

THE IMPACT OF MARKETING COMMUNICATION USING SOCIAL NETWORKING SITE FACEBOOK ON THE EFFECTIVENESS OF PROMOTIONAL ACTIVITIES

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Abstract:

Nowadays the impact of social media on public opinion is becoming stronger. The subject of this paper is presentation of the correlation between the increasingly popular portal that is Facebook on the effectiveness of promotional activities. To achieve the goal, an analysis was made of the activities of several companies in Lublin, some of which largely used for promotional purposes social networking site, which is Facebook. This analysis was carried out on the basis of shared content marketing, advertising reach and comments from customers. The statistics were conducted among a selected research group and subjected to analysis. Obtained in this way, the data were compared with the analysis of companies that promote their brand as well as their products without the use of social networking sites. As a result, the effectiveness of marketing activities that were conducted via Facebook was noted. It was found that the portal has helped to raise the sales results of many companies, as well as significantly influenced their development. The results allowed to draw a hypothesis that Facebook has positive effects on branding not only locally, but also globally.

Keywords: social media, marketing, facebook , promotion, brand.

1. INTRODUCTION

The end of 20th century was characterised by blistering speed of IT development. This was caused by society's effort to obtain more data, knowledge and establish better communication systems. Effective data management improves competitiveness and guarantees growth. New ways of communication had an impact on its range and effectiveness.

An information society has been formed with information treated like a product of value dependent on a transfer speed. Ever-growing demand for common access to the Internet, communication infrastructure improvement, usage of technology and communication in realization of public services, development of new sales markets and also improved office administration. These have fostered the improvement of faster receiving and sharing current data to the environment (Kotler & Keller, 2012).

The demand for access to data has been growing larger. Technical development breeds in huge amount and availability of data, which causes the information noise, an unprocessed set of information. That influenced development of tools for direct communication and acquiring data (Keller, 2011; Levy, 2009).

First tools to connect specific social groups were news groups, message boards, electronic mail and a various range of communicators like GG (polish software communicator popular before Facebook), etc. Those ways of communication formed greater exchange of data, which increased the amount of users, and as a consequence, built up greater expectations.

As a result of those expectations, various communicators were created, including FACEBOOK social media. Initially, it was a project facilitating the communication between students of colleges and high schools by sharing the information, pictures and keeping the social relations between users. Over time, a lot of resources and facilities were improved. At the end of 2015, the website enabled interior real-time communicator, videochat, publishing posts, pictures and videos, creating social groups, fanpages, applications and events. Facebook has numerous functions characteristic for other social media services, including blogs, e-mails, address books, photo albums, notebooks and friends list. In the year of 2014 Facebook had 1.4 bn active users all over the world. On 24th August 2015, a new record was broken with the result of 1 bn users (1/7th of the entire human population) being online during 24 hours (Forbes, 2012; Hodgkinson, 2008).

Researches in this area have been conducted in order to analyze the impact of marketing communication via Facebook social media on effectiveness of promoting various companies' products and brands. This will allow to estimate the companies' fanpages influence on:

- sales records
- creating brand awareness
- effectiveness of promotional activities
- range, effectiveness and speed of reaching target groups
- budget of marketing campaign
- effectiveness of marketing campaign.

2. PURPOSE OF THE RESEARCH AND METHODOLOGY

A survey was conducted in order to compare the impact of marketing communication among the companies using Facebook and companies which refrain from using this platform. Analyze was based on the range of promotional activities including the target groups and the speed the information is given to their receivers. Furthermore, survey contrasted the expenses of promotional activities among those two groups of companies.

- Question #1: Has the Facebook-based promotion influenced development and improvement of sales records?
- Question #2: Does the Facebook-based promotion influence creating the brand awareness?
- Question #3: Is the Facebook-based marketing effective?
- Question #4: Does the Facebook-based advertising have a greater range than the traditional advertising?
- Question #5: Does the Facebook-based advertising reach target groups better than the traditional advertising?

- Question #6: Does the Facebook-based advertising reach receivers faster than the traditional advertising?
- Question #7: Is the Facebook-based advertising more profitable than the traditional advertising including posters, leaflets, newspapers and television?
- Question #8: Is the Facebook-based marketing communication more effective than the other forms of communication?

Research has been conducted by the Internet survey among the owners of 100 different companies in the Lubelskie region. A part of them uses Facebook for marketing communication purposes and traditional forms of transmission, whilst the rest refuses to work with this platform. Participation in the questionnaire was voluntary and anonymous. Survey was divided into 4 parts.

Part 1.

This served the purpose of getting the basic information about the company including gender, age and education of the owner, localization of the company, time the company has been functioning on the market, type and range of the activity the company is involved into, amount of current workers and average revenue per year.

Part 2.

This referred to the marketing communication, methods the company uses (including online methods), forms of promotion, its expense and effectiveness in impact on the sales records and brand awareness creation. Opinion over the effectiveness of marketing activities via Facebook in comparison to traditional advertising forms, including posters, leaflets, newspaper and advertising gadgets and gifts.

Part 3.

This was intended for companies which use Facebook for marketing communication purposes. Survey included time the company leads its fanpage, the communication tools offered by the website (including paid advertisements), expenses of ads, the amount of users who liked the fanpage. Also, this covered the opinions of the surveyed on Facebook marketing activities including creating brand awareness, effectiveness of those activities, growth of the sales records and range of the advertisement.

Part 4.

This was intended for companies which don't use Facebook for marketing communication purposes. Survey covered the investigation of the range of marketing actions, reaching the target group, speed of receiving the information and the attitude of surveyed towards advertising via social media in the future.

3. RESULTS

3.1. Information pertaining to the surveyed companies.

Companies which participated in survey have been functioning on the market for 1 to 68 years.

Vast majority of the owners were male (78%), women were 22% of the respondents. Owners claimed to have higher education in 72%. Age structure presents as following: 18-24 (13%), 25-24 (13%), 35-44 (16%), over 55 (9%). Surveyed companies were situated mostly in location of 201-500 thousands inhabitants (50%), rural areas (19%), locations of to 50 thousands inhabitants (16%), locations of above 501 thousands inhabitants (9%), locations of from 51 to 200 thousands inhabitants (6%). Majority of those companies are specialized in services (82%) and most of them are focused on: construction and architecture, trade, entertainment and culture. Majority of companies (40%) are concentrated on the home country market, 25% on the regional, 13% on the local, 13% on the global and 9% on the international. The average revenue per year oscillates in the range of 10 000- 100 000 euro (31%), 100 000- 250 000 euro (25%), above 43 mm euro (13%), to 500 000 euro (9%), to 1 mm,

2 mm, 10 mm and to 10 000 euro (each of them about 5%). Companies hire less than 2 workers (35%), 2-5 (7%), 10-49 (21%), 50-250 (19%), more than 250 (18%).

3.2. Information pertaining to the marketing communication among the surveyed companies.

More than 40% of the respondents uses advertisements, less than 30% focuses on direct marketing, less than 20% concentrates on public relations. A small portion of surveyed companies decides to use sales promotion, personal sale or sponsoring.

According to the tools for the Internet communication, most of the surveyed uses websites (31%), email (29%) and social media (28%).

Mostly used promotion forms are as following: websites, social media, whisper marketing, outdoor advertising (banners, billboards, large screens, leaflets, displayed advertisements). Significantly lesser part of surveyed companies are prone to advertise by email, newspapers, organized events, public relations, traditional mail, gadgets, via television or radio. According to the 1st question, those activities have contributed to sales records and to company development. Almost 80% of surveyed believed social media are able to advertise a service or product to a greater extent.

3.3. Information pertaining to using Facebook in order to communicate and promote the company.

Almost 60% of the surveyed companies uses Facebook social media to communicate and promote. Majority of the fanpages was founded in 2013 (32%), in 2014 (21%) and in 2012 (16%).

According to the tools provided by Facebook, the most commonly used is writing posts (80%) and the most rarely chosen are paid ads (10%), even though 47% of the surveyed claims those are profitable.

According to the 2nd question, more than 84% of the surveyed considers social media as helpful in creating positive relations with clients, about 63% observed the impact on creating brand awareness.

Table 1: Assessment of the exemplary activities on the official company fanpage [%]

	Not important	Less important	Important	Very important	Extremely important
Publishing information about special offers (promotion, sales).	13,3	0,0	33,3	33,3	20,0
Discussing new products and services with the Internet users.	0,0	20,0	26,7	40,0	13,3
Publishing interesting photos and videos related to the company and its products.	0,0	0,0	33,3	40,0	26,7
Publishing information about new products and services.	0,0	0,0	13,3	46,7	40,0
Organising contests with gifts to win.	6,7	20,0	26,7	33,3	13,3
Publishing news from the company life.	0,0	0,0	46,7	40,0	13,3
Consulting clients.	0,0	0,0	26,7	46,7	26,7
Technical support.	0,0	0,0	26,7	60,0	13,3

Source: based on survey results

Table above shows the assessment of the exemplary activities on the official company fanpage. Majority of the surveyed considers the possibilities provided by Facebook as important in promotion,

including publishing information about services, products, offers, consulting clients and also embedding photos or videos.

Average range of the posts published on fanpages are estimated by the surveyed to oscillate in range of: less than 1000 (34%), 1000-3000 (35%), 3000-5000 (9%), 5000-10 000 (9%), 10 000-50 000 (4%), more than 50 000 (9%). Average amount of people who liked the fanpage is claimed to be less than 1000 (52%), 1000-5000 (21%), more than 10 000 (23%). Paid advertisements are believed by the surveyed to reach 88% of the target group, whilst free to reach 62%. The speed of getting the advertisement is predominantly considered 9 in scale of 1-10, where 1 is the slowest and 10 is the fastest. 77% of the surveyed notified that thanks to the fanpage, the amount of their regular customers has increased.

More than 56% of the surveyed claimed Facebook-based marketing is free, 19% earmarks less than 50 euro. Advertising costs averagely 50-100 euro for 7% of the surveyed, 100-500 euro for 5%, 500-1000 euro for 9%, more than 1000 4%.

More than 60% of the surveyed believes their actions on fanpages contributed to the growth of sales records and so, considers the marketing communication via Facebook to be effective.

3.4. Information pertaining to companies which don't use Facebook for communication and promotion of the company.

Among the companies which don't use Facebook form marketing communication purposes, almost 63% of the surveyed plans to set up a fanpage in the nearest future. Range of their activities are estimated by the companies to present as following: less than 1000 receivers (62%), 1000-3000 (16%), 3000-5000 (8%), more than 5000 (14%), from which 48% reaches the target group. According to the opinion of the surveyed, the speed a receiver gets his advertisement is estimated 4 in the scale 1-10, where 1 is the slowest and 10 the fastest.

Averagely per month for advertisements, the companies spend as following: 0 euro -14%, less than 50 euro - 22%, 50-100 euro - 28%, 100-500 euro - 11%, 500-1000 euro - 17%, more than 1000 euro-8%. According to the 70% of the surveyed the contemporary forms of promotion are more effective than the traditional (posters, leaflets, newspapers) and reach the clients faster.

3.5. Comparison of results from both companies using Facebook for marketing communication and companies advertising traditionally.

Table 2: Comparison of results

	Companies using Facebook	Companies using traditional advertising
Range [people]	less than 1000 -34%, 1000-3000 -35%, 3000-5000 -9%, 5000-10 000 -9%, 10 000-50 000 -4%, more than 50 000 -9%	less than 1000 62%, 1000-3000 16%, 3000-5000 8%, 5000-10000 14%
Reaching target groups (%)	paid ad- 88% unpaid ad- 62%	48%
Speed of receiving an advertisement [in scale from 1 to 10]	9	4

Money spent on advertising per month (euro)	0- 56% less than 50- 19% 50-100- 7% 100-500- 5% 500-1000- 9% more than 1000- 4%	0- 14% less than 50-22% 50-100-28% 100-500-11% 500-1000-17% more than 1000-8%
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Source: based on survey results

Analyzing the table above and answering the provided questions, it is reasonable to suggest that the marketing communication via Facebook have larger range and reach target groups to a greater extent than data transfer without this platform (Question #4 and #5). Furthermore, the surveyed claim that it reaches the receivers faster than traditional forms of promotion (Question #6). Answering the 7th question, it is reasonable to suggest that advertisement on Facebook be more profitable, because it requires covering a small expense, and be more effective comparing to the traditional advertisements.

4. CONCLUSIONS

As a result, effectiveness of marketing activities via Facebook has been notified. Facebook has been claimed to have contributed to the improvement of sales record and the development of various companies. Results support the hypothesis that Facebook has a positive influence on creating brand awareness not only locally, but globally.

According to the presented results of the survey, Facebook provides with the opportunity to either free advertising or at a low price comparing to the traditional forms of promotion including posters, leaflets, newspapers and television, etc. Furthermore, the advertisement has been considered to reach a larger group, including predominantly target group in relatively short period of time.

Fanpage of a company enables establishing a constant relation with potential clients, which is unavailable using other forms of promotion.

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