THE STATE OF SOCIAL NETWORKS IN SLOVAKIA AND THE POSSIBILITIES OF THEIR USE IN THE DOMAIN OF LOGISTICS SERVICES

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1 Introduction

The current fast developments in technology and communication devices are driving marketing into new domains, especially the internet. The importance of internet marketing is currently increasing due to changes that can be observed in the ways of interpersonal communication, and also in the ways how people spend their free time. The sentence „Share anything you like with the people around you!” is a motto of social networks, which have in the past few years influenced not only communication, but also marketing worldwide. Social networks are a part of modern social media. The popularity of social media websites in recent years has been extraordinary. Sites such as Facebook, Twitter or the new Google Plus connect individual users and facilitate interpersonal, albeit impersonal and indirect contact and the sharing of information. At the same time, the system of social networks provides opportunities for the implementation of corporate marketing plans in a sophisticated and effective way.

2 Basic theoretical background

Janouch [7, p. 210] captures the essence of social media, and thus also of the social networks, as follows: “Social media are online media, in which the content is (co-)created and shared by users. Social media are constantly changing due to content changes and a large number of added functions. Marketers can use the social media to directly find out what the customers want, what their attitudes to the brand or company are, what they complain about, etc.”

The users of social networks share their thoughts, personal data, photographs, videos and statements that have caught their attention. They join groups with shared ideas, visions, attitudes, and they support a common cause. This is how social relationships are created, and they can also be used for marketing purposes. [11]
On this basis it can be stated that social networks (also known as social networking services or online community services) are services aimed at a community of people sharing data and information over a virtual network. The intensity of interaction between users varies based on the user’s involvement in a particular network.

The advantages of social networks and their use in marketing are an integral part of internet entrepreneurship. Let us recall their most important functions [8]:

- they are a place for implementing various kinds of advertising;
- social networks are not only a source of information, but also a way of exchanging and finding information;
- they create ties between the members of social networks (often based on liking a certain company, brand or product);
- they provide feedback;
- they can spread the good name of and reactions to products;
- they help acquire new customers.

Just as there are a few types of social networks, there are also various categorisations of these networks. Based on their main function, the authors of the Success Magazine [11] identify five types of social networks:

- **information networks** – composed of users who are looking for answers to everyday problems, topics and general information;
- **professional networks** – they help employees advance in their careers, follow the latest developments on the job market;
- **community networks** – they publish “community content”, and consist of websites where the members publish and comment on newspaper articles;
- **educational networks** – they group students and instructors who wish to cooperate on academic projects (via blogs and class forums);
- **hobby networks** – focused on hobbies, they are the most common type, with a possibility of further sub-division.

Janouch [7] has divided the individual types of social networks into three major groups:

- **personal** – the most common type (Facebook, MySpace, Badoo, etc.);
- **professional** – meeting places for professionals discussing work-related topics. Some companies use professional networks to attract new managers, consultants, assistants etc. (e.g. LinkedIn);
- **specialised** – (e.g. Sermo.com for doctors, Inmobile.org for top managers in communication services, etc.).
Přikrylová and Jahodová’s [9] discussion of the current state and use of social networks indicates that companies create profiles on community servers for their products, carry out informal marketing research, follow the discussions and feedback related to their products, and acquire databases for advertising purposes. Other possibilities of social networks marketing include [9]:

- creating social networking profiles of brands;
- collecting data on users and fans of a product or brand;
- creating applications that allow users to contribute ideas related to the company or brand;
- co-operating with the most active debater or blogger (mutually beneficial);
- monitoring attitudes and opinions on discussion forums;
- uploading suitable videos or photographs to YouTube and other websites with shared content;
- creating discussion forums and contributing to them (questions, other feedback);
- creating a company blog;
- publishing special press releases for the domain of social networking.

Familiarity with their advantages is not sufficient for the effective use of marketing opportunities provided by social networks. It is necessary to understand and apply rules that have been so concisely and clearly summed up by D. Meerman Scott [10]:

- **Concentrating on a specific target group**: the company should create websites that are focused on target customers, their needs and goals, as well as on being important for society;
- **Thought leading** (theoretical, conceptual and innovative approach): when choosing information, it is important to choose data that will help the customer take a step forward – valuable, interesting and non-misleading information.
- **Creating links**: using links to own websites, similar websites related to the topic, to blogs, interesting observations etc. “Links make the web and people love them!”
- **Credibility and transparency**: always base the advertising and promotion on real facts, do not use fabrications.
• **Contactability and involvement**: answer questions from fans, clients, customers and candidates, preferably online or as soon as possible. Create groups and take an active part in them, which reinforces the impression of professionalism and interest.

• **Experimenting**: continually provide news and updates, and try also new and original approaches and practices offered by social networks.

3 Slovaks and social networks

Based on a study conducted in June 2011 by Digita.sk [2], the most popular social network according to Slovaks is Facebook (82%), the second most popular is Pokec (48%), while YouTube (33%) takes the third place. Twitter is only used by 0.40% of Slovak internet users. The study also shows that the highest visit frequency levels are on Facebook, with 60% of Slovak internet population connecting daily. More than 40% of users follow YouTube, and 28% of Slovak internet population connect to the Slovak Pokec. The bottom of the list is taken by a permanently stagnant and flagging social network MySpace, which is visited by only 9.6% of users on a daily basis.

The most popular and most common activities performed by social networks users include chatting with friends – 65%, reading comments and contributions – 57%, adding comments and statuses – 33%, playing online games -- 22%. However, uploading own photographs and videos is regularly done by only 17% of internet users that use social networks. [2]

Facebook, the most popular social network with more than 700 million users, has also attracted Slovaks – it counts more than 1.8 million of them among its users, which constitutes 45.5% of the total internet population. In comparison, the number of Facebook users in the Czech Republic is currently 3.3 million, which represents 50.02% of total internet population. As can be seen in Figure 1, the period from March to August shows a 7.5% increase, which translates into approximately 130 thousand new users.
Based on the statistics by Socialbakers.com, the following age brackets currently prevail on Facebook: 29% both for the age category 18-24 and 25-34, which in total represent 1.07 million users. These are closely followed by age category 35-44 with 14% of users, and the third place in the ranking is taken jointly by age categories 13-15 and 16-17 with 9% of users.

Source: [Socialbakers.com]
On the other hand, if we examine individual daily visits of Slovaks on Facebook (Figure 3), we can observe that in spite of a growing number of users (see Figure 1), there is a decline in daily visits. Based on data from Graph 3, 875 thousand Slovaks connected to Facebook daily in the month of July, which equals to 47.3% of the total number of Slovaks registered with this social network. Currently, the highest number of daily visits has been recorded at the end of January and the beginning of February 2011, when it reached 1.2 million.

*Fig 3 Trend in individual daily visits – Facebook.com*

![Graph showing trend in individual daily visits on Facebook.com](source: [Google.com/trends](https://www.google.com/trends))

4 **Logistics companies and social networks**

Creating social networking profiles and websites as a means of building relationships with customers can help obtain and create a community of fans of a particular brand. The brand’s website or profile thus provides a tool for efficient and instant communication about all relevant activities. The most successful brands in respect to the use of social networking potential include FedEx, UPS, DHL and TNT.
When it comes to social networking environment, logistics companies use active communication to concentrate on building a positive image; most importantly, however, they use social networks as a communication channel of customer support.

An excellent example of using Facebook comes from the UPS, which has, in accordance with its “We Love Logistics” slogan and as part of active communication with its fans, created a 7-member “Facebook Customer Relation Team”, whose role is to answer the fans’ questions, and to address customers’ problems. This separate section on its Facebook page provides all the necessary links to local branches and to other social networks such as Twitter and YouTube.

In a separate section of its Facebook page, called “Go Green”, UPS presents its approach to sustainable environment and natural resources. Besides infographics related to this topic, the section contains links to videos uploaded to YouTube, which show the transportation changes that this company has implemented as part of its environmental conservation effort.

Moreover, UPS has created a viral advertising campaign on Facebook, “Logistics is life”, which gives its fans an opportunity to present their perspectives on logistics as an integral part of their lives; the textual form is complemented by compelling photographs. The best contributions are shared on the UPS Facebook wall, and consequently passed further on by other fans.

Just like UPS, other large logistics companies mentioned above likewise use the social networks such as Facebook, Twitter and YouTube primarily as a secondary...
channel of their customer support, but also as a tool to generate goodwill, present the corporate culture and sponsored activities.

5 Results and discussion

The current modern era is changing the usual means of communication, and the considerable development of internet communication has added a new dimension to interpersonal communication. It is actually the social media that enjoy a global success among hundreds of millions of users.

The phenomenon of social networks has had a strong impact also in Slovakia, where more than 45% of the internet population uses the services of Facebook, the global leader in social networks, which is constantly growing. However, it has to be noted that despite the increase in registered users (Figure 1), there is a downward trend in individual daily visits (Figure 3). Similar problems have been encountered by a new social network, Google Plus, which has during its first month (July 2011) via its invitation system acquired a record number of 25 million registered users, overcoming such social networks as Facebook and MySpace. However, according to an analysis published by the BIME [1], 83% of users are inactive, which casts a cloud over the future of the whole project, which is currently still in its beta version.

Social networks with their sophisticated opportunities for sociodemographic targeting of advertisements on the one hand, and flexibility on the other hand, represent a relevant marketing tool for marketers; however, some experts point out the low effect of advertising campaigns run by a number of global brands. The Forrester Research analyses [12], focused on Facebook and its advertising models, show the average click through rate (the ratio of clicks to the number of times the advertisement is displayed) of 1% and the conversion rate (which denotes the statistical probability that the visitor will become a customer) of 2%. In comparison, e-mail marketing reaches an average click through rate of 14%, and a 4% conversion rate. In relation to this, Mulpuru [12] states that Facebook’s problem lies in the low number of users that are really focused on activities related to product purchase. He adds that Facebook users are primarily looking for communication options, rather than for ways to find the right product or service.

On the other hand, there are organizations such as the UPS and other logistics companies, whose focus is on providing customer support, and this changes the outlook and the ways these companies use social networking tools, as opposed to the communication carried out by brands and their sellers. These companies have a perfect
understanding of the subject of social networking communication, and are using this PR tool to develop and support their entrepreneurial activities.

The phenomenon of social networks is still in its beginnings and keeps developing, but its significance is often over-rated. In spite of that, they should be considered an important form of online marketing and part of the overall marketing plan.

References


Key words
Marketing, Internet, Social network, Facebook, Slovakia, Logistics

Resume

The aim of this article is to describe the specific aspects of social networks as a phenomenon of modern times. As part of the evaluation of developments in this field, the article summarizes the theoretical background related to the subject of social media. Moreover, it draws attention to the Slovak market, and uses analyses to describe the current state of social network use, with a particular emphasis on Facebook, currently the most popular social network. The additional aim of this article is to evaluate the potential this area brings to the marketers of logistics companies, and to point out its drawbacks.