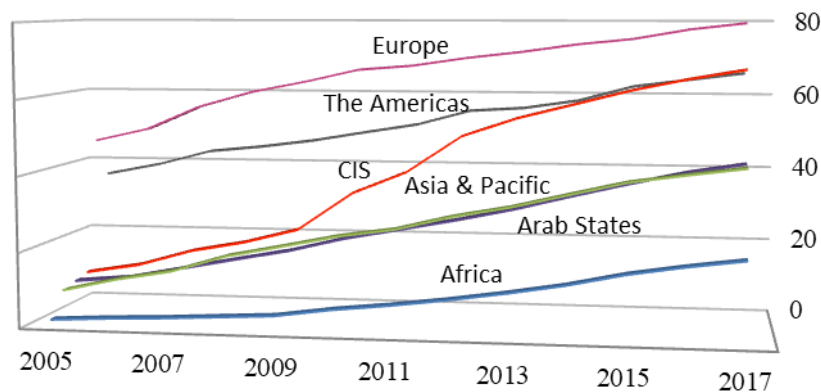


Fig. 1. The share of people using the Internet divided into particular regions of the world (%) (International Telecommunication Union, 2017a)

The biggest number of users, i.e. nearly 80% in 2017, is composed of European communities, while North America and South America are ranked just behind Europe, reaching the number of Internet users at the level of 66% in 2017¹. The highest growth rate of Internet users is observed in the countries of the Commonwealth of Independent States, where in 2005 there were only 27 million users (10.2%), while in 2017 the number increased 7 times to 191 million (67.7%). The

¹ The value of 66% is an average of North America and South America.

share of Internet users in Asian and Arabic countries is at a similar level. In 2017 this number was approximately 43%. The smallest share of Internet users is recorded in African countries. Approximately 20% of the population has access to the Internet which results from an underdeveloped technical infrastructure for supplying the Internet.

A noticeable increase in Internet users in all regions of the world results primarily from improved Internet access which is highly related to the dynamic development of technology. Currently, mobile networks are the fastest developing telecommunications technology. Ease of access to the global network thanks to smartphones, has contributed to an increase in mobile Internet users by 20% every year, for the last 5 years. It is anticipated that by the end of 2017, there will be 4.3 billion users of mobile Internet in the world (ITU, 2017). Fig. 2 presents the share of households with access to the Internet in 2017.

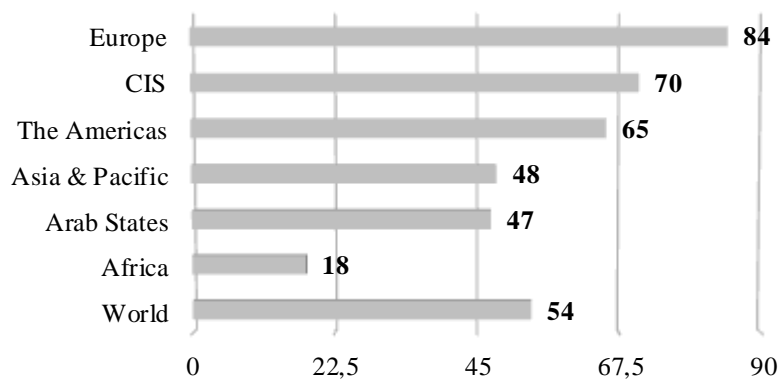


Fig. 2. The share of households with access to the Internet in 2017 (%)
(International Telecommunication Union, 2017b)

The share of households with access to the Internet presented in Fig. 2 shows a similar characteristic to the share of users of the global network.

The ease of Internet access today is the reason why some users spend more time browsing it. The time spent online is not only consumed for entertainment purposes but also at work and in connection to carrying out numerous social and business processes. Fig. 3 presents 29 countries where users spend the most time online.

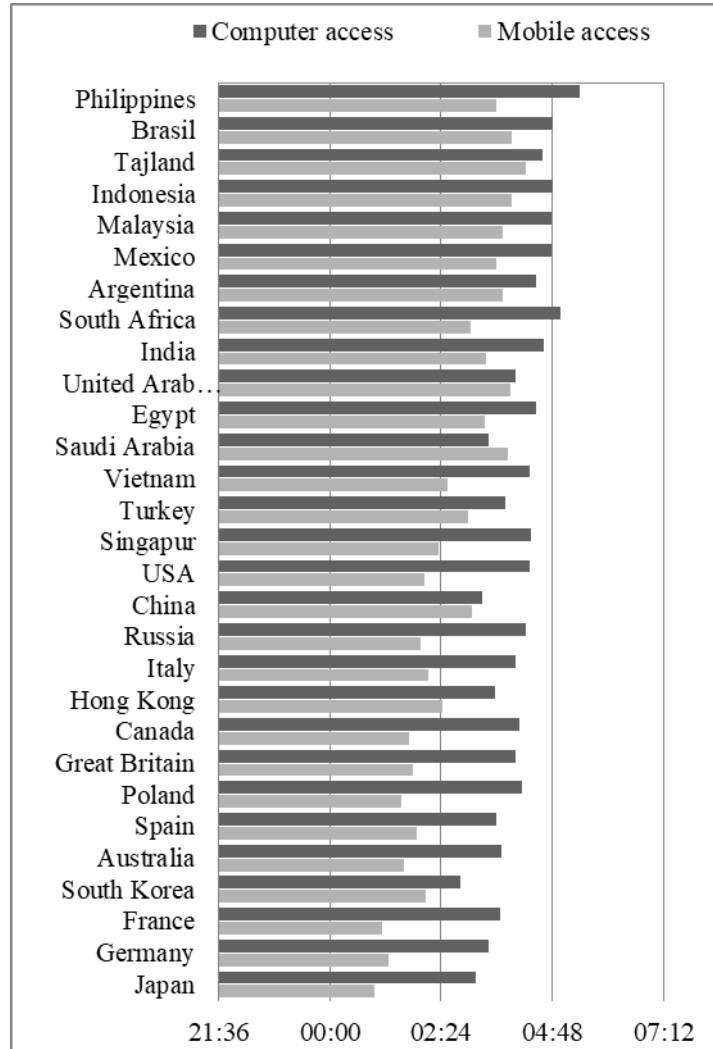


Fig. 3. Average daily time spent online divided into computer users and mobile users in 2017 (in hours) (We Are Social, 2017)

The data presented above shows that, on average, users still use the Internet on their computers (desktop and laptops). It is noticeable how the use of mobile devices (smartphones, tablets) for surfing the web is on the rise. Only Saudi Arabia is an exception where users are online more on their mobile devices than on computers daily (3:51 and 3:25, respectively). The Philippines is a country where users spend the most time on the Internet – 5.5 hours per day on a computer and 3.5 hours per day on a mobile device, on average.

When analysing the Internet market, one may not skip the increased importance of social media. Today, a Facebook fanpage, Instagram or Twitter accounts are not only platforms for contacting friends. They are powerful tools used by companies to achieve low-cost customised marketing. This marketing, while generating small costs or even no costs at all, enables a particularly defined group of recipients who could become customers of a given company to be reached with high probability. Fig. 4 presents the average number of users of particular types of social media in the world in 2017.

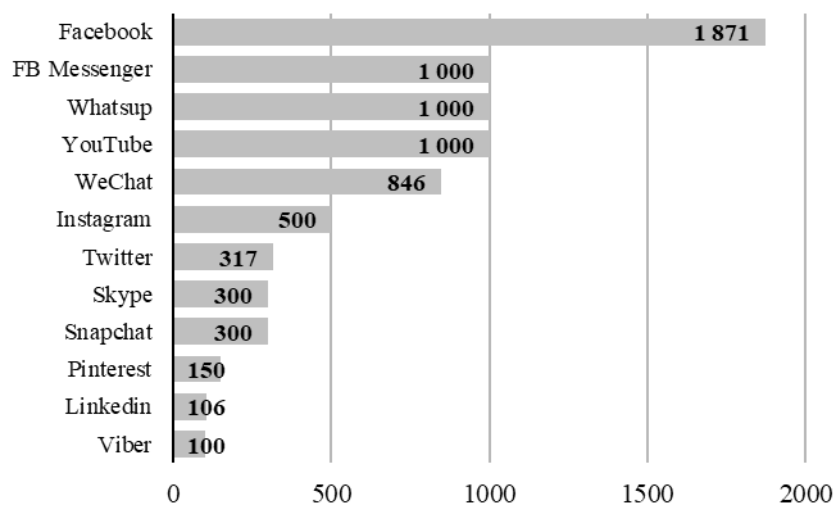


Fig. 4. Average number of active users of social media platforms in 2017
(We Are Social, 2017)

Facebook is the most popular social medium in the world. In 2017, the average monthly number of active users was 1.8 billion; 1 billion users on average watch YouTube videos, while 500 million use Instagram and 300 million use Twitter.

4. THE ROLE OF THE INTERNET AND SOCIAL MEDIA IN THE MARKETING OF COMPANIES

The current competitive battle of companies on the market involves winning over customers (Druker, 2001; Porter, 2001). The Internet enables them to obtain a competitive advantage in this battle, in many ways. According to Philip Kotler, e-marketing involves the activities of a company conducted via the Internet that aim at promotion (communication); selling products and services; establishing

customer relationships (Armstrong, Kotler, 2012). The creator of competition strategies, Michael Porter, draws attention to the fact that the Internet enriches the marketing tools with such elements as: online sales channels; real-time access to information for customers; online product configurators; profiling offers to customer needs; push advertising; adjusted online access of customers; acquiring feedback from customers in real time (Porter, 2001).

The benefits of functioning online can be divided into the following groups (Dobiegała-Korona, Doligalski, Korona, 2004; Berkley, 2009):

1. The Internet enables the circulation of information about a brand or offer of products or services.
2. It makes it possible to remove geographical and time barriers in access to information, applying a global dimension to it.
3. Interactivity – better adjustment of the scope and level of information to the expectations of stakeholders enables a company to react to their needs quickly. Two-way information flow.
4. Possibility of comparisons and choices is a value for customers.
5. Shopping convenience.
6. Individualisation – the possibility of applying individualised marketing (one-to-one); adjusting the offer to particular customers.
7. Cost saving – service costs.
8. Integration – creating Internet communities with similar interests regarding an offer, products, companies, problems and interests.
9. Trust – cooperation through the Internet is associated with disclosing personal data and other details that are important for the customer (payment card number, personal data, etc.).

Creating an image of the brand online is one of many activities offered by e-marketing. Creating a good strategy that assumes long-term goals to be achieved is the basis necessary for creating strong relationships with potential customers (Ek-spercimarketingu.pl, 2017). Due to dynamic development and the increasing number of users, the world of social media has become a place where every company should be present. It is forecasted on the global market (Zenith, 2017) that in 2017, the global expenditures for online advertisements will exceed expenditures on television advertisements for the first time. It is anticipated that the global market of online advertisement in 2017 will increase by 13% and its value will amount to USD 205 billion. Hence, the share of the Internet in global expenditures on advertisements will reach 36.9% as compared to 34% in 2016 (Zenith, 2017). Social media platforms today offer numerous tools to businesses thanks to which they can reach customers who will be interested in an offer, with online advertisement. Internet and social media users share a large volume of information about themselves as a result of which there are possibilities of offering them what they are interested in. If a user wants to search for information regarding a particular product or service, e.g.: when entering a phrase in the Google search engine or a particular social media platform, the data regarding the above can later be used for marketing pur-

poses. All data about site visits or searched phrases on the Internet create a knowledge base about customers which can later be used by companies. Furthermore, the Internet provides businesses with the possibility of using a sales pipeline which is very important for today's CRM (Customer Relationship Management). The sales pipeline itself can be described as a sales process with multiple layers, containing the following stages:

1. Awareness – the customer notices the offer.
2. Interest – interested customers click on an offer, comment on it, like it on social media.
3. Consideration – the customer considers the offer, e.g. by signing up to a newsletter.
4. Conversion – the customer makes a purchase.
5. Loyalty – return rate of the customer, writing a review.

At each stage, the potential group of customers is narrowed down to reach those customers who will generate conversion, i.e. a purchase and payment for the offer of a product or service, while the satisfied customer will return and use the offer once again or thanks to a positive review about the offer and the company, the customer will contribute to encouraging new potential buyers to make a purchase. In order to encourage customers to buy a product or service, companies may support the sales process with online advertisement, both relating to positioning in Google and using paid options of social media advertisement.

Social platforms such as Facebook, Instagram, Twitter or YouTube are other examples of important tools in online marketing. 85% of users are of the opinion that social media help them in making shopping-related decisions, while 62% of people are more willing to contact brands that are present on social media (Szumiak-Samolej, 2015, p. 25).

Facebook and Instagram are the biggest social media services in the world. Each platform has a different purpose. Facebook satisfies the needs of empowerment, gaining recognition or contacting friends and family, in a better way. Instagram is used for entertainment, relaxation and discovering something new. Facebook users expect an opinion about a given event, while on Instagram they look for the behind-the-scenes of the event's organisation (Money.pl, 2018a). Simultaneous use of two or more social media platforms in marketing activities will increase the number of clicks, activities completed by users or video views. Hence, the number of customers and the sales volume increases.

There are over 70 million active business fanpages on Facebook already. They are created by companies regardless of the size, type of business; from global corporations to local SMEs (Money.pl, 2018b). Creating a fanpage on social media does not cost anything, similarly to posting – except for paid advertisement posts.

Thanks to social media, companies can reach a bigger number of people selected more precisely than through press or traditional media. This is why, when you plan to create a social media page and then communicate with potential recipients, you will need to answer several questions. Who are the company's customers?

What do they need? What does the company want to communicate and how? What is the aim of creating a company page? Answers to the above questions will allow a company to build an effective e-marketing campaign.

Social media pages not only supplement communication that was possible via company websites until now. Today, they are the essence of a company's functioning on the Internet. The key advantage of social media fanpages over regular websites is the possibility of regular contact with users/customers on a daily basis and interacting with them. Furthermore, they are technically responsive, and hence read well on different devices used to display them (computer, tablet, smartphone).

The basic advantage of social media is also the possibility of very fast contact with customers. Messenger (a Facebook-integral tool for messaging) is used for this purpose by over 1 billion people per month on average to send over 2 billion messages per month (Messenger.fb.com). This form of communication allows companies to talk to customers, respond to their questions and receive feedback. Today, the functions of the Messenger make it possible to automate contact with customers. You can set an automated greeting message or a personalised phrase that will be displayed when a customer starts a conversation. This tool will help you in contacting customers for example after business hours or if there is no possibility of sending a response. You can set templates of responses, e.g. chatbot (a mechanism that provides answers to programmed questions automatically) and will respond to the basic questions instead of a company employee.

Social media also provide the possibility of getting to know customers better. Based on information shared by them, you can learn where they live, what are their interests, their age, shopping habits, etc. Such database with information about customers will make it possible to create an image of a customer and then to adjust the messages to make the customer feel special. It is important to talk about information about the company in an interesting way, using all the possibilities such as text, photos, videos, live broadcast.

Another advantage of social media is the possibility of creating paid advertisements which reach a bigger group of recipients, including potential customers, build a fanpage community, communicate with users and refer them to a particular website. This way, a company influences its image and may also increase conversion (Marketingdlaludzi.pl, 2015). The possibility of creating stories is a new tool on Instagram and Facebook that is worth noting. It enables the sharing of short recordings presenting daily lives or activities. They form a type of a slide show that disappears after 24 hours. This way, companies can present subsequent stages of production or stories from the company life. More than 300 million people post Instagram stories every day. Companies start to use this new tool more and more often. During a month, over half of companies with an Instagram account posted their stories (Instagram.com, 2017).

5. CONCLUSION

This article presents the importance of the Internet and social media as well as the possibilities to use them in order to increase the competitiveness and innovation of businesses. An analysis of numerical values was completed characterising the global network in the world, and the possibilities of using the Internet and social media by today's companies were presented. It should be emphasised that the potential of the Internet increases continuously. More and more households use this global network. The Internet and social media today are not only a place for entertainment. They also provide numerous possibilities for achieving public, scientific and business goals. Today, the Internet and social media have become a must in marketing strategies of contemporary companies wishing to achieve market success.

The indicated importance of the issue of using social media by companies today and their impact on increasing competitiveness and innovation of businesses confirms that there is a need to further verify the proposed conclusions, both in the theoretical and practical aspects that the author intends to work on in the future.

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MEDIA SPOŁECZNOŚCIOWE W MARKETINGU WSPÓŁCZESNYCH PRZEDSIĘBIORSTW

Streszczenie

Internet i media społecznościowe we współczesnej gospodarce stały się narzędziami, które mogą być wykorzystane w celach prywatnych, ale również w celach publicznych, biznesowych i naukowych. Są to instrumenty, które z jednej strony zrewolucjonowały sposób komunikacji, z drugiej zaś stanowią podstawowy sposób dotarcia przedsiębiorstw z ofertą do klientów. Dziś Internet i media społecznościowe stały się niezbędnym elementem w strategiach marketingowych współczesnych przedsiębiorstw, chcących osiągnąć sukces rynkowy.

Celem artykułu jest zaprezentowanie potencjału, jaki generuje Internet dzięki wykorzystaniu platform społecznościowych i wskazanie ich znaczenia dla współczesnych przedsiębiorstw. Do zrealizowania celu dokonano przeglądu literatury tematu oraz analizy danych liczbowych charakteryzujących współczesny Internet i użytkowników mediów społecznościowych. Rezultatem przeprowadzonych analiz jest obraz współczesnego Internetu i platform społecznościowych oraz wskazanie możliwości i korzyści ich wykorzystania we współczesnym przedsiębiorstwie.

Keywords: Internet, media społecznościowe, marketing internetowy, Facebook, Instagram

