Social Media as a Web-based Marketing Tool for Romanian SMEs

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Abstract. In this research, we intend to analyze how Romanian SMEs can be the beneficiary of Social media (SM) as a Web-Based Marketing Tool. Are there any enterprises that use SM and have a positive impact on Romanian SMEs? Which are the criteria of evaluation for high impact marketing online through SM? Which is the Romanian blogger profile? Which are the trends for SM in 2015 year? What is the impact of using social media in the firm’s efforts to access and connect to customers? How strong is this connection? (Does SMEs get constantly feedback from clients? Do they win or lose clients through SM? Does the customer satisfaction increase? Are there fewer complaints?)

Keywords: social media, SMEs, web-based marketing tool.

JEL Codes: M15, O3

1. Introduction

Our aim is to make aware the Romanian SMEs of the benefits of using SM so as to gain a market niche. For the beginning we made a literature review on SM, regarding what is SM, which are the channels on SM, security in SM, SM as a marketing strategy, the blogger profile to get focused on SM and the trends for 2015 in SM. In the second part we have performed a case study on three Romanian companies, with online presence that can have a positive impact on Romanian SMEs. In our case study we focus on five criteria, such site content, applications, commercials, relationship with customers, measurement and Reporting.

2. Literature review

The contributions of SM success are reflected in how effective SMEs’ communication with their clients is. Using SM the SMEs try to see the market through clients’ eyes. “Successful social marketing often depends more on qualitative metrics for desirable signs of the tone, quality and customer benefit of the interaction. These may include: unique visitors, interaction rates, relevant actions taken, conversation size, conversation density, content freshness and relevance, audience profiles, unique user reach.” [4] and [11]. With these metrics we can measure how involved are the clients in the companies’ activity, mentality.

SM can create a lot of opportunities and can change the shape and nature of its business all over the world. [9] SM may be used as a way of online advertising for companies which practice e-commerce. The internet provides the faster and the cheaper way to reach the clients all over the world.

There are a variety of ways by which the internet and e-commerce are useful for SMEs [10]:

• It facilitates the access of artisans and SMEs to world markets.
• It facilitates the promotion and development of tourism of developing countries in a global scale.
• It facilitates the marketing of agricultural and tropical products in the global market.
• It provides avenues for firms in poorer countries to enter into B2B and B2G supply chains.
• It assists service-providing enterprises in developing countries by allowing them to operate more efficiently and decision [6].

Pookulangara also tested culture as mediating factors to adoption in social media marketing. [13]

"Social media has fundamentally changed the way society interacts. Social media extinguishes and sparks riots boo and has changed the way we communicate and get to know better. "[15, Nick Palmer, MediaCom]. Social media, in general, has the aim to increase the number of fans, but this is not enough. To get profit, it is important winning customer loyalty is important to know the habits and attitudes of purchase, so that products and services are customized for them, both in terms of features and supply in time and space (region). "A perfect advertising involves a perfect message at the perfect time, for the right people, in a perfect context. If missing only one of these four factors, you could have just a media campaign", without excellent results. [15, Steffen Erhardt, Google].


The big advantage the blog services bring is different ways of self-expression and self-reflection, through text, images, audio, video, etc. The possibility of managing design and personal documents on the blog appeals to a sense of ownership, which has as a consequence greater involvement and increased social interaction.

Wiki sites are online databases of resources that can be added or removed from users’ desire, can be used as knowledge management systems in any field of business or learning. It is an alternative to the intranet.

But the most spectacular online tool that can be used in learning, in marketing, in the professional activity or relaxation is three-dimensional virtual world Second Life (http://secondlife.com/).

The forum aims to form a community to discuss topics of common interest, offering interesting and useful information. Discussion topics attract the user and cause him to open an account. Following these discussions will filter value members who will form the image of the forum.

Social networks allow sharing of information, files and media content in real time to friends, acquaintances, relatives and colleagues.

Google+

Google has changed the way of calculating the ranking of sites, with increasingly greater importance to social media. Although previous attempts failed (Google Buzz and Google Wave) to develop social networks, Google + launches consist of 5 main modules: Circles, Sparks, Hangouts, Huddle and Instant Upload. Google also added the +1 button, which has the same purpose and functionality of the Facebook Like button. To add this button on a site we recommend visiting the site
Facebook has introduced a new feature that allows anyone to automatically add someone into a group, without his consent. Then receive mail from the group all new posts and all comments. To create traffic Facebook hid the Leave Group and Logout buttons in the top right button for group settings. Due to Like button Facebook knows what the users like. But it wants gathering information on purchasing intentions of users, enabling them to be influenced them in choosing a product using Want button.

3. Security on social media

Internet security is becoming increasingly vulnerable, social networks providing favorable conditions for online crime. Facebook receives over 600,000 online complaints daily regarding hacked accounts and decided to start working with the US Attorney General's office to combat linkjacking - a new form of intrusion into user accounts, specify largely for Facebook community. Through repeated identity theft, spammers send messages with false content (eg advertisements) or viruses, claiming that they are friends on Facebook. Hackers install virus programs on the computers of social networks members to gain access to accounts and profiles which they then rent or sell.

Ways that hackers get profiles from social networking [14]:

1. Intrusion into account - decoding the dictionary of passwords, which contains names and data that can be sold. The forums have many advertisements regarding the selling or offer of IDs Facebook.

2. Handling accounts - log in with the victim username and password illegally obtained. The offender can send any message in the name of hacked member, including the request for money.

3. Cloning profiles - Facebook accounts copy allows the offender to send friend requests to all those in the list to access the information it uses in committing fraud.

4. Cross Cloning accounts - obtaining information and images on Facebook and using them to create fake profiles on other social networks.

5. Phishing - the criminal claims to be a reliable organization and require network members personal information. Once the user has accessed the links sent by the offender, they infect his computer with malware or redirects to sites that provide grounds for disclosure of personal information. Another classic form of phishing is redirected to a fake Facebook login page with the same design.

6. Information unprotected - is to avoid publishing personal data (email, phone number, address, date of birth and other personal information) or use it to form secret passwords and security questions onFacebook.

7. Spam - mass sending of advertising messages to user accounts, without requiring them to ask for or give their consent to receive illegal. Social networks enable a new form of spam called clickjacking: at the click of a message, the message will be sent without user will to a list all his friends.

4. What is the Romanian blogger profile?

According to the BR 2014 study conducted by refresh.ro and Vola.ro Romanian blogger profile is characterized by the person who is between 25-34 years old, lives in Bucharest, has higher education (college or master), started blogging after 2009 and writes under 30 articles on month. They earn money from advertising, banners, Affiliate Marketing, and special projects. The blogosphere in Romania is an industry that, at least in words, spent EUR 516,250 from companies’ pockets in 2013 compared to EUR

In 2009-2011 the number of active blogs, trackbacks, posts, and comments experienced a boom. In 2012-2013 the number of active blogs drastically decreases and the same happened with the activity on its. In 2014 the blog market became mature: almost only people and companies that has something to say, and that learned how to use SM, creating high quality content, are active on blogs. (Fig. 1)

![Post and Comments on Romanian Blogs](image1)

Fig. 1: Study BR 2014 - blog activity in Romania in 2008-2014.

The most popular social network is Facebook: 95% of Romanian bloggers have a Facebook account. "At present there are 901 million Facebook users, half of which is connected to the mobile terminals. Daily are uploaded 300 million photos on Facebook ". [15, Bruce Bale]. An example of successful Facebook page is Manchester United (24 million fans). Voting site by visitors is a measure of audience (Like or +1 button type). Other SM channels used in 2014 are Twitter, LinkedIn and Instagram.

Thus any company with online presence should consider developing a blog or forum to actively communicate with customers, to enable them feedback, to express opinions, suggestions and complaints about company’s products and services. The most effective form of marketing is direct marketing, viral marketing, which involves sending information from one person to another, providing a higher degree of confidence. Testimonies left by customers on the company's website are an effective form of free advertising. "92% of people trust word of mouth from friends and family. 47% trust in TV and radio. "[15, Bruce Bale]

A study conducted by Unlock Market Research, published Social Media Summit, and held by Biz magazine presented six categories of users’ profiles on Facebook [1]:

- **Pragmatist**: a detailed profile is available only in the circle of friends, which is not very large and rather interact very few on Facebook, being reluctant to non-informational content. Instead, he seeks information about products and promotions on the brands websites.
- **Militant**: it has a large number of friends, who did not know any better. Do not provide information about itself, but discusses the common causes that they share.
- **Connector**: the man who takes the message and then sends it on, is very dynamic, seeking more detailed information and recommendations
- **Approver**: has a small group of friends and do not provide information about itself. He often gives LIKE.
• **Self-propagandist**: provides very detailed information about himself and his passions. Write and spend more time on Facebook. It is very friendly.

• **Explorer**: post news, ideas, original paintings, films, and is aware of the trends, and what happens interesting.

5. **Social media as a marketing strategy**

According to the Romanian blogger profile, companies should focus campaigns on self-propagandist who has many friends and spend more time on the internet. If he is convinced of the quality of a product or service, it will influence the perception of friends. Companies can address to militant and connector because they send the message further. The approver can be contacted to get as many Likes. Explorer can be attracted only with very good quality innovative product or service.

"Facebook Ads Product Manager, Gokul Rajard, said that Facebook Social Ads lead people to remember a notice (up 68%) and increases the opportunity for an individual to buy a product (an advance of 400% over traditional methods). Sponsored Stories allows advertisers to promote mouth-to-mouth recommendations and interactions with brands that exist in the Facebook News Feed. If, for example, someone's friend associates "like" to a brand, they will see this as the News Feed and on the right side of the screen. Facebook Ads are based on the idea that people want to see what their friends are doing. "[5]

SMEs can increase their online visibility using social tools offered by social media. They can also increase the popularity, page rank and therefore online visibility receiving as many links from YouTube, which "drew a thousand billion views in 2011" and from Google: "loads an hour of content per second; 90% of European Internet users search Google for information about products and services". [15, Dan Bulucea]

The user profile of social media influences its behavior on forums, blogs, and internet. Specialized studies in psychology and sociology have shown that estrogens and genetic constitution affects brain activity, with consequences in human behavior. Women use social media differently than men. Women are very attentive to detail, are more stable, preferring to maintain stable relations in social media, being inclined towards long conversations. Men do not notice details; they have a synthetic thinking, trying to get an overview. Men are more active, love to compete and conquer. Media campaigns must be prepared very well considering these features and other features such as cultural differences, role in society and needs. For example, although South Korea is a conservative country, 40% of Koreans have created one avatar, while in the US only 18% of Americans have an avatar. In India 69% of Facebook users are men and only 31% are women. China filters Internet access. In Russia Google is not the market leader in the segment of search engines, but Yandex, with a market share of 62%, and Facebook is in 5th place with only 8% of market share.

Also, SMEs with online presence should consider that 'the percentage of online shopping made in Romania is 80% versus other countries' [2, Dan Bulucea]. Thus 80% of online purchases are made from foreign companies: Amazon, eBay which dominate the local market.

In the online field the strategies of product, price, promotion and distribution take on different connotations. SMEs should consider online pricing strategies grounding a number of factors that may cause significant decreases in the price:

1. Consumers can easily search, nationally or worldwide, offers with the lowest prices;
2. The emergence of new products is immediately identified by both current or future consumers and competitors;
3. Due to business globalization more taxes paid by the buyer tend to reduce or disappear (customs duties, VAT, etc.);

4. reducing manufacturers costs, importers or distributors reduces the online cost of products or services (staff salaries in trade and distribution, storage and marketing of the physical environment involves costs of around 300% on average, higher than in the virtual environment, etc.);

5. Internet companies are funded by investment funds or investors, who invest in brand image or to achieve a market share.

We identify three strategies online price that may apply:

1. Penetration price strategy - setting a relatively low price initially for rapid penetration into segments product or service; very effective for sensitive market such as the Internet;

2. The price leadership strategy - setting the lowest price for a given product in a given category; market share is covered by reducing the margin charged by identifying providers that offer the lowest prices, thus reducing running costs;

3. Promotional pricing strategy - temporary competitive prices, to encourage online shopping.

A site visit, a return to the site and shopping on the site are three different activities involving different strategies to address consumers. Companies need to invest today in social media to make their presence felt online. Once this online presence is felt, the company's business and its profits will be more obvious. Faulty implementation of social media can generate negative reactions to a particular brand, turning it into hot and negatively topic on Facebook and Twitter.

6. Social Marketing for SMEs: What is the Impact of Using Social Media in the Firm’s Efforts to Access and Connect to Customers?

SM is used by SMEs to gather industry specific information and promoting their events and for online advertising and creating an effective online communication network. SM is more effective in building brand awareness and enhancing brand reputation. SM seems to be created for SMEs because they are more flexible and reduced cost of communications.

“As with the proliferation of social media websites, the importance of word of mouth marketing and peer recommendation is becoming more pertinent for companies that are immersing themselves in online conversation with consumer communities.” [1] E-word of mouth is most effective, convenient and inexpensive marketing technique in online field. E-word of mouth can transform a company in market leader or destroy it. Its impact is due to the number of clients that have positive remarks regarding the brand. The online marketing strategy was well chosen if, a high positive feed-back comes from the clients. To avoid the negative impact the company had always say the truth, recognize the problem, try to remediate it and compensate the affected clients. The clients’ testimony on the SMEs site reflects market voice.

Different strategies have been suggested such as innovation in product planning, emphasis to new customers with environmental worries, new pricing perception, different approach to suppliers alliances, information management etc. [8]

Concentration of key factors of change, key and strategic type of information. Foresight research in relation to the SME sector should focus on the dynamics of inter-organizational networks, that is, the search for relationships between the network participants, Social process involving the engagement of a wide group of experts [15]

In SM Return On Investment (ROI) turned from the Risk Of Ignoring. [9]. This explain how important is for SMEs to have online presence.
Nowadays, in Romania, the statement "one content, multiple distributions" is vital because it is important to be present where the user is: on the PC, phone or tablet, in the car (cars connected to the Internet are becoming very relevant) on TV (Smart TV apps are still not embraced by too many in.ro) [2]. The most important growth factors of an online publisher is quality and quantity content with focus the reader. Interactivity will be the key consumed mobile content. The solution is niche-media, quality, and real engagement with the community of readers. Flipboard models are sustainable: aggregate content selected by human assistance but, clearly structured on niches of interest from multiple sources in a graphic experience as friendly but still spectacular. Today the battle is on the share of attention. The content and credibility are two concepts that go hand in hand and must be reported now, more than ever, for those who have something to say. A mosaic of text, photo and video as attractive combined so as to provide essential information, not to be bored and attractive from visually.

7. Which are the trends on social media for 2015?

SM is very important because 86% of Romanians from the Internet enter to Facebook and use Google (Gemius), 68% of Romanians use a smartphone to enter the Internet (IBRL), 50% of online traffic comes from mobile until the end of 2015 (Emag study), 4.5mil Romanians enter monthly on e-commerce sites (Gemius), 81% of Romanians’ believe that technology can make life better (Ericsson). In 2015, marketers will need to understand that site design for mobile is not a "fad" but a "must" for the major trends of 2015[16]:

**Mobile:** traffic coming from mobile, will be in an exponential growth and is potentially more valuable than PC traffic, as a visitor from mobile is seeking specific information rather than just making a simple surfing. Mobile traffic assures digital proximity to the consumer.

**Social Media:** “Social media is a constant presence in everyday life and activity, no matter if we are talking about persons or companies. All the companies that survived the economic crisis understand that the on-line presence is vital for publicity, in order to increase sales, in order to gain new clients. The companies struggle to get new visitors on the site and turn them into clients that return to the companies’ products, increasing the online visibility. To increase online visibility the companies enrol in search engines such as Google, Alta Vista, etc, enrol in web directories and use social media instruments such as forums, blogs, Facebook, Twitter, link exchange and other paid methods such as Pay Per Click campaign”. [12]

Social media is not only the trend, it is more active than ever. The story must be about your social consumer, not about your organization. Social media hides a mountain of customers’ data. It is high time the tools such data layer, tag management, programmatic buying or segmenting audiences, become common in social media. The trend for 2105 is remarketing, custom audiences, audience lookalike and conversion tracking.

**Technology:** It is proved that brands and customers embracing technology in early stage gain to achieve the on medium term a significant advantage over competitors with a very good cost or efficiency ratio.

Agile Marketing strategies and tactics are working on small are launched quickly, monitored daily and adjusted on the fly. Information from monitoring are used to modify the implementation of both existing campaign and for other campaigns that are running or planning. The cycles are very fast and monitoring and enforcement meetings are held daily (usually at the beginning of the day), as well as in Agile Development.

Applications should be present in every marketer’s arsenal:

- Google Analytics (all actions related to the promotion of a website or online campaigns running should go from here, from the analysis of site traffic)
- Google My Business (location or regionalization brand)
● Buffer to share interesting articles on multiple social networks simultaneously.
● HootSuite easier to monitor activities and discussions in social networks
● Sumall. Think of Google Analytics, but not for its own site, but for social networking accounts.
● Infogram, easier to create computer graphics, which still are very popular in social networks and generate traffic.

**Gamification:** If 70% of Global 2000 companies in 2014 had at least one gamified application in its portfolio, it is a clear sign that there is not a trend to ignore.

**Search Engine Optimization** has two types of instruments on-page and off-page optimization. They are all detailed in the article *Search Engine Optimization in the Current Socio-Economic Challenges.* [12]

As a conclusion, the future is digital and marketing is in the hands of men, and they will make the difference between Dinosaur type organizations and Alien organizations.

### 7.1. Case Study: Are there any enterprises that use SM?

**Research methodology:**

The foregoing sections lead us to the conclusion that the **most important criteria in SM evaluations** are: the *content* of the site, the applications that attract clients through playing and relaxing activity, the *commercials* that bring the connection from other sites, the *relationship with customers*, that has to feel they are unique and *measurement and reporting*, which allow the site manager to keep tracking of the activity on the site.

1. Contents: site content has to be frequently updated with high quality information. The quantity of the content is important, too, but has to be well organized and to offer answers to different types of clients, for different problems. The SM content has to respect the same rules. They both have to contain high quality text, video, photos.

2. Applications - Applications can be games, mini-sites, can integrate functions to make a donation, even from Facebook for example, questionnaires may be of prize contest or be music applications for job, the dating or type news.

3. Commercials refer to paid advertising space for others that users see and which, if clicked, can be taken to an external site. Changing commercials between sites, usually lead clients from site to site, increasing the visibility and the page rank.

4. Relationship with customers is the foundation piece in any business, especially for SMEs that cannot afford to lose customers. The SMEs interfaces have to be adapted for each client. The honored customer will come back to buy the services or products.

5. Measurement and Reporting tools are designed to understanding and knowledge of behavioral patterns and algorithms work online Facebook. Understanding the client behaviour help the management to answer their requests.

We performed a comparative analysis between three sites regarding the criteria above exposed.

The [https://www.techsoup.ro/](https://www.techsoup.ro/) is a site dedicated to Romanian NGOs, offering free access to IT resources. Romanian SMEs could get involved in different activities with the NGO community, accessible on this site. 1,200 NGOs in Romania are already part of the TechSoup Romania community. Their offer is very wide: Cloud Computing, Communicate and Collaborate, Go Green, Hardware, Keep Systems Secure, Manage Donors and Constituents, Manage Workstations, Organize and Manage Data, Planning and Strategy,
Servers and Networks, Social Media and Community, Train & Learn, Web, Multimedia and Design, Website Management, Work Remotely

The http://adsoft-solutions.com/ is a Romanian company that offers web solutions using Open Source technology that is free (e.g. Joomla). Romanian SMEs could get immersion in the online through this company services.

The last one is SAP for Romania that offers a wide range of free solution for Romanian SMEs on Cloud, Analytics, Business Applications, Database & Technology, and Mobile. (https://www.sap.com/romania/software-free-trials/index.html)

| Research Results: |
|-------------------|-------------------|-------------------|
| Contents          | High quality and up to date content on the site and social network | High quality content on the site with an impressive portfolio. Outdated content on Facebook. | Very high quality content on site and social networks |
| Applications      | Yes. Newsletter mail Chimp on Facebook | No. | Newsletter |
| Commercials       | There is an empty space dedicated for commercials | No. | No |
| Relationship with customers | Very tight relation. Ask for registration and customized offer | No | Very tight relation |
| Measurement and Reporting | 2945 likes Facebook, 1037 tweets, 721 followers | 18091 likes on Facebook | 312252800 members on Twitter, Facebook, LinkedIn, YouTube, Slideshare, Google+, Corporate Blogs, |

As we may see above, in general, companies focus on content. That is very good, keeping in mind that the forecast for 2015 talks about quality content, quantity and mobile. The all 3 companies might improve the visibility through application and commercials. Techsoup and Adsoft-solution has to invest a lot of time in creating and maintaining activity on social networks such as Instagram, LinkedIn (a professional network), ResearchGate (professional network for researchers and scientists – even them can become entrepreneurs), YouTube and Google+ (brings very high quotation for Search Engine), Slideshare, etc.

8. Conclusions

The SME can get involved in partnerships with NGOs, such as Techsoup, or other big companies such as SAP. They may use open source technology as to reduce the overall cost. In SM the SMEs may use free online surveys tools to evaluate clients’ opinion and to post the results on the site. They have to answer to all
clients complaints, drawn from surveys or direct conversation. The SMEs should publish all the insights of their businesses on the SM. The SMEs transparency and sincerity is associated with client trust. The SMEs that are involved in charity events, in volunteer projects and in sustainable development actions have a stronger brand. The SMEs have to post pictures and video with the backstage activity, with the special events they attended, organized or celebrate, with their products and services. “We want to know the people behind the products and services we consume” seems to say the internet users in 2014. All the awards received have to be mentioned on the site or SM. They have to explain the technology they use and why that technology is better. Letting the competition talk on SMEs site or SM, organizing interviews with them it is another proof of fair-play. They have to reply to each client with a common and friendly language, without clichés and repeating their name. Punctuation or spelling mistakes are not acceptable. Posting scientific articles with news in the field the SMEs act is a very important technique to prove the up-to-date company culture. Free coupons and discounts can retain the client. Initiating discussions on different themes associated with SMEs activity field is a method to create traffic and get client feedback.

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