Social Media in Marketing Activities of Enterprises in the Light of the Analysis of Empirical Research Results

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Abstract:

Purpose: The purpose of the paper is to present the scope and reasons for the use of social media by enterprises operating on the Polish market.

Design/Methodology/Approach: The paper is based on literature studies and the results of empirical research of quantitative character, which was conducted on a sample of 152 enterprises in 2013 and 156 enterprises in 2020. The survey included people responsible for the use of the Internet in marketing or for maintaining contacts with customers with the use of new technologies in companies operating on the Polish market.

Findings: The analysis of the results of the conducted research shows that the role of social media is increasing, although its potential is not fully used. Marketing activities conducted in social media serve to build the company's image and increase brand awareness to a greater extent than collecting comments and user opinions and answering customer questions.

Practical Implications: Bearing in mind the ongoing processes of marketing and consumption virtualization, it should be noted that there is a need to increase the use of social media by companies operating on the Polish market to obtain information relevant from the point of view of shaping the offer, as well as to deepen relationships with customers, which are defined as significant enterprise resources that enable building a sustainable competitive advantage on the market.

Originality/Value: The value of the paper results from the reduction of the research gap concerning the scope and purposes of the use of social media in marketing activities by enterprises operating on the Polish market.

Keywords: Internet, social media, marketing activities.

JEL codes: M15, M2, M3, O3.

Paper Type: Research paper.

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1. Introduction

The increasing saturation of social and economic life with Internet technologies leads to an increase in the market space in which several types of entities can conduct marketing activities and execute sales transactions. These processes are accompanied by the transfer of diverse types of activity by customers from the physical sphere to cyberspace.

In the era of the development of the digital economy and new media, the company's success depends on the ability to follow changes through the use of new information and communication technologies. Internet technology, especially social media, affects the changes in the ways of doing business, which is reflected in new business models with a significant role of social media in shaping relationships with customers. This results from the fact that social media constitute today the fastest growing marketing channel in the world.

Currently, 4.20 billion people worldwide use social media, which represents an increase of more than 13% compared to 2020. At the same time, the total number of Internet users increased by 7.3% and the number of mobile device users by 1.8%. Considering the entire world population, it should be emphasized that the number of social media users is already over 53%. The intensity of use of social media is primarily proved by the time spent on social media every day. For an average user of these media, it is 2 hours and 25 minutes, and in Poland it is 1 hour and 59 minutes. Almost every second internet user (45%) declares that they look for information on products and services they intend to buy in social media at least once a month (Digital 2021 Statbites).

In the era of technological determinism, a scientific discourse concerning the use of the Internet in various areas of socio-economic life has developed. However, new gaps and new research contexts regarding the changing scope and approaches to the use of social media in consumer decision-making, as well as in the marketing activities of businesses and other organizations are emerging. The purpose of the paper was formulated by identifying the research gap.

Therefore, the paper aims to show the scope and reasons for the use of social media by enterprises operating on the Polish market. In order to implement the purpose of the paper, a research procedure was performed on the basis of a literature review and an analysis of the results of empirical research of a quantitative character. Primary research was conducted in 2013 and 2020 among representatives of enterprises operating on the Polish market. Apart from the introduction, the structure of the paper includes the following parts: literature review, research methodology, research results and discussion and conclusions, which indicate the limitations of the conducted research procedure and the directions of further research in the area of the issues discussed in the paper.
2. Literature Review

Social network platforms have enabled clients to become more active entities in marketing as they act as specific databases for marketers. These databases contain content generated by users and therefore they are a rich source of knowledge about customer preferences, opinions and behaviors (Hennig-Thurau et al., 2010). The source of the phenomenon of social media lies in reaching customers more easily, the possibility of constant monitoring of their attitudes and reactions to various stimuli, as well as in interacting with customers, answering their inquiries and solving problems. The importance of the potential of social media in building relationships between the brand and consumers is emphasized, but the use of this potential requires not only recognizing the profile of social media consumers, but also understanding the patterns of their online behavior (Sheth, 2018).

Therefore, before starting to develop a strategy implemented in social media, the company must first listen to what the communities expect and what they say about the offered goods and services, (Moran and Gossieaux, 2010). The knowledge gained in this way allows for shaping appropriate relations with consumers, which are the most important for the success of the strategy and its effectiveness in achieving the goals of the company.

The activities of companies in social media are increasingly directed at cooperation with opinion leaders who play the role of influencers and affect other consumers. Therefore, companies should take this into consideration while developing their online communication strategy. Research shows that it is more beneficial for companies to cooperate with the influencers who are supporters of the company rather than with those who have a celebrity status and have even millions of followers, but their popularity does not necessarily translate into an impact on consumer behavior (Ki and Kim, 2019; Ki et al., 2020). For social media users, credibility of the message is the most important thing, as followers tend to follow the influencers with whom they identify themselves. The perceived similarity to influencers has a positive impact on the trust in the posts they create (Lou and Yuan, 2019). It is possible then to achieve communication effectiveness and generate consumer engagement. Cooperation with the influencers who are considered experts in the sphere of campaigns is also effective (Martínez-López et al., 2020; Trivedi and Sama, 2020).

Research shows that marketing strategies in social media have a positive impact on shaping the intention of customer’s participation in brand communities, and also play a significant role in encouraging customers to collaborate with the company, co-produce and co-create products (Dong and Sivakumara, 2017). Customer participation is a driving force in marketing practice. It can bring significant profitability and financial return to companies and increase brand value (Vargo and Lusch, 2016; Pansari and Kumar, 2017).
It should also be noted that social media are also an excellent tool for generating future demand as they allow a company to provide early communication about the product being launched to consumers creating the target market. In many cases, companies also use social media platforms to offer several types of incentives, such as discounts, which increase the likelihood of a purchase (Csinger and Korcsmáros, 2020). Due to this, a more strategic approach to social media in the activities of enterprises and other organizations is observed.

The growing role of social media in marketing activities means that they can be used to achieve clearly defined business goals, i.e., building brand awareness, increasing sales or building loyalty. The techniques for measuring the effectiveness of the social media program depend on the nature of this goal (Baer, 2009).

If the goal is building awareness, traffic indicators such as web traffic, web traffic referrals and search volume trends should be used to measure the achievement of this goal. To determine the extent to which social media contributed to the increase in sales, the company, apart from web traffic, should consider such measures as time spent on site and content acceptance rate along with repeat visits, bounce rate. When building loyalty is the goal, measuring success should include analysis of time spent on site, repeat visits and content acceptance rate, social connectivity among purchasers, recommendations and reviews together with repeated social mentions. Moreover, in order to measure the achievement of each of these goals, the volume of followers, social mentions and share of voice are important (Castronovo and Huang, 2012).

The achievement of the above-mentioned goals is primarily supported by social commerce because customers can buy and sell products on a given social platform without being redirected to an online store or other sales platform. eWOM plays a significant role on social network portals, discussion forums and blogs, similarly to recommending products to friends, rating sellers, sharing detailed customer reviews and discussing the benefits and risks of the product (Hajli, 2015; Zhang and Benyoucef, 2016). Providing a space in which the very customers present photos of the purchased products, comment on them and share their experiences increases the chances of the company to create an effective sales strategy in social media. Recommendations expressed in social media are a factor in shaping customer confidence in the company as well as purchasing intentions and decisions.

It should be emphasized that during the COVID-19 pandemic, online social trading has become a breakthrough model of retail sales. The integration of e-commerce with social media has become a powerful marketing tool enabling consumers to learn about products that they would not generally see on an e-commerce platform. The size of the global social network trading market was valued at USD 474.76 billion in 2020 and is expected to grow between 2021 and 2028 with a compound annual growth rate (CAGR) of 28.4%. This increase is attributed to an increase in
the average time spent on a social media platform during the pandemic in connection with greater convenience in buying products (Social Commerce Market Size, 2021).

The above-mentioned tendencies justify performance of research on the factors shaping the attitudes, behaviors and reactions of consumers expressed in social media and related to the marketing activities of enterprises. It is important for recognizing the mechanism of shaping consumer engagement in social networks and this knowledge has not only a cognitive value, but also application value, which is necessary for managers conducting activities in social media.

Some results of such studies, especially those which showed that the type of consumer culture, i.e., individualistic or collectivist, can be a key determinant of eWOM consumer involvement are worth mentioning, because the values of this culture affect their willingness to participate in sharing information about products and brands. Since information exchange is an altruistic behavior (Poch and Martin, 2015), representatives of collectivist cultures show a unique tendency to share information related to the brand. These clients will be motivated to share more in eWOM if they are convinced that others may also benefit from the provided information. At the same time, for individualist buyers, the influence of subjective norms in shaping the commitment to sharing information related to the brand is stronger.

Therefore, managers of social trading platforms should design the offer according to the customer's culture. Messages that signal the social benefits of disseminating product information should be presented to collectivist users, whereas individualists will be more convinced by other users' comments, reviews and seller rankings (Gvili and Levy, 2019).

The growing importance of social media in business models of enterprises results from the benefits they obtain from the use of these media (Social Business, 2012). Most enterprises indicate better communication with customers (61%), and every second company emphasizes such factors as: cost reduction (51%), brand positioning (49%), as well as achievement of customer satisfaction in real time (48%). This is related to the growing role of social listening in internet marketing (HubSpot, 2020).

For the effective use of the potential of social media, it is necessary to integrate these media with the company's business processes. Due to the lack of such integration, information about the attitudes, preferences and behaviors of consumers is not fully used in the decision-making processes of enterprises. Meanwhile, enterprises use too little IT solutions for automatic monitoring and notification of market events, as well as launching processes in response to these events.

The reason is the lack of connection of IT processes and solutions with social media, which hampers their use as an effective communication channel. This is indicated by
the Maturity Model of the Use of Social Media developed by Capgemini. This lack of integration creates a barrier to the creation of new business models and solutions based on the use of social media (Sumara et al., 2012).

Considering the pace of observed changes, intensified by the coronavirus pandemic which has become a catalyst for digital transformation, a research gap was revealed, and related research questions were formulated as follows:

**Q1.** To what extent has the scope of social media use by enterprises operating on the Polish market increased over the years, understood in the context of the share of enterprises using social media in total enterprises?

**Q2.** What social media are used in marketing activities by companies operating on the Polish market?

**Q3.** What goals do enterprises operating in Poland attribute to marketing activities conducted in social media?

3. **Research Methodology**

In order to formulate the answers to the formulated research questions, the results of empirical research were analyzed. The primary research was performed in 2013 and 2020. The research covered 152 enterprises in 2013 and 156 enterprises in 2020. The first study, i.e. in 2013, was performed as part of the project entitled: "Internet in marketing and the application of new technologies in the company's cooperation with customers", and the second - as part of the research project entitled "Applications of the Internet in customer value management processes" (project manager: Prof. Krystyna Mazurek-Łopacińska; main contractor of the project: PhD Magdalena Sobocińska, UEW prof.; Internal research grant implemented at the Faculty of Management at the Wroclaw University of Economics and Business).

The questionnaire research was performed on nationwide samples of enterprises. When presenting the structure of the research sample from 2013, it should be noted that among 152 surveyed enterprises there were 51 companies with up to 49 employees, 51 companies with 50 to 200 employees and 50 companies with more than 200 employees. In turn, in 2020, the study covered 56 companies employing up to 49 employees, as well as 50 companies with 50 to 200 employees and 50 companies with more than 200 employees.

During the implementation of both studies, special attention was paid to the process of recruitment of the respondents, who were people responsible for using the Internet in marketing activities, or for maintaining contacts with customers with the use of new technologies. Considering the scope of the research, the type of respondents and the nature of their work, the computer assisted telephone interview (CATI) technique was selected. This technique enabled adjustment of the time of the interview to the respondent's preferences. Attaching great importance to the professionalization of the research process, both quantitative studies using a
standardized questionnaire were performed in cooperation with a research agency having specialized software. The interviews were conducted in the CATI studio of the ARC Rynek i Opinia research institute in Warsaw. The telephone numbers to respondents were selected randomly from a database of enterprises operating in such sectors as industry, construction and renovation, trade, gastronomy, FMCG, transport and warehouse management, IT, professional services for business, finance and insurance, as well as tourism and hospitality.

4. Research Results and Discussion

The analysis of the results of the empirical research performed in 2013 and 2020 aimed to answer the formulated research questions.

When answering the question Q1, it should be noted that the role of social media in the processes of communication with customers is dynamically growing. This is indicated by the results of the authors' own research performed in 2013 and in 2020. While in 2013 only every third enterprise (30.9%) used social networking portals in communication with customers, in 2020 it was already indicated by 58.3% of companies. The percentage of the surveyed enterprises indicating the use of blogs as a form of communication in the Internet space increased three times, from 5.3% to 15.4%. On the other hand, there are much smaller changes in the use of online forums in gaining customers’ opinions, 13.8% in 2013, and 14.7% in 2020 (Figure 1). The results of the survey show that almost 59% of the surveyed companies use at least one type of social media in the processes of communication with customers. Facebook is the most popular social networking site. Its use was indicated in 2020 by 58.3% of the surveyed enterprises. A smaller percentage - 31.4% of enterprises - use YouTube as a form of contact with customers. A similar scope of use was reported for such social networking sites as LinkedIn (28.8%) and Instagram (27.6%). A synthetic summary of the results used to formulate the answer to the first research question Q2 is presented in Table 1.

Figure 1. Changes in the scope of use of websites and social media by enterprises operating on the Polish market

| Year | Percentage |
|------|------------|
| 2013 | 94.7%      |
| 2020 | 91.7%      |

Source: Own elaboration based on questionnaire surveys (CATI) performed in 2013 and in 2020.
Thus, the obtained results indicate that a significant percentage of the surveyed enterprises operating on the market in Poland implement the concept of Web 2.0 through the marketing activities conducted with the use of social media. It is characterized by sharing knowledge by Internet users, and not only having it, replacing one-way communication with dialogue and focusing on content created not only by professionals but also by amateurs (Barefood and Szabo, 2011). Considering the conceptual framework of social media functioning, it is worth adding that, as a consequence, the obtained results indicate that in companies operating on the Polish market, a change in the status of media users is taking place. They cease to be only the recipient of the message, but they also become its creator.

**Table 1. Social media used by enterprises operating on the Polish market in 2020 (in%)**

| Type of social media | Rate of enterprises |
|----------------------|---------------------|
| Facebook             | 58.3%               |
| YouTube              | 31.4%               |
| LinkedIn             | 28.8%               |
| Instagram            | 27.6%               |
| Pinterest            | 5.8%                |

*Source: Own elaboration based on questionnaire surveys (CATI) performed in 2020.*

When discussing the obtained results and the results of research by other authors, it should be emphasized that although social media allowing to create and exchange of content by their users (Williams, Crittenden, Keo, and McCarty, 2012) initially served to build relationships between Internet users, they now enable the implementation of commercial goals for enterprises that are looking for new opportunities in the field of communication with customers (Bartosik-Purgat, 2016). This is also confirmed by the results of the authors' own research. The analysis of the results allows for the conclusion that, in compliance with the evolution of the functions fulfilled by the Internet, the surveyed enterprises showed an increase in the importance of the social networking function.

Moving on to the answer to question Q3, it should be noted that social media are used by the surveyed companies to a greater extent to build the company's image (average rating - 4.36 in 2013 and 4.52 in 2020 on a five-point rating scale, where 1 means little importance, and 5 means a great importance) or increase brand awareness (average rating - 4.24 in 2013 and 4.27 in 2020) rather than collect comments and user opinions, or answer customer questions (Figure 2).

A five-point scale was used, where one represents attributing low importance and five high importance to the goals of conducting marketing activities by enterprises using social media. The data amounts respectively to 3.78 in 2013 and 3.17 in 2020 for collecting user comments and opinions, and 3.13 in 2013 and 3.09 in 2020 for answering customer questions. At the same time, monitoring and analyzing these opinions is extremely important for introducing the desired changes to the offer.
Figure 2. Goals of marketing activities conducted by enterprises with the use of social media

Source: Own elaboration based on questionnaire surveys (CATI) performed in 2013 and in 2020.

It is interesting that increasing customer loyalty occupies a relatively low place in the hierarchy of goals of conducting marketing activities with the use of social media (average score - 3.42 in 2013 and 3.36 in 2021). It may indicate insufficient care for shaping long-term relationships with customers. The surveyed companies are still more focused on achieving sales goals, which is reflected in the relatively higher position of these goals achieved thanks to marketing activities conducted with the use of social media.

Meanwhile, according to the resource theory of the enterprise (Barney, 1991), it is customer relations that are one of those unique resources that enable enterprises to gain a permanent advantage over the competition. At the same time, it should be noted that 35.9% of the surveyed companies created an internet community for the brand.

5. Conclusions

When formulating conclusions resulting from the conducted research procedure, and based on literature studies and empirical research, it should be emphasized that the role of social media in the marketing activities of enterprises is significantly increasing, however their potential is not fully used.

The use of social media in marketing communication requires adopting a long-time horizon and conducting activities in accordance with the formula of recognizing and understanding the mechanisms of social media functioning, building a strategy for the use of social media in marketing communication, defining the policy and rules of
listening to the dialogue conducted by clients in social media, as well as appointing a person responsible for the activities. Monitoring information found on social media and regarding a given company is also very important (Kietzmann, Hermkens, McCarthy, and Silvestre, 2011).

When defining the managerial implications resulting from the conducted empirical research, special attention should be paid to the need to increase the scope of use of social media by the companies covered by the study for the purposes of collecting comments and customer opinions and conducting a dialogue with them. In addition, it should be indicated that it is justified to consider the achievements of relationship marketing to a greater extent and to focus the use of social media on building customer loyalty, as well as lasting, valuable relationships with them.

Among the directions of further scientific research in the field of the undertaken subject area, it should be especially emphasized that it is desirable to expand its scope, as well as to include companies operating on the markets of other countries in the research in order to identify differences in the role assigned to social media in the marketing activities of enterprises. Another direction of future research is to repeat the measurement on a similar sample of enterprises operating in Poland in order to monitor the changes taking place in this area. Another important direction for further quantitative research in this area is its implementation among social media users in order to learn how consumers perceive the role of social media in the marketing activities of enterprises and what their needs and expectations are in this regard.

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