

SOME CONSIDERATIONS ABOUT THE NEW COMMUNICATIONS PARADIGM

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With the development of the Internet, the traditional communication methods became less effective and electronic communication has become the main phenomenon. The aim of the paper is to present an overview and assessment of challenges and opportunities for companies emerging from the greater diversity and complexity in doing marketing in a new communication era. The emphasis is on social media benefits in marketing practice. The paper adopts a theoretical approach and examines how social media marketing issues have emerged, progressed and diversified with the process of the development of information technologies. The paper argues that marketers' perceptions of marketing in a new communication era have changed with the market expansion of companies and concludes that the social media have a hybrid role in marketing promotion.

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Introduction

Marketing promotion represents one of the most important elements of modern business. A promotion is an instrument of the marketing mix on the basis of which the company communicates with its consumers.

Marketing promotion involves many elements which can be analysed from various aspects. By analyzing product mix, pricing, sales channels and promotions, Farris et al. (2007) describe "broad range of topics to give the reader a sense of the effect of their overall marketing strategy and execution".

Harris (2008) emphasizes a large number of marketing promotion principles explaining "how to Manage Affiliates, Techniques, Advertising, Programs, Solutions and Promotion". Yang (2004) examines different aspects of marketing analysis in business activities, such as "market segmentation, direct marketing, targeted marketing, personalization/customization, cross selling and discovering customer lifetime value".

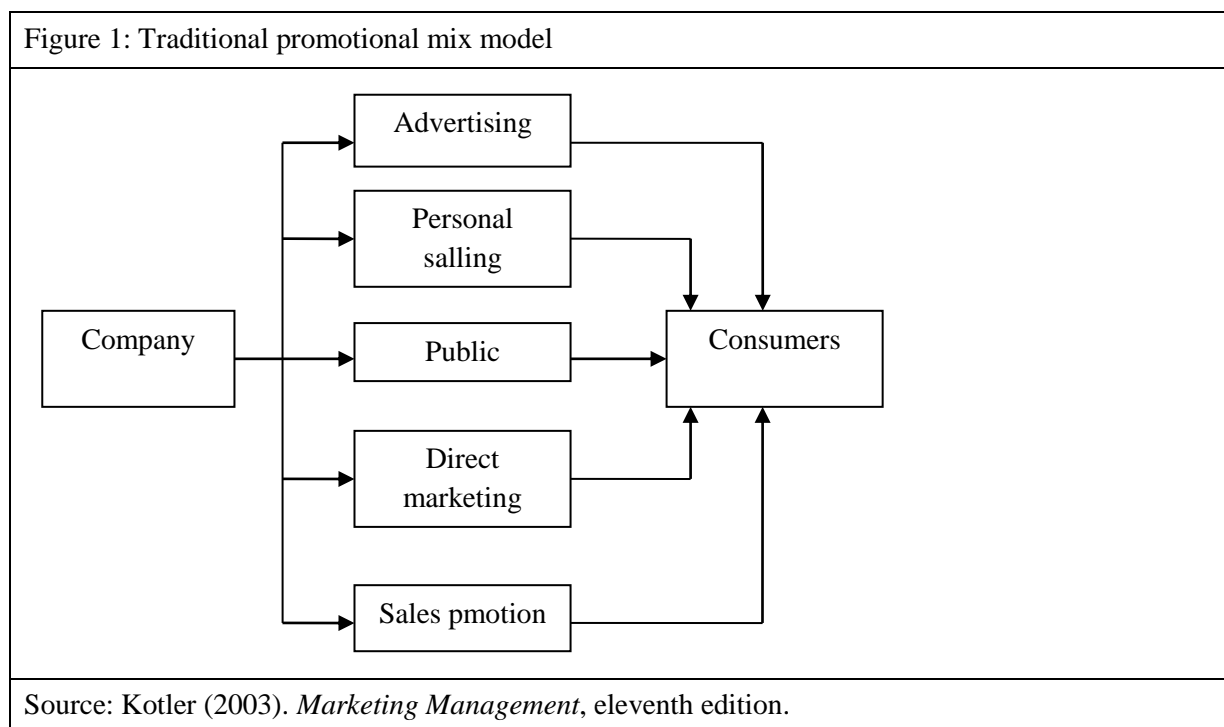
Nowadays, the Internet technology (Radulovic, 2011) represents an inevitable element in the implementation of marketing promotion. Mark (2003) emphasizes that „The Internet revolution has dramatically changed the way businesses compete with each other, the way customers shop and the way companies collect, store, and process data on customer behaviour“.

Bayne (2002) points out that: “With the explosive growth of the Internet, marketers were forced to rewrite the book on traditional marketing and develop innovative strategies to reach their audience”. Extremely fast development of the Internet technology imposes „new measures that are necessary, including such measures as click through rate and pageviews“ (Farris, 2007). Internet marketing is currently the focus of researches of many authors’ who are trying to analyse “key factors that determine the popularity of extended products in the online channels” (Song, 2010), “fundamentals of Internet marketing programs and the options available to business leaders and marketing managers“ (Harte, 2008).

Traditional promotional mix model and the new medium - Internet

When defining the promotion strategy on the international market, promotional mix elements must be taken into consideration, Figure 1.

All of the specified elements were used in modern marketing, independently or in various combinations, and each of them includes various sub-instruments. The challenge offered by effective communicating with foreign countries is the reason why big companies (such as Nike, Nestle, Microsoft and others) use promotion as a very important aspect of its business activities.



During the last couple of years, the traditional communication methods became less effective (Nail, 2005), and started giving way to innovative communication tools due to immense progress in the information technology area (IT). With the development of the Internet, electronic communication has become the main phenomenon. The individuals can share their opinions and information with the others much easier and faster than ever before, and all that for free, literally (Hennig-Thurau, 2004). This has given the consumers greater power than ever before.

The speed of obtaining the message, news or any type of information nowadays is much faster via the Internet. This is a very important topic in the modern conditions of trading, globalisation and competitiveness. Another significant difference is the durability of marketing message being conveyed

to the consumers. If the traditional media are used (television, magazines, etc.) the message will get the attention only during a limited paid period. Therefore the organisations, being global or not, realize that they have to include the Internet when planning the promotion.

All the information on the company or product which appears on the Internet has certain promotional effects. However, the Internet promotion is an organised activity aimed at promoting a company, a product or a service.

Among the various types of Internet promotional techniques, social media have received mounting attention from researchers, educators, practitioners and policy makers (Boyd, 2008; Thelwall, 2008). With high levels of self-disclosure and social presence (Kaplan, 2010), social media have recently outpaced email as the most popular online activity, and have enabled consumers to connect with others by exchanging information, opinions and thoughts about products and brands. Given the collaborative and social characteristics of social media, this study focuses on social media as an emerging venue for marketing communications. "With social media, marketing is a two-way communication, rather than the one way communication used in traditional marketing" (Eley & Tilley, 2009).

Social media and marketing practice

Marketing activities of the company are one of the most important elements of the business in order to achieve the final results of operations, financial effects. For this purpose this aspect of business has attracted much attention, not only by the companies themselves, but also in the analysis of many authors. It can be rightly considered that marketing activity is one of the key elements in the business of each company.

On the other hand (Eley & Tilley, 2009), "in the last few years, social networking has become increasingly popular with hundreds of millions of users worldwide. These new web sites are not only useful for keeping in touch with friends and family; it is a new powerful marketing tool."

Social media are *consumer-generated media* and represent a diverse source of online information created, driven and used by consumers intending to inform each other about products, brands, services as well as problems they have encountered (Blackshaw & Nazzaro, 2004). "Social media encompass a variety of online information-sharing formats including social networking sites (SNSs) (e.g. Facebook, MySpace and Friendster), creativity works-sharing sites (e.g. YouTube and Flickr), collaborative websites (e.g. Wikipedia) and microblogging sites (e.g. Twitter)" (Mangold & Faulds, 2009).

An increasingly important role of social media is reflected in the fact that, through social media, organizations are able to communicate with their consumers and also encourage consumers to communicate with each other. (Bulut at al., 2012). Particularly important is communication between consumers, because consumers have more trust in information regarding the products and services received through social media, rather than through the traditional means of communication through a promotional mix (Foux, 2006). "Social media are frequently updated, have a large number of hyperlinks and encourage further social networking on the Internet. Sites such as *Facebook, MySpace, Youtube, Flickr, TripAdvisor*, etc., allow consumers to share their experiences in different ways by posting their comments, pictures and videos" (Xiang, 2010).

Mangold & Faulds (2009) point out „As their use increases exponentially, not only the existing social networkers but business firms and governmental organizations as well are joining and using them as

communication tools. Unlike individual social networkers, these entities actively make use of the media for advertising and marketing. While commercial messages and interactions with consumers partner with media, events, entertainment, retailers, and digital services through social media, it is possible to perform integrated marketing activities with much less effort and fewer costs than before. According to Kim and Ko (2010), social media can have a dramatic impact on a brand's reputation. One-third of the surveyed participants posted opinions about products and brands on the brand's blog, and 36% thought more positively about companies that have blogs.”

Before accepting the social media practise, “companies need to know what they want to achieve, and what they do not want to achieve. Therefore, a strategy is needed on how to produce the social media content. There are a lot of social media tools that can be used, the company must decide which one suits their goals the best” (Eley & Tilley, 2009).

The new communications paradigm¹

“In the traditional communications paradigm, the elements of the promotional mix are coordinated to develop an IMC strategy, and the content, frequency, timing and medium of communications are dictated by the organization in collaboration with its paid agents (advertising agencies, marketing research firms, and public relations consultants).

The flow of information outside the boundaries of the paradigm has generally been confined to the face-to-face and word-of-mouth communications amongst individual consumers, which has had a minimal impact on the dynamics of the marketplace due to its limited dissemination (Mayzlin, 2006). This paradigm has served as the framework for developing IMC strategies (Muniz & Shau, 2007). Its long shelf life appears to be largely due to the high degree of control over the communications process it affords to businesses.

However, in the era of social media, marketing managers’ control over the content, timing and frequency of information is severely being eroded. In the new paradigm, information about products and services also originates in the marketplace. This information is based on the experiences of individual consumers and is channelled through the traditional promotion mix.

However, various social media platforms, many of which are completely independent of the producing/sponsoring organization or its agents, magnify consumers’ ability to communicate with one another. This “groundswell” has profoundly affected all aspects of consumer behaviour, and has bestowed consumers with a power they have not previously experienced in the marketplace (Li & Bernoff (2008). In the new communications paradigm (see Figure 2), marketing managers should recognize the power and critical nature of the discussions being carried out by consumers using social media.

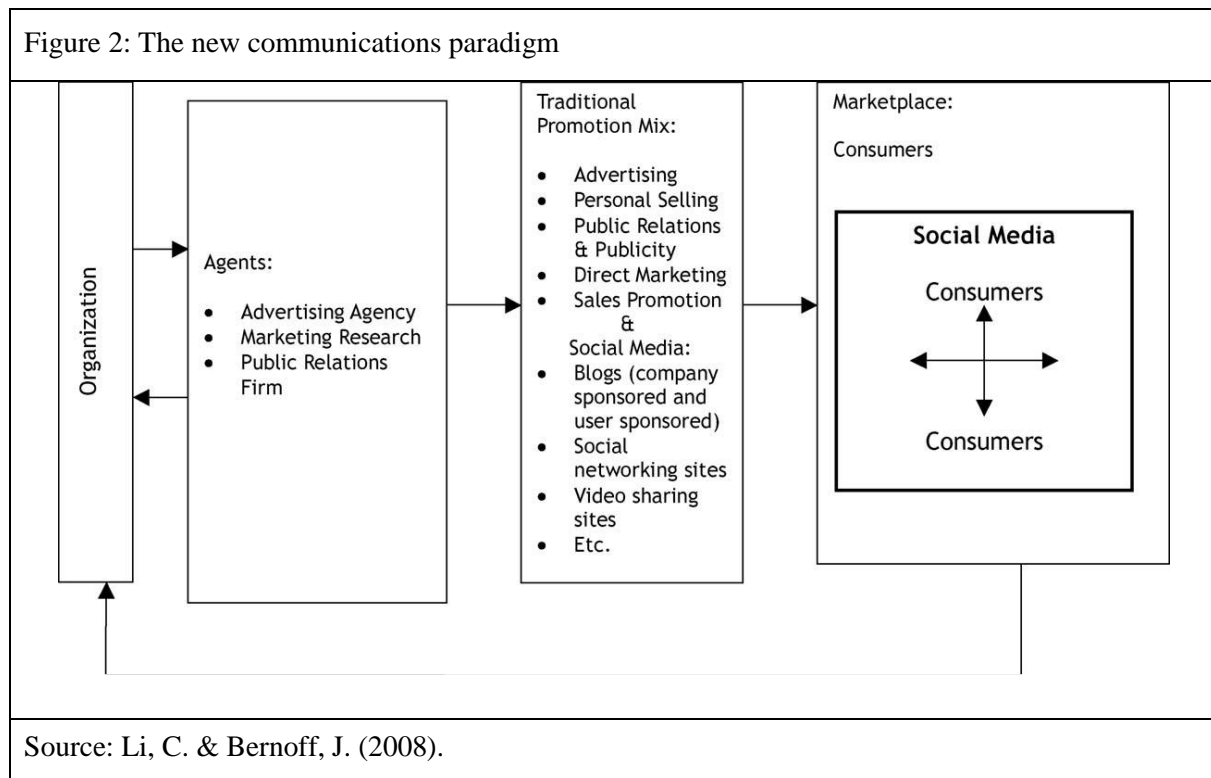
The impact of the interactions among consumers in the social media space on the development and execution of IMC strategies is illustrated by the following points:

- The Internet has become a mass media vehicle for consumer-sponsored communications. It now represents the number one source of media for consumers at work and the number two

¹ This subchapter is a complete citation of whole subchapter „3. Pradigms: Traditional vs. New communications“ of Mangold & Faulds (2009)

source of media at home. The Internet reaches more than 60% of all United States consumers for an average weekly usage rate of more than 100 minutes (Rashtchy et al., 2007).

- Consumers are turning away from the traditional sources of advertising: the radio, the television, magazines, and newspapers. Consumers also consistently demand more control over their media consumption. They require on-demand and immediate access to information at their own convenience (Rashtchy et al., 2007; Vollmer & Precourt, 2008).
- Consumers are turning more frequently to various types of social media to conduct their information searches and make their purchase decisions (Lempert, 2006; Vollmer & Precourt, 2008).



Social media is perceived by consumers as a more trustworthy source of information regarding products and services than corporate-sponsored communications transmitted via the traditional elements of the promotion mix (Foux, 2006).

The above trends have severely diminished the usefulness and practicality of the traditional communications paradigm as a framework for developing IMC strategies. The new communications paradigm, on the other hand, requires several important changes in management's attitudes and assumptions about an IMC strategy formulation.

First, marketing managers must accept the reality that a vast amount of information about their products and services is being communicated by individual consumers to other consumers via social media forums. Second, consumers are responding to this information in ways that directly influence all aspects of consumer behaviour, from information acquisition to the post-purchase expressions of satisfaction and dissatisfaction. Third, consumers are turning away from the traditional elements of the

promotion mix; in particular, they are reducing their reliance on advertising as a source of information to guide their purchase decision-making.

Finally, managers who are accustomed to exerting a high level of control over company-to-consumer messages must learn to talk with their customers, as opposed to talking at them, therefore influencing the discussions taking place in the social media space.” (Mangold & Faulds, 2009)

Conclusion

The emphasis of discussion in this paper is an analysis of a contemporary medium that is experiencing a remarkable expansion. Social media are becoming more and more dominant element of modern communications. This method of communication is experiencing a large expansion and as such inevitably must take into account the marketing activities of companies. The importance of the subject has been recognized by many authors that illuminate this issue from different aspects. It can be concluded that social media are an indispensable element, which needs to be taken into consideration in modern business.

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