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OPINION LEADERS - OPPORTUNITY OR THREAT FOR THE COMPANY?

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ABSTRACT

Contemporary business conditions set up a new complex problem for the companies – a dramatic decline in the return on investment of different types of promotion activities. Consumers on the global market are showing increasing levels of resistance and lack of confidence in a growing number of marketing messages sent to them by companies, mostly because those messages communicate only on the positive and often embellished aspects of the products and services.

Consumers wishing to reduce the risk of wrong purchase decisions are turning to other consumers in whose advice and attitudes they have confidence, and thus get a true picture of the market situation. Those consumers are very specific individuals recognized as opinion leaders in marketing literature. In this way, the company's control on consumer purchase decision is reduced significantly, thereby increasing the overall risk of doing business.

The paper aims to highlight the importance of the research of consumer opinion leaders in marketing theory and practice, to identify their characteristics and behaviour, and to point out possible ways of their identification. The empirical research will test the hypothesis of the existence of the gender impact on consumer display of opinion leadership in the Republic of Serbia.

KEY WORDS: consumer, opinion leaders, purchase decision, gender.

1. INTRODUCTION

In its analysis of market developments and laws, marketing theory has directed its focus predominantly to studying interactions between businesses participating in competition, and to studying measuring interaction between businesses and consumers. For a long time, there was a noticeable absence of any comparable intentions and efforts for conceptualization and systematization of interactions between consumers themselves, in relation to choices and decisions they make in purchasing. Typical thinking pattern and conviction could be formed into the opinion that consumers make their choices and purchase decisions based on the influences and offered alternatives coming exclusively from business producing and offering goods and services on the market. Interactions between consumers themselves were completely set aside and did not receive any significance at all; studies into this direction were left to sociologists and psychologists, and were regarded only as periodical deviations from set rules.

The actual business environment and marketing environment implies that the situation has changed diametrically – the economic, especially marketing literature, theory and practice devote an increasing amount of attention and effort to contacts and relations established between consumers on the market. It is generally known that interactions between consumers take the dominant position in most studies, and that individual consumer behaviour on the market, their choices and decisions to purchase and use various products and services are most determined by these interactions.

Researchers and business people in almost all industries without an exception often point out that satisfied customers are the best sellers of products and services on the market. The reason for this belief lies in the fact that the individual, the current consumers, disseminating information on a business and its offer of products and services through word of mouth communication, has a high level of credibility and trust, and consequently influence, in the eyes of other potential consumers. For potential buyers i e. consumers, it is very important that these individuals in most cases already have the experience of purchase and use of products and services that are the subject of purchase decision, but also because their word and suggestion, due to its sincerity, bears a much more greater specific weight than any other commercial advertisement. They have no direct material interest in the sale and success of a business' product and service on the market. Potential customers see these specific individuals as the most reliable way of reducing risk related to the purchase of products and services, and marketing science identifies them as opinion leaders.

2. LITERATURE REVIEW

Individual consumers, possessed of a higher level of knowledge about products and services, and the producers and suppliers thereof, are referred to as opinion leaders.

The concept of opinion leader dates back to the 1940s and originates from research for the needs of political analyses, which revealed that the political public opinion is influenced not only by mass media but, more often, individuals and interpersonal communication they generate based on information obtained from mass media, which they transfer further to other voters who are not so active or informed. Individuals who are the first to gather information intensively create their attitudes and opinions, and transfer them further to other individuals thus influencing their attitudes and opinion, are referred to as opinion leaders.

Opinion leaders emerge and realize their role in situations when other consumers are looking for products and services to buy, which they believe will meet their expectations in the sense of satisfying needs and wishes, when possibly trying and evaluating these products and services, before they make a decision to purchase them. It is a personal influence that consumers make one on another through interpersonal communication.

The concept of opinion leadership was dealt with and significantly contributed by Schiffman and Kanuk (2004, p.500), who identify it essentially with word of mouth communication and define it as a process in which an individual – an opinion leader – informally influences the attitudes and actions of other individuals, whom they call opinion seekers and recipients. The authors characterise this type of relationship and interaction between consumers and non-commercial and independent, and it can be carried out by means of various, increasingly electronic media, rather than merely by face-to-face contact.

Hanna and Wozniak (2009, p. 463) point out that the personal influence that opinion leaders can have on other consumers is characteristic of situations in which there are strong social connections between information givers and recipients, and when the products in question feature as some sort of status symbols in the observed environment. The personal opinion of opinion leaders predominantly occurs in the following situations:

When consumers

- do not have sufficient knowledge and information on products and services,
- do not have an objective criterion for the assessment of alternative brands,
- are emotionally related to a product or service,
- are strongly attached for the person providing information, i.e. opinion leader,
- are becoming members of various reference groups,
- are making significant changes in their lives and acquiring new relationships.

When products and services are

- new
- expensive
- without high purchase frequency
- very important
- very complex
- difficult to assess real value
- possess an expressed value,
- reflect personal taste.

Solomon, Bamossy and Askegaard (2002) view opinion leaders as persons – customers – consumers who are the first to buy and/or use a certain product and/or service, and can be monomorphists – specialists in a specific area – or polymorphists – specialists in several areas. Many consumers take opinion leaders as very valuable information sources for many different reasons (p.323)

- opinion leaders are mostly technically competent and very persuasive, for they possess expert knowledge of the product or service;
- opinion leaders underwent the process of research, analysis, evaluation and synthesis of information about the desired product and service earlier, and unlike the commercial means of persuading the target auditorium they are not defending the interest of a business, which affects the rapid growth of their credibility in the eyes of potential customers consumers;
- opinion leaders always strive to be socially active and highly connected with all the members of their environment, even in the formal sense, which gives them legitimate poser based on the value of their social status;
- opinion leaders strive to be very similar to other consumers, in the sense of their beliefs and value system, which also gives them a high level of referential power;
- in the eyes of potential consumers, opinion leaders are the first ones to buy new products and services, are the bravest and take the highest degree of risk in purchase, which reduces the level of uncertainty and insecurity in their followers in purchase;
- potential consumers know very well that all marketing activities of a company are focused only on the positive aspects of their offer, whereas all possible negative features are pushed into the background; this situation does not exist in opinion leaders and this is why their word is far more significant for potential consumers.

Rather than the term opinion leader, McConnel and Huba (2007) use the term consumer evangelist for consumers who speak out and advise others what to buy, where to buy, why to buy, who to buy from. The term itself is associated with actual evangelists –believers who spread the living word of their faith, Christianity, teaching others religion based on strong emotional links, love of others and strong convictions. Similarly, consumers who help their environment in shopping do not do this for any material interest, but rather out of good and noble intention, which places them into the category of consumer evangelists.

Salomon (2011) makes a distinction between opinion leaders and consumers he calls market mavens, who are actively involved in the transmission of information that a business emits without their correction by their experience or opinion. Market mavens are most often not innovators who are the first to buy a certain product or service on the market; this is done by opinion leaders. Mavens are often not even that interested for certain categories of products and services; they simply enjoy the shopping process and like to be informed about all developments on the market.

Chakravarthy and Prasad (2011) direct the focus of their research on the analysis of the influence of opinion leaders on other consumers' purchase decision. The authors argue that the interpersonal impact of opinion leaders also occurs in final consumers who make the decision on the purchase of products and services for their own needs or as a gift to others, also in industrial consumers, but likewise in non-profit organizations. Opinion leaders determine and shape opinion seekers' purchasing decision through interpersonal communication in the form of advice and recommendations. Opinion leadership is opinion leaders' ability to occasionally informally interpersonally influence the attitudes and behaviours of other consumers, in the manner they want. Opinion leaders bridge the communication and information gap existing between businesses and consumers, transmitting adapted businesses' messages.

Meiners, Scwatring and Seeberger (2010) point out that many businesses set up a position, i.e. operative function dealing with such consumers.

Carl (2006) examines the foundations of interpersonal communication between consumers and possible directions of action of businesses on opinion leaders and concludes that opinion leaders are friends, relatives, personal emotional partners generating interpersonal communication on daily an general topics, and thus enable other consumers in their environment to acquire the sense of their life and being, of their role in it, and on correctness of their opinions.

Nisbet and Kotcher (2009) investigate the engagement and impact of opinion leaders in situations that are not related to purchase decision, but rather on questions that have a broader social sense, and point out that solving this type of problems – e.g. climate changes – is impossible without the active participation of opinion leaders in the campaign.

One of opinion leaders' key qualities is that they are very good listeners of not only business, but, much more, of other consumers and their fears, dilemmas, or delights. Opinion leaders must be integrated in businesses' marketing strategies and they enjoy it, and at the same time represent the source of the business' feedback from the market, whereby the business gains invaluable information on the success of their marketing activities, and ideas for new products and general improvement of business operations.

Ignoring this reality also bears the side of coin related to the influence of opinion leaders which is not affirmative for the business, but on the contrary, extremely negative, whereby the business' opportunity is turned into threat.

3. RESEARCH METHODOLOGY AND DISCUSSION

The survey conducted in order to confirm or reject the hypotheses set in the study is a segment of a complex project of research into the phenomenon of the impact of opinion leaders to consumer word-of-mouth communication on purchase decisions in the Republic of Serbia. The study uses a research method in the form of structured personal communication, i.e. questionnaire, whose dissemination and response retrieval was conducted through the Internet – 80.2%, and personally – 19.8% respondents. The survey aimed at accomplishing the set research goals and confirming or rejecting the defined hypotheses was conducted from March until September 2015 on a defined stratified sample of 1009 respondents. Stratification was performed by gender, respondents' age and education levels. The data gathered by means of the questionnaire were processed by appropriate mathematical and statistical methods, with the application of statistical SPSS software, as follows:

- Parametric tests:
  - Normal distribution – testing the hypothetical proportion value of the basic set, based on the sample;
  - Analysis of variance, i.e. ANOVA dispersion analysis with 1,2, and 3 samples:
    - t-test
    - Levene's test

The questions from the questionnaire that was used were tested by Cronbach alpha method. The basic idea behind this method is that the measurement instrument that has more variables can be regarded as reliable if all variables express the same phenomenon but in a slightly different way. Cronbach alpha coefficient is 0.738, pointing to high internal consistency, i.e. questions in the questionnaire are positively mutually correlated.

The scale applied in this research was used by Marić (2014) and consists of 30 items, but, due to paper length limitations imposed by the conference, this article only presents a number of items, i.e. statements aimed to confirm or reject the defined hypotheses. The items are arranged with a Likert scale of offered reply options.

strongly disagree	disagree	neither agree nor disagree	agree	strongly agree
1	2	3	4	5

H_0: Manifestation of leadership among consumers depends on their gender – male consumers in the Republic of Serbia are more prone to seeing themselves as opinion leaders in comparison with female consumers

Question: *I regard myself as someone whom acquaintances often ask for advice and opinion, i.e. I give shopping advice to others more often than I seek it.*

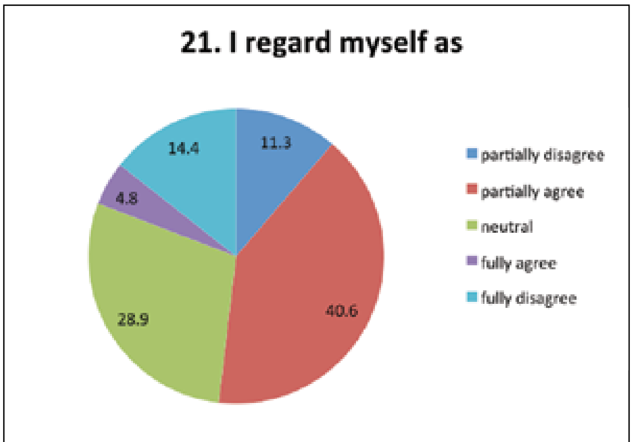
4. COMPARISON OF THE LAWS ON FINANCIAL CONTROL AND AUDITING

Till 31st December 2015 there was valid the Act no.502/2002 Coll. On Financial Control and Internal Audit as amended. From 1st January 2016 Act no 357/2015 on Financial Control and Auditing came into force.

Table 2. Comparison of Laws on Finnacial Control in 2015 and 2016

	frequency	%
partially disagree	114	11.3
partially agree	410	40.6
neutral	292	28.9
fully agree	48	4.8
fully disagree	145	14.4
total	1009	100.0

Figure 2. Structure of respondents' answers



Although the self-nomination method is a method which is often used in identification of opinion leaders due to its effectiveness and efficiency, it has a significant weakness – the respondents' subjectivity. The results should therefore be taken with reserve, but some conclusions can still be drawn – first of all, most consumers on the territory of the Republic of Serbia regard themselves as opinion leaders, i.e. persons of reputation and trust, approached by other consumers from their environment for advice when shopping. As many as 14.37% consumers are absolutely sure that they are opinion leaders in the eyes of other consumers, and when 40.63% consumers who also regard themselves as opinion leaders with a slight reserve is added to this, the result reads that in a sample of 1009 respondents in Serbia more than a half – 55% of them – see themselves as someone whom other consumers approach for help when making a purchase decision, i.e. as someone who has influence on decision making and purchases of other consumers. It is important to point out the relatively high percentage of respondents who had a neutral attitude (28.54%), whereas the total percentage of respondents who do not regard themselves as opinion leaders is only 16.06%, an extremely small number of whom (4.76%) absolutely do not see themselves as someone who has any influence on other consumers' purchase decision. A part of the explanation of such a distribution of respondents' answers may also lie in the respondents' mentality, where the cult of leaders is fostered through history, so that this position is regarded as something especially important and valuable, so that the desire to obtain this status in the eyes of others is fairly high.

Table 2. Structure of respondents' answer by gender

Question 21		male	%	female	%
valid	fully disagree	10	4%	38	5%
	partially disagree	49	19%	65	9%
	neutral	53	21%	239	32%
	partially agree	104	40%	303	41%
	fully agree	45	16%	103	14%
	total	261	100%	748	100%
	blank	0	0.0	/	0.0
total		261	100%	748	100%

Analysis of variance by the application of t-test for two variables and Levene's test for equality of variances did not establish the existence of statistically highly significant differences between respondents by gender for question 21, as p-value is higher than 0.05, with the probability of 95%.

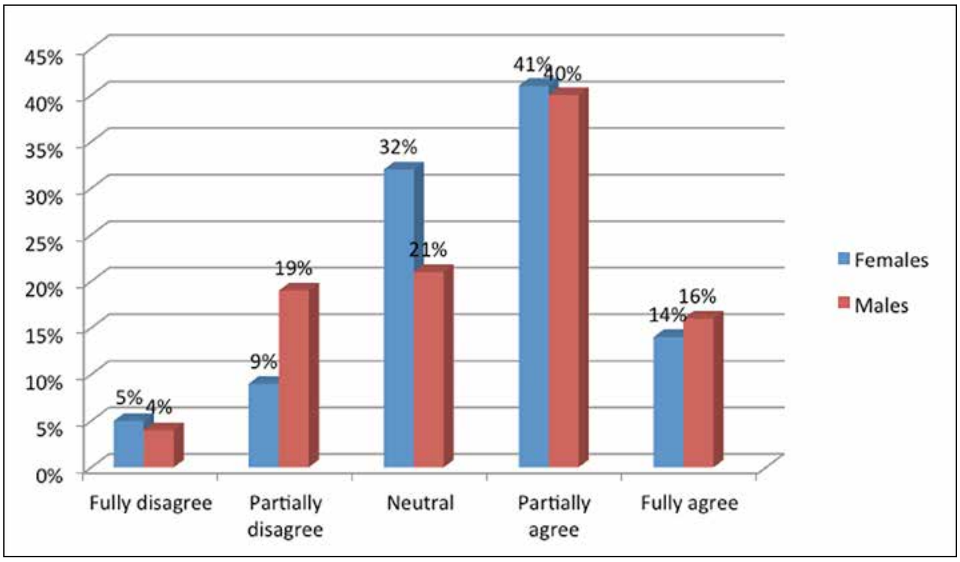
Table 3. ANOVA t-test

	Gender	N	Mean	Std. deviation	Std. error mean
Question 21	male	261	3.49	1.108	.056
	female	748	3.47	1.032	.031

Table 4. Levene's test for equality of variances

		Levene's test for equality of variances		t-test for equality of means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean difference	Std. error difference	95% confidence interval of the difference	
									Lower	Upper
Question 21.	Equal variances assumed	9.335	.002	.306	1506	.760	.019	.062	-.103	.141
	Equal variances not assumed			.295	629.885	.768	.019	.064	-.107	.145

Fig. Structure of answers of respondents of both genders



As p-value is higher than 0.05, with the probability of 95% it is concluded that there are no statistically significant differences between male and female respondents as regards question 21, in the sense that the zero hypothesis is accepted and it is concluded that the mean deviations of individual responses from the mean vale are equal in men and women when it comes to the statement that respondents regard themselves as opinion leaders, i.e. persons that other consumers approach for advice and help before the former ask this from other consumers.

Identically – by analysis of variance with Levene's equality test – questions for the studied phenomenon were processed, where statistically significant difference according to gender were identified. Those questions were:

Question: *I disseminate my experience more actively when I am maximally appreciated as a buyer by the seller or disappointed by the seller's attitude than when the product is of maximum or disappointing quality.*

Variance analysis by application of t-test for two variables and Levene's test for equality of variances established the existence of statistically highly significant differences between respondents viewed by gender for question 15. As p-value is smaller than 0.05, it is concluded with the probability of 95% that there are significant difference3s between male and female respondents regarding question 15 in the sense that zero hypothesis is discarded and more strict criterion is used, starting from the assumption that variances are different in samples. By observing the values of standard deviations it is concluded that mean deviations of individual responses from the mean value are much higher in female respondents in comparison with men when it comes to more active dissemination of personal experience by interpersonal communication when the respondents are maximally appreciated or disappointed by the attitude of the business and employees than when the performance of the product and service are maximum or disappointing. It is also necessary to point out the fact that a significant number of both male and female respondents were neutral (25.9% and 15.2% respectively) when assessing the statements.

Table 5. Structure of responses to this question of those who identified themselves as opinion leaders in the initial question (answers with 4 and 5, i.e. with partial and full agreement)

		Frequency	%
valid	1.00	21	3.8
	2.00	74	13.3
	3.00	90	16.2
	4.00	177	31.8
	5.00	194	34.9
	Total	556	100.0

Question: *I share my experiences about products and services more with consumers I know such as friends and relatives than with those I do not know.*

Variance analysis by application of t-test for two variables and Levene's test for equality of variances established the existence of statistically highly significant differences between respondents viewed by gender for question 16. As p-value is smaller than 0.05, it is concluded with the probability of 95% that there are significant differences between male and female respondents regarding question 16 in the sense that zero hypothesis is discarded and more strict criterion is used, starting from the assumption that variances are different in samples. By observing the values of standard deviations it is concluded that mean deviations of individual responses from the mean value are much higher in male respondents in comparison with women when it comes to more active dissemination of personal experience by interpersonal communication to other consumers that respondents know in comparison with other consumers that respondents do not know personally.

Table 6. Structure of responses to this question of those who identified themselves as opinion leaders in the initial question (answers with 4 and 5, i.e. with partial and full agreement)

		Frequency	%
valid	1.00	25	4.5
	2.00	30	5.4
	3.00	26	4.7
	4.00	163	29.3
	5.00	312	56.1
	Total	556	100.0

The obtained respondents' answers confirm that self-identified opinion leaders among the respondents really do act that way in the sense of their consumer interpersonal impact on their environment, where the sellers' attitude towards them is much more important for expressing this leadership than the quality of the purchased product or service, and that they are more prone to being leaders and influencing the behaviour of other consumers with whom they are in more solid and closer relationship. Opinion leadership is a predominantly human relation in its essence, which has a very significant economic dimension and implications.

CONCLUSIONS

One of the dominant characteristics of the modern business environment is a dramatic decline in the trust of consumers to all forms of advertising and marketing communication in general. They therefore increasingly turn to information sources that do not have this commercial dimension, above all friends and family. Interpersonal word of mouth communication has a greater impact on forming consumers' attitudes to products and services in comparison with other forms of communication.

Individual consumers, possessed of a higher level of knowledge of products and services, and the producers and suppliers thereof, are referred to as opinion leaders. These individual consumers, in most cases, already have the experience of purchasing and using the observed products and services, and therefore their word, due to its sincerity, has a much higher specific weight than any other commercial advertisement. They have no direct material interest in the sale and success of a business' product and service on the market. Potential customers see these specific individuals as the most reliable way of reducing the risk of making a wrong purchase decision.

Opinion leaders emerge in situations when other consumers are looking for products and services to buy, during possible trial and evaluation of these products and services, before they make the purchase decision. Opinion leaders are very often consumers who help the introduction and acceptance of new trends and behaviours on the market, so that they are often considered to be trendsetters. It must also be pointed out that not all consumers are equally susceptible to opinion leaders' personal influence. The most susceptible consumers to this influence are those who are otherwise oriented to others' opinions because they do not make independent purchase decisions for certain reasons, and also consumers without experience in the purchase of products and services. Opinion leaders speak about what was bought, why, how, and how it is used. In this way they direct the meaning, trust and attention of other consumers – followers. The characteristics possessed by opinion leaders are different for different markets and culturological environment, as well as different product categories, including, above all, expertise, social networking, charisma, energy, etc. However, studies so far have not established that consumers' gender influences the manifestation of opinion leadership – both men and women can equally feature in the role of opinion leaders.

Businesses must be aware of the existence of these consumers and direct their marketing effort to them so as to achieve business success. The phenomenon of opinion leadership is generally present on the market; its potential and real effects on the increase or decrease of a business' sale are extremely large, but it is a still insufficiently studied phenomenon which is hard to use and control within businesses.

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APPLICATION OF MARKETING STRATEGY FOR CREATION OF COMPETITIVE OFFER FOR RIVER CRUISE

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ABSTRACT

In modern tourism segmentation of the tourism market and determination of targeted markets, which would differentiate the tourist offer is becoming a necessity of all subjects that want to be competitive in the global market. Therefore, it is becoming necessary to determine marketing strategies that can increase the competitiveness of river cruise, taking into account the incentives and restrictive factors for further development of this form of tourism in Croatia, and considering the demands of the market, the demand for river cruises and taking into account the comparative advantages of Croatian rivers and destinations in their surroundings. In order to determine the current trends in the river cruise market, incentives and limiting factors for future development of river cruises and effective marketing strategies that will enable the growth of competitiveness of river cruises in Croatia, in addition to the analysis of secondary data, a primary research was conducted. Information were collected by conducting individual interviews with key stakeholders in river cruises in Croatia. Research has shown that by implementing the strategy of differentiation and market segmentation it is possible to create a variety of unique new tourism experience that will satisfy a certain segment of consumers and thus position the Croatian Danube region as an attractive destination for travelers who are going on river cruises. In this paper are identified marketing strategies that are currently used by riverboat companies to strengthen their positions on the river cruise market, as well as possible marketing strategies of other participants in the creation of river cruise products that would contribute to the further development of this form of river tourism in the Republic of Croatia and strengthen the competitive position of Croatian destination ports with international cruises on the Danube river.

KEY WORDS: river cruise, marketing strategy, destination ports, destination management companies.

1. INTRODUCTION

Cruising on the rivers currently has a symbolic share of the overall cruise market which is about 5% relative to the whole cruise industry. However, in the last few years there is a continuous accelerated growth in demand for this form of holiday, especially when looking at European rivers. In Croatia, the product of river cruising is almost exclusively related to the Danube river. Current traffic prognosis of ships and passengers on cruises on the Danube in Croatia indicate a probable continued and accelerated growth in demand and this imposes problems as how to be adequately prepared so that positive effects of this type of tourism would be as large as possible for the region. In this sense, it is necessary to determine how to take advantage of the existing potential and comparative advantages of the Croatian Danube region for the further development of river cruising in Croatia in order to achieve the expected growth in demand, which requires, among other things, marketing deliberation and determination of marketing strategies that can increase competitiveness of Croatian destination ports and to position Croatia as an attractive destination for river cruises.

2. RIVER CRUISES – DEFINITION AND KEY FEATURES

The term cruise according to the Dictionary of Tourism means "sailing for fun, entertainment, ie. to sail from-to or from place to place, on a boat, ship or motor yacht for satisfaction, usually by sea (more often), but also on lakes and rivers (less)".[1] In the maritime lexicon a cruise is defined as "voyage by sea or inland waterways according to a predetermined itinerary (one-way or round-trip,

[1] Vukonić, B., Čavlek, N. (ed.) (2001.) Riječnik turizma. Zagreb: Masmedia, pp183

coastal or oceanic, domestic or foreign)".[2] Gibson[3] in his considerations points out that a cruise is a vacation that includes travel the seas, lakes or rivers. Consequently, the concept of a cruise includes sailing, which can take place on a sea or some of internal waterways (rivers, lakes) mainly for the purpose of recreation and rest, and in this context, cruising on the rivers forms part of the "cruise industry."

River cruises are similar to the sea (ocean) cruises, both are based on sailing by boat on a water route, and the purpose of sailing is rest, leisure and entertainment on board a ship where passengers, among other things reside during the trip, which consists of navigation and stops in ports along the route, all of this makes all basic content of the cruise.[4] Nevertheless, river cruises have certain specifics in relation to cruising the sea arising from the characteristics of the means of transport, characteristics of transport routes, the content on board and the tour program. Ships intended for cruise on rivers are considerably smaller than ships that cruise the sea due to the limited depth of river courses, which greatly influences the offer that a ship has, or the content and other services offered to passengers on board for the purpose of rest, leisure and entertainment during their travels. Offer onboard cruise ships for rivers is generally by offer and structure poorer, and the very voyage is towards predetermined targets (ports, cities, natural attractions)[5] and passengers on river cruises can tour attractive sites along the rivers (cities, national parks ...) from the comfort of the ship which is especially attractive to older travelers, who are the main markets for river cruises.[6]

Offer of river cruises and ship capacities is mainly connected to each individual river and tributaries, but offers are spread on every continent. The largest share of the global market of river cruises has Europe (47.3%), followed by Africa on the Nile river (39.8%), while the lowest share of the river cruise market has Australia (0,5%).[7] Thus, the leading regions for river cruising are European and African continent (ie Nile river) with 87.7% share. On the European market, river cruising is mostly comprised of cruises on the Danube River and its tributaries, the Rhine and its tributaries, the Danube-Rhine-Main Canal and the Dutch and Belgian waterways (a total of 170 ships, or 42.8% of all ships on the European continent).[8]

In the last few years there is a continuous rapid growth in demand for river cruises, especially when looking at the number of passengers on European rivers. Demand for river cruises in the world and Europe, looking at individual countries of origin of passengers, the largest part come from Germany, followed by travelers from the US, UK, France and Australia while travelers from other countries have a significantly smaller share.[9] The analysis of qualitative characteristics of the demand for river cruises suggest an older age population. According to Straubhaaru[10] a typical traveler on European river cruises is an experienced traveler, well-educated, interested in the culture and history, enjoys a high income and usually travels with a partner. In the future a further growth in demand for river cruises is expected, particularly on exotic rivers (such as the Asian rivers Mekong and Irrawaddy) which is in line with the increasing need of passengers for adventurism when traveling and discovering new and unknown locations, and the acquisition of unforgettable experiences.

On the river cruise market a major role have large companies, specialized riverboat operators (shipping/ riverboat companies). According to Mintel[11] study, some of the leading companies on the European market are French Croisi Europe, German Nicko Tours GmbH and Russian Vodohod. On the market of the United States of America (USA) among the companies that organize cruises outside America most noted are the Viking River Cruises (now the largest company for river cruises in the world), Avalon Waterways and Ama Waterways while a leading company that organizes river cruising in the area of North America is American Cruise Line.

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2 Simović, A. (ur.) (1990.) Pomorski leksikon, I izdanje. Zagreb: Jugoslavenski leksikografski zavod Miroslav Krleža page 399

3 Gibson, Ph. (2006.) Cruise Operations Management. Burlington USA: Elsevier, pp. 14

4 Ban, I. (1998.) Krstarenje rijekama. Ekonomska misao i praksa, 7(2), pp.251

5 Ban, I. (1998.) Krstarenje rijekama. Ekonomska misao i praksa, 7(2), pp.252

6 Goeldner, Ch. R., Brent Ritchie J.R. (2009.) Tourism: Principles, Practices, Phylosophies. Hoboken, New Jersey: John Wiley & Sons, Inc., pp. 147

7 Regional Cruise Market Report 2011. according to Vojvodić, K. (2012.) Promjene na tržištu riječnih krstarenja. Suvremeni promet, 32(1-2), pp. 89

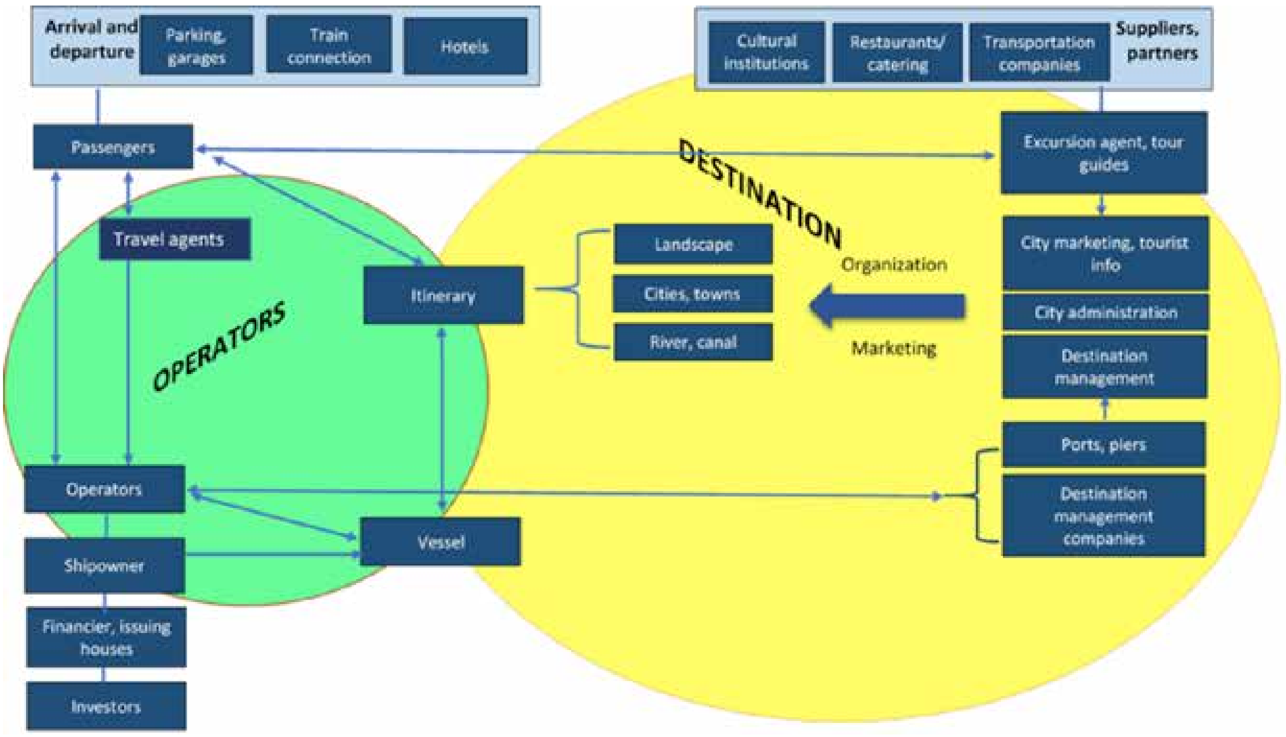
8 Regional Cruise Market Report 2011. according to Vojvodić, K. (2012.) Promjene na tržištu riječnih krstarenja. Suvremeni promet, 32(1-2), pp. 89

9 Grammerstorf, H.H. (2013.) European River Cruising, The European River Cruise Association, Hamburg, http://www.ccr-zkr.org/files/documents/workshops/wrshp081013/6_HGrammerstorf_en.pdf (accessed 23.10.2014.)

10 Straubhaar, R. (2005.) Passenger transport on European waterways – Economic Situation, 5th IVR-Colloquium, Vienna, 28th January 2005, http://www.ivr.nl/downloads/Straubhaar.pdf (accessed 02.12.2014.)

11 Mintel (2015.) River Cruising - Travel & Tourism Analyst, No. 4, March 2015, Mintel Group Ltd, London., pp.30-35

Image 1. Participants of river cruise



Source: modified according to Bremerhaven Touristik, Waterways for Growth Analysis of the German river and ocean cruise market: http://www.northsearegion.eu/files/repository/20141202173207_BIS_FR_RiverCruise_OceanCruiseShip_Part1_Dec12_en.pdf (accessed 14.8.2014.)

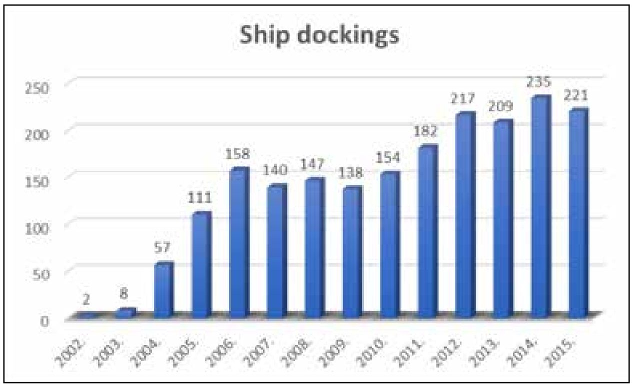
Considering that at the river cruise sailing to certain ports / cities / destinations is more pronounced it can be concluded that they form part of the basic product and experiences of river cruises and river-cruise companies emphasize the advantages of their equipment and their luxurious accommodation, as well as the destinations included in the itinerary of the cruise. Therefore, in the creation of products of river cruises, in addition to riverboat companies, destination ports and destination management companies are also participating (Image 1). Considering mentioned it is possible to identify three key holders of offers of river cruises: riverboat companies (specialized river-cruise companies and operators who play a major role on the market of river cruises), destination ports (part of the river cruising industry) and destination management companies (key for organizing various programs on land within the product of river cruise).

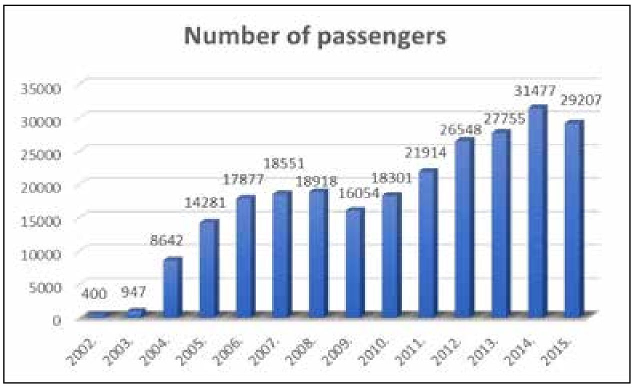
3. FEATURES OF RIVER CRUISE IN CROATIA

River cruises offer a number of unique experiences, from the view of an exceptional landscape to learning about local culture and heritage of places along the cruise path. In Croatia, the most represented river cruises are on the Danube River which passes through the eastern Croatia and the Drava River on the section from the confluence of the Drava into the Danube to the city of Osijek.

Danube River is the most important river for domestic traffic in the Republic of Croatia because of its length i and natural characteristics that allow the navigation of large vessels throughout the year, but also because of its significant position with regard to international transport corridors. Danube has a central role on the European river cruise market. The most popular itineraries in Europe are on the Danube and its tributaries, Rhine and its tributaries, canal Rhine - Main - Danube and the Netherlands waterways. Croatia has one of the smallest, but very attractive share of the Danube waterway, which can be used for tourism purposes. Currently, the offer of cruises on the Danube in Croatia, mostly include Vukovar, Batina and Ilok. According to data from the Port Authority of Vukovar, ships on international cruises on the Danube began to visit Vukovar in 2002, Ilok in 2007 and Batina in 2015. In the period from 2002 to 2015, the port of Vukovar has recorded a positive trend in the number of docking of ships and passengers on board the ships with some exceptions in 2009 and 2015. (Chart 1).

Chart 1. Number of ship dockings and number of passengers on international cruises on the Danube in the port of Vukovar during the period from 2002 to 2015.





Source: data from Port Authority of Vukovar (accessed 3.5.2016.)

Another important port on the Danube river is Ilok which was in 2015 visited by 2822 passengers that have arrived on 22 cruise ships and Batina which was in 2015 visited by 4485 passengers that have arrived on 36 cruise ships. With regard to the country of origin of passengers on international cruises on the Danube in Vukovar in 2015, most of the passengers were from the USA (48%) and UK (10%), followed by the Germany, Canada, Australia, Switzerland, France and other countries.[12] In the coming years a further increase in demand is expected, especially if we take into consideration the highly assessed attractiveness of the Croatian coast and destinations on the Danube as well as strengthening of the market position of Croatian ports.

Two-thirds of all cruises with Vukovar are organised by five companies: Nickotours, Viking RiverCruises, Grand CircleTravel, Ama Waterways and Uniworld. The largest choice of cruises that pass through the Croatian part of the Danube are offered by Nickotours (103 cruises), of which approximately one third visits Vukovar (33), while company Viking RiverCruises generates the highest demand for Vukovar with 52 cruises that make up a quarter of the total cruise that are related to the Vukovar.[13]

Passengers that have arrived by cruise ship to the Vukovar, generally, stay in Croatia for about five hours. Depending on their interests, Agencies/DMC that are cooperating with riverboat companies organize for visitors different excursions which may include a tour of Vukovar, Osijek, Ilok, visit to the Kopački Rit Nature Park, a tour of the Baranja wine roads and cellars with wine tasting, visiting indigenous family farms, exploring the local customs, culture and local cuisine and / or visiting the surrounding area by bicycle and paddle boat rental for a ride on the Danube.

4. MARKETING STRATEGIES IN THE DEVELOPMENT OF RIVER CRUISES

Marketing strategy indicates basic guiding principle of every marketing planning, a basic function is to link the market opportunities with the mission and strategies of higher hierarchical rank.[14] According to Renko[15] marketing strategies are a series of related actions that lead to sustainable competitive advantage. In general, with the development of effective marketing strategies and their successful implementation, it is possible to be positioned in different markets and within different segments of consumers and achieve growth in demand, strengthen the competitive position and better business results.

Riverboat companies in their business particularly are applying growth strategy to increase the share of the existing market and look for ways to keep their existing passengers as well as to attract part of the passengers from the competition. A large number of companies are trying to strengthen their position on the river cruise market by developing new markets for their existing products and new products that will be of interest to the current market. Companies are enriching their offer by introducing new destinations (ports) to the existing itineraries, deploy ships on all the rivers and build larger ships, luxuriously furnished and with richer content. By continually monitoring the market trends the can adapt existing products, to new segments of consumers, especially the younger demographic groups (40-55 years of age). They are trying to differentiate their products by mainly different mix of partial products of material and immaterial forms, including the appearance of the ship and content elements on board, followed by high quality of service, consistency, programs adjusted to specific requirements and preferences of consumers, new itineraries that include exotic and so far undiscovered rivers and destinations and built a recognizable image (basis of brands). Lately, an increasing number of riverboat companies for river cruises has accepted segmented marketing, which is the basis for the difference between needs and wants of different segments and the development of individual marketing programs for each identified segment.[16] For the purposes of segmentation most used are psychographic elements and demographic segmentation, especially the life cycle of a family. Psychographic segmentation is most visible when creating themed cruises that are fully tailored to the specific interests of passengers and increasingly common in the offers of riverboat companies.

At the beginning of the new millennium, European river cruises have been transformed from a small, family–run

[12] data from Port Authority of Vukovar (accessed 3.5.2016.)

[13] Marušić, Z., Horak, S., Sever, I. (2013.) Istraživanje stavova i potrošnje posjetitelja s međunarodnih krstarenja Dunavom u Hrvatskoj u 2013. godini, Institut za turizam, Zagreb. pp. 20

[14] Rocco, F. (2000.) Marketinško upravljanje. Zagreb: Školska knjiga, pp.35

[15] Renko, N. (2005.) Strategije marketinga. Zagreb: Naklada ljevak, pp.17

[16] Ružić, D. (2009.) Marketing u turističkom ugostiteljstvu. Osijek: Ekonomski fakultet u Osijeku. pp. 336

[17] Mintel (2015.) River Cruising - Travel & Tourism Analyst, No. 4, March 2015, Mintel Group Ltd, London., pp. 30

firms with the old and dilapidated ships to a group of professionally managed companies.[17] For the purposes of growth and expansion into new markets, companies have mainly used horizontal integrations. Furthermore, companies are commercially connecting with other holders of offer in order to offer higher quality and more diverse partial products and programs, and are commercially connecting with local receptive agencies or destination management companies that are organizing for them land trips to destinations if they are included in the itineraries. Such forms of business connections can achieve better control over the quality of provided individual services, which is reflected in the overall travel experience by travelers.

In this respect, and to harness the existing potential and comparative advantages for further river cruises in Croatia and to achieve the expected growth in demand it is necessary to establish the marketing mindset and marketing strategies which will play a significant role in the future development of river cruises and where it is possible to increase competitiveness of Croatian destination ports (and the Croatia as a destination for river cruises in general), taking into account the incentive and restrictive factors of further development of this form of tourism in Croatia, taking into account the requirements of the market demand and comparative advantages of the Croatian part of the Danube basin.

4.1. Methodology

In the selection process of methods of research, it was taken in to account, first of all, about the subject of research and the type of questions. The objectives of the research were: to determine that the intensification of marketing activities towards riverboat companies and with use of the marketing concept it is possible to increase the number of dockings of river ships at Croatian ports and harbors, and then determine which marketing strategies will have a significant impact on the further development of river cruises and to point out the importance of interconnection and strengthening of cooperation among holders of offers of river cruising.

Primary data has been gathered by the method of interviewing. In order to get a better, more comprehensive and more profound answer about the problem of research, individual interviews with key stakeholders of river cruises was conducted. The survey was conducted during the period from 1.7.2015. until 30.9.2015. A total of nine interviews were made with representatives of receptive tourism agencies and destination management companies, directors of Port Authorities, representatives of relevant ministries and Croatian waters and shipping agents for river cruises with years of experience. Topics of the interview included the issues of development of river cruises in Croatia, opportunities and constraints, trends in supply and demand, competitiveness of Croatian destination ports and destinations in general on the market of river cruises, experience of receptive tourism agencies / destination management companies in the business with the riverboat companies, as well as marketing strategies employed by holders of offers of river tourism, especially from riverboat companies.

4.2. Results of research

Highlighted as one of the major limiting factors for development of river cruise is insufficiently qualitative maintenance of the waterways. In particular, the lack of navigability of the Sava River in certain sections was pointed out, and the lack of construction of the Danube – Sava canal, which would contribute to connecting the Sava and Danube. As a limiting factor, in terms of the Sava River, cooperation with the neighboring Bosnia and Herzegovina (BiH) is noted considering that it is a border river and for all activities on the river a permission is needed from neighboring Bosnia and Herzegovina Canton. Furthermore, the limiting factor is infrastructure. When it comes to international river cruise ports, the amount of ports is satisfactory. However, as the limiting factor stand out inadequate technical conditions of certain docks so the riverboat companies tend to avoid them (for instance in Aljmaš there is no parking for buses nor the access road to the port). Dock in Batina, as well as ports in Osijek (on the Drava) have problems during low water levels that limit the possibility of docking for ships, while Ilok as the easternmost town in Croatia riverboat companies usually circumvent because it is too close to the first next port in the neighboring country.

Complex administration in destination ports is restrictive on the implementation of the program of river cruises that take place on land, given that passengers are wasting their time (about an hour and a half) on the control, thus they are left with less time for organized tours. By entering Schengen, it is expected to prolong the time between the revision and the fact that it will be done only in one port, a limiting factor appears to be the cost-effectiveness of other existing docks for which there is a danger that they will be avoided by riverboat companies since revision will not be performed in them (return to them after the revision will start to represent a waste of time).

A limiting factor is also a poor coordination of participants involved in the implementation of tourism activities in general, including river cruises, which implies a lack of information about additional contents that destination management companies may use when creating a program of land excursions. For example, there is no pre-made calendar of local events for the next year, which would allow the creation of unique programs of excursions on land, especially customized to preferences of individual segments of passengers from river ships, while on the other hand it could give a better negotiating position to agencies and / or destination management companies when selling trips to riverboat companies for the next year.

As an incentive factor for the development of river cruises stands out clean and preserved environment (in contrast to neighboring countries: Hungary, Serbia, Bulgaria and Romania), biological diversity, safety in the country and the hospitality of the people. Compared to competitive countries, we have similar cultural heritage and therefore a similar offer in relation to the product of river cruises, but towards the east (when sailing on the Danube) prices are much lower (20-30%) for the offer of same quality and we have positive impact from safety, power of improvisation and hospitality of the people in contrast to competitors.

International river cruises market is growing annually at a rate of 10-15%, which is one of the fastest growing segments of tourism. In Europe the most represented cruise is on the Danube River and its tributaries and the canal Rhine - Main - Danube, which opens great opportunities for Croatia to become a part of the tourism product of river cruise on the Danube. Number of travelers on international cruises on the Danube river which visit Vukovar or Ilok has been growing steadily. Given the high attractiveness of the Croatian coast and destinations on the Danube rise in demand can be expected in the coming years. Additional rise in demand on the Croatian part of the Danube is expected due to the fact that currently 80% of river cruise takes place upstream from Budapest, while only 20% downstream from Budapest, which is likely to cause displacement of itineraries downstream from Budapest.

Also, research has confirmed that the intensification of marketing activities towards riverboat companies and the usage of marketing concept can increase the number of dockings of river ships in Croatian ports and harbors, and on larger representation of Croatian ports and destinations in guidebooks of riverboat companies. If we take into account similar cultural heritage and similar offers of destinations along the Danube, in the forthcoming period it will be the required that a greater marketing efforts are made as well as better coordination of all those involved in the creation of partial product parts of river cruises relating to activities in the destination (destination management companies, receptive travel agencies, port authorities, tourist boards' system). Under these conditions, marketing will become one of the main drivers of river forms of tourism in the Croatian Danube Region.

Furthermore, research has shown that on the market of river cruise there is a stronger need for diversification and a growing pressure on prices. Riverboat companies are intensively seeking to improve their product of river cruises which consists of diverse but complementary partial parts of the material and immaterial forms. Therefore, they are investing in the construction of modern luxuriously furnished and designed ships and are introducing a variety of new programs to the ships tailored to the specific segments of consumers. An extremely important component of the basic product of river cruises is the opportunity to visit destinations along the river which creates a unique new experience. Companies in the conditions of increasing competition must be innovative and in cooperation with a number of destinations on the mainland, devising new itineraries and new experiences for the specific target segments of passengers that will be different from competitors and will provide a unique offer. Also, they are spreading their offer to exotic rivers and lesser known destinations such as Africa (Zambezi River) and Vietnam and Cambodia (Mekong River). In this sense they require a new offer from destination management companies (but at the lowest cost), tailored to specific interests and needs of consumers and consequently increases the competitive struggle among receptive agencies and destination management companies that organize programs on land. Features of excursions are adapted to the wishes of companies. Some companies are interested in a rich variety of programs that offer unique experiences, while others want only a half-hour trip and some free time for travelers. In general, there are less and less organized tours unique to the entire group of passengers from the river boats. The new trend is becoming an optional excursion, which gives passengers a choice between at least two excursions and they must declare at least two days earlier which one they decide to visit. Normally one of the excursions is related to the active vacation, such as cycling tours or fishing trips since the companies are increasingly turning with the strategy of diversification towards the strategy of market segmentation in particular with regard to the psychographic variables or specific interests and preferences of passengers and their lifestyle. In this context, the most important strategy for achieving competitive advantage on river cruise market will be the product development strategy, strategy of market development, penetration strategy and strategies of product differentiation. To gain competitive advantage, many companies are developing brands and by pointing out specifics of their offers are trying to obtain the targeted consumers.

Destination management companies as well as the destination ports, when it comes to river cruises, are directing marketing activities primarily towards riverboat companies with a goal to present them the destination and interest them so that their destination is included in their itineraries. In this case the most attention is given to personal sales, participation in trade fairs and organizing of specialized study tours for riverboat companies. Considering that on the quality of the organization of excursions and programs on land depends further cooperation, great attention is given to qualified and trained tour guides and generally the whole process of executing the excursion which aims to create a new and unique experience for travelers coming from the river boats.

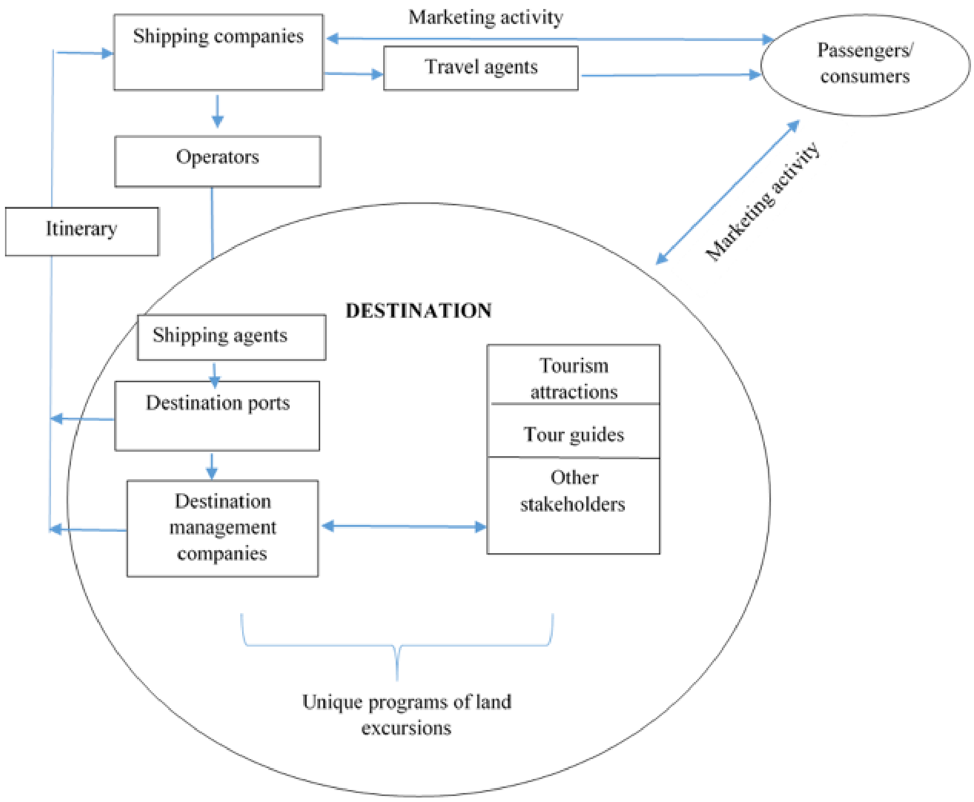
In conditions of growing competition, there is a need for the use of marketing concepts and management of marketing programs of all those involved in the river cruises from riverboat companies, destination management companies / receptive agencies to the destination ports. The application of appropriate marketing strategy is becoming a necessity for the realization of further growth and improvement of the offer which will be in accordance with the needs and interests of consumers in order to achieve a better position on the market.

4.3. Guidelines for improvement of competitiveness of river cruising

Trends on the international market indicate that the river cruises are in the take-off phase (with an annual growth rate of 10-15%). With the continuous expansive growth of demand for river cruises, there is a differentiation which leads to specialization of riverboat companies and their orientation towards new market niches. In order to achieve growth and maintain a competitive advantage, companies, besides construction of new ships and improving the quality of ship offers, intensively work on enrichment of offers with new itineraries and destinations. Companies are struggle for competitive advantage and enter partnerships with certain destinations in order to jointly create a product of river cruises tailored for specific market segments, which will be fully aligned with the needs, interests and wishes of consumers, or the desired market niche. Related to this, Croatia, where the product of river cruise is almost exclusively related to the Danube, has a chance to position itself as a destination with an attractive offer, traditional culture of life and work and with the local cuisine, based on which it is possible to create a wide range of tourism products and services offered on the mainland and themed itineraries tailored to specific interests of tourists.

Forecasts of ship and passenger traffic on cruises on the Danube in Croatia indicate a likely continued and accelerated growth in demand in the next five years, which is consistent with trends in the surrounding and the possible reallocation of itineraries on the Danube. Croatia has to prepare adequately for such a growth in demand so that positive effects of this type of tourism are as larg are possible for the region. In this regard, it is necessary to realize mutual cooperation and partnership in the implementation of marketing activities between all stakeholders involved in the creation and management of river cruising offers (Image 2).

Image 2. Marketing activity interrelationship of key stakeholders in river cruise



Source: conclusion of the author according to conducted research

Destination management companies and destination ports must have their marketing activities, on one side directed towards the riverboat companies with the goal to present the destination and interest them to include this destination in their itineraries, and on the other hand towards consumers, or travelers with river boats in order to motivate them for another visit to Croatia as part of another journey. This requires cooperation and coordination of destination management companies, destination ports and destination management (DMO/ tourist boards) in the activities to promote the destinations in order to make it attractive to riverboat companies. Only by joint actions it is possible to position Croatia as an engaging and attractive destination on the market of river cruises on Danube river.

CONCLUSIONS

Trends present on the international tourism market shape the style of rest and travel, diversification of activities on vacation imposes the need for research, planning, design and management of tourist products. Use of marketing instruments has a crucial role in creating a competitive position of river cruising on a dynamic and changing market, especially marketing strategies as a means of meeting the needs of tourism and profit, as well as tools that encourage and accelerate the development of this form of tourism. Results of the research have shown the need for coordinated activities and the development of cooperation and partnerships in the implementation of marketing activities between holders that offer river cruises in the area as well as the necessity of a two-way marketing communications, on one side towards the end-users, consumers, while on the other side towards the riverboat companies and tour operators who take part in creation of river cruising products.

Also, by applying the marketing concept it is possible to increase the competitiveness of river cruising which would enhance the tourist offer of Croatia which has been proven by determining marketing strategies of riverboat companies which strengthen their competitiveness on the market of river cruises, and which are directly reflected upon the product of river cruising in Croatia, as a destination. It is important to actively participate in partnerships with the riverboat companies on the creation of product of river cruises on the Danube, namely that part of the product that relates to the creation of tourist experiences in destinations that are visited during the cruise. Research has shown that by implementing the strategy of differentiation and market segmentation it is possible to create a variety of unique new tourism experience that will satisfy a certain segment of consumers and thus position the Croatian Danube region as an attractive destination for travelers who go on a river cruise and ensure long-term growth of competitive position on the tourist market of river cruises.

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CUSTOMER PERCEPTION OF GUERILLA MARKETING

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ABSTRACT

Marketing represents the company's activities which they carried out in order to attract new and retain existing customers. Today, companies apply aggressive advertising messages in order to get the attention of customers, but the customers are so "bombed" with a lot of advertising messages that they just ignore them. For big companies, it is easier to reach out to customers because they have large budgets, so they can use various ways of advertising while small companies can't because they have low budgets. In order to highlight their product or services in the market, they use a new type of marketing developed for small companies called guerilla marketing.

Guerrilla marketing is a relatively new type of marketing that seeks to achieve maximum effect with minimal investments. It applies unconventional methods of advertising which aims to attract the attention of customers and it is designed for small companies so they could compete with large companies on the market. However, over time, large companies began to use it because they realized the benefits of guerilla marketing.

Due to the presence of the economic crisis in Croatia, guerrilla marketing could help craft, micro and small businesses to prominent among the big companies that have large marketing budgets. In order to prominent among the big companies, they should be acquainted with the guerilla marketing. Therefore, aim of this paper is research and analyzes the perception of guerilla marketing by consumers and businesses in the Croatian market, specifically in Varazdin County. We hope that result of our research will help to better understanding and further development of guerilla marketing.

KEY WORDS: guerrilla marketing, businesses, consumers, advertising.

1. INTRODUCTION

Marketing is a company activity undertaken to familiarize customers with its products or services. Companies are trying to attract new and retain existing customers, but competition in the market is rather large, and therefore they undertake different marketing activities which make them stand out and attract the attention of consumers. There are various definitions of marketing. The American Marketing Association (American Marketing Association, 2013) defines marketing as follows: "Marketing is the activity, a set of institutions and the process of creation, communication, delivery and exchange of offers that have value for customers, clients, partners and society as a whole. Kotler et al. (2014, 5) state that marketing deals with recognition, as well as with satisfaction of human and social needs. It represents a "profitable needs satisfaction." Furthermore, the authors believe that it is necessary to distinguish managerial and social definition of marketing, stating that marketing management is "art and science of choosing target markets as well as acquiring, retention and increasing the number of consumers by creating and delivering a superior value to customer and sending a message about it", while social definition is: "Marketing is the social process by which individuals and groups obtain what they need and want by creating, offering and free exchange of valuable products and services with others."

Senečić (2000, 5, 9-10) believes that marketing is a form of market operation the result of which stems from the increased possibility of goods production. Namely, when the production is so big that offer in the market becomes greater than there is a demand, then it comes to a marketing orientation. Furthermore, he noted that there is no generally accepted definition of marketing and that the authors make a distinction between macro and micro marketing. The term macro marketing refers to the active role of marketing in streaming towards the social welfare, which is reflected in the continuity of economic growth and living standard of the population. Micro marketing is mostly regarded as a business function or concept. It represents a business activity of the company, enabling the identification and satisfaction of the needs of consumers, economy and society with products or services. Meller (2005, 15) also differs macro marketing and micro marketing, regarding macro marketing as macrosystem, and micro marketing as a microsystem. So, he says that a systematic approach to marketing at the level of society as a whole represents macrosystem of marketing, while a systematic approach to marketing at the business system level represents microsystem of marketing.

According to Dobrinić (2010, 2-3) marketing is a dynamic area and discipline and therefore the definitions of marketing are changing. However, he states that the essence of marketing activities is connection of manufacturers and customers so as to realize the exchange in which both parties will be satisfied. Furthermore, companies should emphasize pre-sales and post-sales activities because there are many products and services on the market, and companies apply them in order to establish, maintain and connect with customers, but also to influence their perception and loyalty. Previšić et al. (2007, 1-2) define marketing as an area of business economy that is dynamic, exciting and contemporary, where it rests on the exchange which is the transfer value (tangible and / or intangible) between two or more parties. Also, they consider that the task of marketing is to detect an efficient and successful way, methods and means in order to be able to meet the individual needs of consumers. Meler (2005, 19) considers that the marketing should lead to satisfying the individual needs of consumer (from one side), and the individual needs of economic subjects (on the other side), whereby the company should not focus solely on profit or profit should not be a basic objective, but meeting the social needs of consumers.

Given the fact that the competition is strong, companies must find a way to their customers and use their marketing activities to reach them. As large companies have much larger budgets comparable to small ones, they can easily reach out to customers because they can use more marketing channels that require significant funds. Therefore, to enable to small companies to compete with large ones, it comes to the development of a new type of marketing that does not require large finances, which is the guerrilla marketing. Guerrilla marketing is a relatively new type of marketing in Croatia, and therefore, in this work it will be analyzed the perception of guerrilla marketing from the side of consumers.

2. JUSTIFICATION AND METHODOLOGY OF SURVEY

The survey was conducted on a sample of 117 respondents through the questionnaire, where 75 respondents completed the survey via the Internet, while 42 respondents completed the questionnaire in paper form. The questionnaire consisted of 13 questions, 10 of which were closed type (including demographic data, qualification and employment status) and three open-type questions. Since there is about a relatively new type of marketing, before the questions the definition of guerrilla marketing was presented to the respondents.

The survey was conducted with the aim to assess how much consumers are familiar with guerrilla marketing or whether they ever noticed it. It was also intended to explore how they react to the mentioned type of marketing and how they might describe it, as well as whether it attracts better their attention than ads through television, radio, newspapers, magazines, and so on. Given the fact that the creativity is quite important in guerrilla marketing, respondents were also asked if they think that creativity is important for guerrilla marketing and why. Since there is an intention in marketing to attract the attention of consumers, the respondents were asked what would first attract their attention in guerrilla marketing and what method of promotion would immediately attract their attention and why.

3. DEFINITION OF GUERRILLA MARKETING

Although guerrilla marketing is not much well known in Croatia, it was created many years ago. The Levinson and Levinson (2011, 18) state that the guerrilla marketing was born in 1957 when Jay Conrad Levinson who worked as a counterintelligence analyst had to write a report on one and a half page. Then he realized how important it is to be concise, what presented a challenge to him, and at the same time led him to start building a career in advertising. The name guerrilla (Isaac, 2014, 175-190) describes a group of people who use violent approach to implement their beliefs and ideology. The only advantage of guerrilla fighters is the fact that only they know where and when to strike, while opponents are those with more people and resources (such as weapons and money). Original approach to guerrilla marketing is as an alternative marketing strategy which is suitable for small and medium enterprises. They must act as guerrilla fighters in the past when they were attacking valuable targets of large enemies by surprising them. Furthermore, guerrilla marketing is not a physical battle, but a psychological one waged with the aim to win in minds of customers and consumers. The strategies that strive to position products and services of the company in customer's mind are being adopted. Walsh (2014, 32) found that the guerrilla marketing in the past was unconventional and creative, using traditional marketing tools (labels, print ads and posters). However, today is necessary innovation; therefore the successful advertising techniques require the use of old tools and strategies, but with elements of surprise. Newer methods of advertising are, for example, *flash mob*[1] and viral marketing campaigns.

Authors define guerrilla marketing in different ways. Bygrave and Zacharakis (2008, 182) state that it is easier to define what guerrilla marketing does than to explain what it is. The guerrilla marketing has a unique effect that make people talk about the product and the company, and in such a way they seem to be "missionaries" of the product brand. Furthermore, it creates drama, interest, positive impact or emotion, and all these achieve incredible results. Klepek (2014, 79-87) believes that guerrilla marketing complements traditional marketing mix, which provides an opportunity for marketers to differ surprise effect of diffusion (spreading effect). In addition to the claims of these authors, Hutter and Hoffmann (2011, 39-54) are of the opinion that guerrilla marketing is a common term for unconventional advertising campaigns to attract the attention of a large number of people in the advertising message at low cost, causing surprise effect and diffusion effect. They conclude that the guerrilla marketing campaign in terms of cost-benefit ratio, are highly efficient. Hallisy (2006, 13) claims that guerrilla marketing activities are designed to build awareness, brand and customer relations. Virk (2011, 19-21) states that the guerrilla marketing activity uses non-traditional media for marketing purposes, where guerrilla marketing campaigns tend to catch potential customers by surprise, resulting in a high rate of impact and retention. Southon and West (2006, 20) claim that in guerrilla marketing it is being worked on building of relationship with customers and is constantly being looked for a way to help the customer. The imagination and spontaneity are quite important.

Guerrilla marketing, according to Nufer (2013, 1-6) should be a new, daring and innovative which consequently often make guerrilla advertisers act in a moral and legal zone, balancing between morality and bad taste or legality and illegality, which results from the request to violate the general norms and attract a higher levels of attention. Furthermore, there is greater potential for moral and legal conflict unlike traditional marketing methods. Nufer noticed that guerrilla marketing moves between enthusiasm and boredom, which can have a negative impact on the product brand (and may even destroy the core values of the brand itself). Hiam (2009, 339) defines guerrilla marketing as marketing, which applies creativity and efforts to increase the impact and reduce costs, but he still mentions that the term guerrilla marketing is sometimes used for mainly cheap, small and short-term marketing techniques. Kar Yan and Yazdanifard (2013, 1-5) come to the conclusion that the guerrilla marketing is a combination of cost effectiveness, creativity, unexpected, unconventional and shocking marketing techniques that can lead to WOM (*Word of mouth*) effect or to convey information from the mouth to mouth. A number of authors have similar opinions regarding explanations of guerrilla marketing. So, Stanojević (2011, 165-180) in a similar way as Yan and Yazdanifard describes guerrilla marketing ''unconventionality, maximum results with minimum investment and the importance of creativity and innovation''. In the same way guerrilla marketing is described by Zavišić and Medić (2006, 414-425), where they state that guerrilla marketing thoroughly investigate every possibility in order to implement the best possible business combination (winning combination), and the foundation of a successful guerrilla marketing make control, correction and overcoming problems. They also think that psychology plays a very important role in the guerrilla marketing because the purchase decisions are mainly brought unconsciously.

Guerrilla marketing also has an impact on the brand of company. So it presents a creative and innovative marketing strategy for product brand (Farouk, 2012, 111-119), where a much bigger impression is don by the customer than with traditional forms of advertising. Given that it aims to influence the customer on a personal and memorable level, it creates an indelible impression on the brand of the product itself. In addition, it enriches the aesthetic and functional values of the brand and that makes it seem more innovative and different. The strategy of guerrilla marketing contributes to achieving distinctive competitive position of the brand on the market, thus allowing advertisers to use creative and innovative ideas. Weisberg et al. (2007, 92-106) claim that the aim of the campaign of guerrilla marketing is to increase awareness and interest of customer for the product and its relationship with the brand. However, it is not intended to achieve this in a way to sponsor, but the intention is that customers experience this spontaneously, and buyers involved, should feel as if they accidentally stumbled upon an exciting new product.

Given the fact that traditional media advertising (print media - newspapers and magazines, radio, television, posters and leaflets) is generally more expensive, Yuksekbilgili (2014, 2-7) considers the concept of guerrilla marketing campaigns an alternative that seeks to attract interest and the attention of customers and keep their attention by using unusual methods in unpredictable ways. Bigat (2012, 1022-1029) found that guerrilla marketing draws strength from creativity and imagination, which is why it is often hybrid marketing strategy that applies many practices, which distinguish it from traditional advertising. Through innovative design, materials and methods maximum level of turnover can be achieved at low cost. Finally, guerrilla marketing is a powerful tool for rapidly gaining competitive advantage, especially for small and medium enterprises in an increasingly competitive environment. Its goal is to maximize the public interest for the products and services of the company while reducing advertising costs. Guerrilla marketing (as well as guerrilla warfare) seeks to focus attention in a certain direction, and the way to achieve it is different, surprising, original and amusing, whereby it is carried out with a small budget.

4. CHARACTERISTICS OF GUERRILLA MARKETING

Levinson (2008, 21, 80) claims that the companies which apply guerrilla marketing must monitor marketing campaigns of rivals, and be in trend with the latest trends. Also, they have to be aware of the happenings in the world and the situation in immediate surrounding (at local level), otherwise they could lag behind its competitors. Hutter and Hoffmann (2011, 39-54) believe that the reaction of customers to the campaign of guerrilla marketing can basically distinguish from the reaction to classic advertising because the guerrilla ads are extremely unconventional. Guerrilla Marketing appears in unconventional (unusual) places through unconventional media, where it intends to create surprise and diffusion effect (effect expansion). Isaac (2014 , 175-190) noted that large companies with significant budgets, are potential users of traditional marketing that measures success only by the sale, the number of responses or turnover in the store. The traditional marketing ignores future relationships with customers because the purchase takes place by the customers themselves, and focus is on predominantly short-term value of marketing. On the other hand, the strategies of guerrilla marketing are mainly oriented to small and medium-sized enterprises that have a small budgets. Size of profit can be measured only by something what is strived with and the intention is to build long-term relationships with customers. How Levinson and McLaughlin see the difference between traditional and guerrilla marketing, can be seen in Table 1.

Table 1. The difference between traditional and guerrilla marketing

Traditional marketing	Guerrilla marketing
The focus on business	Is business
Unclear message	Directed message
Investing money	Construction of Intellectual Property
Building a brand identity	Building relationships with clients
Increase revenue	Increase profits
The creation of the media's perception	Reality uncover
Speak and sales	Listens and serves
One size fits to all	One size does not fit anyone
He takes market share	Creates market

Source: Adapted from Levinson, McLaughlin, Guerrilla Marketing for Consultants: Breakthrough tactics for winning profitable clients, 2005, p. 11

Guerrilla marketing can have a positive, a negative or even neutral effect. So, Prévot (2009, 33-40) found that guerrilla marketing can have a positive effect on the perception of customers regarding product's brand. Namely, if the strategy of guerrilla marketing is done correctly, customers can be amazed by the creativity of the campaign of guerrilla marketing, which will not necessarily lead to an increase in the specific value of the brand, but will increase the intangible value of the brand or the firm's capital. Neutral effect of guerrilla marketing is reflected in the fact that, for example, customers are not aware of advertising directed at them. Given that some guerrilla marketing strategies depend on publicity, there could be absence of effect on the brand of the company if local or national media do not report the story related to the product. Finally, guerrilla marketing can have a negative effect. There is always the possibility that something goes wrong in any campaign, which applies particularly to the guerrilla marketing because it is based on the element of surprise. Guerrilla marketing campaign may endanger or disturb potential of customer, which can cause a negative effect on the brand value. The negative effects of guerrilla marketing are also observed by Zuo and Veil (2006, 8-11) to whom the guerrilla marketing can be an effective weapon in the fight with the competition, but if it is improperly developed and implemented, it can have negative effects on the brand.

Levinson (2008, 21) believes that it is necessary to use marketing combinations when advertising, because the use of certain advertising channels (traditional marketing) does no longer works. Therefore, companies must use more marketing weapons or combination of tools of traditional marketing, and gives an example on how to make advertisements, where the company has a website, and how to send emails and promotional materials by mail.

5. SURVEY OF GUERRILLA MARKETING PERCEPTION IN CROATIA

The research was conducted on a sample of 117 respondents, where 45 were male and 72 of them were women. With respect to age, the study included 45 persons aged 19-25 years, 21 persons aged 26-32 years, 8 persons aged 33-39 years, 16 persons aged 40-46 years and 27 persons aged 47 years and older. With regard to the employment status, the questionnaire was filled in by 1 pupil, 29 students, 63 employed persons, 13 unemployed persons and 11 retirees. For the need of data analysis, it was provided one hypothesis which states:

H1: Younger people better perceive guerrilla marketing comparable to the older ones.

For testing this hypothesis the age and guerrilla marketing observation variables have been used (whether respondents have ever noticed guerrilla marketing). In analysis it has been used analysis of variance or ANOVA, and in order to check whether it is suitable for testing, Levene's test of homogeneity of variance in SPSS program was conducted, in order to find out if the assumption of equality of variance has been violated (Table 2).

Table 2. Levene's test

Levene Statistic	df1	df2	Sig.
3,382	4	112	,012

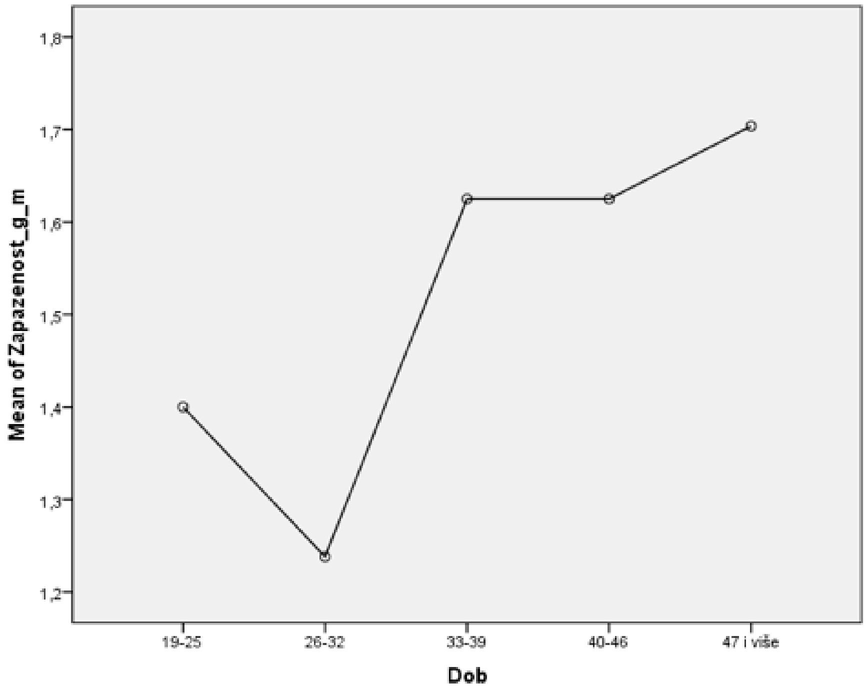
Levene's test showed that the assumption of homogeneity of variance is not broken because the size of significance (Sig.) is greater than 0.05 and it is 0,012, therefore the analysis of variance is conducted (Table 3).

Tablle 3. Analysis of variance (ANOVA)

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	3,367	4	,842	1,687	,158
Within Groups	55,864	112	,499		
Total	59,231	116			

As we can see in Table 3, there is no statistically significant difference in the perception of guerrilla marketing between younger and older population (p = 0.158). Therefore, we can conclude that both younger and older populations perceive guerrilla marketing equally. Which age groups perceive best the guerrilla marketing; can be seen on the Figure 1.

Figure 1. Perception of guerrilla marketing given the age of the respondents



The averages diagram shows that the consumers aged 26-32 years best perceive guerrilla marketing, while consumers aged 47 and over at least perceive guerrilla marketing.

The study also sought to find out how respondents react to guerrilla marketing, and research results showed that to the majority of respondents (77) guerrilla marketing attracts attention, 12 respondents ignore it, while 5 respondents are encouraged to purchase. It should be noted that there were analyzed responses from 94 respondents, because all respondents who gave a negative reply to the question „Have you ever noticed guerilla marketing?" didn't continue with the survey.

Respondents were also asked the question in what way they would describe guerrilla marketing, where they could choose more than one answer. So, most of the respondents selected as guerrilla marketing is creative (54), followed by an unusual (41), and then an unexpected and surprising (37). Surprising (appears in unexpected places) has chosen 29 respondents, followed by mobile answer (appears in different places) that has chosen 23 participants, and then contagious (the story is about him), and an inspiring and stimulating (18). Aggressive answer was chosen by 11 participants, and finally follow the rest chosen by one participant, who mentioned under the answer that the guerrilla marketing is mostly irritating.

When the respondents were asked whether the guerrilla marketing attracts and retains their attention better than, for example ads on television, radio, newspapers, magazines, etc, the majority answered "Yes" (62). 16 respondents claimed that the guerrilla marketing does not attract and hold their attention better than ads on television, radio, newspapers, magazines, etc., while 6 respondents stated that both marketing equally attract and retain their attention. Since these were open type questions, participants had to devise their own answer. The most interesting responses were: "Guerilla marketing is a great thing because it's about the story talked about in the population, but the ads are more effective because of the amount of information transmitted to the user. The main function of guerilla marketing on the other hand is attention attraction, but it does not transmit information", "Yes, it encourages me to think and to convey to others my opinion about it.", "Yes, because it is certainly interesting to see advertisements on unusual places", "Yes, although I try to resist it , there is always found something interesting" and "When an ad is interesting, it is not important in which way it is presented."

Since creativity is a very important component of guerrilla marketing, respondents were asked whether they think creativity is important for the guerrilla marketing, and research results show that almost all respondents (89) believe that it is important. Only one respondent believes that it is irrelevant, while 4 respondents were not sure.

Due to the fact that respondents made themselves clear regarding the importance of creativity, they were required to mention the reason, and they replied that creativity is important for every marketing because it encourages interest and allows a person to pay more attention. If something is new and creative, the better the chances that people notice it. Furthermore, respondents indicated that creativity is needed in order to create a way to attract someone's attention, and it is even more needed in searching of way to attain the attention. It is also mentioned that a more creative ad will attract attention sooner than a classic form of marketing activity. Respondents claim that creative solutions are interesting and imaginative, and thus attract more attention and also feel that without creativity there is no good marketing. Furthermore, creativity allows spontaneity in communication with the audience and encourages the communication and dissemination of news about seen advertisement. It is believed that it also raises the marketing to a higher level and opens new markets. It is also important because of originality and effectiveness, but also because of creative approach to the problem. Respondents state that creativity is important to reach a good effect with a little resource, and a good and humorous commercial will always attract a customer to buy the product even though he doesn't need it. Furthermore, they claim that without creativity the meaning is lost, where they mention that non-creative guerrilla marketing is irritating and tasteless. Finally, it is believed that creativity brings something new, where it is important to induce interest, simpler product promotion, but also because it goes beyond the usual offer.

As it is increasingly difficult to attract consumers attention because they are „bombarded" with promotional ads, respondents were asked what would firstly attract their attention in guerrilla marketing, and to the majority of respondents is creativity in message transmission what draws their attention (41 respondents). Then follows a message that is transmitted, colors, sounds, channel which carry the message and others. But, a part of the mentioned question, respondents were asked a question about what way of promotion through guerrilla marketing would immediately attract their attention. Majority of respondents would immediately be attracted to fanciful content (43 respondents). Then it follows a humorous content selected by about the same number of respondents (41). While instructive content attracted attention in 7 respondents, the attention of one respondent would be drawn to frightening content, while the attention of no respondent would be attracted to sad content. It is also necessary to specify that one respondent chose answer the other.

In the last question it was required to state why the chosen method of promotion would immediately attract their attention. The mentioned question was related to the question: "What content of guerrilla marketing would immediately attract your attention?" So they gave replies following up on the previous question (What content of guerrilla marketing would immediately attract your attention?). Respondents who replied in previous question that humorous content would immediately attract their attention, argued that it would attract their attention because they remember long what make them laugh, they love humor, it is about something new. When the promotion is humorous it gives better mood and brings serenity in everyday life, a message with a touch of humor makes a person laugh and cheer the person up, comit it to memory and keep telling it to others. Furthermore, the respondents believe that the humorous is always easy to remember, creates a positive energy in person and attracts on purchase. In this way a high quality message transfer can be achieved, humor is a cure for all people, they would remember what they saw if it made them laugh, entertaining and humorous ways are the most memorable, longer stay in the memory and creates a positive reaction. Respondents who indicated that creative and imaginative advertising attracts attention argued that in it it is invested a lot of effort and talent, creativity provokes thinking, imagination would surprise a person and certainly influence the awareness and curiosity, the content would be different and unusual, a person would be happy and smile to imaginative idea, it is different from any other, due to diversity, the idea itself, because it's not monotonous, take you away from bitter reality, people are fed up with the expected traditional marketing messages, methods and channels, and because the traditional methods of advertising are too predictable. Respondents who replied that the informative content would attract their attention, mention that an individual will continue to think about it in the next period, they like to receive lessons in life from all sources, due to excitement and because these are new information. One respondent who mentioned that intimidating way would attracted his attention, gives the argument that it is because he cannot be so easy to scare.

Testing the hypothesis, it was concluded that both the younger and older population notice guerrilla marketing in the same way, where those in the age 26 to 32 years notice it most. As guerrilla marketing tends to attract attention of the target group, the survey showed that it is successful. Respondents describe it mostly as creative, and they argue that creativity is needed in order to attract customer's attention. However, the attention cannot be attracted in the same way at all customers because ones like more humorous content of the message, while others prefer creative and imaginative content of the message, whereas to the third ones the instructive content of the message.

CONCLUSION

Various authors define marketing in their own way, but most of them put emphasis on the customer. Since companies are aware that customers are crucial for their existence, they try to reach them through various marketing activities. But over the time the customers have become saturated with numerous advertising messages, and therefore were forced to find a new path to its target group, which has resulted in the development of guerrilla marketing. But, it was originally designed for small and medium enterprises in order to compete with large companies that have much larger budgets. The authors describe a guerrilla marketing as creative and unconventional, aiming to attract the attention of customers with minimal expenses.

Survey shows that the younger and the older population perceive guerrilla marketing in the same way, but it is mostly perceived by people aged 26 to 32 years, and the least by those aged 47 years and older. Theoretical review shows that guerrilla marketing tries to attract the attention of customers, and survey confirms this because most of the respondents stated that it indeed attracts their attention. Respondents describe it as creative, and then unusual, and theoretically it is described in that way. Most respondents believe that creativity is the most important for the aforementioned type of marketing, which is also referred to in the literature. So, we can conclude that the theory is consistent with the practice or, as the guerrilla marketing is described in the literature, so the companies try to apply it, what is concluded from respondents answers. However, it should be noted that all customers are not the same, so they should be approached carefully because some of them will be attracted by humorous content of the message, while to others will be more interesting instructive or imaginative content. Therefore, in order to be successful in marketing activities, the companies have to know the target to enable them to find out what message content is most appropriate for them.

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TENSIONS IN CORPORATE CREATIVITY

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ABSTRACT

The standard definition of creativity is based on a tension between originality and effectiveness. Borrowing from the wave-particle duality in physics one could say that there is an originality-effectiveness duality at work for creativity. The paper explores how this tension pervades Amabile's (1997) componential theory of organizational creativity with the components organizational motivation, management practices (including work assignment and work control) and resources. As a method the so called value square ("Wertequadrat") developed by Helwig (1967) and Schulz von Thun (1998) is used which balances a value with its countervalue. The author identifies a tension of corporate tradition and corporate change for organizational motivation, a tension of skills and challenges for work assignment, a tension of management by control and management by loss of control for work control as well as a tension of organizational efficiency and organizational slack for resources. Additionally different implications of these tensions for the resistance of a company to creativity, for an organizational climate conducive to creativity as well as for resource allocation in creative endeavours are discussed.

KEY WORDS: corporate creativity, organizational creativity, components of creativity

1. INTRODUCTION

According to Runco & Jaeger (2012, p. 92) the standard definition of creativity is bipartite and includes the two complementary criteria of originality and effectiveness. Borrowing from the wave-particle duality in physics it could said that creativity can be described by an originality-effectiveness duality (Deckert 2016b). On the one hand creativity should lead to novel and original ideas which surprise us because they are unexpected or are judged to be inconceivable. On the other hand creativity should lead to useful, valuable and appropriate solutions for problems – especially when we speak about creativity in a business environment. This creates a tension between the two poles: A solution can be novel but useless or inappropriate or it can be highly effective as a possible solution but not really original. To be termed "creative" an idea or solution has to incorporate both criteria to a certain extent.

The definitions of organizational or corporate creativity usually incorporate both criteria of the originality-effectiveness duality. Woodman, Sawyer & Griffin (1993, p. 293) define organizational creativity as "the creation of a valuable, useful new product, service, idea, procedure or process by individuals working together in a complex social system". This definition includes the same general tension between originality and effectiveness as proposed by the standard definition. Robinson & Stern (1998, p. 11) use the term corporate creativity and define it as follows: "A company is creative when its employees do something new and potentially useful without being directly shown or taught." This definition also includes the tension between originality and effectiveness and additionally emphasizes self-initiative and proactivity of the individuals which the work environment conducive to creativity is supposed to stimulate.

The paper at hand focuses on the creative work environment of organizations and tries to show how the tension of originality and effectiveness permeates the components of organizational respectively corporate creativity.

2. ORGANIZATIONAL CLIMATE, WORK ENVIRONMENT AND CREATIVITY

On the organizational level research concerning creativity deals with management-related factors such as leadership, knowledge utilization and networks, organizational structure, work environment (including resource availability and organizational climate) as well as external environment (Anderson, Potocnik & Zhou 2014, p. 1302 ff., Mumford, Hester & Robledo 2012). The concept of organizational climate usually describes the employees' perceptions of their work environment in terms of behavioural patterns such as practices and procedures. Thus, organizational climate is an aggregation of individual perceptions (Patterson et al. 2005, p. 380, West & Sacramento 2012, p. 362f.) and can be seen as an "intervening variable between the context of an organization and the behaviour of its members" (Patterson et al. 2005, p. 379).

With regard to a work environment conducive to creativity several specific climate models have been proposed. Some of these models have also been elaborated into assessment tools and used to measure organizational climate with regard to creativity. Overviews of the different approaches can be found in Hunter, Bedell & Mumford (2007), Mathisen & Einarsen (2004) and Puccio & Cabra (2010). Furthermore Hunter, Bedell & Mumford (2007, p. 74) developed an integrative climate taxonomy with 14 dimensions from an analysis of 42 existent climate models for creativity.

The author of this paper chose to use the work environment model of Amabile and colleagues (Amabile et al. 1996, Amabile 1997). There are mainly two reasons for this choice: Firstly, the model links individual and organizational creativity (see fig. 1) and, thus, complements the author's previous research concerning individual creativity (Deckert 2015, Deckert 2016b). Secondly, the model seems to be the most widely validated model concerning organizational climate for creativity (West & Sacramento 2012, p. 364).

In an early version the model of Amabile comprised five categories (Amabile et al. 1996, p. 1159) which were re-arranged into three in a later version (Amabile 1997, p. 52ff.). The three components of the current model are as follows:

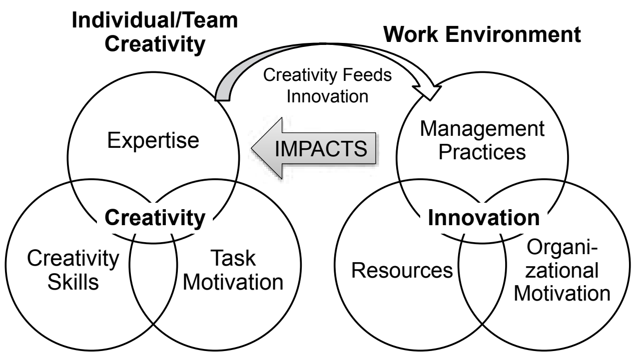
- Organizational Motivation contains the two aspects "basic orientation of the organization toward innovation" and "supports for creativity and innovation throughout the organization". Organizations differ in organizational encouragement and organizational impediments (Amabile 1997, p. 52).

- Management Practices comprise "management at all levels, but most especially the level of individual departments and projects". The scale for distinguishing different climates are challenging work, work group supports, supervisory encouragement and freedom. The two fostering mechanisms which are frequently confirmed by other researchers are challenging work as well as freedom and autonomy (Amabile 1997, p. 54).

- Resources for creativity include "sufficient time for producing novel work in the domain, people with necessary expertise, funds allocated to this work domain, material resources, systems and processes for work in the domain, relevant information, and the availability of training" (Amabile 1997, p. 53-54).

The work environment impacts individual creativity by influencing the components expertise, creativity skills and task motivation of individual creativity. Task motivation is immediately and directly affected, while the other two criteria can be indirectly affected over the medium- to long-term. In the other direction individual creativity fosters organizational creativity and innovation activities in a company (see fig. 1) (Amabile 1996, p. 83ff., Amabile 1997, p. 52ff.).

Figure 1: Componential Theory of Organizational Creativity and Innovation



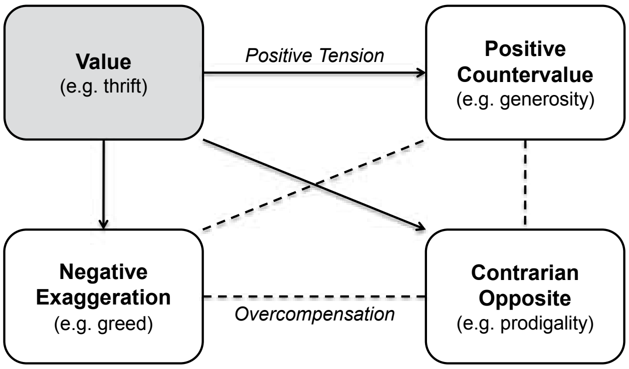
Source: Amabile 1997, p. 53

3. METHODOLOGY

The method used to describe and analyze the tensions of corporate creativity is the so called value square. The value square ("Wertequadrat") is a method to describe complementary value pairs and was developed by Helwig (1967) for character description. It was later used mainly by Schulz von Thun (1998) to show dialectical structures in the intervention into communication. The central idea of the value square is that there can be too much of a value which is the reason why a value should be balanced with a countervalue. This phenomenon can be related to the too-much-of-a-good-thing effect (TMGT effect) of Pierce & Aguinis (2011, p. 313) who propose that some positive antecedents have inflection points after which they cease to be beneficial. Schulz von Thun (1998, p. 40, own translation) writes that "in the value square the notion of an optimum ledger has been abandoned and replaced by the notion of a dynamic balance [...]. The notion of a yin-yang-relation of the upper values is also appropriate: They permeate each other, and each contains already a trace element of its opposite pole."

The value square is constructed as follows (see fig. 2): Starting from the positive value on the upper left side (e.g. thrift) one identifies the positive countervalue on the upper right side (e.g. generosity). This upper line represents the positive tension of the two values which together constitute the desired dynamic balance (e.g. one wants to be thrifty while simultaneously being generous). From the value on the upper left along the vertical line downwards one positions the negative exaggeration of this value (e.g. greed). The diagonal leads to the contrarian opposite which at the same time is the negative exaggeration of the countervalue (e.g. prodigality). The lower line represents the overcompensation of the negative values when one goes from one extreme of negative exaggeration to the other extreme (Helwig 1967, Schulz von Thun 1998). The value square is not only a means to describe dialectical structures of values, but also offers the possibility for improvement and can be seen as a development square ("Entwicklungsquadrat"). It helps to choose a developmental path along the diagonal line when one is in a position of negative exaggeration of one of the two values (Schulz von Thun 1998, p. 47).

Figure 2: The Value Square

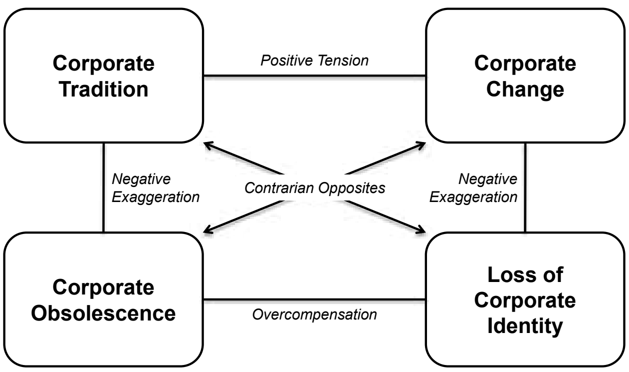


Source: Schulz von Thun 1998, p. 41 (own translation and examples)

4. TENSION CONCERNING ORGANIZATIONAL MOTIVATION

The central tension of a company concerning Organizational Motivation is between corporate tradition and corporate change (see fig. 3). The tradition of a company is reflected by the current business model and the current core competences. By moving too far away from its corporate tradition a company risks losing its corporate identity. But a certain amount of change is necessary to adapt a business model to changes in market needs and to react to technological developments, discontinuities or disruptions. By sticking to closely to the core business companies risk obsolescence of their products and business models and eventually endanger the companies' competitive advantage. Thus, corporate tradition represents the effectiveness side of the standard definition of creativity and corporate change the originality side.

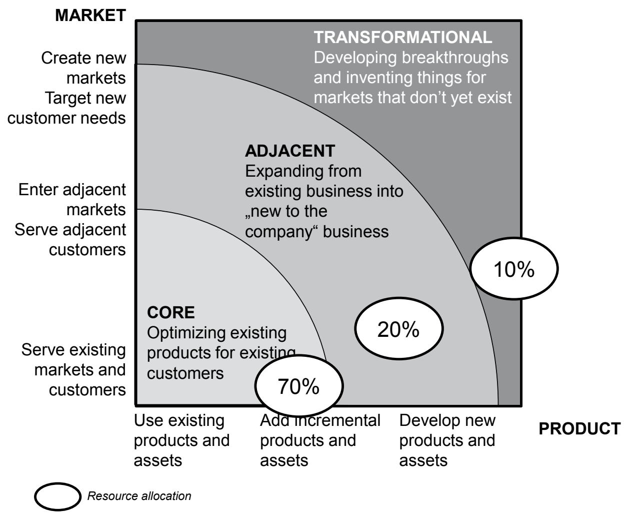
Figure 3: Tension Concerning Organizational Motivation



Source: Deckert 2016a, p. 10

This general dilemma can also be described as a tension between core and periphery. Every company has its core business which it needs to strengthen and develop to stay competitive. As a company moves further away from its core business, the novelty of its innovations increase but also the risk of failure and of losing track of the company mission. So especially radical innovations often take place at the periphery of the business and not necessarily near the core. A radical innovation is the development of completely new lines of products or business fields based on new ideas, new technologies or substantial reductions in cost or increases in performance, whereas incremental innovations usually deal with cost reductions or performance improvements of existing products or services (Leifer et al., 2010, p. 4ff.). So companies need to develop what Nicholas, Ledwith & Bessant (2013, p. 34) call "a peripheral vision that allows them to see beyond their immediate focus" to explore new business fields. These new ventures can be adjacent to the traditional business or completely new with no or few connections to the core business. Based on Ansoff's classical matrix containing product and market Nagji & Tuff (2012, p. 66ff.) propose an Innovation Ambition Matrix and distinguish between core innovation activities which optimize existing products for existing customers, adjacent activities which expand the innovation efforts into new but related business fields and transformational activities which explore new products for new markets (see fig. 4). They found that companies which allocate on average 70% of their resources to core innovation activities, 20% to adjacent innovation activities and 10% to transformational innovation activities show a higher share price performance. Of course, these values fluctuate according to the specific industry a company operates in and the type of organization (e.g. established company or start-up company), but can be considered a good starting point for discussions. Many companies, however, find it hard to develop their business beyond their core business segments. Anthony (2012, p. 68) calls this tendency the "the sucking sound of the core business".

Figure 4: Innovation Ambition Matrix

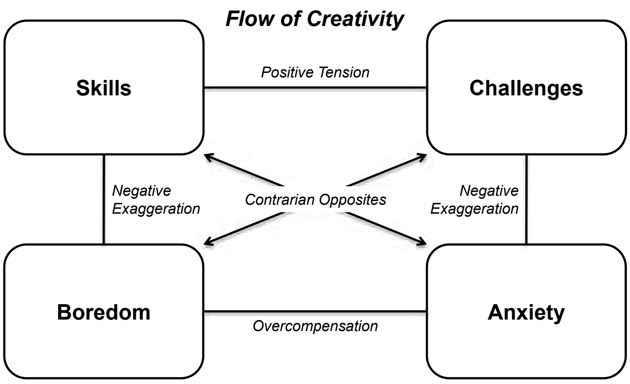


Source: Nagji & Tuff 2012, p. 69

5. TENSIONS CONCERNING MANAGEMENT PRACTICES

The factor challenging work of the component Management Practices can be described as "appropriately matching individuals to work assignments" (Amabile 1997, p. 54). It it usually achieved by a balance of skill and challenge which can be used as the value pair with skills representing the effectiveness side and challenges the originality side (see fig. 5). Csikszentmihalyi (1997, p. 110) calls this balance the flow in creativity and describes it as a "feeling when things were going well as an almost automatic, effortless, yet highly focused state of consciousness". For this to happen the task should also have clear goals, provide immediate feedback, and can be done under exclusion of distractions. The flow in creativity leads to a merging of action and awareness, the forgetting of self, time and surroundings and is generally seen as an autotelic activity meaning an activity which provides joy for its own sake (Csikszentmihalyi 1997, p. 110ff.). If work is assigned with too much focus on existing skills then employees will be bored by the tasks. A task which is too demanding with regard to the skill level of the employee will result most likely in anxiety of the employee.

Figure 5: Tension Concerning Work Assignment

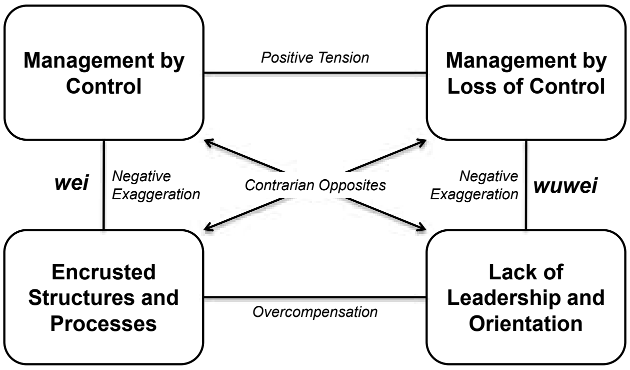


Source: Deckert 2016a, p. 17 (based on Csikszentmihalyi 1997)

Managers in innovation management should assign tasks with the right challenge-to-skill-balance and need to constitute teams with a diversity of skills to tackle challenging tasks. Further approaches to enhance the flow in creativity are the setting of "stretch goals" for innovation activities which should be demanding yet achievable (Lafley & Charan 2008, p. 12), good planning and feedback in combination with clear communication (Amabile 1997, p. 54), a project veto of employees or a project tender with applications by employees for the project (Meyer 2011, p. 181).

Another factor of the component Management Practices is related to work control and demands a "considerable degree of freedom and autonomy" (Amabile 1997, p. 54) for the employees. Work control for corporate creativity can be displayed as a positive tension between managerial control which represents the effectiveness side and managerial loss of control which represents originality (see fig. 6). Of course, managers want to make sure that only fruitful ideas are developed into products, that innovation budgets are kept, that projects get finished on time and that R&D-productivity is generally high. But too much control can hinder creativity and can lead to encrusted structures and processes where following the rules is more important than having a good idea. Robinson & Stern (1998, p. 124ff.) observe that self-initiated and unofficial activities can lead to highly creative and unanticipated outputs. This happens when employees are given enough freedom and autonomy to follow their intrinsic motivation. This, of course implies that managerial control over the creative process is lost to a certain extent, and management is based on trust. The negative exaggeration of managing by loss of control is a lack of leadership and orientation which leaves employees with no guidance at all. This dilemma can be linked to the concept of wuwei in Chinese philosophy. Wuwei means inaction or non-action but in the sense of letting things happen or not interfering with the natural flow of events. This concept is usually contrasted with wei which means intentional or deliberate action (Deckert & Scherer 2013, p. 4). So the dilemma of work control for creativity can be described as a "controlled loss of control" (Deckert & Scherer 2013, p. 13) and "requires an almost Zen-like ability to control without controlling" (Sawyer 2013, p. 247) by the manager.

Figure 6: Tension Concerning Work Control



Source: Deckert & Scherer 2013, p. 14

Some of the guidelines on how to influence the tension concerning work control have already been transformed into practical approaches by companies. Examples are discretionary time where developers can spend a certain percentage of their working hours on projects of their own choice (20% rule at Google or 15% rule at 3M) (Pillkahn 2011, p. 266ff., 3M 2002, p. 22), projects outside the usual control framework of a company called "stealth innovation", "submarine projects" or "skunkwork projects" (Miller & Wedell-Wedellsborg 2013, Pillkahn 2011, p. 266ff.), the concept of intrapreneuring (i.e. intracorporate entrepreneurs) (Pinchot & Pellman 1999) and certain leadership approaches such as "Managing by Getting out of the Way" by Sutton (2007, p. 134), "catalytic leadership" by Meyer (2011, p. 173, own translation) or more communication than control efforts during innovation activities as proposed by Lafley & Charan (2008, p. 251).

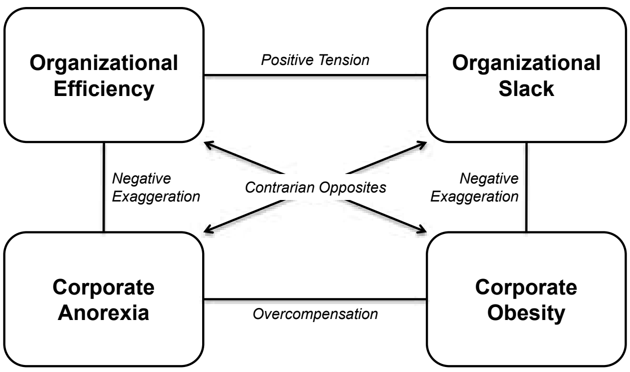
6. TENSION CONCERNING RESOURCES

The resources named by Amabile (1997, p. 53-54) necessary for corporate creativity can be interpreted as a kind of organizational slack. Organizational slack can be defined as "resources that are in excess of what the organization actually needs to fulfill its operations" (Leitner 2009, p. 1). It can be viewed as dysfunctional (i.e. slack is a kind of waste to be reduced through efficient resource reallocation) or functional (i.e. slack opens up new entrepreneurial possibilities and broadens the scope of action through experimentation) (Krcal 2009, p. 14ff.).

Overviews on the relation between organizational slack and creativity/innovation can be found in Anderson, Potocnik & Zhou (2014, p. 1313), Damanpour & Aravind (2012, p. 502) and Leitner (2009, p. 118ff.). The results are inconclusive because the analyzed studies use different definitions of slack resources, different ways of operationalization to measure slack resources and sometimes don't sufficiently distinguish between innovation and other dependent variables (e.g. performance) (Leitner 2009, p. 122). But in general a positive effect for short-term unabsorbed resources is recognized. Nohria & Gulati (1996) find an inverse U-shaped relation between unabsorbed slack and innovation in a company caused by a tension between discipline and experimentation, and Krcal (2010, p. 8ff.) concludes that efficiency and slack are complementary with regard to innovation management.

So the tension concerning resources can be constructed as a positive tension between organizational efficiency and organizational slack (see fig. 7). When companies identify a surplus in resources they usually try to reduce this perceived waste, e.g. through programs of lean management and downsizing. But focussing on efficiency too much can lead to an undersized slack which limits the scope for action concerning creativity. Hamel & Prahalad (1996, p. 12) call downsizing the "equivalent of corporate anorexia" because in itself downsizing does not set a company back on a path to competitiveness. On the other side too much slack can lead to undisciplined spending and a reduction in creativity, since constraints often focus creative problem-solving (Boden 1992, p. 82). This negatively exaggerated state can be termed "corporate obesity".

Figure 7: Tension Concerning Resources



Source: Deckert 2016a, p. 22

As already described organizational slack can be given in the form of discretionary time where researchers are allowed to spend a certain percentage of their working hours on projects of their own choice. Other forms of organizational slack already in use at various companies are innovation labs to experiment in, limited research budgets without application restrictions for notable employees (Pillkahn 2011, p. 266ff.) and "patient money" which is spent over a long period of time without expectations of short-term returns (3M 2002, p. 77ff.).

CONCLUSION

In the paper at hand the value square is used to display, describe and analyze the qualities of the components of corporate creativity. Starting from the tension of originality and effectiveness in the standard definition of creativity the author identifies related tensions underlying the components of corporate creativity. For the three components of the componential theory according to Amabile (1997, p. 53) he proposes the following tensions:

- Organizational Motivation: Corporate Tradition and Corporate Change
- Management Practices: Skills and Challenges (Work Assignment) as well as Management by Control and Management by Loss of Control (Work Control)
- Resources: Organizational Efficiency and Organizational Slack

The results of this paper are limited to the main factors of the work environment of a company. Other factors of the work environment such as leadership style (see e.g. Friedrich et al. 2010) or organizational structure (see e.g. Baer 2012, Damanpour & Aravind 2012) may also have impacts on corporate creativity. Furthermore the paper is limited to the organizational level of analysis and does not include additional impacts of the team level as e.g. described by the model of team climate by West (1990).

A major limitation of the value square is that the research is qualitative, thus, indicating only aggregated directions for improvement for companies. So a next possible step for research is to operationalize the tensions of corporate creativity and assign measurements to each tension. In this way the balance point for the most successful performance could be detected. Furthermore a distinction could be made with regard to aspects affecting innovation activities such as type of product, type of industry or type of company. Doing so could lead to a more finegrained picture of the balance points of corporate creativity and to more fine-tuned recommendations for companies.

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THE IMPACT OF EMOTIONAL BRANDING ON CONSUMERS IN CROATIAN NORTHERN REGION

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ABSTRACT

Nowadays, brands are perceived at the level of feelings and identity, which are one of the most important features by which they differ from each other. According to this, today's companies are working on increasing the emotional connection between consumers and brands, which is known as a term emotional branding. The main purpose of emotional branding is the systematic integration of all senses in order to cause a certain emotion and induce the consumer to purchase products or to use services. Therefore, the aim of this paper is to describe the role of emotions in creating a brand and discover the extent to which consumers are emotionally attached to a particular brand. The paper is created as a result of a research study established for writing a master's thesis.

KEY WORDS: brand, emotions, emotional branding, consumers.

1. INTRODUCTION

For a long time, product manufacturing was the core of industrial economy. But with more and more manufacturers entering the market comes oversaturation, but also recession and some of the world's strongest manufacturers are beginning to weaken. At the time, a new type of corporation started to emerge, which understood that manufacturing isn't the only strategic action, so their products were manufactured by contract manufacturers in different countries, while the corporation itself worked on manufacturing the brand image. When that turned out to be a very lucrative business strategy, more and more corporations started to incorporate this kind of business style, while they also had to know what is important to the customers in order to create a good image. Marketing was born in that time period, and it was assigned to research consumers' wants and needs in order to create an image that will be suitable for consumers.

In this article we talk about emotional branding and everything that is needed to create a brand to which consumers will have an emotional attachment to. Results of the research conducted on consumers and their emotional attachment to a brand are at the end of the article.

2. BRAND IDENTITY

A prerequisite to building a strong and successful brand, besides assumed quality, is a brand identity that has to show the value of the brand to consumers in a realistic and reliable way (Kapferer, 2008, p. 183). The brand's identity is realized through elements of the identity and that is everything that is used for identification of the brand and differentiating it from other brands, for example, name, web address, logo, character or a person, jingle, slogan or packaging (Keller, 2013, p. 142). Distinguishing between certain products is possible only because of the brand, that is, associations that consumers use to connect to them. For example, a certain brand (and because of it, the product itself) can be classified as "masculine", "feminine", "children's" or "young adult" even though one cannot say that about the product.

Choosing the elements of the brand is a condition for achieving its visibility through unique and desirable perception and feeling toward it (Vranešević, 2007, p. 41). Most common elements of a brand's identity on which companies put their focus on are: name, logo, characters, slogans, jingles, packaging and color.

Brand name. The brand name is the central brand element, one that can be spoken (Vranešević, 2007, p. 43-44). Assigning a name is a key stage of defining verbal elements for creation of the brand's identity because it represents the first signal of recognizing and knowing the brand which is never neutral, but which has to have an emotional and/or rational meaning, depending on the goals of its choice (Chevalier, Mazzalovo, 2004, p. 29).

Logo. Brand signs enable faster and easier understanding of the culture and personality of the brand, so companies can, only through name and logo (sign, symbol), elicit positive associations, liking and desired perceptions in the consumer who doesn't have experience with what the brand is representing (Vranešević, 2007, p. 51-52).

Characters. Characters as brand elements are also frequently used, mainly by being added to the brand so they can additionally influence the creation of wanted perception of the brand and they are the basis around which campaigns for achieving recognition and remembering the brand revolve (Vranešević, 2007, p. 53).

Slogans. Slogans are sayings that are tied to the brands and they have informative and persuasive meaning. Their main advantage is offering possibilities of larger experimentation and more creative expression. When big recognition of the slogan is achieved, it gains meaning as an efficient reminder of the brand, even in atypical situations where the product is used (Vranešević, 2007, p. 53-54).

Jingles. Jingles are usually written by professional lyricists and they are usually easy to remember and stay in our thoughts even if we do not want them to. They represent musical messages which are tied to the brand. They can be seen as a way of warning, informing and reminding people about the brand in an indirect way by inducing associations which can be transmitted through sound (Keller, 2013, p. 164).

Packaging. A number of brands became so powerful exactly because of the special packaging, for example, Toblerone, Ritter Sport, After Eight, Ferrero Rocher and the like. Packaging, but also the appearance of the final product as a touchable element of the brand identity, has to be harmonious in order to achieve adequate visual brand expression. Packaging elements encompass shape, size, material, sign, text, proportions, visibility and graphic design (Ellwood, 2002, p. 89).

Color. Some packaging designers believe that consumers have a "color dictionary" and that they expect that certain products have a predetermined appearance and color. For example, it would be more difficult to sell milk if it were not packaged in a white or blue carton or bottle (Keller, 2013, p. 166).

3. WHAT IS EMOTIONAL BRANDING?

The concept of emotional branding is complex and hard to define because the limits are not clearly established. The concept of emotions is complex because people behave differently under the influence of emotions. Also, to this day there is still no definitive scientific answer to the question of what emotions are. Nevertheless, one definition says that they are "experiences of our evaluation and subjective relationship toward objects, people, events and our own actions" (Andrilović, Čudina-Obradović, 1994, p. 82). From the aforementioned definition one can see that emotions actually represent the experience of an individual divided in four main groups: objects, people, events and actions of the individual. All four groups are of great importance for marketing and individuals are being influenced through all of them lately. Objects represent the product itself or a service that is sold to the consumer; people represent consumer's environment, referable groups or even a famous person who is a role model; events are referring to various marketing campaigns that are trying to awaken certain feelings, while actions of the individual represent the product purchase itself.

Definition of emotional branding from the aforementioned is self-evident: directing and managing the brand which is focused on consumer engagement on the emotional and sensory levels (Pavlek, 2008, p. 166). In today's world, it is not enough to only offer a good service or product to the consumer, but it is necessary to establish a good relationship and interaction with them in order to elicit emotions, attitudes and desires so they can share them with other people.

Lindstrom (2009, p. 94) says that product marking always relied on establishing emotional connections between the consumer and the brand and emotions are based upon information which is acquired through the senses. Marketing experts used exactly this fact in order to create sensory branding which tries to initiate consumer's relationship with the brand, optimize consumer's impulsive behavior, initiate interest and enable emotional reaction to overcome rational behavior. Because of this, it can be said that emotional branding and sensory or auditory branding are actually synonyms because a sensory stimulus is needed for initiating emotions.

Many authors are talking lately about experiential marketing. While traditional marketing focuses on expected benefit as the carrier of the brand's value, a new approach advocates that consumers should expect that the product, communication and marketing campaign should touch them deeply and trigger their senses, heart and stimulate their brain (Lenderman, 2005, p. 18). This means it is necessary to include the consumer in the process of creating the experience itself because experiences create emotional values that substitute functional ones. Experiences actually emerge when individuals are being exposed to a real situation through which they are going through, which also has a wider social meaning, because the brand connects the company and consumer's lifestyle (Schmitt, 1999, p. 57-59).

Emotional link with the consumers is the main generator of additional value of the brand. We can say that a brand is more valued and appreciated when it has, beside the awareness about it, pronounced differentiation, uniqueness, relevancy, loyalty but also emotional connectivity which doesn't have to affect only the individual but also the culture of the group or an entire nation. Modern brands became part of the culture of society, close to the individual and they are identified more and more by the brand personality that the creators imposed on them (Pavlek, 2008, p. 166).

According to Lindstrom (2009, p. 97-98), emotional branding adds four important dimensions to the brand:

- emotional connection which is closely connected with consumer's loyalty and which will be described in detail in next chapter,
- optimal harmonization between perception and reality where the aim is for reality to surpass perception,
- creating a platform for the brand which enables the spread of the product, which means it is necessary to establish an emotional connection between various products through sensory tactile areas that are consistently repeated in each new category of products of the same brand,
- signature sign which means that every aspect of the sensory attraction of the brand can be protected – shape, smell, sound, texture, taste and so on.

4. FIVE-DIMENSIONAL MODEL

Until recently, company's communication with consumers through products or the brand was limited to a two-dimensional model, which consisted of sight and hearing with occasional ability to test a certain perfume with smell. However, if the company wants to reach the consumer better, it needs a transition from a two-dimensional model to a five-dimensional one that encompasses all five senses – sight, hearing, smell, taste and smell, which is not an easy assignment because it is necessary to research each sensory possibility with the goal of improving the product, and establishing a stronger and more solid connection between the consumer and the brand (Lindstrom, 2009, p. 54).

Experiencing the brand through the sense of sight. Maven (2009, p. 54) says how sight is actually "the most powerful sense which has an influence that prevails in the entirety of an experience", through which we receive images and create ideas in our head, based on which we make or add to estimations and choices of action. Sight has an advantage in branding because of the realization that shapes and colors affect attraction and recognizability. Information received through sight can be transferred and processed quickly which allows the consumer to react promptly, even faster than when thinking consciously. That is why visual information has an advantage and why color, besides name, is added into the signature sign (Pavlek, 2008, p. 179).

Brand experience through the sense of hearing. Sound is used for creating mood and atmosphere that can elicit positive and negative reactions. Concepts of hearing and listening are clearly distinct in communication. Sound can be heard, but listening represents a gift through which understanding for people is gained and where loyal and respectful relationships are created. Sound can be heard, but it can also be ignored (for example, traffic noise when we are inside). Listening is actually discerning what is important and what is not, which is of great importance in marketing where we strive to reach into the soul, into the basis of motives and decisions that are not always clear, that are not only based on the rational and conscious but also on the emotional, which comes from the subconscious (Pavlek, 2008, p. 186-188).

Brand experience through touch. The best known example that illustrates creating a brand's identity through touch is advertisement of the Coca Cola Company. The design of the Coca Cola bottle came into existence in 1915 when campaign president A. Candler said the famous sentence: "we need a bottle that will be instantly recognizable, even by touching it in the dark". Touching the brand or the product is largely connected to perceivable quality that consumers assign to certain products. Consumers are in general inclined to touch the merchandise in all stores. They like to touch leather purses, fabric, suits, cosmetics, food, furniture and everything else. Nobody likes to shop blindly because most consumers try to justify their purchase and convince themselves that they chose a good product.

Brand experience through taste. A well-known example is IKEA where they offer meals alongside their varied assortment, while a chain of American bookstores Barnes and Noble also offers coffee, hot-dogs and similar products. These companies realized that if the customer spends a greater deal of time in the store, he deserves to sit down and relax with a meal, coffee or cake. This way, consumers are staying in the store longer and they are being persuaded to come back. Most of the companies, besides those that produce food and drinks, have a hard time including taste in their brands. Besides the aforementioned non-food companies, Colgate is one of the companies that uses taste by patenting a characteristic taste for their toothpastes, but unfortunately, they did not transfer that taste to their other products, like their dental floss, and with that, they did not maintain right coherence of the company (Lindstrom, 2009, p. 34).

Brand experience through smell. Smell is also a very important characteristic of a product, it can induce a pleasant or an unpleasant feeling. M. Gobe (Pavlek, 2008, p. 193) claims that according to the results of research, smell elicits our emotions stronger than all the other senses. If we go from the assumption that most decisions are taken emotionally, then it is understandable why an atmosphere is attempted to be created in stores where a particular aroma dominates, because it creates a pleasant feeling, elicits positive associations and encourages shopping. Smell is one of the powerful drivers of human action because certain smells awaken strong associative processes. Perceptions of smell are stored in long term memory and they represent a filter for decoding new situations and help in recognizing serious or everyday situations (Maven, 2009, p. 42-43). Hence, smell is a sense that we cannot avoid. We can close our eyes, plug our ears, but we cannot not breathe. In a world where visual effects are becoming more pronounced and aggressive, companies see the escape from consumers' ignoring of the visual because of overstimulation in smell, which is used more and more. Ideal example of this are almost all store chains that are introducing their own bakeries inside their stores lately, in order to influence consumers to buy bread, but also so they can feel more comfortable during shopping and while being in the store.

Sensory integration. Emotional connection of the brands gives value by which it differentiates from products that have the same physical quality and structure. That is why, possibilities that senses give have to be used in order to create that connection and a positive relationship between the consumer and the brand. When we take synergy into account, in other words, provoking one sense on the perception of the other, it is good to have in mind that it is necessary to go toward optimal structure that leads to stronger actions (Pavlek, 2008, p. 194-195).

5. BRAND AS A LIFESTYLE

Cult brands and icon brands that represent a lifestyle of an individual can be sorted under the experiential branding framework. We have for example, Gucci, Gillette, Mercedes, Barbie, Starbucks and even Oprah Winfrey and Madonna. Since we are discussing social phenomena here, movements of entire groups, the phenomenon can be observed as a sociologic occurrence that represents a new dimension where it is a key of communication between consumers and the brand. In contrast to classical brands that build their emotional connections inside a framework of predetermined processes, essence, category and their identity on associations they invoke, cult brands and icon brands have an even stronger reliance on emotional lives of people and communities. Aforementioned connections are not based on a rational or analytical approach, but on self-confirmation, identity and beliefs. Pavlek (2008, p. 207) states that the basic distinction between an icon brand and a cult brand is the degree of exclusivity because the cult expects adherence to strict rules of the brotherhood, military organization or personalities who are asking for submission in the name of an idea or their own cult. Brand as a cult has its own smaller niche of impassioned fans who are exclusively focused on that brand and are very emotionally connected to it. On the other hand, icon brand offers the consumers value and in the center of attention puts ideas with which a certain group feels unity with and in which they find themselves. Icon brand has mass recognition, is led by unique emotional connections and belief, and the consumer identifies with it because the brand "gets" him. This kind of brand tells a story which becomes a part of consumer's identity, but it also creates new experiences.

6. BRAND AS A RELIGION

For some consumers, a certain brand represents passion toward which they feel trust and loyalty, to the extent where that passion can be equated with religious fanaticism, that is above all, based on deep seated beliefs. To a large percentage of people, religion offers support in a world that changes with unthinkable speed. It shows how to live, which way to take toward the future and even promises security after death. Brand creators are constantly trying to reach authenticity and create a connection with their consumers that will last from birth to death. By its own longevity, religion brings about an authentic, loyal and lifelong connection with its followers, and similarly, companies are trying to create brands that will last "forever" (Lindstrom, 2009, p. 145-148). Brand as a religion actually becomes a collection of ideas and values, which certain groups in the society believe are important to them, through which they are trying to express themselves and affirm their identity with it. In so doing, the brand that strives to become a religion has its own story that is a powerful weapon in communication (Pavlek, 2008, p. 209-216).

People are always in search for emotional fulfilment, and given that rational evidence and thinking, but also measurable outcomes are distinctly emphasized in today's world, the need for an emotional connection grows even stronger. Lately, we can see an ever increasing chasm between rational assumptions of modern brands and the need for products, services and beliefs to offer emotional satisfaction. This necessity fulfills religion in the right way and so the brands should strive to establish stronger and not overly intrusive emotional connections with consumers (Lindstrom, 2009, p. 149).

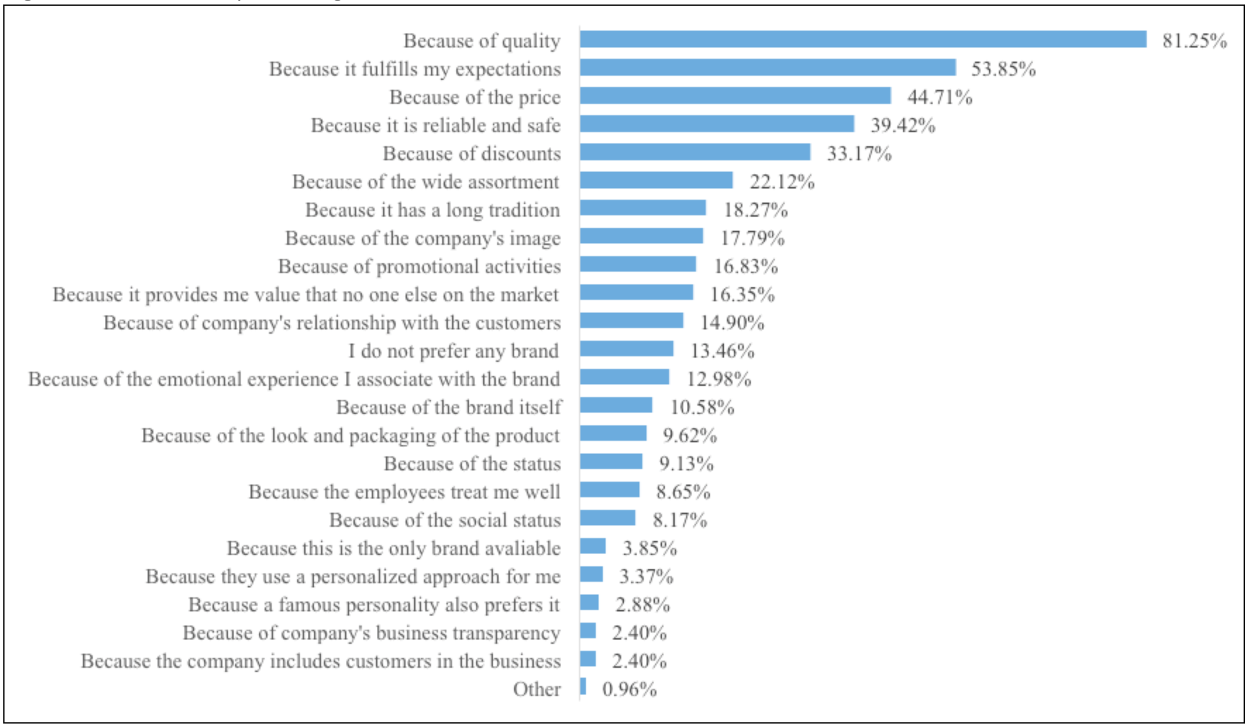
7. RESEARCH

The main problem of this study is to research the emotional connection between consumer and a brand. This problem is recognized due to an assumption that the appearance of the current economic crisis caused its fall. Consumers more often choose products within a lower price range, regardless of the brand or quality and that is why it is important to research if (and to what extent) consumers get attached to a certain brand. With this we arrive at the goals of the study, and they are: to discover the level of emotional attachment between the consumer and the brand and to detect potential reasons for emotional connection.

For the purposes of the paper a descriptive quantitative survey was conducted on an adequate sample which results were shown collectively. Based on collected secondary data, a survey questionnaire was created that served as an instrument of primary data collection. In it there were, besides demographic questions, 28 claims in which the participant's decided to what degree they agree with given claims through a Likert-type scale from 1 to 5 where 1 represented complete disagreement and 5 complete agreement with the claim. Besides the claims tied to testing emotional connections of the consumer with the brand, questions were asked about reasons for preferring a certain brand, which brand comes to the participant's mind first and to which one does he feel most emotionally attached to. At the question that tests preference of a certain brand, the participant could choose one or more offered reasons, mark that he doesn't prefer a certain brand or refer to his own reason of preference. In questions where concrete brands are supposed to be written, the consumer received no suggestions and he independently wrote an answer in the appropriate box. The survey questionnaire was created in the survey system Lime Survey Software (available at http://limesurvey.srce.hr) to which access is enabled at the Faculty of Organization and Informatics of University of Zagreb. A pre-study was conducted for the purpose of testing the survey questionnaire as a measuring instrument. Its main goal was to find any vagueness in the survey, ambiguous questions and defining necessary time for filling out the survey. Data analysis gathered through primary research was conducted in the statistical tool IBM SPSS Statistics version 24. The survey was conducted through internet by sending it to e-mail and through a social network post. The survey was sent on two occasions. Given that the population of the research encompassed all consumers of the region without exception, number of population units could not be determined and so the method of intentional sampling was applied for data acquiring on an adequate sample of 208 participants. That way, research was conducted on those participants who were available to the authors in certain time which makes an intentional, adequate sample. Out of the total number of participants, 58% are female and 42% are male. Given that participants who were available to the authors were mostly of younger ages, most of the participants, namely 43% are participants ranging from 15 to 24 years of age, 29% of the participants are between 25 to 34 years of age, 15% between ages 35 and 44, 12% between ages 45 and 54 and 1% are between 55 and 64 years of age.

Investigating reasons for preferring a certain brand, participants (81% of them) gave as the main reason for preference quality of the product or service, in other words, the brand. Right behind the brand quality 54% of participants said that the brand fulfills their expectations while the third reason for preference is the price of the brand (45% participants). Furthermore, reasons for which more than 20% of participants says are important are a reliable and safe brand, brand on sale and brand that offers a wide assortment. Overview of all the reasons for preferring a certain brand are on figure 1.

Figure 1. Reasons for preferring certain brands



Source: Authors

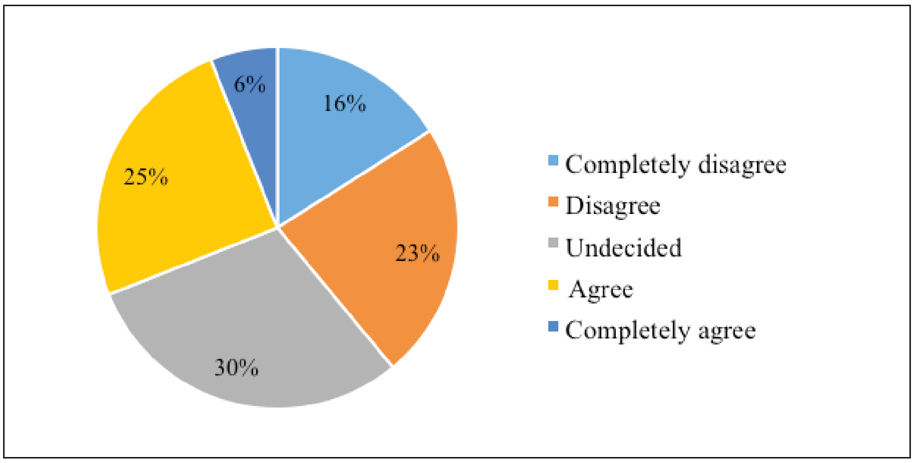
Also, from figure 1 it can be seen how company's business transparency, including consumers into business, but also preferring a brand from a famous personality have a weak influence on consumer's brand preference.

Two hypotheses were set up within the research, one of them being:

H1: Consumers are emotionally attached to a certain brand.

With the claim "I have a brand that I connect to emotionally" through which the proposed hypothesis was observed, 31% of participants agree or completely agree that they have a brand that they connect to emotionally, 30% are undecided while 39% of participants disagree or completely disagree, which means that the hypothesis H1 cannot be accepted. Same can be seen if the mean value for this claim is observed, which is 2,83 based on which it can be established that the participants are on average undecided. Detailed percentages can be found on figure 2.

Figure 2. Participants' answers to the claim "I have a brand that I connect to emotionally"



Source: Authors

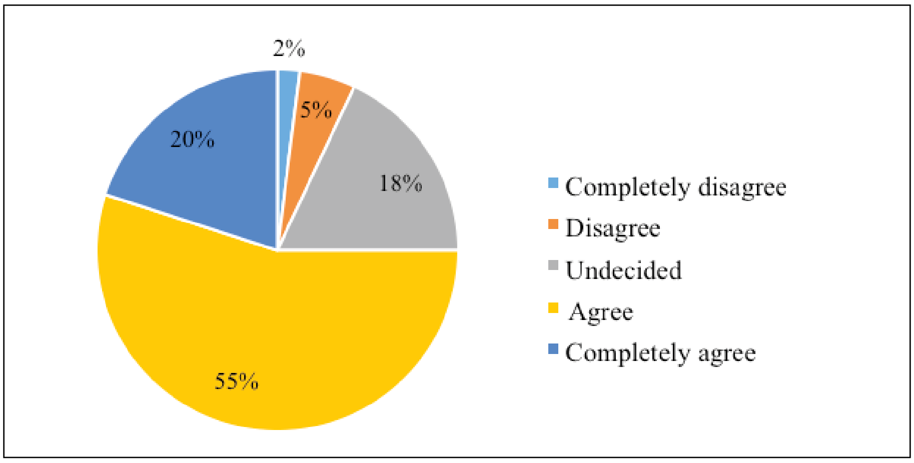
Even though the hypothesis cannot be confirmed, it does not mean that consumers do not get emotionally attached to a certain brand, but only that they do not admit it explicitly. Namely, according to other survey questions 69% of the participants claims they have a brand they trust, 72% of them feel good when they buy a brand they trust, 75% of them are linked to the brand by some positive experience and 70% of participants believe that a certain brand gives them satisfaction when they consume it, wear it or have it near them. According to theory analysis and research results, it can be concluded that the participants attach emotionally to certain brands anyway, just that this connection is not very pronounced nor is it overly strong which the results of the research themselves show. 22% of participants can express themselves well through a certain brand while 31% of them feel good after buying a brand product that has a good status in society. Only 8% of participants feel as if they are betraying their preferred brand when they are buying a brand they do not usually buy, and 12% of them claim that a certain brand represents an integral part of their lives. Previously mentioned suggests that to participants, a brand does not represent a lifestyle nor do they think it is a religion, but they have certain preferences toward certain brands they trust anyway.

Second hypothesis in the paper was:

H2: Consumers always buy/consume brands with which they have had positive experiences.

According to answers to the claim "I always buy brands with which I have had positive experiences" it can be seen that 75% of participants always buy brands with which they have had positive experiences, 18% of participants are undecided about the abovementioned claim and only 7% disagree with the claim (figure 3). Given that the mean value is 3, 87, hypothesis H3 can be accepted as true. Therefore, most of the consumers will buy a product again if they had a positive experience with it. This is exactly on what emotional branding is based – on evoking pleasure and excitement in the consumer. Pleasure can be created by stimulating all those senses which will prompt the consumers for a repeat purchase, and with time, the repeat purchase will bring loyalty.

Figure 3. Participants' answers to the claim "I always buy brands with which I have had positive experiences"



Source: Authors

Most common answer to the survey question "which brand can you think of first" was Nike, which 53 participants provided, followed by Adidas on the second place with 31 vote. Furthermore, to the question "I feel the most connected with" 28 participants finished the sentence with Nike brand, 19 of them with Adidas brand while 23 of them said they do not feel attached to any brand.

8. STUDY LIMITATIONS

As in most research studies, it is necessary to point out certain limitations of this study. Seeing that this study, like most marketing studies, has been conducted in a given moment and sample, testing the consumers during longer time period and on a bigger sample group would contribute to a better reliability of results. It is also important to mention the narrow regional characteristic of the study because it was conducted on participants of north-east Croatia and larger geographic area could give different results. Beside that, over 43% of participants are in the age group 15 to 24 years of age and only 1% in the 55 to 64 age group because of (un)availability of participants to the authors which makes the sample predominantly homogeneous. The application of a rating scale (a Likert-type scale) can be considered as a factor of limitation while conducting this study because rating scales can influence the results of the study to a certain degree in the beginning. As it was mentioned before, one of the main limitations of this quantitative study is that while conducting the study over the Internet, an adequate sample was used, in other words, a sample of a chain reaction as a type of intentional sample where participants "choose themselves" into the sample. Since a single place where a list of consumers is published does not exist, that was the most suitable method for getting to the desired number of participants. But because of the intentional sample which is not based on knowing the probability that members of the population would be chosen into the sample, it is necessary to limit the possibility of generalizing and it cannot be claimed that the study results are representative of the entire population of consumers.

CONCLUSION

Modern companies understand the importance of creating brands which will excite the consumer on all levels and recently, the focus has been more and more on the emotional level. Creating an emotional connection with consumers is a long-term process that demands a lot of engagement from companies and marketing experts in order to enter the philosophy and psychology of consumers and to discover their hidden needs through various studies.

Studies that are based on testing the consumers are very thankless because the consumers give subjective answers and can say untruths even though the studies are conducted anonymously. And so it happened that in this study, the hypothesis that consumers get emotionally attached to a certain brand cannot be confirmed. From these results it can be seen that the consumers themselves are often not even aware of their emotional attachment with a certain brand or they deny it. That is why a whole sequence of claims was set up in the survey questionnaire, based on which various levels of emotional attachment were tested and from these claims, it was possible to conclude that consumers do get emotionally attached to a certain brand, even though they do not claim this explicitly. In fact, the study has shown that 72% of participants feel good when they buy a brand they trust and 70% believe that a certain brand provides them satisfaction when they consume it, wear it or have it near them. Providing satisfaction while consuming or wearing a certain brand means that the consumers experienced a certain experience with the brand by gathering information from their surroundings through their five senses from which emotions like appreciation, love and attraction resulted. Emotionally charged experiences create an experience that is stored in the memory and which they want to invoke through repeat purchase. This is exactly the main purpose of emotional branding which is what we wanted to demonstrate with this paper.

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CORRELATION BETWEEN THE TOOLS AND DEVELOPMENT PROCESS AND THE PRODUCTION PROCESS IN SMEs

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ABSTRACT

In the course of this study, we focused on validating assumptions on the correlation between the tools and development process and the production process in SMEs (small and medium-sized enterprises). The correlation of both processes is determined using select indicators.

On the basis of work experience in the field of quality assurance, we notice that outputs from the tools and development process often do not generate satisfactory results in the production process. This phenomenon is first observed in the production process and later in customer satisfaction feedback. The consequences of failing to achieve satisfactory results may ultimately cost an enterprise the loss of a customer and/or loss of income. During the course of this research, we have also determined that investing effort and knowledge into the tools and development process signifies valuable reimbursement for the enterprise. The correlation between both processes was determined using statistical methods.

The result of the research confirms assumptions on there being a strong correlation between both processes and provides a list of suggestions for improvements that either directly or indirectly affect the select indicators.

KEY WORDS: process, production process, tools and development process.

1. INTRODUCTION

Markets demand excellent products at an affordable price in addition to good functionality, durability and attractive design. Existing literature emphasizes the importance of introducing new products on the market for the purpose of achieving business success, contributing to company growth and impacting on profit and its role as the key factor in the development and expansion of enterprises (Booz, Allen and Hamilton, 1982; Urban and Hauser, 1993; Cooper, 2001; Ulrich and Eppinger, 2011).

For small and medium sized enterprises (SMEs), the procedure for the tools and development process is in practice poorly described, while available resources fail to provide sufficient guidance on how development processes within these companies should even be formulated. There is also limited information on how SMEs can successfully strategize and market new products. SMEs are limited in their expertise, abilities and resources (Van Zyl, 2008, Roblek, 2012). The significance of conducting research in this area is supported by Eurostat data on structural business statistics, which indicates that SMEs account for 99.8% of all companies registered in the EU, with new product development being a key process within these companies.

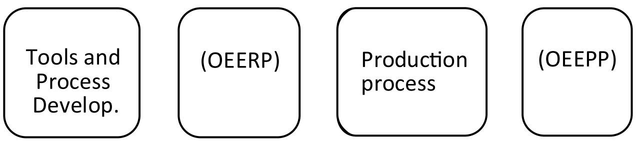
Several problems related to the evaluation of NPD projects may be identified such as there being a wide variety of theoretical methods for evaluating these types of projects (Mankin, 2007; Thamhain, 2014). In carrying out this research, we have selected a quantitative method that we were unable to detect in any previous research.

The output of the tools and development process represents direct input for the production process, or in our case, for the serial production of thermoplastics processing. Output of the tools and development process includes: developed and manufactured tools, established production, technological and control documentation and qualified personnel. In addition to these results, the tools and development process also produces other output such as: an established list of required criteria and measuring devices, a selection of appropriate material suppliers, manufactured sample pieces and machinery, preparations and devices that shape the technologically complete whole. Together, both processes form the entire course of activities which, on the basis of inputs into the tools and development process and through the thermoplastics processing production process, lead to output that has final value for the customer.

During this course of this study, we have focused on determining the correlation of both processes using indicators for the tools and development process and indicators for the thermoplastics processing production process. We have analysed the current state of operations and proposed measures for improving both processes. The indicator we selected to measure the effectiveness of process development is OEE (Overall Equipment Effectiveness) of the zero series, which is the product of three variables: utilization of facilities/equipment, utilization of time and quality of products manufactured in the zero series. This indicator determines the degree of effectiveness of the tools and development process and is hereafter referred to as OEERP . The indicators selected for the production process are the following: OEE of the serial production of thermoplastics processing.

The conceptual design of the study is schematically depicted in Figure 1. The outline is illustrated by four elements. The first element represents the procedural step – tools and process development according to APQP methodology (Advanced Product Quality Planning). The second element represents the results obtained from the development indicators – for the purpose of this study, OEERP. The third element represents the process of the production of thermoplastic injection moulding. The fourth element presents indicators of the production process of thermoplastics injection moulding. Using indicators presented in the second and fourth elements, we measured the correlation between the development process and production process indicators, or the indirect correlation of both processes. The correlation of variables specified in elements two and four were calculated.

Figure 1. Research Concept



On the basis of the problem observed in a real environment and upon reviewing the findings of previous studies, we formulated the following research question:

How strong is the correlation between the selected indicators of the development process and the selected indicators of the production process in small and medium-sized enterprises?

Indicators of the production process were monitored on the basis of internal monitoring using the production information system.

2. METHODOLOGY

The following statistical methods were used in the course of this study:

The normalcy of data distribution was verified using the Kolmogorov-Smirnov test. On the basis of the normalcy of data distribution, the Pearson and Spearman coefficient correlations were calculated. We also provided the coefficients and constants of the regression equation.

In the first step, we identified the research problem and hypothesis, or formulated the research question. This was followed by a study of domestic and foreign literature related to the field in question. We then studied appropriate methods to either confirm or reject the hypothesis of research question. On the basis of the selected methodology, we prepared the research plan and collected and prepared data for carrying out statistical analyses. This was followed by processing and evaluating data and finally, by an analysis of results, inference and explaining phenomena and a study of correlations. We then provided an evaluation on whether the research question, or hypothesis, may be confirmed. Finally, an attempt was made to provide explanations as well as a summary of the research with recommendations for further study.

3. RESULTS

154 completed projects that had already been transferred to regular serial production were examined in the course of this study. This analysis was carried out using statistical tool SPSS 20. The range of the selected indicators is listed in the following table.

Table 1. Range of the selected indicators of the population

Indicator	Type of Variable	Range
OEERP	Independent	0-50%; poor project 50-80%; moderately good project 80-200% very good project
OEEPP	Dependent	0-50%; poor project 50-80%; moderatley good project 80-200% very good project
Availability	Dependent	0-50%; poor project 50-80%; moderately good project 80-200% very good project
Quality	Dependent	0-50%; poor project 50-80%; moderately good project 80-200% very good project
Productivity	Dependent	0-50%; poor project 50-80%; moderately good project 80-200% very good project

Projects whose data deviated by over 200% from the mean were then excluded from the total population of 154 completed projects.

The projects were divided into four groups. These groups differ from one another by a different "degree of success" of individual projects.

Group 1 includes projects that differ least by range (up to 50%) between the overall efficiency of the development and production phases. Of a group of 71 completed projects, 15 fit this criteria, so that approximately 21% of the projects are of this type. Statistical data is provided in the table below:

Table 2. Statistical data of selected sample Group 1

		OEERP	OEEPP
Total size	Valid	15	15
	Missing	0	0
Mean value		99.3333	121.1453
Std. deviation		35.10325	39.45340
Minimum		17.00	22.42
Maximum		142.00	172.00

From the table, it is evident that results reached an average of 99.33% in OEERP and an average of 121.15% in OEEPP. An analysis of the correlation was then carried out.

Table 3. Spearman's correlation coefficient for selected sample Group 1

			OEERP	OEEPP
Spearman's rho	OEERP	Correlation coefficient	1.000	.786**
		Sig. (2-tailed)	.	.001
		N	15	15
	OEEPP	Correlation coefficient	.786**	1.000
		Sig. (2-tailed)	.001	.
		N	15	15

Because this sample included only 15 projects, the Spearman correlation coefficient was used to verify the correlation. The results indicate that there is a statistically significant ($p < 0.05$) high positive correlation between the OEERP and OEEPP variables. This means that by increasing the overall efficiency of the development processes using OEERP, the overall efficiency of the OEEPP regular series production process rises.

Group 2 consisted of 29 cases. The difference between OEERP and OEEPP ranged between 50-100%. These projects represent the greatest number of cases. It is typical of these projects to have achieved poorer results in the development phase, so that overall efficiency is lower than that of Group 1 but overall efficiency in the production phase is higher. Statistical data is provided in the table below.

Table 4. Statistical data of selected sample Group 2

		OEERP	OEEPP
Total size	Valid	29	29
	Missing	0	0
Mean value			145.6324
Std. deviation			18.98529
Minimum			91.00
Maximum			183.34

From the table, it is evident that values reached an average of 68.97% in OEERP and an average of 145.63% in OEEPP.

Table 5. Spearman's correlation coefficient for selected sample Group 2

			OEERP	OEEPP
Spearman's rho	OEERP	Correlation coefficient	1.000	.718**
		Sig. (2-tailed)	.	.000
		N	29	29
	OEEPP	Correlation coefficient	.718**	1.000
		Sig. (2-tailed)	.000	.
		N	29	29

Because only 29 projects were included in this sample, the Spearman correlation coefficient was used to verify the correlation. Results indicate that there is a statistically significant ($p < 0.05$) high positive correlation between the OEERP and OEEPP variables. This means that increasing the efficiency of development processes through OEERP raises the efficiency of the OEEPP regular serial production process.

Group 3 includes projects where the difference among them is even greater than among those in the first two groups. These types of development projects are even less successful in the development phase but demonstrate good results in the regular serial production phase. The table below depicts the following statistical data:

Table 6. Spearman's correlation coefficient for selected sample Group 3

			OEERP	OEEPP
Spearman's rho	OEERP	Correlation coefficient	1.000	.276
		Sig. (2-tailed)	.	.226
		N	21	21
	OEEPP	Correlation coefficient	.276	1.000
		Sig. (2-tailed)	.226	.
		N	21	21

From the table, it is evident that projects reached an average of 33.10% in OEERP and an average of 153.00% in OEEPP.

The results of the correlation analysis are as follows:

Table 7. Spearman's correlation coefficient for selected sample Group 3

			OEERP	OEEPP
Spearman's rho	OEERP	Correlation coefficient	1.000	.276
		Sig. (2-tailed)	.	.226
		N	21	21
	OEEPP	Correlation coefficient	.276	1.000
		Sig. (2-tailed)	.226	.
		N	21	21

Because this sample included only 21 projects, the Spearman correlation coefficient was used to verify the correlation. The results indicate that there is a statistically insignificant ($p > 0.05$) medium-high positive correlation between the OEERP and OEEPP variables. This means that increasing the efficiency of OEERP raises the efficiency of OEEPP but because the correlation is not statistically significant, it is not necessarily true that the same correlation would be observed in another group. These projects represent the worst possible types of projects because they indicate that the process has been developed very poorly and that it was optimized only during the serial production phase.

Runs that achieve a value of less than 50% OEERP in the development phase require many upgrades and development measures in the production phase in order to achieve an adequate level of development.

Group 4 includes projects that demonstrated the best results in the development phase but achieved worse results in serial production. These projects are fewest in number.

Table 8. Statistical data for selected sample Group 4

		OEERP	OEEPP
Total size	Valid	6	6
	Missing	0	0
Mean value		114.8333	104.1667
Std. deviation		37.08054	33.25908
Minimum		60.00	59.00
Maximum		159.00	137.00

From the table, it is evident that projects reached an average of 114.83 in OEERP and an average of 104.17 in OEEPP.

Table 9. Spearman correlation coefficient for selected sample Group 4

			OEERP	OEEPP
Spearman's rho	OEERP	Correlation coefficient	1.000	.928**
		Sig. (2-tailed)	.	.008
		N	6	6
	OEEPP	Correlation coefficient	.928**	1.000
		Sig. (2-tailed)	.008	.
		N	6	6

Because the sample included only 6 projects, the Spearman correlation coefficient was used to verify the correlation. The results indicate that there is a statistically significant ($p < 0.05$) high positive correlation between the OEERP and OEEPP variables.

Comparative Study

The purpose of the comparative study was to determine the correlation between the select indicators of the Phase RP development process and the indicators of the Phase PP production process. According to our estimates, the development process should significantly affect the efficiency of the regular serial production process.

The development process in this case comprises measuring the shape of the workpiece, analysing optimal utilization and associated calculations and preparing the method of processing.

The production phase comprises preparation, sawing logs into various assortments of wood, stacking and packaging.

According to empirical estimates, the development process should significantly affect the efficiency of the entire regular series production and should, in particular, increase yield and reduce the amount of waste. To perform the analysis, we selected an accuracy rating on a scale of up to 100% for the development process. The proportion of the accuracy of the estimates of the listed activities in the development phase is considered as an independent variable.

For the production process, we selected the yield of a cubic metre of a certain type of wood assortment. Yield means the amount of the product as depending on the entire volume of the work piece.

Efficiency (yield) is measured in percentage. 152 completed projects were analysed. These represent the entire population. The analysis was carried out using statistical tool SPSS 20. The range of the selected indicators are listed in the table below.

Table 10. Range of selected indicators of the comparative study

Indicator	Type of Variable	Range
Phase RP	Independent	100-50% poor grade 51-80% moderate 81-100% excellent
Phase PP	Dependent	1-50% poor efficiency 51-80% moderate efficiency 81-100% excellent efficiency

A representative sample was prepared on the basis of assessing actual efficiency and computational efficiency. From the population we thus selected 32 projects. Following is some statistical data of the selected sample.

Table 11. Statistical data of the comparative research study sampling

	N	Minimum	Maximum	Middle range	Std.deviation
PhaseRP	32	72.00	83.00	77.5000	3.81846
PhasePP	32	78.00	83.00	80.6875	1.71215
N	32				

We then carried out verification of the normalcy of the data distribution. On the basis of the obtained results, it may be concluded that the distribution of both variables is normal. The table below lists statistical data on verification of the normalcy of the distribution.

Table 12. Verification of the normalcy of the distribution of the selected sample

	Kolmogorov-Smirnova			Shapiro-Wilk		
		df	Sig.		df	Sig.
PhaseRP	.181	32	.009	.891	32	.004
PhasePP	.157	32	.045	.888	32	.003

The correlation analysis was carried out using the Pearson correlation coefficient. The results indicate that the correlation between the estimates derived in the development phase and the final efficiency is very strong.

The results are listed in the table below.

Table 13. Pearson correlation coefficient of the comparative study

		Phase RP	Phase PP
Phase RP	Pearson corr. coeff.	1	.893**
	Sig. (2-tailed)		.000
	N	32	32
Phase PP	Pearson corr. coeff.	.893**	1
	Sig. (2-tailed)	.000	
	N	32	32

The regression model is good. The regression relationship explains 79.8% of the variance in the production process (the coefficient of determination is therefore 0.798).

Table 14. Regression model of the comparative study

Model	R	R squared	Adj. R squared	Standard deviation
1	.893a	.798	.791	.78305

If noting the regression line equation:

Phase PP = 49.653 + 0.400·Phase RP

From the data, we evaluate that if the assessment of efficiency in the development process, therefore, the indicator Phase RP, increases by 1, then the overall efficiency of the production process increases by 0.400.

Table 15. Coefficients and constant regression model of the comparative study

Model		Unstd. Coefficient		Std. coefficient	t	Sig.
		B	Std. error	Beta		
1	(Constant)	49.653	2.858		17.375	.000
	PhaseRP	.400	.037	.893	10.872	.000

On the basis of the obtained results, we have confirmed the hypothesis that the quality of execution of the development phase impacts on the output of the production process.

4. DISCUSSION

Using statistical analysis, we have determined that there is a statistically high positive correlation between the OEERP and OEEPP variables within the select group of projects. The partial correlation among variables was statistically insignificant only in the group that displays very poor results in the development phase but even this correlation was medium-high positive. The results therefore indicate that an effective development process expressed through OEERP raises the selected indicator OEEPP of the regular serial production process. We performed a comparative analysis of companies that are in no way associated with branch 22.290 and determined that the results are similar, so it may be concluded that there is a strong statistical correlation of success between the development and production phases.

We are determining that there are currently no studies available which examine the direct impact of the tools and development process on the production process using an indicator such as OEE. Most frequently used are financial methods that are popular when project evaluation requires economic justification. By generating numeric measurements, their results are easily comparable and thus enable the ranking of projects (Thamhain, 2014). However, this is not the only method of measurement. Akhilesh (2014) groups a number of general factors for evaluating research project proposals into seven categories: (1) technical factors, (2) research direction and balance, (3) marketability factors, (4) production factors; (5) financial factors; (6) timing of research and (7) other factors.

Further studies could extend this research to a greater number of enterprises. We anticipate that there are limitations in the types and methods of measuring the success of an individual process. Given that enterprises determine different criteria, it is not feasible to anticipate a singular method of measurement. Research could also be expanded to encompass different activities. It is also possible to study what types of indicators enterprises use in order to measure the effectiveness of a particular process and how they measure the impact between processes. We also recommend conducting research on the ways in which such assessments and measurements are carried out in large enterprises.

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#INSTAFOOD – A FIRST INVESTIGATION OF THE "SOCIAL EATER" ON INSTAGRAM

UDK 004.73:316.77 / JEL D85 ; L66 / ORIGINAL SCIENTIFIC PAPER

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ABSTRACT

The user base of social network sites has grown largely within the last years. Due to the increasing utilization of smartphones and the mobile Internet, users are able to share details of their everyday life independent of time and place. Thereby visual communication becomes particularly popular, reflected by the remarkable growth in social networking platforms such as Instagram. It enables users to modify their mobile photos and videos and afterwards share them with a community. Whereas the Instagram content is mostly dominated by portrayals of users themselves or in company with other people, a considerable part of the shared content appears to be "food"-related.

The current study investigates the extent and the underlying motives of the evolving "social eater"-phenomenon on Instagram as a popular social media platform. Due to the fact that impression management is referred to as one of the central motives of participating in social network sites, it is suggested that motives of "food"-sharing on Instagram are of a self-presentational nature as well. A quantitative survey of 1,847 German Instagram users has been conducted in order to examine the extent of the phenomenon and well as the self-presentational motives underlying the activity of "food"-sharing on Instagram. The results show a considerable appearance of "food" as a social subject and the dominance of identity-related motives. Considering these motives, the research develops communication strategies on how companies in the "food"-sector could present themselves and interact with the "social eater" on Instagram in the best possible way.

KEY WORDS: instagram, food, social eater, social media marketing, impression management.

1. INTRODUCTION: THE PHENOMENON OF THE "SOCIAL EATER"

"Photos and videos have become key social currencies online". That is what Rainie, Brenner and Purcell (2012, S. 1) conclude within their study about the formation and distribution of contents within the internet. The user base of social network sites has grown largely within the last years. Due to the increasing utilization of smartphones and the mobile Internet, users are able to share details of their everyday life independent of time and place. Thereby visual communication becomes particularly popular, reflected by the remarkable growth in social network platforms such as Instagram (Tippelt & Kupferschmitt, 2015, S. 443). The Photo-Sharing-App now comprises more than 500 million active users (Instagram, 2016).

Instagram enables users to modify their mobile photos and videos and afterwards share them with a community. Whereas the Instagram content is mostly dominated by portrayals of users themselves or in company with other people, a considerable part of the shared content appears to be "food"-related. According to an analysis (n=50) of Hu, Manikonda and Kambhampati (2014), 10% of the analyzed Instagram photos show "food" content. Also Coary and Poor (2016, p. 1) speak of an emerging "foodtography mainstream" on Instagram. Nestlé Germany refers to people who share their "food" on Social Media Platforms as "social eaters", stating that in Germany "almost every second person (46%) has already captured a photo of his "food" and shared it online […]" (2016, own translation). In consideration of the above-explained findings, the current study is conducted in order to investigate the phenomenon of the growing group of "social eaters" more deeply. Due to the fact that impression management is referred to as one of the central motives of participating in social network sites, it is suggested that motives of "food"-sharing on Instagram are of a self-presentational nature as well. A quantitative survey of German Instagram "food"-poster has been conducted in order to examine the extent of the phenomenon and the self-presentational motives underlying the activity of "food"-sharing on Instagram.

During the course of this paper, the reader will be introduced to the social network site Instagram in chapter 1. In the first step, the evolution of the mobile photo application as well as its main functions will be described, which is followed by facts and numbers about the user community. Subsequently the theoretical approach of the three motives of impression management identified by Leary and Kowalski (1990) will be elaborated in chapter 2, based on Goffman's (1959) Impression Management Theory and the Theory of Symbolic Self-completion (Wicklund & Gollwitzer, 1981). Chapter 3 presents the research question as well as the methodological approach and sample characteristics of the present study. Chapter 4 is dedicated to portray and discuss the first results of the research with regard to the research question. Based on the specific functions of Instagram introduced in chapter 2 and the theoretical framework elaborated in chapter 3, the last chapter illustrates chances and recommendations that result from the phenomenon for companies of the "food"-sector.

2. INSTAGRAM

Instagram is a mobile application, which enables its users to share photos and videos with their Instagram community, as well as other social network platforms, such as Facebook or Twitter. The photo sharing application was launched in October 2010 and initially only available within Apples store for iPhones. In April 2012, it became available for the Android operating system and within the same year, Facebook acquired it for $ 737 million (Heise online, 2012; Instagram, 2016; Pettauer, 2015).

Photos and videos can either be captured directly within the application or retrieved from the data storage of the corresponding mobile devices. As opposed to other social network sites, Instagram users are able to modify their content with the help of image editing and filter functions, before sharing it online. Furthermore, users can add a location information to their posts as well as a picture caption, which frequently includes so-called "hashtags". Hashtags initially became popular as a key function of the social network platform Twitter and can be defined as key words, sentences or abbreviations that are prefixed with a hash (#), e.g. #instafood. With the help of hashtags, users cannot only highlight certain information within their posts, but also retrieve an overview of all posts within the Instagram community that contain the same hashtag and therefore are likely to be related to a similar topic (Herwig et al., 2009, p. 5; Hu, Manikonda & Kambhampati, 2014, p. 1-2; Landsverk, 2014, p. 316).

Instagram users can follow other users in order to see the contents they share and are therefore referred to as "followers". The Instagram network functions in an asymmetric way. As Hu, Manikonda and Kmabhampati (2014, p. 2) explain: *"[…] if a user A follows B, B need not follow A back".* Users either create a public profile, which can be accessed and followed by any Instagramer or a private profile, where permission to follow is given on request to another user. Users can see the contents shared by the accounts they follow listed within the "newsfeed", the core site of Instagram. They have the possibility to react on a photo or video by marking it with a "like" or using the comments function to place a comment below the picture (Hu, Manikonda & Kambhampati, 2014, p. 2; Pettauer, 2015). Furthermore, Instagram is one of the most popular social networks for so-called "Influencer". Influencer are characterized by a huge amount of follower and therefore impact a wide range of Instagrammer with their content. Although their impact is comparable to that of a celebrity, they are frequently perceived as more authentic, due to their independence and expertise within a certain area (Nguyen, 2016; tobesocial, 2016).

The Instagram community recorded a rapid growth since 2010 and has been more than doubled within the past two years. Over 500 million monthly active users are currently taking 95 million posts and 4.2 billion likes per day (Instagram, 2016). The social network sites do not publish country-specific user data. According to Instagram Manager Levine at the *Digital Life Design Internetkonferenz 2016*, 9 million users are located in Germany (Beer, 2016). Studies show that over two thirds of German Instagram users are in the age between 14 and 29. With respect to this age group, Instagram is the most frequently used social network site after Facebook (Tippelt & Kupferschmitt, 2015, p. 444-446).

Table 1. Worldwide monthly active users of Facebook, Instagram and Twitter

Social network site	Monthly active users (mio.)
Facebook	1,719 (June 2016)
Instagram	500 + (September 2016)
Twitter	313 (September 2016)

Source: Facebook, 2016; Instagram, 2016; Twitter, 2016

3. THEORETICAL APPROACH: THE THREE MOTIVES OF IMPRESSION MANAGEMENT

Researchers agree on the fact that the motives underlying participation in social network sites are mainly of self-presentational nature. The term self-presentation originally refers to Goffman's (1959) Impression Management Theory, which states that individuals targetedly control their interaction with the environment, in order to create a desired impression on an audience. Especially social network sites like Instagram enable a high level of control by offering various profile and interaction functions. While Goffman's audience-centred approach focuses on interpersonal processes, it is also known that – in consciously creating impressions in the form of e.g. a detailed profile of oneself within a social network site – there is a self-reflexive process involved as well. This suggests to consider the Theory of Symbolic Self-Completion by Wicklund and Gollwitzer (1981). According to them, individuals set themselves certain "identity goals" and express self-definitional symbols in order to realize them. Thereby it is required that these self-definitional symbols are recognized by the environment in order to be realized. Instagram and similar network sites facilitate this process, because they enable participants to monitor the recognition by the audience providing their content with a “like” or a positive comment.

Consequently, there is an audience-centered approach of managing impression on the one hand and the individual-centered approach of managing identity on the other hand, which can be related to taking actions on social network sites. Because of the self-reflexive process going along with self-presentation, more recent literature on impression management suggests that the traditional impression management approach should also include the above-explained individual-centered approach (Rüdiger & Schütz, 2016, p. 7). This leads to Leary and Kowalski (1990), who developed a model of impression management that attributes interpersonal *and* intrapersonal motives to the impression management process.

Leary and Kowalski (1990) identify three motives underlying impression management: *Social and material outcomes, self-esteem maintenance* and the *development of identity*. The first motive is considered as interpersonal motive, reflecting the traditional approach of achieving a desired outcome by communicating the right impressions. Additionally, the authors elaborate self-esteem maintenance and the development of identity as further intrapersonal motives of impression management. Individuals can regulate their *self-esteem* in two ways: On the one hand, self-esteem can be strengthened or weakened by the reaction of an audience towards an individual’s self-presentational behavior. Therefore individuals usually are motivated to create a positive impression in order to receive a self-esteem strengthening reaction of their environment. Secondly, self-esteem is also affected by the individual’s own evaluation of the success of its self-presentational behavior. The third motive refers to the process of developing towards identity goals by displaying self-definitional symbols as Wicklund and Gollwitzer (1981) describe it. Because of the abovementioned self-reflexive process that goes along with building impressions Leary and Kowalski (1990) state: “ *[…] people sometimes ‘self-symbolize’, that is, engage in public behaviors that indicate the possession of identity-relevant characteristics”* (1990, p. 38).

Furthermore the authors propose that one impression management action can serve two or all three motives at the same time: *„For example, self-presentational behaviors that obtain rewards from others are often those that raise self-esteem and establish desired identities as well”* (Leary und Kowalski, 1990, p. 38).

4. METHODOLOGICAL APPROACH

With respect to the relevance of investigating the evolving social eater phenomenon on Instagram, the research question underlying this paper will be the following: How can the presence of “food”-related contents on Instagram be described and explained and which chances and courses of action result from the phenomenon for companies of the “food”-sector?

1) How can it be described with regard to its extent?

2) Which motives underlie the activity of “food”-sharing on Instagram?

3) Which chances result from the phenomenon for companies of the “food”-sector with a view to Instagram presentation and interaction with the consumer?

In order to build an appropriate data basis for answering the research question, a cross-sectional study design was selected. The data collection followed by a standardized survey in collaboration with Appinio – a German market research institute. Appinio enables mobile market research with the help of a mobile application. By querying various attributes of users within its panel, Appinio creates so called “consumer profiles”, so that specific target groups (e.g. with the attribute “Instagram user”) are available for research purposes. After the completion of the mobile survey, the raw data can be downloaded in various formats (Appinio, 2016). A mobile phone survey enables participation independent of time and location and directly goes in line with the trend of smartphone use in daily life. Collecting data about behavior and motives of Instagram users with the help of a smartphone application therefore was considered as most suitable.

Out of a basic population of German Instagram users, 1,847 Appinio users with the attribute “Instagram user” have been surveyed. The gender distribution of the sample showed an almost equal amount of male (48.5%) and female (51.5%) participants. More than half of the sample was in the age groups of 14-17 years (29.2%) and 18-24 years (44.5%). With reference to data from the German Federal Statistical Office, the sample is characterized by geographic and demographic representativeness, except for the age distribution (approximately 74% are 14-24 years old), which can be explained due to the young user base of Instagram.

Table 2. Sample overview: Age groups and gender

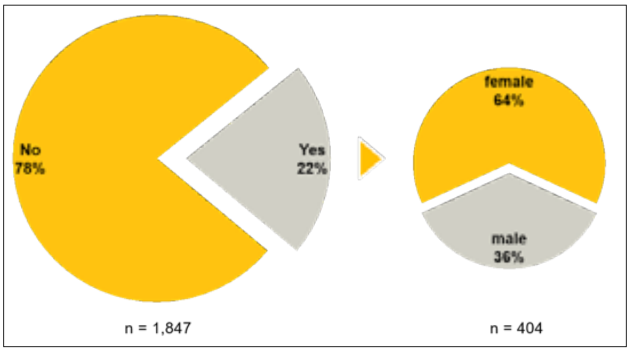
n = 1,847			
Age group/ gender	total	female	male
total	100%	51.5%	48.5%
14-17	29.2%	15.5%	12.7%
18-24	44.5%	42.0%	20.5%
25-29	14.6%	5.9%	8.8%
30+	11.7%	5.2%	6.5%

Source: Own research

5. RESULTS, DISCUSSION AND RECOMMENDATIONS

The following chapter presents the parts of the first findings of the abovementioned study and discusses them with respect to the research question and the theoretical approach outlined in chapter 3. In orientation on the sub questions, chapter 5.1 addresses the extent of the "social eater" phenomenon and the motives of the "social eater". Chapter 5.2 elaborates chances and courses of action for companies of the "food"-sector with regard to the company's own presentation and interaction with the "social eater" on Instagram.

Figure 1. Do you spend time on "food"-related postings on Instagram?



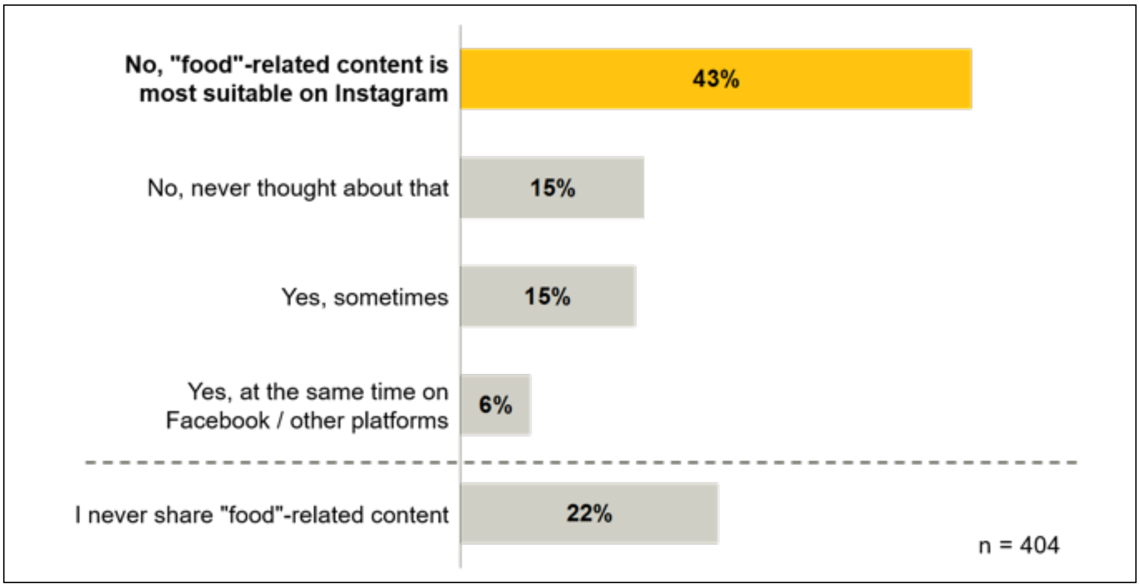
Source: Own research

5.1 The extent of the "social eater" phenomenon and motives of the "social eater"

Of 1,847 participants, 22% spend time on "food"-related content. In comparison to the sample, where males and females were represented equally, a larger group of female "social eaters" (64%) becomes apparent (figure 1).

Furthermore, the participants were asked if they share their "food"-content also on Facebook or within other platforms. But although there is the (technical) possibility to simultaneously share contents on other platforms while sharing them on Instagram, participants consider Instagram as the most suitable platform to share "food"-contents (figure 2).

Figure 2. Do you share your "food"-contents equally with your Facebook friends or within other platforms?

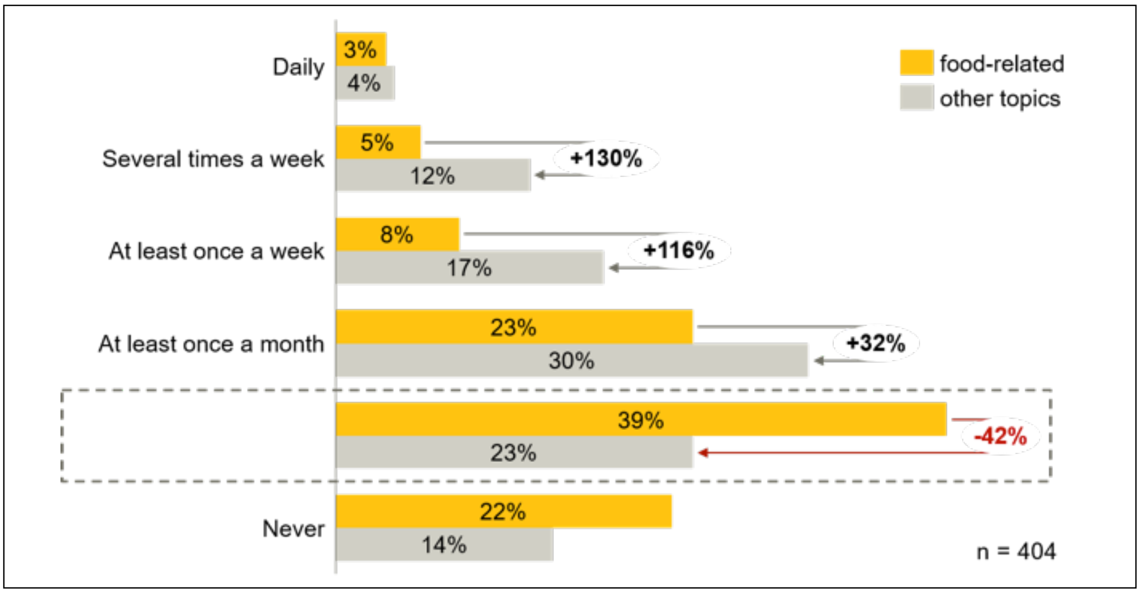


Source: Own research (results rounded)

Even though social eaters mainly use Instagram for sharing "food"-related content, another result regarding the extent of the phenomenon expose something else to consider:

Within the scope of the study, participants were also asked how often they share "food"-related content and how often they share contents on topics that are not "food"-related. When comparing the frequency of "food"-posts and the frequency of posts on topics that are not "food"-related, it becomes apparent that posts concerning other topics are taken even more frequently (figure 3).

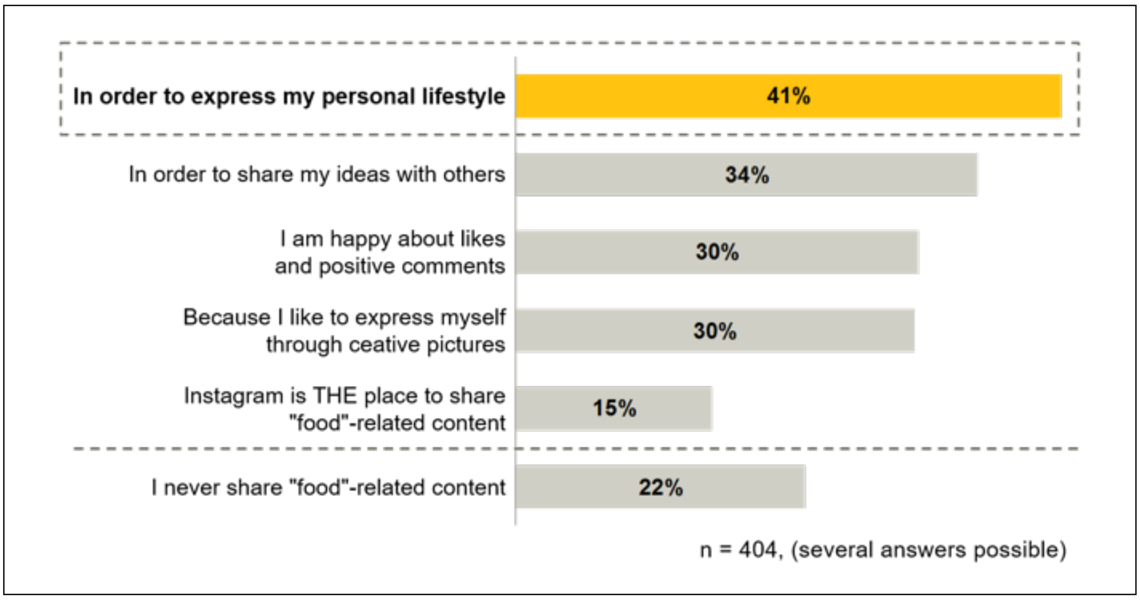
Figure 3. Frequency of "food"-posts in comparison to posts related to other topics



Source: Own research

Participants were also asked for the reason they share "food"-related content on Instagram. The most frequently chosen reasons were to express personal lifestyle and ideas, indicating that rather individual-centered motives underlie the food-posting activity (figure 4).

Figure 4. Why do you share "food"-related content on Instagram?



Source: Own research

With respect to the findings presented above, the sub-questions (1) and (2) of the research question introduced in chapter 4 can be answered in the following manner: The "social eater" phenomenon clearly becomes apparent on Instagram, which – according to the surveyed Instagramer, seems to be the preferred platform in comparison the other social network sites. With regard to the extent of the phenomenon it can be said that posts related to other topics are even taken more frequently, which leads to question the designation of Instagram as a platform for an evolving "foodtography mainstream" (chapter 1), indicating that there is a hype on "food"-related topics. At the first sight, "food"-posts rather seem to occur as a part of the overall posting activity of the Instagrammer. The investigation of the motives of "food"-sharing support these results: In sharing their "food"-consumption, the majority of participants is not motivated by a social reward from the side of the Instagram community (Instagram as THE place to share "food"-related content), but rather by the intrapersonal motives if expressing lifestyle and personal ideas. This suggests that further research should be conducted in order to deep dive into what is happening in the offline context with regard to "food" consumption. Recent studies, for example from Nestlé Germany (Nestlé Zukunftsforum, 2015, p. 21-29) note that especially the younger generation is becoming more conscious of their consumption. A growing responsibility for "food" consumption regarding personal health, but also moral and ethical values is recognized, which leads to "food" consumption becoming more a statement of personal lifestyle. This suggests that "food" is increasingly becoming a part of the identity of a person and could also explain the findings of the present study.

5.2 Recommendations for company presentation and interaction with the "social eater"

It is well known that nowadays' omnipresence of advertisement results in an information overload, which leads to a lack of openness and attention towards advertising on the side of the consumer (Stöckl, 2010, p. 157-160). This also applies to the "food"-industry: With 5,800 businesses (> 20 employees) and 170,000 different products, the "food" sector is the third largest industry in Germany (BVE, 2016). Additionally, the out-of-house market comprises 180,000 businesses (Ingold & Minhoff, 2015). Further results of the present study show that 39% of "food"-interested participants already follow a company of the "food"-sector on Instagram. Only 13.4% stated not to be interested in company contents. Considering these results, Instagram reveals the opportunity for companies to present themselves where openness for company content still exists. Based upon the findings of the present study and the theoretical basis elaborated in chapter 3, the following text will outline the chances and recommendations resulting from the "food"-posting phenomenon for companies of the "food"-sector.

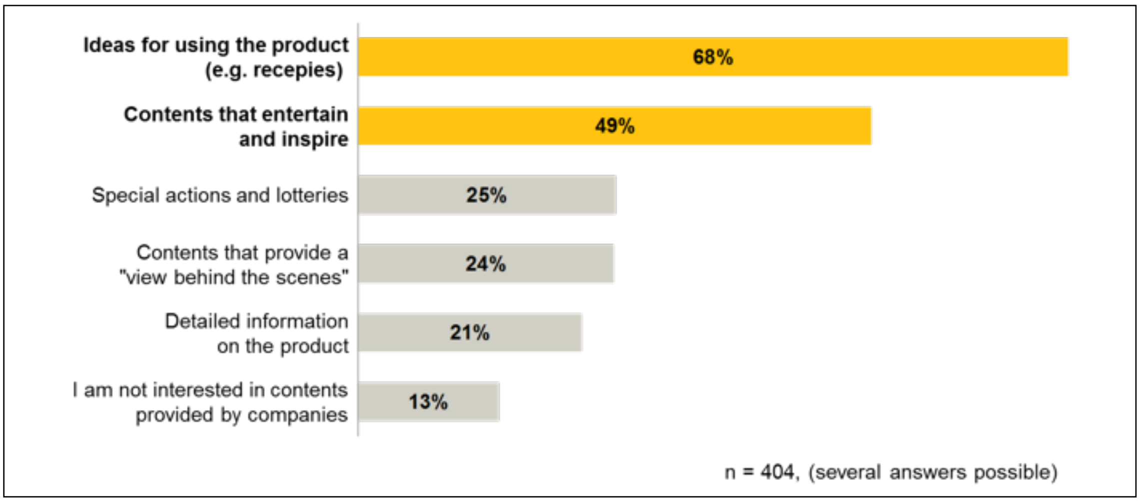
5.2.1 Visual communication

Within the omnipresence of advertisement, pictures are superior, because they enable to scan information more selectively (Stöckl, 2010, p. 169). As previously illustrated in chapter 2, Instagram posts are "restricted" to a simple, uniform design, which facilitates information reception. The visual content is always in the center of the post, which meets the consumers' tiredness of information reception. The more "strenuous", textual information rather plays a subordinate role. Although posts frequently comprise extensive picture captions, consumers can quickly draw conclusions regarding the topic of the post from hashtags, which are highlighted in blue. Thus, for companies of the "food"-sector it is recommended to consider the visual content as the central message. Textual information should have a complementary function and a limited number of thematically related hashtags should be used.

5.2.2 Added value instead of advertising

The openness towards company contents on Instagram can further be explained and supported by considering the preferences of the "food"-interested Instagrammer. While only relatively few participants indicated to be interested in detailed product information or special actions and lotteries, ideas for using the product as well as contents that entertain and inspire appear to be preferred by the participants in terms of company contents (figure 5). Hence, it can be suggested that the interest of the Instagramer does not lie in particular product offerings, but rather in contents that go beyond product presentation and information and provide the consumer with an added value. Therewith parallels can be found between the reasons why the "food"-interested Instagramer share "food"-related topics (in order to express their personal lifestyle and share ideas; figure 4) and the kind of content they expect from companies of the "food"-sector. As it can be observed in case of the individual Instagrammer, companies should focus on contents that are related to the company identity and that are inspiring, thereby creating a benefit for the consumer. The communication should take on a "below-the-line"-character, that is a personal and unconventional character, in order to prevent the impression of advertisement on the consumer side and rather emphasize the uniqueness of the brand to facilitate brand loyalty (Carter, 2003, p. 87; Esch, Krieger & Strödter, 2009, p. 87).

Figure 5. Which contents of "food"-companies on Instagram would you be interested in?



Source: Own research

5.2.3 Closeness and relevance to everyday life

According to the results of the present study, nearly 80% of those participants, who are interested in ideas for using the product, indicate to try for themselves what they see on "food"-posts. It can be assumed that e.g. recipe suggestions from the side of a company of the "food"-sector are likely to have an impact on consumer behavior in the offline-context. Taking into consideration the findings regarding the first part of the research question, it can furthermore be concluded: Like the "food"-interested Instagrammer themselves share "food"-contents as part of their everyday life, companies should design their Instagram content in a way that consumers can easily integrate them into their daily life. Thereby organizations can not only meet the considerable interest of the Instagram user community in ideas for using their products, but also shape the contexts of usage.

5.2.4 Brand hashtags

Results of the present study show, that 24% of the "food"-interested Instagrammer (n=404) use a brand hashtag when their "food"-posts shows a brand. Instagram's search function enables businesses to selectively search for hashtags associated with their brand name and thereby observe usage types and contexts created by the customer. With respect to the theoretical findings in chapter 3, companies can also take the opportunity to react on "food"-posts, thereby supporting the realization of self-definitional symbols: Considering the findings regarding the motives of the "food"-interested Instagrammer, the identity development motive was strongly supported by the participants. It can be suggested that a positive reaction on a brand-related "food"-post, which then already is a part of the Instagrammer's self-symbolizing action, will facilitate its social realization. By reacting e.g. with a positive comment on a brand-related post, companies can take part in the identity development of their young target group on Instagram and foster an early identification with the company brand. It is therefore particularly important to motivate consumers to brand-related posts. According to the survey results, 54.2% do not use a brand hashtag so far. Although it needs to be considered that participants were relatively uninterested in special actions and lotteries (figure 5), it can be recommended to occasionally work with incentives that motivate consumers to use brand hashtags, in order to take advantages from the abovementioned identity-related processes.

5.2.5 Influencer

More than half of the participants (55.2%) state to follow a famous "food"-Instagrammer. Thus, it is recommended to identify and observe those influential Instagrammer that are relevant for the organization's product or service. According to the theory of symbolic self-completion, individuals display symbols, which are defined and can be understood by their social environment. It can be suggested that famous "food"-Instagrammer, who influence a large amount of followers with their contents, have an impact on which identity symbols will be understood. Therefore, companies should consider a collaboration with influencers that possess a high impact on the appropriate contexts of usage. In the case of a collaboration, it is important to maintain the authenticity of the influencer, as it is one of their most important characteristics (tobesocial, 2016). The design of the communicated content and the integration of the company's particular product should be left to the responsibility of the "food"-influencer.

6. CONCLUSION AND OUTLOOK

Conclusively, the research question underlying the present paper can be answered in the following way: The phenomenon of the "social eater" on Instagram clearly becomes apparent as part of the overall self-presentation of the "food"-interested Instagrammer. With respect to these findings, Instagram cannot be referred to as a platform for an evolving "foodtography mainstream". "Food"-posting is rather driven by interpersonal motives (e.g. identity development), which can be related to the changing consciousness for consumption within the younger generation that also is reflected within the German Instagram community.

In spite of nowadays' information overload, the openness for company content on the side of the Instagram user reveals promising chances for companies of the "food"-sector. Organizations can use the knowledge and insights about the phenomenon gained within the scope of the present study in order to properly position themselves in Instagram in terms of the company's presentation and interaction with the "social eater". With regard to Instagram content, companies are recommended to create an added value for the consumer, by offering inspiring content that is characterized by relevance to everyday life consumption and that emphasizes the specific brand character of the organization.

Furthermore, companies of the "food"-sector can use the present findings to improve their interaction with the "social eater". By applying the specific functions of Instagram, such as hashtag and comment functions, they can take the opportunity to shape usage contexts of their products as well as the identity development of the consumer in relation to their brand. In the view of the strong presence of so-called influencers, organizations should identify relevant "food"-influencer and consider a collaboration. Thereby they can take the chance to benefit from the impact influencers possess on a wide range of consumers and their authenticity in terms of the consumption of their products.

The first results of the conducted study raise further questions with regard to the extent and motives underlying the "social eater" phenomenon. Of further interest is, for instance, if the collected data reveal a correlation between "food"-posts and post related to other topics. Moreover, additional analysis by SPPS is planned in the area of type identification. It is of special interest for companies of the "food"-sector, if the group of "food"-interested Instagrammer can further be divided into specific user types. How these differ in terms of their motives, preferences and other variables queried within the scope of the present study is of particular importance, because this knowledge would enable companies to design their presentation and interaction with the "social eater" more specifically.

Overall, the findings of the presented paper demonstrate a considerable progress of the current state of research around the "social eater". This work achieved a first characterization of the phenomenon, in order to elaborate an orientation for companies of the "food"-sector in terms of their own presentation and interaction on Instagram. Thereby the present paper reveals linkages for further research regarding a more specific investigation of the "social eater" phenomenon.

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THE PERCEIVED BUSINESS VALUE OF SOCIAL MEDIA AT WORK

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ABSTRACT

Social Media is a new phenomenon that impacts businesses, society and individuals. Social media has swept into the business world, disrupting businesses, bringing new opportunities and challenges. The use of social media in organizations has the potential to shape the "future of the work". Both consultancy reports and scholarly articles highlight and discuss the new opportunities and organizational benefits provided by social media to change the current top-down (i.e. initiated by management) business model to a more collaborative and bottom-up (i.e. initiated by employees) approach. Such a model is customizable to specific user needs, empowering employees to design specific workflows thus helping them to work more effectively.

Using social media, personal knowledge can be synergized into collective knowledge through social collaborative processes that may facilitate externalization of knowledge, fostering creativity and innovation. All these processes have the potential to lead to knowledge creation through interaction and collaborative processes and thereby increase companies' competitiveness. However the successful deployment of social media for internal communication and facilitation of knowledge sharing and collaboration in organizations is difficult. Based on quantitative as well as qualitative data from 13 Danish organizations, we investigate the following research question: What is the business value of social media in organizations as perceived by the employees? Based on the data analysis, the paper derives a model of factors associated with the perceived business value of social media.

KEY WORDS: social media, business value, knowledge sharing, internal communication.

1. INTRODUCTION

Social Media is a new phenomenon that impacts businesses, society and individuals. It has swept into the business world, disrupting businesses, bringing new opportunities and challenges. 'Social' is slowly reshaping work processes and workflows in organizations. The change in workflows is potentially streamlining internal and external communication, collaboration, work culture, and thus reshaping organizations. It further gives companies an opportunity to decrease costs, become more productive and competitive (Bughin, Chui, & Harrysson, 2016).

Social media at work encompass blogs, wikis, enterprise social networking platforms such as Chatter[1] (Salesforce), Yammer[2] (Microsoft), and Podio[3] (Citrix) which provide new opportunities to manage interaction, communication and networking through teamwork and social-collaboration in order to drive productivity and innovation. Facebook, the largest social networking platform, has also recognized the business opportunity by bringing 'social' to the workplace with their new platform Facebook@Work[4] whose goal is to change the way employees work (Facebook, 2016).

Enterprise social media may change the current top-down (i.e. initiated by management) business model to a more collaborative and bottom-up (i.e. initiated by employees) approach, which Von Krogh (2012) argues is more targeted to user needs, makes it easier to find relevant expertise and solve tasks more effectively. Social media foster personal knowledge management through formal and informal communication, easy to use collaborative tools and social networking applications (Razmerita, Kirchner, & Sudzina, 2009). Personal knowledge can be synergized into collective knowledge through social collaborative processes that may foster informal learning, creativity and innovation (Popadiuk & Choo, 2006; Razmerita, 2013).

[1] https://www.salesforce.com/products/chatter
[2] https://www.yammer.com/
[3] https://podio.com/
[4] https://workplace.fb.com/

Executives have recognized the potential enterprise social platforms have to strengthen company communication, collaboration and knowledge sharing with both internal and external stakeholders and improve strategic decisions. However, the "successful use of social platforms across the organization requires time to overcome cultural resistance, and to absorb the lessons of early successes and failures" (Harrysson, Schoder, & Tavakoli, 2016).

There are considerable benefits to gain for organizations – if these platforms are adopted and used by the employees. Chui et al. (2012) argue that the use of these social platforms can raise the productivity of the employees by 20-25%. Despite all the potential benefits, many companies are cautious about deploying them and still question how to best use social media and whether the use of social media for work improve productivity or waste the employees' time?

While most of the consultancy reports discuss the business value of enterprise social media taking into account the top management perspective, this study aims to measure the perceived business value of social media considering both employees and managers' perspectives. This study focuses on the internal usage of social media at work.

Understanding the business value of enterprise social media would help to overcome the confusions and skepticism related to the value of adopting social media at work. Understanding the role and impact of enterprise social networks could be approached through different methods including the identification of key users using social network analysis (Berger, Klier, Klier, & Richter, 2014; Herzog, Richter, Steinhüser, Hoppe, & Koch, 2013). According to Nagle and Pope (2013)¤?. what constitutes appropriate measures for technological value for social media is still an important academic endeavor. Organizations need valid, reliable measures to understand social media effects in order to align social media initiatives with organizational goals and ultimately create business value (Larson & Watson, 2011).

Drawing on data collected from knowledge workers from Denmark, we focus on the following research question: What is the business value of social media? The article is organized in 4 sections. The literature review is presented in the next section with an overview of papers discussing the business value of social media, which is the basis of our research model. The research model is presented in the third section, while the fourth section illustrates the data collection and methodology. The findings are presented in the fifth section, and, finally, conclusions and future work are presented in the sixth section.

2. LITERATURE REVIEW

"Social media facilitate management and externalization of both personal and organizational knowledge'' (Razmerita, Kirchner, & Nielsen, 2016). Social collaboration has the potential to lead to increased opportunities for "online communal knowledge sharing" (Majchrzak, Faraj, Kane, & Azad, 2013), communication, and "strategic self-presentation" (Leonardi & Treem, 2012). Social media has a multifaceted repertoire of uses (hedonic, cognitive and social use) that lead to increase employees' socialization, entertainment and job performance (Ali-Hassan, Nevo, & Wade, 2015). Social media impact companies' competitiveness and digital transformation. However knowledge sharing can be a social dilemma (Cabrera & Cabrera, 2002; Kimmerle, Wodzicki, & Cress, 2008; Kollock, 1998; Mukamala & Razmerita, 2014) for employees because of various challenges at individual and organizational levels (Razmerita, Kirchner, & Nabeth, 2014). The challenge for the organizations and management is to overcome such dilemma through management support and an open culture that foster transparency, knowledge sharing or other barriers (lack of trust, resistance to change of behavior)(Razmerita, Kirchner, et al., 2016).

The communication and knowledge sharing in such "social" information spaces seems still to be affected by the costs of participation (lack of time, lack of incentives and effort to select what to share) (Mukamala & Razmerita, 2014), the motivation to engage in information exchange (internal or external motivation of individuals), current work practice of employees, lack of participation of others' employees as well as the appeal of such social media platforms with regard to the content (quality and quantity) (Pirkkalainen & Pawlowski, 2014; Razmerita, Kirchner, et al., 2016; Razmerita, Phillips-Wren, & Jain, 2016; Razmerita, Wren, & Jain, 2016). As a result, the range of different barriers make it a challenge for organizations to engage employees to adopt and use these platforms (Denyer, Parry, & Flowers, 2011; Pirkkalainen & Pawlowski, 2014; Razmerita et al., 2014) and the implementation can be a difficult task (Lam & Lambermont-Ford, 2010).

All companies strive to be better, faster and more innovative. According to both consultancy reports and academic studies, 'social' can be a powerful tool to reshape the organization and achieve a competitive edge.

Both academic studies (Andriole, 2010; Huang, Baptista, & Galliers, 2013; Mukamala & Razmerita, 2014; Paroutis & Al Saleh, 2009; Von Krogh, 2012), consultancy reports (Chui et al., 2012; Harrysson et al., 2016; Kiron, Palmer, Phillips, & Berkman, 2013; MarketWatch, 2014), show that many companies are reaping significant business value from implementing enterprise social media. Other reports argue that social business is a complex digital disruption and the "key to social business success was not necessarily something related to social business directly but involved how companies used data and analytics to understand social business" (Kane, 2014).

The key drivers for social business are sourcing and sharing expertise, followed by the breaking down of departmental and geographic barriers (Miles, 2011). Moving social business beyond marketing involves deploying social business into multiple functions across the enterprise: 87% use it to spur innovation, 83% turn to social to improve leadership performance and manage talent, 60% integrate social business into operations (Miles, 2011).

Based on an overview of literature related to enterprise social media and business impact or business value of Web 2.0, we derived twelve important factors (see Table 1).

Table 1. Business value of enterprise social media

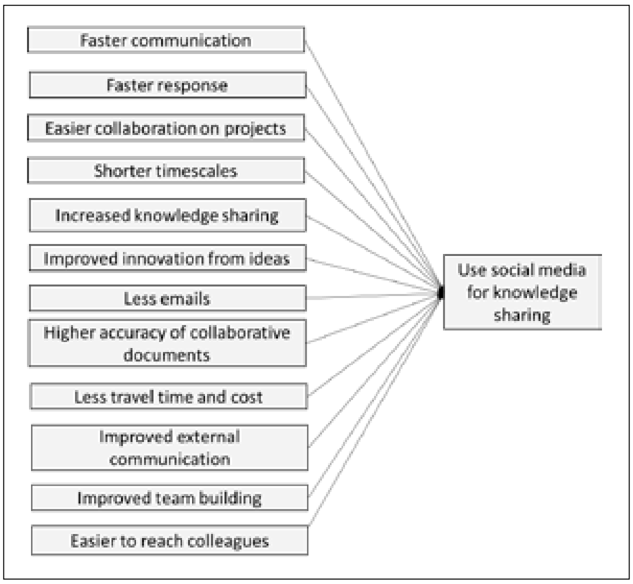
Business value factor	Reference
Faster communication	Faster and more efficient communication (Huang et al., 2013), reach more people faster (Andriole, 2010), reducing communication costs (Bughin et al., 2016).
Faster response	Increasing speed to access knowledge (Bughin et al, 2016)
Easier collaboration on projects	Improved collaboration (Kozanecka & Thompson, 2012); facilitate cross-department collaboration (Li, Webber, & Cifuentes, 2012; Razmerita, 2013).
Shorter timescales	Faster decision making (Li et al., 2012); deliver projects in less time (Cooper et al, 2010); resolve problems more quickly (Cooper, Martin, & Kiernan, 2010)
Increased knowledge sharing	Increased interaction and knowledge sharing (Razmerita et al., 2009), better access to knowledge (Kozanecka & Thompson, 2012); sharing of best practices (Li, 2012)
Improved innovation from ideas	Increased the number of innovation initiatives (Andriole, 2010), improved idea generation (Kozanecka & Thompson, 2012); bring innovations to market more quickly (Cooper et al, 2010), increased firm innovation capability (Lin, 2007)
Less emails	Decrease in internal email (Kozanecka & Thompson, 2012); reduce internal emails (Li et al., 2012)
Higher accuracy of collaborative documents	(Miles, 2011), reduces cycle times for documents, feedback loops (…) and failure rates (Calero Valdez et al., 2016)
Less travel time and cost	(Bughin et al, 2016), (Cooper et al, 2010)
Improved external communication	Communicate with customers more effectively (Andriole, 2010); Work more closely with customers and suppliers (Cooper et al, 2015)
Improved team building	Better connected departments (Kozanecka & Thompson, 2012); facilitate collaboration within a department or team (Li, 2012)
Easier to reach colleagues	Easier access to the expertise of others (Kozanecka & Thompson, 2012); improve employee collaboration (Li, 2012); identify expertise around the company (Li et al., 2012)

3. RESEARCH MODEL

Based on the findings from the literature review presented above, the research model was constructed. The perceived business value of social media was measured by using 12 variables as shown in Figure 1. We argue that the value of social media perceived by the employees is influencing their use of social media for knowledge sharing.

In order to investigate the influence of this perceived business value on the use of social media, we used „use social media for knowledge sharing" as dependent variable. This variable is dichotomous (yes/no).

Figure 1. Business value of social media research model



4. METHOD AND DATA COLECTION

Quantitative data was collected using a questionnaire. The questionnaire covers knowledge sharing practices and tools (traditional and social media) and consists of 15 questions. We included a multiple-choice question regarding the perceived business value of social media for internal knowledge sharing. Furthermore, the questionnaire contains questions about knowledge sharing practices, factors that impact knowledge sharing including motivation for knowledge sharing (Razmerita, Kirchner & Nielsen, 2016), as well as demographic information. The survey was distributed through representatives to 13 Danish private businesses from different industry sectors (including SMEs and large organizations) that use social media for internal communication and knowledge sharing. The majority of the companies are from industry sectors like telecommunications, media and marketing, banking and financial services and shipping and logistics. In order to reduce social desirability bias, the survey did not include any personal identification of the individuals and the quantitative analysis of the data was restricted at an aggregated level. The survey was pretested in order to avoid interpretation errors and to increase the clarity of questions. A total of 114 responses were collected over a four-month period. Due to the dichotomous nature of the data, we used Chi² to find statistically significant influences, and Cramer's V to describe the strength of the relationship. Values of Cramers' V can be between 0 (no influence) till 1 (biggest influence).

In addition to the quantitative data, semi-structured interviews were conducted with managers and knowledge workers in organizations providing most of the respondents for our questionnaire, operating in different industrial sectors. The interviews provide deeper insights into the business value of enterprise social media in organizations.

5. RESULTS

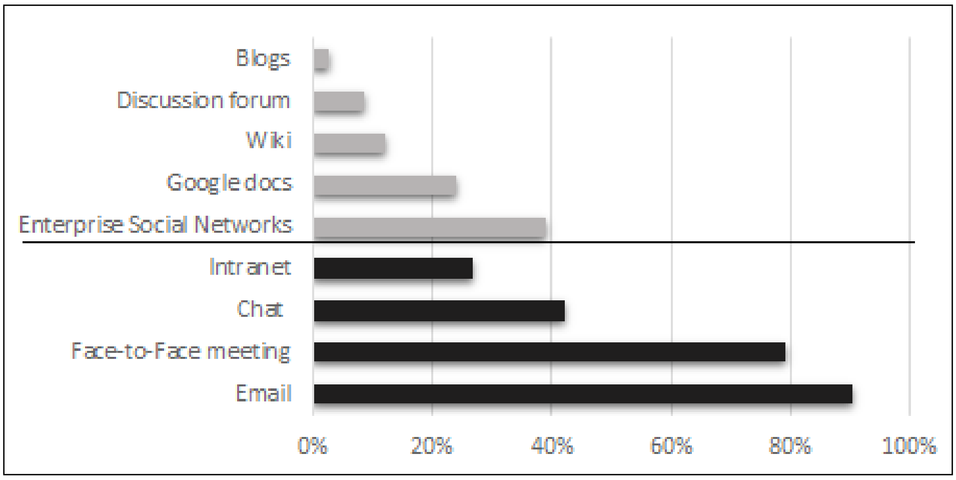
The quantitative data sample comprises 114 respondents from employees from various industries. As shown in Table 2, most of the respondents were below 50 years of age, and more men (56.9%) than women (41.4%) responded. 46.6% of respondents consider themselves as specialists in their areas, while 20.7% were managers. The majority of respondents were young professionals who had a working experience of less than 5 years.

Table 2. Descriptive statistics of respondents

Age	**Frequency (%)**	**Position**	**Frequency (%)**
Younger than 30	25 (21.6%)	Manager	24 (20.7%)
30 – 39	48 (41.4%)	Specialist	54 (46.6%)
40 – 49	34 (29.3%)	Office Worker	24 (20.7%)
over 49	8 (6.9%)	Trainee	5 (4.3%)
Missing	1 (0.9%)	Other	9 (7.7%)
Gender	**Frequency (%)**	**Working experience**	**Frequency (%)**
Male	66 (56.9%)	< 1 year	2 (1.7%)
Female	48 (41.4%)	1 – 5 years	81 (69.8%)
Missing	2 (1.7%)	5 – 10 years	18 (15.5%)
		10 – 15 years	9 (7.8%)
		More than 15 years	3 (2.6%)
		Missing	3 (2.6%)

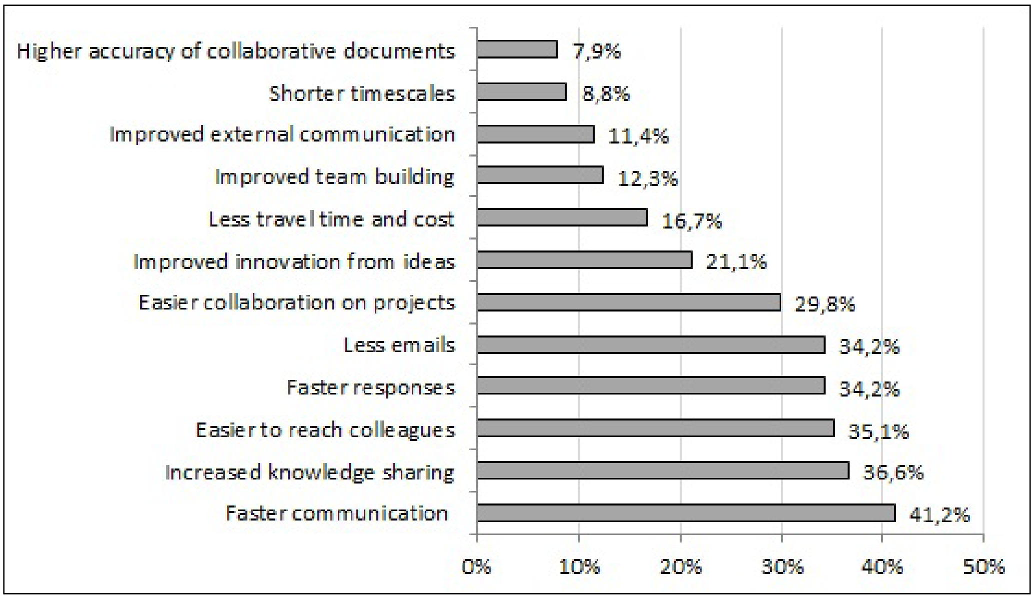
Employees use different means and tools to share knowledge, as shown in Figure 2. They primarily share knowledge through traditional channels like email, face-to-face meetings, chat and intranet, whereas the adoption and use of social media including blogs, wikis, Google docs and enterprise social networks platforms (such as Yammer, Chatter, Podio, or other customized social platforms) is still limited.

Figure 2. Knowledge sharing means and tools in organizations



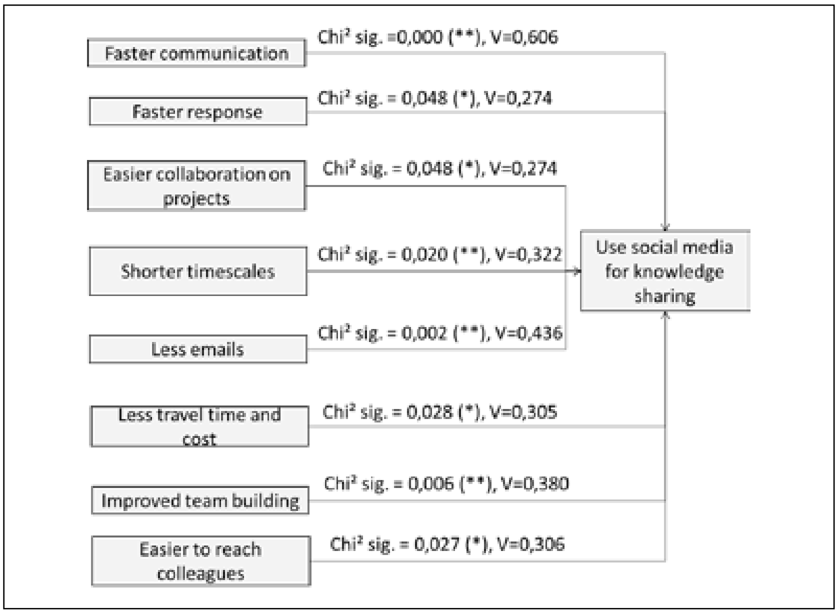
Evaluating the perceived business value of enterprise social media, “faster communication” (41.2%), “increased knowledge sharing” (36.6%) and “easier to reach colleagues” (35.1%) were the top three named points by the employees (Figure 3).

Figure 3. Perceived Business Value of Social Media



From these 12 variables considered, 8 are significant factors (Figure 4). The factor "faster communication" (V=0,606), followed by less emails (V=0.436) and improved team building (V=0.380) have the biggest influence on the use of social media for knowledge sharing.

Figure 4. Significant factors for the use of social media for knowledge sharing research model



Qualitative interviews with managers were conducted to get a deeper insight into the business value from the managers' perspective. The following questions regarding the business value were asked:

- What was the goal of introducing social media for knowledge sharing in the company?
- What are the main benefits of using social media for knowledge sharing?
- What were the main lessons learned?
- How do you track and measure the impact of social media for knowledge sharing?

Table 3 summarizes our qualitative analysis results focusing on goal, main benefits, lessons learned and measurement of impact.

Table 3. Results from qualitative interviews with managers

Company	Goal	Main benefits	Lessons learned	Measure impact
Media company	Improvement of communication and collaboration. The old system needed to be replaced.	• More effective (faster) communication and collaboration • Decreased number of emails • Easier to find information and documents (available in the specific groups / threads) • notification when new things are posted	"Information can be easier available and accessible through social media platforms, but many employees and managers do not know the value yet. It's too early in the process."	"You can track posts and comments, but so far we have not put up any success criteria. Knowledge sharing is hard to measure."
Telecommunication company	Improvement of business processes and knowledge sharing between the employees (primarily used for HR related matters)	• Decreased amount of irrelevant emails • New employees can get an overview of the employees and the organization a lot easier because the information is in one place. • Reduced workload, when updating documents	"It's hard to say, but information needs to be relevant for employees that want to use the platform."	"We don't really do that, but the platform allows us to track who of the employees are online and when."
Shipping company	Optimization of communication and collaboration across the organization, globally.	• Increased productivity and revenue • Decreased amount of irrelevant emails • Project collaboration easier	• Top management needs to be involved. • Employees are willing to use a social platform at work (knowledge sharing behavior not so different from private lives). • You have to be mobile.	"We haven't focused on that yet, but the platform provides a number of methods to track and measure the employees' online activity."

In all three companies, the main goal of introducing social media for knowledge sharing was to achieve faster communication and collaboration among employees. As main benefits of using social media, the managers see the reduced amount of emails and the faster communication, that go along with an increased productivity (and shorter timescales). But, these benefits are not easy to achieve.

The interviewed managers claim that employees as well as the management are not yet aware of the value of social media for knowledge sharing. Thus, the top management should be involved in such projects, and the knowledge that the platforms provide should be relevant for the employees. The interviewees pointed out that "knowledge sharing is hard to measure". The direct business value of social media for knowledge sharing is not yet measured in the companies, although managers have already an idea how it could be measured.

Employees and managers see similar benefits from the usage of social media for internal knowledge sharing in the interviews:

- "The essence of social media is to share relevant content with your colleagues. If it's not relevant people will consider it as useless information, and you don't want to waste your colleagues' time. You want to provide value".
- "It reduces the number of irrelevant emails I have to send, when I can post the information in one place."
- The platform has reduced the workload when we update documents, and the platform has been very useful for new employees to get an overview and keep updated on what happens in the organization."
- "We have already seen an increase in productivity in the company, and the goal is to increase the revenue even more".
- "It is a lot easier to search for and find information as well as look for people with a certain expertise than it is on the intranet."

CONCLUSION

Social media platforms are increasingly adopted by businesses bringing new innovative ways of working and collaborating within organizations. So far little work has been conducted to measure social media effects and align social media initiatives with organizational goals. The focus of this study is the understanding of business value of social media from both managers' and knowledge workers' perspectives. The three main factors that contribute to the use of enterprise social media in organizations are: faster communication, less emails and improved team building. However, the prerequisite for gaining tangible business value from these platforms is that employees are active, motivated to contribute and that social media is integrated into daily routines and work practices. Therefore, in order to get employees to use social platforms during their workday to collaborate and share knowledge, motivation is key. Lack of management support and motivation of employees to engage on the platforms will diminish the opportunity to gain business value. Changing the behavior of employees to communicate through social media is particularly a challenge, because many employees are "stuck in the old habits" (e.g. writing emails) (Razmerita, Kirchner, et al., 2016).

Previous research has found that organizations have had difficulties in motivating employees to collaborate and share knowledge through enterprise social media e.g. (Denyer et al., 2011; Razmerita, 2013). And according to a report published by Gartner, the vast majority of social collaboration initiatives fail due to lack of purpose and a 'provide and pray' approach, which only leads to a 10 percent success rate (Gartner, 2013).

The assumption of our study is if managers and employees are aware or convinced of the business value of social media for their organization, they are more motivated to use these social platforms for communication, collaboration and knowledge sharing. Although our study reveals that companies are aware of the business value of social media at work, the interviews shows that the successful usage metrics are not incorporated yet. Such key performance indicators can be defined and measured on these platforms (e.g., the number of logins, the number of contributions, type of contributions, key users). Such indicators could be further used to introduce performance gamification[5] to foster engagement, communication strategies and active participation. According to our study findings, managers are aware of some potential indicators, but they do not measure them yet. Other factors that contribute to the business value of social media are more intangible (e.g. the improved team performance) and therefore more difficult to measure. Future work should consider the definition of key performance indicators associated with the goal of adopted social media at work and provide concrete metrics on how they can be measured.

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DETERMINANTS OF MOBILE INTERNET USAGE AND OPPORTUNITIES FOR M-MARKETING AMONG YOUTH IN THE REPUBLIC OF MACEDONIA

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ABSTRACT

The number of mobile Internet users is growing rapidly worldwide and the use of mobile Internet is changing consumer behaviour. Therefore, companies are extending their marketing opportunities and reaching their audience via mobile devices. Mobile marketing is gaining popularity in the last couple of years, due to the possibilities offered by new technologies embedded in smart phones. There have been several theoretical models that explain technology acceptance. Building on the extensions on UTAUT, consumer use and acceptance of technology led to UTAUT2 model. The aim of the research is to connect use of mobile Internet among young people in the Republic of Macedonia and opportunities of mobile marketing. The penetration rate of smart phones is increasing globally and in the last trimester of 2015 more than 72% of the Internet users in the country used smart phones to access the Internet (DSZ, 2015). The survey was conducted in April /May 2016 among more than 300 young people. Original UTAUT2 model is proposed to examine the influence of several constructs that influence use behaviour (performance expectancy, effort expectancy, social influence, facilitating conditions, hedonic motivation, price value, and habit). The factors are explained in the context of the research and attention is paid on habit, hedonic motivation and price value as predictors of the mobile Internet usage. The results of the empirical study are fully supporting the model. Namely, all relationships hypothesized in the model are proved to be significant in our sample. However, the moderators such as age, gender and experience used in the original UTAUT2 model were not included, but are expected to be influential when analysed in larger and more representative sample. The significance of the proposed predictors can help managers formulate their marketing strategies and profound their marketing communication efforts.

KEY WORDS: UTAUT2, mobile marketing, mobile Internet, Republic of Macedonia.

1. INTRODUCTION

As the world becomes interconnected, the rapid technological development in recent years, especially the development of mobile technologies gives new opportunities for all types of organizations to expand their marketing communication channels with their customers and provide new ways of advertising.

In the literature, there are several different terms that define the concept of marketing through mobile media, namely mobile marketing or m-marketing, mobile advertising, wireless marketing, and wireless advertising. According to the Mobile Marketing Association (MMA, 2009) mobile marketing is defined as, "A set of practices that enables organizations to communicate and engage with their audience in an interactive and relevant manner through and with any mobile device or network". Mobile marketing also refers to using a wireless medium to provide consumers with time and location sensitive, personalized information that promotes products, services and ideas, thereby benefiting all stakeholders (Scharl, Dickinger and Murphy, 2005).

Besides the Internet and personal computers, nowadays mobile phones are becoming the new "toy" in marketers' hands because they are extremely popular and offer people the opportunity of immediate access to multiple information sources. Through the introduction of data services, Short Message Services (SMS), Multimedia Message Service (MMS), mobile Internet, etc., mobile phones are rapidly becoming a viable commercial marketing channel (Barutcu, 2008).

The total number of mobile phone users worldwide from 2013 to 2019 has an increasing trend. For example, in 2013 there were 4.01 billion mobile phone users worldwide, 4.23 billion in 2014, while for 2017 the number of mobile phone users is forecasted to reach 4.77 billion worldwide (www.statista.com). Regarding the mobile phone Internet user penetration worldwide, in 2015, 52.7 percent of the global mobile phone population accessed the Internet from their mobile phone. This figure is expected to grow to 61.2 percent in 2018. According to the predictions in the Internet society global Internet report (2015), mobile Internet penetration is predicted to reach even 71 percent by 2019 and the usage per device is forecasted to more than triple by 2019 (Internet society global Internet report, 2015). According to the same report, 192 countries have active 3G mobile networks, which cover almost 50% of the global population. The total number of smartphone users worldwide from 2014 to 2019 is rising as well. For example, in 2014 the total number of smartphone users worldwide has reached 1.59 billion and for 2016 and 2017 it is forecasted to reach 2.08 i.e. 2.29 billion respectively (www.statista.com). Smartphone sales are the majority of mobile handsets sold worldwide; tablet sales will soon exceed the total PC sales. While there are at least five mobile platforms, Android has an 84% share of smartphones, and 72% of tablets. There are well over 1 million apps available, which have been downloaded more than 100 billion times (Internet society global Internet report, 2015).

These high rates and promising forecasts for the use of mobile Internet and smart phones offer a large mass of potential for all kinds of marketing-related applications, and most important of all, the possibility for marketers to develop and control new types of attitude and consumption habits (Cătoiu and Gârdan, 2010). Opportunities in wireless marketing and advertising have therefore risen a great deal due to higher penetration, also interactions between consumer and advertiser have been increasing rapid and easy (Cătoiu and Gârdan, 2010).

According to the data of the State Statistical Office of the Republic of Macedonia, in the first quarter of 2015, 69.4% of the households had access to the Internet at home. Almost all (99.5%) of the households with Internet access had broadband (fixed or mobile) connection to the Internet. The Internet was mostly used by pupils and students, i.e. 94.7% (DSZ, 2015). 71.2% of the Internet users in the first quarter of 2015 used a mobile phone or a smart phone for accessing the Internet away from home or work (DSZ, 2015). According to the Agency for electronic communications at the first quarter of 2015 in the Republic of Macedonia, there were 2.131.027 registered active users of mobile phones. Almost half of them 48.7% (1.038.620) are users of mobile Internet. Regarding the penetration rate of smart phones which is increasing globally, in the Republic of Macedonia in the last trimester of 2015 more than 72% of the Internet users in the country used smart phones to access the Internet (DSZ, 2015).

Today, mobile advertising is a big business. For example, eMarketer has estimated that in 2016, mobile ad spending worldwide will increase, reaching $100 billion and accounting for 51.0% of all digital ad spending. Between 2016 and 2019, mobile ad spending will nearly double, hitting $195.55 billion to account for 70.1% of digital ad spend as well as over one-quarter of total media ad spending globally. Not surprisingly, this growth in mobile ad spending is being driven by consumer adoption of mobile devices. According to the same source, the 2016 will be the tipping point where mobile ad spending surpasses desktop. And while desktop advertising will remain a significant portion of marketers' budgets, mobile will continue growing in the double digits to gain more and more market share while desktop spending remains flat (eMarketer, 2016).

Having such high prospect of mobile technologies, with emphasize on the rapid development and penetration of smart phones especially among young people, marketers from different types of companies have the ability to communicate offers directly to the target audience whenever and wherever they may be offering much more personalized services. But, as is common with so many digital advertising channels that offer the promise of ever-increasing efficacy, while mobile marketing adoption and acceptance is on the rise, the marketers would have little ability to consistently generate profits without a clear understanding of the elements driving consumer acceptance (Becker, 2005). Therefore analysing the determinants of mobile Internet adoption and the significance of the proposed predictors can help managers formulate their marketing strategies and profound their marketing communication efforts. This counts for companies in the Republic of Macedonia as well.

2. METHODOLOGY AND RESULTS

Technological change and innovation are immanent forces that shape consumer preferences and behaviour, especially in the last decade of the twentieth century and the new era. Needs of the consumers and their wishes and attitudes are in line with the new products that are result of applications of the new technologies. Those words must be understood in the broadest sense from the view point of change – not only technological changes, but new ways of work habits, shopping experiences and patterns of communications are shaping the way consumers are behaving.

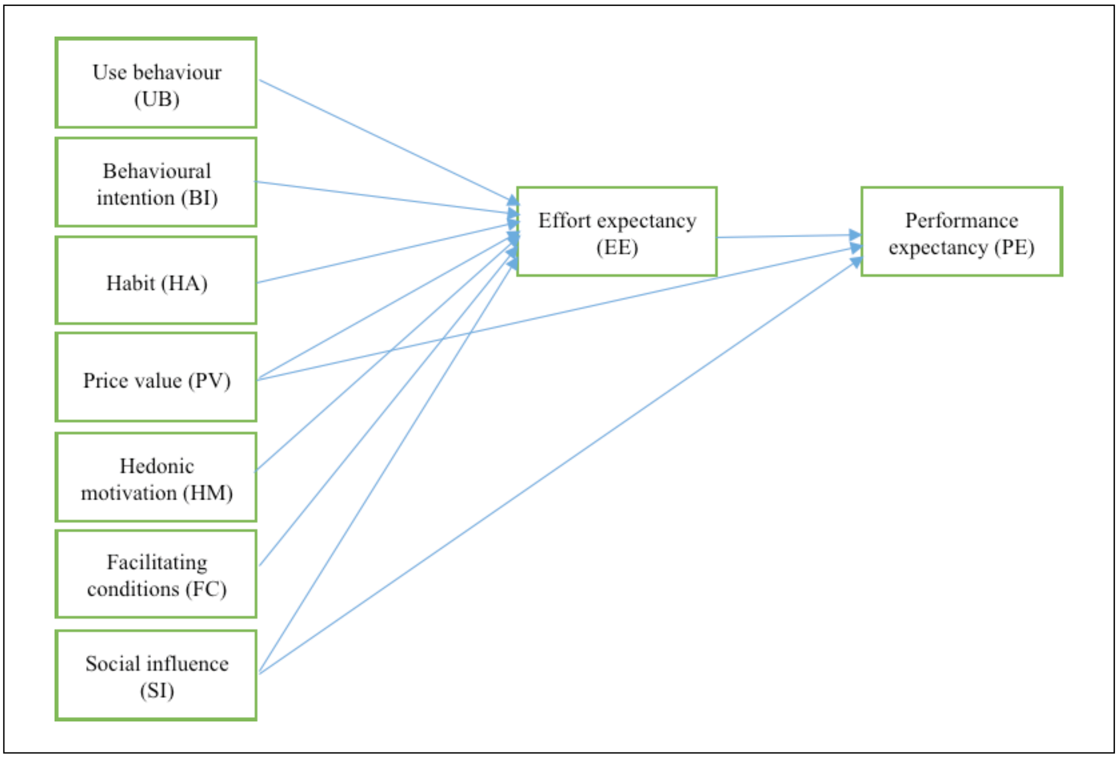
Resistance to change is mantra that is not only that – a myth. Resistance to change is everywhere – from the physical world up to the way people as workers and consumers are behaving. Two behavioural dimensions can be analysed –acceptance as a positive attitude a (ranging from high-use to non-use) and resistance even going to aggressive resistance (Van Offenbeek, Boonstra and Seo, 2013). Resistance to change can be resistance of the organization to accept change (of technology that influence it business processes) and resistance of an individual. According to the latest researches leadership is the most important factor influencing organizational answer to change and is moderated by different factors (Appelbaum et al., 2015). Fresh perspectives for the adoption of innovation are analysed by Oreg and Goldenber (2016). They argue that companies can learn more about their consumers from analyzing the "laggards" who lack positive qualities and attitudes toward the innovativeness in product or service. Innovation and change resistance can be understood only by cross-disciplinary approach. According Oreg and Goldenberg (2016) resistance to change can be analyzed from four perspectives: "(1) individual-level factors include traits such as the tendency to experience anxiety in the face of novelty; (2) practical reasons include switching costs and threats such as the potential loss of one's expertise when an innovation makes it redundant; (3) process factors include, for example, communication and participation; and (4) contextual factors include country-level factors such as the economic situation and culture, as well as more fine-grained matches between the innovation and the context" (cited in Vouri, 2016).

The phenomenon of acceptance of new technologies is relatively widely elaborated especially in the last two decades. The interest of the researchers towards understanding the factors that influence organizational and individual acceptance of new technologies is nowadays not only general, but also industry or product focused. The beginnings of the theories are mainly based on theories in psychology and sociology. Adoption is an individual process which refers to the stages a person undergoes from first hearing about a product or service to finally adopting the new product or service. Diffusion signifies a group phenomenon, which suggests how an innovation spreads. Davis's technology acceptance model (TAM) is one of the most influential approaches to explain and predict user acceptance of information systems (Davis, 1989). TAM model is based on the Theory of Reasoned Action (TRA) and to some point on the Theory of Planned Behavior as an extension of the TRA proposed by Ajzen (Ajzen and Fishbein, 1980). This theory is a theory of attitude-behaviour correlation that correlates attitudes, subjective norms, behavioural intention and behaviour. " It has been shown that behavioural, normative, and control beliefs provide the basis, respectively, for attitudes toward the behaviour, subjective norms, and perceived behavioural control; that these three factors jointly account for a great deal of variance in behavioural intentions; and that intentions and perceived control can be used to predict actual behaviour. Based on these insights, investigators have been able to design effective behaviour change interventions"(Ajzen, 2012). In the Theory of Behavioural Control another factor is included as variable that is affecting both behavioural intention and behaviour-perceived behavioural control and the more resources and opportunities users think they possess, the greater should be their perceived behavioural control over the behaviour.

The Technology Acceptance Model (TAM) is widely used for explaining the acceptance of ICTs. Four of the most important concepts that have been constantly used in the TAM literature are perceived ease of use, perceived usefulness, behavioural intention and actual usage behaviour. The perceived usefulness of a technology increases with perceived ease of use. The more ease of use a user thinks a new technology is, the stronger his or her intention to use the technology; furthermore, the stronger the usage intention, the greater the actual usage behaviour. TAM model is not a general model; and it is designed to be applied only to computer usage behaviour (Davis, 1989). The original TAM model is extended to explain perceived usefulness and usage intentions in terms of social influence (subjective norms, voluntariness, image) and cognitive instrumental processes (job relevance, output quality, result demonstrability, perceived ease of use). The extended model, referred to as TAM2, was tested in both voluntary and mandatory settings. The results strongly supported TAM2 (Venkatesh and Davis 2000).

Unified Theory of Acceptance and Use of Technology (UTAUT) is formulated in order to incorporate different theories and to construct unified theory (Venaktesh et al., 2003). The role of UTAUT is to fully understand the usage as dependent variable. UTAUT is appropriate model for organizations that are in the process of introducing new IT and their employees are attending training of some sort, investigating both mandatory and voluntary use. The UTAUT methodology is primarily focused on acceptance in organizational context. The extension of UTAUT is UTAUT2 (Venaktesh, Tong and Xu, 2012). In UTAUT2 the theory is tested from consumer viewpoint, focused on consumer technologies. Actually, UTAUT was extended to be applicable to other context, such as the context of technologies for mass consumerism, such as mobile Internet and therefore mobile marketing which is a worldwide trend given the number of intelligent devices, applications, and services (the prediction is that in 2019 there will be more than 5 billion smart phone user in the world; www.statista.com). New contexts actually resulted in several types of important changes. The original UTAUT has been modified by three extensions: (1) investigation of its applicability in the context of new technologies, new user populations and new cultural settings, (2) the addition of new constructs in order to expand the scope of the endogenous theoretical mechanisms outlined in UTAUT and (3) inclusion of exogenous predictors of the UTAUT variables (Venkatesh et al., 2012). In order to use the proposed moderators of the constructs certain preconditions from the methodological viewpoint should be fulfilled. Therefore, in many investigations some constructs were dropped out, and more often some of the moderators due to methodological reasons. The UTAUT2 model is presented on Figure 1 (without moderators). This model is used in our research.

Figure 1. The Research Model (based on UTAUT2 model)



Source: Adapted from Venkatesh, V., Tong, J., Xu,W. (2012.) Consumer Acceptance And Use Of Information Technology: Extending the Unified Theory of Acceptance and Use of Technology, *MIS Quarterly,* 36(1), pp. 157-178., p.160.

There are 9 constructs and 3 moderators. Performance expectancy (PE) is defined as the degree to which using a technology will provide benefits to consumers in performing certain activities; effort expectancy (EE) is the degree of ease associated with consumers' use of technology; social influence (SI) is the extent to which consumers perceive that important others (e.g., family and friends) believe they should use a particular technology; and facilitating conditions (FC) refer to consumers' perceptions of the resources and support available to perform a behaviour (e.g., Brown and Venkatesh 2005). Performance expectancy, effort expectancy, and social influence are expected to influence behavioural intention to use a technology, while behavioural intention and facilitating conditions determine technology use. In UTAUT2 three more constructs are added –hedonic motivation, habit and price value.

Hedonic motivation (HM) can be briefly defined as the "fun" dimension of the attitude (Bruner and Kumar, 2005). The growth of mobile technology and smartphones allow users to control when, where, and how they engage in chosen activities that serve their needs, saving time, completing a task (utilitarian), entertain them (hedonic), or connect with others (social). Findings indicate that mobile users' engagement motivations including hedonic motivation do influence perceived value, satisfaction and mobile engagement intention (Kim et al., 2013). More precisely, hedonic motivation can be defined as "the fun or pleasure derived from using a technology" and it has been shown to play an important role in determining technology acceptance and use (Brown and Venkatesh 2005). Hedonic and utilitarian purpose of the mobile devices determine how the nature of the device influences user beliefs and hedonic or utilitarian orientation of the mobile technologies (and mobile Internet) has implications for maximizing use (Wakefield, Whitten, 2006). Therefore, hedonic motivation is predictor of consumers' behaviour and use of technology.

Price value (PV) is specific predictor for consumer technologies because consumers as individuals bear the costs unlike workers as employees. The prices and overall costs usually have important influence on the consumers' intention to use a technology. For example, the result of an online survey among consumers of two most popular shopping websites in Taiwan shows that e-store image influences purchase intention through perceived value and utilitarian value exerts a larger influence than hedonic value (Chang and Tseng, 2013). Venkatesh (2012) is explaining that price value can be viewed as a "consumers' cognitive tradeoff between the perceived benefits of the applications and the monetary cost for using them". From the individual consumer view point price value of using the new technology is good when the perceived benefits of using the technology are greater than the real costs of obtaining it. In that case, price value has positive impact on the actual intention to use the technology.

Experience and habit (HA) are related predictors that are shaping user adoption of technology. Experience is measured in quantity of time of operational usage of certain technology by an individual. The more experienced the customer is, the higher is the possibility for him to have positive attitude towards using a new technology. Habit has been defined as the extent to which people tend to perform behaviours automatically because of learning

(Limayem et al., 2007) Habit is understood as "learned sequences of acts that become automatic responses to specific situations which may be functional in obtaining certain goals or end states" (Verplanken et al., 1997). Some authors stress out that intention is the main causal mechanism behind the enactment of behaviour (Ajzen, 2002). Limayem et al. (2003) defined IS habit as "the extent to which using a particular IS has become automatic in response to certain situations." The key word in this definition is automatic, while habit is logically connected with prior behaviour, as well. Experience may, or may not result in the formation of habit. Passage of time can result in the formation of differing levels of habit depending on the extent of interaction and familiarity that is developed with a target technology (Venkatesh et al., 2012).

In this context, habit is a perceptual construct that reflects the results of prior experiences. Kim and Malhotra (2005) and Limayem et al. (2007) found empirical evidence that prior use was a strong predictor of future technology use. In their research, Wang, Harris and Patterson (2013) concluded that experience accumulates, customers' continued use of a certain technology is initially largely rational driven (self-efficacy), then largely emotional driven (satisfaction), and, finally, habitual (habit). Over time, habit completely mediates the impact of intentions on future usage.

For the purposes of this research i.e. to analyse the determinants of mobile Internet usage and opportunities for m-marketing among youth in the Republic of Macedonia, a survey was performed based on the previously prepared questionnaire consisting of 35 questions. The questions (3-4 per construct) were based on the UTAUT2 Venkatesh's model and the answers were measured on a 5 level Likert scale (strongly disagree, ..., strongly agree). The survey was conducted in April /May 2016 among more than 350 young people, mostly students. The total number of received answers was 352, but after filtering of the data, 35 questionnaires were excluded from further analysis due to the missing data (more than 10%) and low standard deviation in answers (Hair, 2010) i.e. the total number of the sample is 317. The demographic characteristics of the sample are presented in the Table 1. The demographics of the sample is representing pretty well the population of young people in the country.

Table 1. Demographic characteristics

Demographic characteristic	Item	Percentage
Gender	Male	37.2
	Female	62.8
Citizenship	Skopje (the capital)	54.3
	Other	45.7
Nationality	Macedonian	88.9
	Other	11.1

Before testing the hypotheses based on the proposed research model, we performed a validity and reliability analysis. For the data sets of the constructs, Cronbach's alpha as a measure of internal consistency is 0.891 and it is satisfactory. The measures of internal consistency for the constructs are presented in the Table 2 below. Those results are considered to be a good measure of scale reliability.

Table 2. Cronbach's alpha for the constructs

Constructs	Cronbach's alpha
PE	0.713
EE	0.787
SI	0.904
FC	0.790
HM	0.790
PV	0.877
HA	0.826
BI	0.799

Regarding the last construct (Use behaviour) the measure of the scale reliability is 0.571 which is considered satisfactory (Chakrapani, 2004).

We would like to point out that for the purpose of this research, although demographic factors are considered important moderating factors influencing technology use (Venkatesh, 2012), we concluded that for our sample those factors are not significant. This is so because we examined only young people, so the comparison of age was not an issue. Gender is not important moderator for young population, so the gender factor was not involved in the analysis as well. Based on the discussion above, and the proposed research model as presented in Figure 1, the following research hypotheses were set:

H1: Performance expectancy will positively influence behavioural intention.

H2: Effort expectancy has a positive effect on behavioural intention.

H3: High social influence will lead to increased behavioural intention.

H4: Facilitating conditions have a positive effect on behavioural intention.

H5: High hedonic motivation will lead to increased behavioural intention.

H6: Higher value-price ratio has positive effect on behavioural intention.

H7: Habit has a positive effect on behavioural intention.

H8: Facilitating conditions have a positive effect on use behaviour.

H9: Habit has a positive effect on use behaviour.

H10: Behavioural intention will lead to increased use behaviour.

In the Table 3, we summarize the findings regarding the research hypotheses based on the model presented in Figure 1.

Table 3. Hypotheses results

Hypotheses	Variable	β	Significance
H1	PE à BI	0.546	0.000
H2	EEà BI	0.415	0.000
H3	SI à BI	0.465	0.000
H4	FCà BI	0.506	0.000
H5	HMà BI	0.484	0.000
H6	PVà BI	0.337	0.000
H7	HAà BI	0.535	0.000
H8	FCà UB	0.246	0.000
H9	HAà UB	0.161	0.004
H10	BIà UB	0.281	0.000

The results are fully supporting the model. Namely, all relationships are proved to be significant in our sample. The well elaborated results in the literature were confirmed for the sample of young people in the Republic of Macedonia. From our sample we can derive conclusions about the importance of the previously explained predictors on the use behaviour towards technology use i.e. mobile Internet use of young population. However our sample is not representative enough to make conclusions for the whole population of the Republic. In order to perform such an extensive research, as in the original UTAUT2 model, bigger and more comprehensive sample is needed. Still, this research can be considered as a motive to perform comprehensive research for the whole population of the Republic of Macedonia where moderators can be investigated and their influence explained.

CONCLUSION

The aim of this research is to analyse the determinants of mobile Internet adoption among young people in the Republic of Macedonia. The significance of the proposed predictors can help managers formulate their marketing strategies and profound their marketing communication efforts. From the analysis of the results and secondary data obtained the following conclusions can be noted.

- Mobile Internet is widely adopted, especially among young people. Availability of smart phones and the price of mobile Internet are not obstacles and that was proved from the results.
- From the survey, it can be concluded that performance expectancy (average score 4.17) is rated very high. Effort expectancy to use mobile Internet is considered as negligible and not significant. Also, facilitating conditions (necessary knowledge, resources, and compatibility of mobile Internet with other technologies) are perceived as easily available and not an important obstacle at all.
- On the other side, social influence in our sample measured by opinion and influence of people important to the respondent doesn't have strong impact on the user behaviour of the young people.
- Hedonic motivation to use mobile Internet is extremely important (average score 4.19). Using mobile Internet for young people is considered as fun, enjoyable and very entertaining.
- The effect of price value on behaviour intention in our sample is moderate. In the context of young people the effect of price value is complex. Most of our respondents were students and therefore unemployed and their answers showed that price is relatively significant factor. Our empirical findings support the hypothesis about the implications of price value on pricing strategy of the vendors of consumer mobile applications for marketing purposes.
- Not surprisingly, the use of mobile Internet is a habit for young people in our sample. They feel that they are addicted to mobile Internet and that they must use it.
- Behavioural intentions i.e. the intention to continue using mobile Internet in the future and in a daily life , are considered very important, because most of the respondents answered that they have firm intention to use mobile Internet in the future (average score 4.48).
- When discussing usage frequency i.e. use behaviour (UB) of the respondents, this construct was measured by the frequency of using SMS, MMS, ringtone download, java games, browse websites and mobile e-mail. As expected, the results are more inclined to the use of mobile Internet. Namely, the average values for the usage frequency for browsing websites and mobile e-mail are very high (4.68 and 4.04 respectively) in comparison to the rest of the variables in the construct (SMS, MMS, ringtone download, java games). This is mainly because, online there are more free applications and/or platforms available (like Facebook, Viber etc.) that provide young people a medium for sharing messages and/or media (pictures, videos etc.). As mentioned, young people in the Republic of Macedonia, are more frequent users of smartphones and mobile Internet technologies. Almost 95% of age group 15-24 are active users of Internet on daily basis (DZS, 2015).

Regarding the moderating effects of age, gender and experience, included in the original UTAUT2 model, in our sample these individual differences were not taken into consideration since the sample was consisted mostly of students, whose age and experience does not differ much. However, the typical demographic characteristics such as gender, age, education level, and experience should be analysed in further research since this constructs are considered to have strong moderating effects on behavioural intention and technology use in the original model (Venkatesh, et al., 2012).

Overall, our study confirmed the important roles of defined determinants in influencing technology use i.e. use of mobile Internet. This could help marketers to better formulate their strategies towards use of m-marketing strategies and extend their marketing communication channels based on the increasing trend in the use of mobile Internet and smartphones among young people.

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CONSUMER KNOWLEDGE ABOUT FOOD LABELLING IN SLOVAKIA

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ABSTRACT

The presented paper deals with the food labelling from the consumers' point of view. Food labels play important role in the distribution chain. They help consumers to get information necessary for their deliberate food choice. On the other hand, food producers can promote and communicate basic information and specific characteristics of pre-packed food through the food labels. We conducted primary quantitative research by inquiry method via standardized online questionnaire that addressed three topics: (1) consumer interest, (2) consumer awareness and (3) consumer information and knowledge. In this paper we focus on evaluation of partial research results with the aim to find out an information and knowledge level of consumers about food labelling in Slovakia. The research results (published in Krnáčová, 2016) show us that 87% of consumers in Slovakia are interested in food labelling. Furthermore, over 95% of consumers read information stated on the food labels. In general, they do not know mandatory particulars that food producers have to label on food package in accordance with legislative requirements. The partial results in the presented paper show what information sources consumers use to learn about food quality and food safety. The results, among other facts, also reveal a lack of food labelling information in the market and misleading/deceptive labelling from consumers´ point of view. The paper is prepared within the scientific project VEGA No. 1/0134/14 entitled "Promoting innovation in distribution processes through implementing modern technologies and optimization of logistics activities with a focus on reducing the burden on the environment and improving the life quality".

KEY WORDS: food labelling, consumer behaviour, consumer knowledge.

1. INTRODUCTION

Free movement of goods within the European Union countries brings Slovak consumers a wide range of suitable product choices based on individual needs and preferences. However, these options require competencies that consumer should have to choose appropriate products. Consumers should have knowledge of the products ingredients and content, effects, assessment of external characteristics and conditions of use. Based on knowledge the consumer creates a personal value and product quality that evaluates when making purchasing decisions. All external and internal features and product characteristics affect consumer behaviour. Advertising and marketing of products also play an important role (Tomengová, 2012).

According to a Eurobarometer study published in 2011, less than 50% of EU consumers surveyed felt confident, knowledgeable and protected as consumers. Empowered consumers find it easy to identify the best offer, know their rights and seek redress when things go wrong. Vulnerable consumers find it hard to understand the choices they face, they don't know their rights, suffer more problems and are unwilling to act when things go wrong. Significant numbers of consumers have problems making everyday calculations, understanding key information and in recognizing illegal sales practices or knowing their rights. Worrying results indicate that a significant number of consumers are potentially vulnerable to frauds, scams, pressure selling, and do not know they can re-consider their choices and avoid unnecessary purchases. If consumers cannot easily make choices and avoid harm, not only do they suffer but so do the innovative, honest businesses which drive growth. To conclude, these results will have to be taken into account if we want to help consumers in an increasingly complex market and in the face of information overload (European Commission, 2015).

An essential concept of the modern theory of marketing, known as "4P", the marketing mix represents "all the controllable marketing tactical tools that the company combines in order to produce the desired reaction on the target market" (Kotler & Armstrong, 2008). A proof that the marketing mix must be combined in accordance with the marketing strategies is that the same type of items, namely packaging and labelling of the product, are found in the product policy (since the final presentation of the product involves rules on packaging and labelling of the products, particularly food products with a determined shelf life), and within the price policy (the final price of the product also includes the price of the package, respectively the recycling price of the packaging), and also in the promotion policy, while the packaging and the information on the label represent the main communication channel between the producer / distributor and the consumer (Manea & Epuran, 2016).

The legislation adopted at EU level by the EU Regulation no.1169/2011 is currently the most accurate and comprehensive food labelling regulation that enables informed and interested consumers to be able to compare the food products and to choose the products according to their needs. In accordance with the regulation 'labelling' means any words, particulars, trademarks, brand name, pictorial matter or symbol relating to food and placed on any packaging, document, notice, label, ring or collar accompanying or referring to such food. Furthermore, the Article 2 defines food information such as information concerning food and made available to the final consumer by means of a label, other accompanying material, or any other means including modern technology tools or verbal communication.

In the context of food labelling, § 3 of Act no. 250/2007 Coll. on consumer protection as amended defines that the consumer has a right to goods and services of good quality, to health protection, safety and economic interests, but also to education and information. According to § 11 and 12, the seller is obligated to inform the consumer. It must ensure that the product sold by him/her is clearly marked.

At the national level Decree of the Ministry of Agriculture and Rural Development of the Slovak Republic No. 243/2015 Coll. on food labelling defines requirements of food labelling. Food is labelled on packaging intended for the final consumer. Labelling means written indication of information, trademark, pictures, pictogram or symbol relating to food, and are placed on the packaging, labels, or documents which accompany food.

There is a large amount of published studies describing consumer perception, interest, knowledge or awareness of food labelling (Ipsos & London Economics Consortium, 2013; Aday & Yener, 2014; Flabel, 2011). Most of them are dedicated to the selected aspect of labelling, especially to nutrition labelling (Grunert & Wills, 2007; Hall & Osses, 2013; Andrews et al., 2014; Bleich & Wolfson, 2015; Grunert, Wills, & Fernández-Celemín, 2010; Gregori et al., 2014), allergen labelling (Watson, 2013; Sakellariou et al., 2010), organic foods (Kozelová et al., 2011; Müller and Gaus, 2015; Eden, 2011), local foods or country of origin (Rutberg, 2008; Bryla, 2015), food quality mark recognition (Festila, Chrysochou & Krystallis, 2014), sustainability labels (Grunert, Hieke and Wills, 2013) or packaging (Ampuero & Vila, 2006).

Based on the research results, the aim of the presented paper is to find out an information and knowledge level of consumers about food labelling in Slovakia and to suggest recommendations to improve the current state.

2. CONSUMER KNOWLEDGE ABOUT FOOD LABELLING

Educated consumer who knows his/her rights and responsibilities as well as rights and responsibilities of other subject of the market is able to protect himself/herself in cases when they are being broken, and take action accordingly. Consumer education provides an essential tool in increasing consumer protection.

Therefore, as part of conducted research, we have focused on consumer knowledge about food labelling. Even though we realize the consumer education should be part of curriculum and exist as an individual subject, or at least be included in various current subjects, we assume this would not provide sufficient room for consumer education. Mostly generation of older people, who did not undertake this kind of education, need to acquire the knowledge about consumer issues from other sources and via different channels. Making sure there is enough information available (through media or other sources) guarantees that consumer has adequate ideas about the mentioned issues and will enable him/her to choose the right product, how to behave, or just simply know what to avoid buying, when to be careful when buying a certain product or what to pay attention to when food shopping.

2.1. Methodology

Selection of scientific methods depends on the paper content focus and the paper aim. To elaborate theoretical knowledge, we primarily used theoretical scientific methods, including method of analysis and synthesis, method of induction and deduction, abstraction and concretization, but also the comparative method. As a method of collecting primary data we conducted research. We evaluated and interpreted the obtained quantitative data through statistical and graphical methods in the Statgraphics software and MS Excel.

The basis for the analysis of consumer knowledge on food labelling represents the results of primary research that we conducted by the inquiry method through the standardized online questionnaire in December 2015. Our research was focused on three topics: (1) consumer interest; (2) consumer awareness and (3) consumer knowledge about food labelling. However, this paper focuses on the analysis of partial results concerning the consumer knowledge. We set the following research questions:

What information sources do consumers use to obtain information about food labelling?

Do consumers suffer lack of information on food labelling?

Do consumers know what food information is mandatory on the labels of food?

What is the level of consumer knowledge about food labelling?

The questionnaire consisted of 26 closed-ended and open-ended questions (including 5 classification questions). The respondent´s answers were evaluated through frequency tables and cross tabulations, in some cases relevant descriptive statistics (e.g. average, standard deviation) were calculated.

After testing for complexity, accuracy, validity, reliability and consistency, we analysed 139 questionnaires. We can consider our results to be representative. We calculated the sample size of 126 respondents with confidence level 95%, margin of error 7% and standard of deviation (on the basis of pre-research) 0,4.

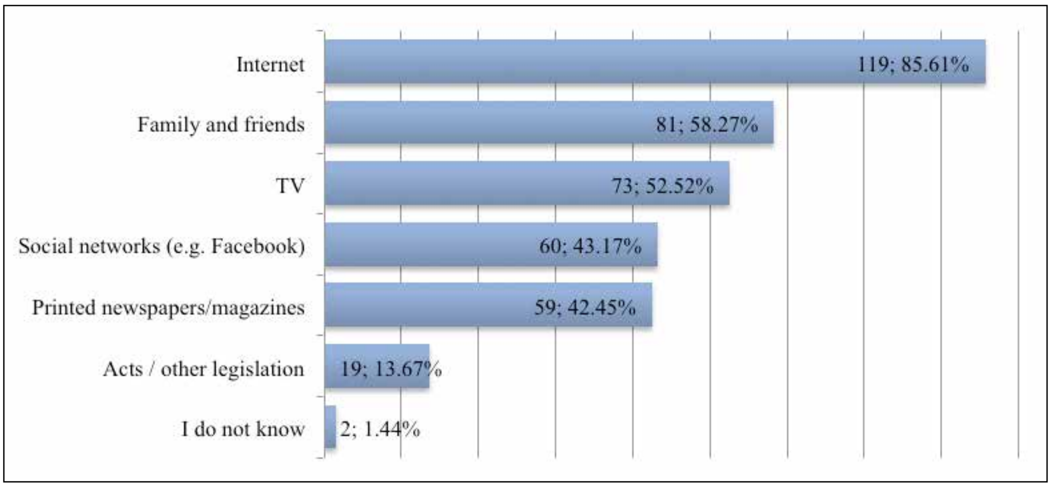
2.2. Results and Discussion

In this part of the paper, we present partial results of the research which provide us with answers to the research questions and also testify to consumer knowledge about food labelling.

A total of 139 consumers participated in the research, of which 83 (59.71%) were women and 56 (40.29%) men. In terms of age structure, there was the largest representation of consumers aged 18-30 years (76, i.e. 54.68%) and 31-40-year-olds (42, i.e. 30.22%). 51-60-year-olds were represented by 9 consumers (i.e. 6.47%), and two age groups (41-50-year- and more than 60-year-olds) by 6 (i.e. 4.32%).

The research results (published in Krnáčová, 2016) show us that 87% of consumers in Slovakia are interested in food labelling. We were concerned with the sources from which the consumers gain information about food labelling. As shown in Figure 1, the main information source is the Internet - 85.61% of consumers know food labelling from the Internet, more than half of consumers (58.27%) gets information through word of mouth from family and friends. Very important source can be considered TV. We would like to point out that results can be dangerous from the consumer´s point of view as the Internet and social networks represent the main source of information for large group of consumers. However, the accuracy and expertise of the information is oftentimes questionable. Therefore, in this part of our research we would like to pinpoint the need for educating the consumers not only in terms of food labelling, but also teaching them the skill of estimating the accuracy of their chosen information source.

Figure 1. Source of information about food labelling



Source: own results *n=139*

Within the same part of our research, we also focused on finding out if the amount of information available through media is considered to be sufficient from the consumer´s point of view. As seen in Table 1, 74.10% of consumers believe that the information about food labelling accessible through media is insufficient. We are convinced that it is necessary to change this state and improve the knowledge of consumers.

Table 1. Do you think there is a lack of information in the media?

1- Yes, certainly	2 - Yes, maybe	3- I do not know	4 - No, probably not	5 - No, certainly not	Average
21 15.11%	82 58.99%	19 13.67%	16 11.51%	1 0.72%	2,23

Source: own results *n=139*

In terms of what kind of information there should be accessible through media, and based on setting the average values for certain types of information, we have found out that consumers are lacking information about the food ingredients, meaning of quality and/or origin marks; mandatory particulars labelled on the food, basic information obligations of food business operators.

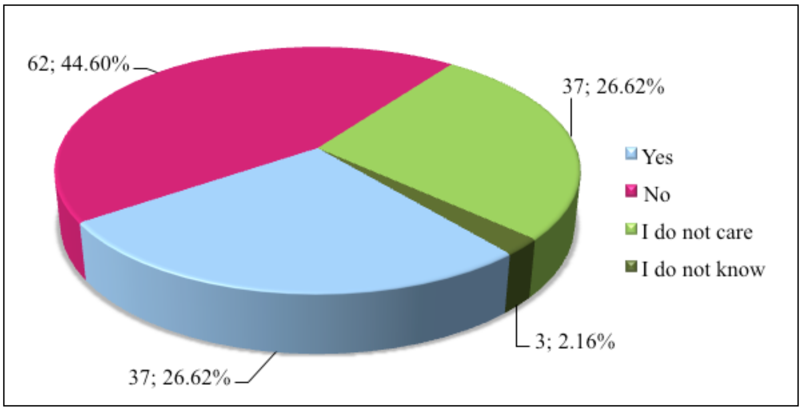
Table 2. More of which information should media provide to consumers?

Type of information	1 - Yes, certainly	2 - Yes, maybe	3 - I do not know	4 - No, probably not	5 - No, certainly not	Average/ Rank
Mandatory particulars labelled on the food	60 43.17%	57 41.01%	10 7.19%	11 7.91%	1 0.71%	1,82 3.
Possibilities and procedures for submitting suggestions and complaints about the food quality and safety	44 31.65%	63 45.32%	18 12.95%	13 9.35%	1 0.72%	2,02 5.
Difference between a ‘best before’ date and a ‘use by’ date	59 42.45%	44 31.65%	10 7.19%	24 17.27%	2 1.44%	2,03 6.
Meaning of quality and/or origin marks	66 27.48%	62 44.60%	6 4.32%	5 3.60%	0 0.00%	1,64 2.
Basic information obligations of producers/ distributors in relation with consumers	51 36.69%	68 48.92%	9 6.47%	11 7.91%	0 0.00%	1,85 4.
Explaining of nutrition labelling	49 35.25%	55 39.57%	13 9.35%	21 15.11%	1 0.72%	2,06 7.
List of ingredients	84 60.43%	47 33.81%	6 4.32%	2 1.44%	0 0.00%	1,47 1.

Source: own results *n=139*

The resulting lack of knowledge can be caused by the fact, that 44.60% of consumers think that food available on the market is not labelled sufficiently (see Figure 2). We cannot agree with this, as our legislation sets mandatory particulars that are labelled on the food packaging. The particulars are extensive enough to guide the consumer while shopping. At the same time, the results can explain that consumers do not possess enough knowledge about mandatory particulars and about food labelling (see Table 3). Furthermore, over 95% of consumers claim that they read information stated on the food labels (Krnáčová, 2016). This means they do not pay enough attention to the food labelling.

Figure 2. Is food on the market labelled adequately?



Source: own results *n=139*

Most consumers believe that the mandatory particulars are a list of ingredients (97.84%), a food name (95.68%), a date of durability - ‘best before’ date or a ‘use by’ date (94.96%) and a country of origin (86.33%). Consumers should choose the information that they deemed mandatory from the list which contains only one optional data – a bar code, which the majority of consumers (66.91%) considers mandatory. However, the truth is that certain information must be listed under defined conditions – e.g. if their omission would mislead the consumer (it applies for the country of origin, with the exception of specific commodities (meat, honey, etc.) or instructions for use and preparation). Nutrition labelling is mandatory from 1 December 2016, at present it is so only if the packaging has a nutrition claim. Based on the results of the research, we claim that consumers do not have sufficient knowledge about the mandatory particulars that must appear on food packaging (Krnáčová, 2016)

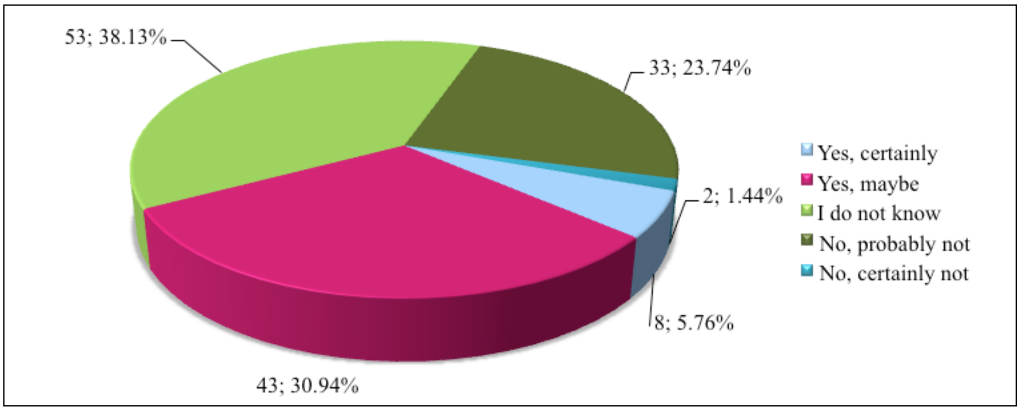
Table 3. Mandatory particulars in the view of consumers

Name	List of ingredients	Nutrition facts	Net quantity	Identification of lot	Barcode	Food business operator	Allergens
133	136	106	73	31	93	33	103
95,68%	97,84%	76,26%	52,52%	22,30%	66,91%	23,74%	74,10%
Country of origin	Date of durability	Instructions for use	Storage conditions	Nutrition or health claims	Actual alcoholic strength	In official language	
120	132	44	82	23	84	99	
86,33%	94,96%	31,65%	58,99%	16,55%	60,43%	71,22%	

Source: Krnáčová, 2016 *n=139*

Misleading/deceptive food labelling was the focus of the next part of our research. We have been witnessing number of cases of misleading/deceptive labels on the market, broadcasted by the media. It is alarming that more than quarter of consumers (51, e.g. 36.70% - Yes, certainly and/or Yes, maybe) consider the food labelling to be misleading/deceptive (see Figure 3). Another 38.13% of consumers were not able to express their own opinion, which also can be understood they lack information in this field.

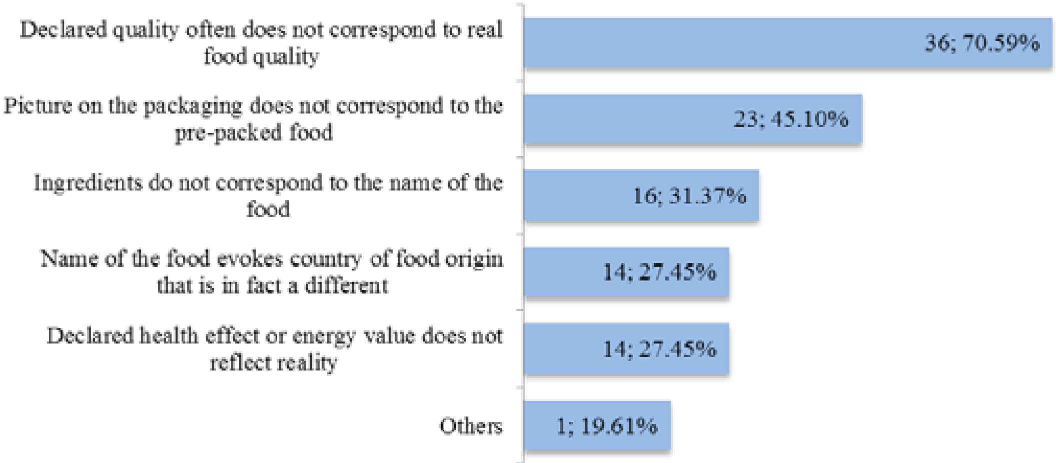
Figure 3. Is labelled information on the food misleading?



Source: own results *n=139*

The majority of consumers who view information as misleading believe the declared quality of food does not represent its true quality. A lot of consumers consider the pictures on food packaging to be misleading, because the real food looks different. In particular, we would like to pinpoint that 27.45% of consumers are convinced that, when the food producers name their product using the country of origin which is actually not the same as producing country, this is considered misleading (see Figure 4). In this case, we see the problem exactly in the fact that consumers do not pay sufficient attention to the information on the label. Because in accordance with the Act No. 152/1995 Coll. on food as amended the country of origin must be labelled on the packaging of foodstuff, whose name consists of a geographical indication. For example, Dutch cocoa produced in the Czech Republic shall be marked with the country of origin: Czech Republic. At the same time, it is applied for foods which are typical for certain countries. For example, Mozzarella as a typical Italian cheese that is produced in another country must be labelled with the country of origin.

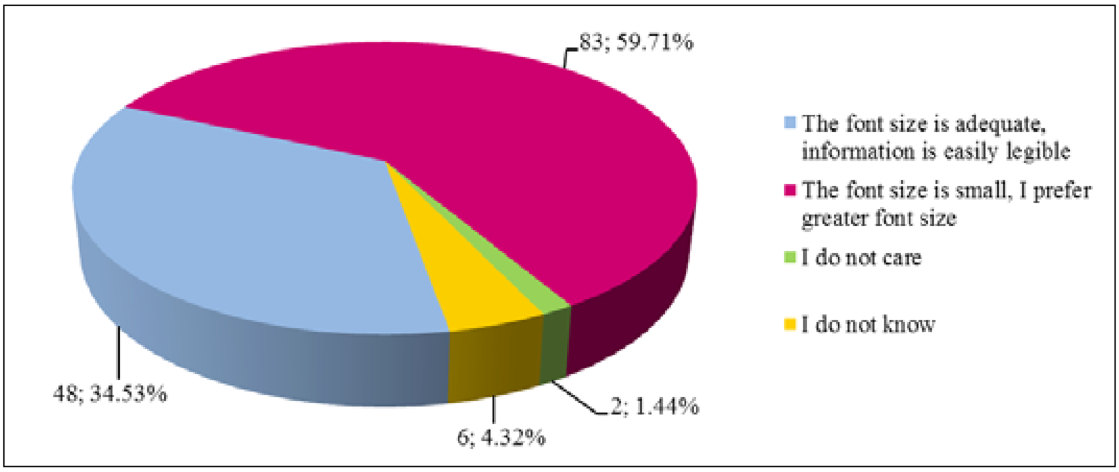
Figure 4. Why do you think that information is misleading?



Source: own results *n=51*

In the long term, consumers have declared problems with font size of information labelled on the packaging. Our results in Figure 5 show that 59.71% of consumers consider the font size small and they prefer greater font size. Based on the research conducted by European Commission, minimum font size was estimated. Regulation (EU) of the European parliament and of the Council No. 1169/2011 of 25 October 2011 on the provision of food information to consumers brought to the practice legibility of information - the x-height of the font size of mandatory information is equal to or greater than 1,2 mm, in case of packaging or containers the largest surface of which has an area of less than 80 cm2, the x-height of the font size has to be equal to or greater than 0,9.

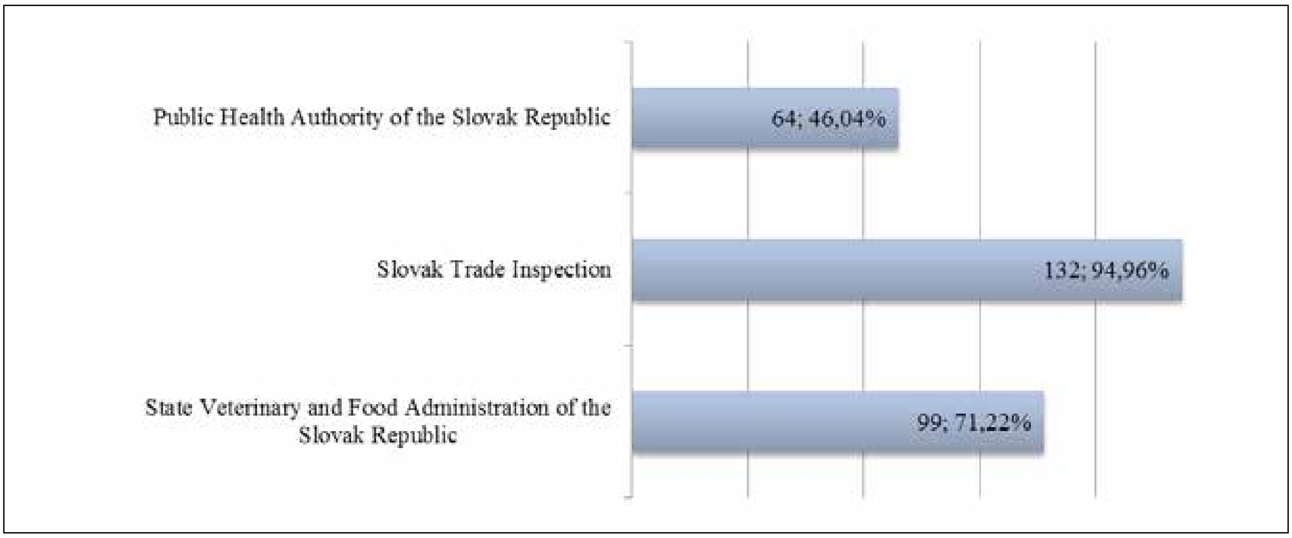
Figure 5. Font size of information labelled on the packaging



Source: own results *n=139*

Considering various food scandals broadcasted in the media in the last period, we wondered if consumers know which institution they should contact in case of problems, questions or complaints relating to food products. According to the results we can conclude that consumers do not have the right information. The most of the consumers (94.96%) would contact the Slovak Trade Inspection which controls the quality and safety of selected non-food products. In Slovakia the state control authority for product quality and safety represents Slovak State Veterinary and Food Administration of the Slovak Republic (hereinafter SVFA) which 71.22% of consumers would contact. There is a scope for improving consumer knowledge. Despite the increased recent publicity of SVFA relating to various scandals, consumers do not perceive it as a control body for the food.

Figure 6. Knowledge of state control authorities

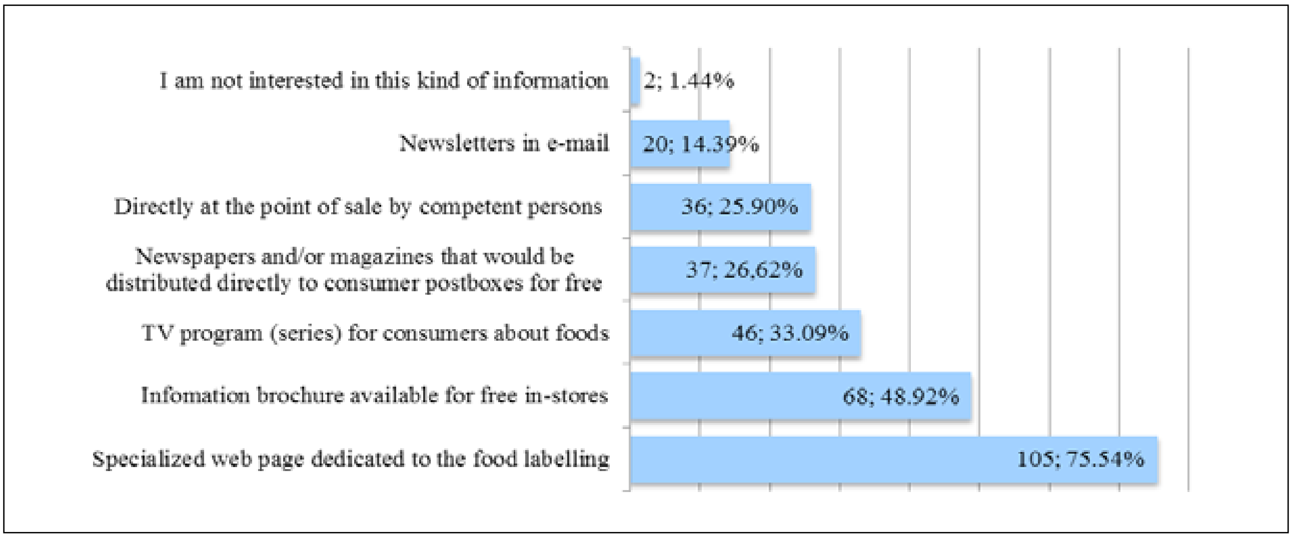


Source: own results *n=139*

2.3. Suggestions and Recommendations

Based on the research results, we propose suggestions and recommendations designed to increase the level of consumer knowledge about food labelling. While their processing we took into account the views and suggestions of consumers

Figure 7: Consumer preferences of food labelling information sources



Source: own results *n=139*

In terms of forms of providing information about food labelling (see Figure 7), consumers prefer the design of a specialized website (75.54%), information brochures available free of charge directly in stores (48.92%) or consumer TV program (33.09%).

We suggest some recommendations as follow:

- To establish Information centre for food safety – we lack this kind of organization in Slovakia. Existing consumer associations fail to cover such a wide area of consumer information and education, they lack sufficient personal and financial resources. Furthermore, there is no umbrella consumer association in Slovakia that would cover several small consumer associations or organizations. Therefore, we recommend to create such an entity (e.g. within organizational structure of the Ministry of Agriculture and Rural Development of the Slovak Republic), which would have different roles in consumer education and would improve consumer knowledge in the field of food quality and safety (including food labelling) by various forms: website, educational activities and lectures (training programs for pre-schoolers and pupils, lectures for students and teachers of secondary schools, colleges and also for adult consumers), organizing of events for consumers and/or publishing activities focused on electronic or printed publications, leaflets, manuals, which would be available for free.
- To design and create specialized webpage dedicated to the field of food products – the Internet currently represents the most powerful information medium.

As the research results show, 85.61% consumers get information about food labelling through the Internet. Many newspaper websites have a separated section that serves to inform about the food scandals arising at the market, to inform and explain information about food labels for consumers. All these activities are positive, but they are not sufficient in our view. The biggest advantage of the webpage - portal would be that the consumer has information "all under one roof ", obtains them from a credible source, does not have to seek information and decide whether it is credible. All important, relevant information and contacts would be easily found in one place.

- To produce information brochure/leaflet available directly in stores for free – the brochure should contain basic information about: (1) mandatory particulars labelled on the packaging with emphasis on that particulars to which consumer should pay attention to avoid misleading; (2) institutions responsible for food quality and safety control activities; (3) quality and/or origin marks – their characteristics, logos and meaning (e.g. Quality Mark SK, Quality of Our Regions, Protected Designation of Origin, organic mark, etc.). Almost half of the consumers (48.92%) claimed this form of information spreading would be appropriate for them.

- To create and broadcast consumer TV program focused on food products - 33.09% of consumers (see Figure 7) would accept this form of information sharing. Currently, the Test magazine such as TV program is broadcast, but it is not focused only on food.

- To broadcast more information on the issue of food labelling on TV - TV news, which is a television format with high ratings? According to the research results, 52.52% of consumers receive information through TV (see Figure 1). Therefore, we think that TV stations could broadcast more information of this kind. They needn´t only inform about the food scandals, deficiencies in the control activities, but can also create educational content about what to pay attention to on packaging, what to be aware of, what quality brands are used at the market, etc.

- To admin social networks actively - according to the research results, 43.17% of consumers (see Figure 1) obtain information on food labelling through social networks. Therefore, it is necessary to create a profile on Facebook (Facebook is the most used social network in Slovakia) addressing all relevant information concerning the food labelling as part of food safety and quality. At present, consumer associations use Facebook profiles, which are, however, mainly oriented to consumer rights with less or no focus on food issues. It is worth noting the Facebook profile of the Ministry of Agriculture and Rural Development of the Slovak Republic, where we can also find information on food labelling. On the other hand, for example the State Veterinary and Food Administration of the Slovak Republic as the state authority in the field of food quality and safety does not have a Facebook profile that could be used to effectively inform, but also to educate consumers. These facts reveal the possibilities for a more efficient use.

- To improve consumer sections in newspapers and magazines containing news, other informative articles dealing with the food labelling, food quality, results of food testing, etc.

- To train persons of the first contact to provide information related to food quality, food labelling directly at the point of sale – similar to best practices of some specialized stores (e.g. electro, cosmetics, footwear), in which the customer can ask competent employees when needing help.

- To teach consumer education at schools (primary, secondary schools and higher education institutions) - the consumer education should be part of curriculum and exist as an individual subject, or at least be included in various current subjects.

CONCLUSION

Based on the research results, the aim of the presented paper was to find out an information and knowledge level of consumers about food labelling in Slovakia and to suggest recommendations to improve the current state.

We conclude that consumer knowledge about food labelling issues is at low to moderate level, i.e. consumers have limited knowledge in this field. Research results reveal low level of knowledge about state control authorities in the field of food products. 94.96% of consumers consider the Slovak Trade Inspection as a control authority for the food. The truth is that food quality (including safety and compliance with the requirements of food labelling) is controlled by the State Veterinary and Food Administration of the Slovak Republic, which was identified by 71.22% of consumers. Furthermore, we have identified a lack of knowledge of consumers regarding the mandatory particulars on the pre-packed food labels. In terms of partial results that we present in this paper, we consider consumers' knowledge about the mandatory particulars which must be stated on the packaging of food to be insufficient. If we generalize the results, consumers consider the name of the product, the date of durability and the list of ingredients to be mandatory particulars. Moreover, the vast majority of consumers think that the country of origin and the nutrition labelling are mandatory as well.

According to the research results, we can also conclude that consumers get information from various sources that their relevance and amount is not sufficient. The vast majority of consumers use the Internet as an information source (85.61%), more than half of consumers TV (52.52%) and more than half of consumers (58.27%) get information through word of mouth from family and friends. Social networks are used to gather information by 43.17% of consumers. At the same time majority of consumers feel that there is a lack of information on food labelling in the media.

Consumers lack information about the food ingredients (94.24%), meaning of quality and/or origin marks (92.08%); mandatory particulars labelled on the food (84.18%), basic information obligations of food business operators (85.61%). The resulting lack of knowledge can be caused by the fact that 44.60% of consumers think that food available on the market is not labelled sufficiently. Furthermore, it is alarming that more than quarter of consumers (36.70%) consider the food labelling to be misleading/deceptive. Another 38.13% of consumers were not able to express their own opinion, which can also be understood they do not have enough information in this field. The most consumers believe that the declared food quality does not correspond to their real quality (70.59%). 45.10% of consumers consider pictures on the food packaging to be misleading and 27.45% of them are misled by name of the food that evokes country of origin.

Based on the research results, we propose suggestions and recommendations that can increase the level of consumer information and knowledge about food labelling, as follow: (1) to establish an Information centre of food safety, (2) to design and create specialized web page; (3) to create and produce a brochure available in-store free of charge; (4) to create a consumer TV program on food; (5) a larger volume of information on the issue of food labelling in television news; (6) active use of social networks; (7) to improve consumer categories in magazines/newspapers; (8) training activities for employees directly at the point of sale; and (9) active teaching of consumer education in schools.

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OPENNESS AND DESIGN PRACTICES IN ACADEMIC LIBRARIES

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ABSTRACT

This paper explores openness and its role and relevance in creating an opportunity for sustained innovation through design thinking in organizations such as libraries. There is a growing recognition of design thinking as an effective approach to innovation. Many libraries, also academic ones, seem to have embraced the approach. However, to enable sustained, and not only short-term efforts to innovate, we believe that design thinking needs to be integrated with existing library practices. Furthermore, we consider that openness towards designerly ways of working is crucial in achieving that goal. In this paper, we discuss diverse ways in which openness plays a role in design thinking led innovation, including openness to learning new skills, question and explore, acquire new values, and continually integrate what is learned with existing practices. Two cases from our research on effects of design thinking on academic library practices are used to illustrate the importance of openness in this process.

KEY WORDS: openness, design thinking, designerly practices, innovation, library.

1. INTRODUCTION

The overarching goal of an academic library is to serve the academic community by helping to cultivate, manage, preserve and expand the body of knowledge. As an institution with a long and well-established tradition, the library, until relatively recently, had little need for radical innovation of its services. Rapid technological development over the past two decades has changed this situation. The traditional operational and organizational methods were developed around the old media, i.e. information in printed form (Arms, 2014). Although library automation processes started already in mid-seventies, the Internet, and the personal, mobile devices more generally, have profoundly changed this organization and its operation patterns. These new ubiquitous digital platforms, with ever-increasing availability and mobility of information, changed something else – the academic community and its work practices, its relation to information, and consequently, its relation to the library. The appearance of disruptive technologies, such as e-books first, and tablets and smartphones later, brought about significant changes in users' behavior. Within a short time, these technologies enabled users to have access to information, including books and academic papers, anywhere, anytime. Users could now easily store and curate a large amount of information on own devices and search dominant academic databases such as Google Scholar (Kesselman & Watstein, 2005), thus creating better conditions for academic work.

Simultaneously with these developments, funding for libraries often decreased, in some cases, forcing libraries to close (Haak, 2014). To continue serving today's and future academic community needs, in addition to defining own values and practices, the library should establish clear connections to larger institutional values, goals, and practices, also those related to the use of new technologies. In (Tenopir, 2011), Tenopir points out that in an era of decreasing resources and increasing choices, academic librarians are faced with finding the ways to capture the value of the library, and gathering evidence that helps libraries make the best choices about future directions. While the higher goals of the library remain nearly unchanged, its values have a more elusive character and are subject to societal and cultural perceptions, which in turn, are often influenced by the technological determinism. For example, the value of the library as a repository of knowledge has perhaps all too fast been diminished by the belief in the potential of digital media to take on that role, often without understanding the limited shelf life of digital technology (Haak, 2014). Already in 1996, Brand has seen the need, and value in a long term thinking, also regarding saving the recorded knowledge for the distant future (Brand, 1996).

As a space that fosters communication within the academic community, with a goal of creating and making knowledge accessible, the library may also be seen as an extension of the learning space. As such, it needs to embody different ways and modes of learning, including collaborative (Gokhale, 1995), constructivist (Jonassen, 1999) and interactive modalities (Lundvall, 2010), all of which inspire better critical thinking and increased creativity and knowledge production and all of which often involve technology. Thus, how to best follow users and their technology use and knowledge creation patterns, has become one of the challenges for many academic libraries. Clearly, this task invites libraries to re-think their role in the academic life, and their willingness to innovate.

Many libraries worldwide have used this opportunity to think differently. To tackle the challenges, more and more libraries choose to engage in innovative processes, where instead of responding to the challenges coming from outside, they strive to introduce innovation practices at the institutional level, as described, for example, in (Pandey, 2015), as well as innovation of services (A. Culén & Kriger, 2014; Massis, 2014; Moorefield-Lang, 2014) or products. In such libraries, the usage of the library has changed, both with regards to offerings and to the number of visitors (Freeman, 2014). These increases, states Freeman (ibid.), are particularly common at libraries and institutions that have worked with their architects and planners to anticipate the full impact of the integration of new information technologies throughout their facilities. He further offers some successful examples of changes, such as the University of Southern California, Emory University, and Dartmouth College Libraries.

What is often in the heart of these changes and how does one support innovative practices within academic libraries? Some see user-centered design approach, with user participation in creation of both physical and the digital services that are needed (Casey & Savastinuk, 2006) as a way they want to innovate. Others see the innovation opportunities in enhancing user experiences (UX) as the main focus (Mathews, 2012; Rundblad, 2011; Schmidt & Etches, 2012), end-user development (Culén & Gasparini, 2013), or innovation through design thinking in a broader sense (Korbey, 2014), (Olaisen, Løvhøiden, & Djupvik, 1995; Rundblad, 2011). Whatever approach an individual library decides to use while re-considering its role and function in the community, it is evident that ideas need to be tested and refined in the field (Arms, 2014). The primary challenge for such work is that the education and the experience within traditional academic libraries do not prepare librarians for this kind of work practices. In addition to an understanding of the field work, users' behaviors, technology patterns and so on, they also need to be able to identify the opportunities, act on them, implement changes and study their results in actual use. This description is more or less how interaction designers, design thinkers, and human-computer scientist would describe their practices as, and it may be far from how library employees see their work. One obvious solution to this lack is found in multidisciplinary work. A crucial issue then, related to such collaborative, multidisciplinary work, is to mutual learning and focus on educating, through hands-on empirical work, library employees who can sustain and further build on this approach in their everyday library practices.

In this paper, we discuss opportunities and challenges in relation to openness in such organizational orientation towards innovation and introduction of design practices with a focus on cooperation and teamwork that includes users, librarians, and other stakeholders. The design in the library context is understood as a problem-solving activity internally, within the library, as well as engagement in design opportunities arising within the larger academic community. The latter creates a possibility for the library to provide exploratory design spaces (labs, hubs and like) for multidisciplinary research. The discussion is based on the case of a design thinking practices development at the University of Oslo Library, over the past couple of years. We believe that positive lessons from that journey are easily transferable, and have a potential to make libraries less vulnerable to changes in technologies, perceptions around its values and its positioning at the heart of academic life. The approach we took evolved from user-centered innovation in the context of the library as a living lab (Culén & Gasparini, 2013). The living lab was at first understood as a conceptual construct but evolved into a physical space for multidisciplinary research interactions that are supported and guided by the library employees. Simultaneously, design efforts moved from user-driven innovation to a design thinking driven approach as a consequence of this work, and realization that design teams need a broader set of skills and knowledge about library practices than those that users have, in order to make changes with lasting impact. Design thinking and design interventions were then used as the primary approach to make room at the organizational level for proto practices (practices based on prototyping of new products and services, see (Pandey, 2015)), engaging designers, library employees and students and researchers in multidisciplinary collaborative designerly practices. As mentioned, the intention of making a long-term sustained innovation also implied that some library employees need to learn to use designerly ways of working, and be able to apply it in variety of projects that the library engages in. Diverse tools and techniques, such as divergent and convergent idea generation processes, co-creating empathy, working with customer journeys, visualization, cards, sensors and gamification, are part of the design skills that are learned. This new competence creates a realistic basis for design thinking based innovation to have the impact on the library as a whole. Design interventions represent practices that spread and gradually embed design thinking as a continued innovation approach. They serve as a sense-making, problem-solving, innovation sessions in multidisciplinary settings and include, as one of the outcomes, a set of sub-problems to be further worked on, a map of implementation trajectories in its most concrete form.

Our findings indicate that the success of innovation powered by design thinking is largely due to diverse facets of openness. We have, over the past several years, studied how design thinking was integrated with existing practices at the University of Oslo Library. Recently, in a new strategic document, the University of Oslo Library has (University of Oslo Library, 2016) highlighted quality of services, openness and availability as their top three, and most central values. We discuss here the role of openness and showcase two examples from our study that illustrate how design thinking was integrated, and ways in which openness was important.

The paper is structured as follows: in the next section, we explain what we the term openness implies with regards to work presented in this paper; followed by a section on design thinking. In the subsequent section, we describe how design interventions and design thinking have been used at the

University of Oslo library. The paper ends with a discussion on the role of openness in those interventions and other lessons we learned about openness as a characteristic of design thinking.

2. OPENNESS AS A CORE VALUE

Openness, we claim, is crucial to innovation, although it comes in different forms and focuses on distinct factors that are important to the process. In the current strategy document of University of Oslo Library (Oslo University Library, 2016), openness is explicitly characterized as the core value in following statements:

1) The University of Oslo Library wishes to base their activities on openness and dialogue with university researchers, students and the community at large.

2) The entire organization shall be characterized by openness.

3) The library should actively seek cooperation, nationally and internationally, on finding solutions and creating infrastructures for innovative future services and technologies.

Given this institutional orientation towards openness, and acceptance of it as its core value, openness begins to matter in relation to innovation, also for library employees, at an individual level. The more they can understand the process of design thinking, the higher their sense of involvement and ownership, and the larger the effort and the time that they are willing to devote to it. Different forms and aspects of openness become important to innovation through design thinking. We identify, and later exemplify, five aspects of design thinking that provide a more performative understanding of openness, and as the sixth point, we highlight the importance of reflection on core values.

a) Openness to re-thinking existing services, or creating new ones. This implies willingness to *observe and identify opportunities for design* in everyday work. Points 1) and 2) of the above-mentioned strategic document are important for being able to do this, and are in direct relation to the central aspect of design thinking, user centeredness.

b) Openness to *proto practices,* prototyping practices that are central to design thinking as a process. Proto practices need to gradually become integrated with everyday library practices in order to sustain innovation through design thinking. Building and integrating proto practices happens through focus groups, seminars, workshops and design interventions.

c) Openness to be a part of *multidisciplinary team work*. When the library needs to cooperation with others, as expressed in point 3) of the strategy document, to find good solutions to problems, it is important for library employees to be open to working with others who may have a different perspectives and knowledge from diverse fields.

d) *Openness in design processes*, e.g., using diverse tools that support divergent and convergent thinking and enable broader research and wider inquiries into the problem space. The wider inquiry is important in order to be able to identify the right problem to solve, in contrast to, perhaps, the one that is immediately apparent.

e) Willingness to *implement* and put into practice the results of designerly practices. The ability to show concrete results of design efforts and follow the entire design process, also implementation and post-design, motivate sustained innovation.

f) Willingness to periodically *evaluate*, and possibly re-think core values, including openness at the organizational and strategic level.

3. DESIGN THINKING

Design Thinking (DT) is a methodology that comes from the design field and is used, not only to solve problems through design, but more generally, to change the existing conditions to the preferred ones (Simon, 1969). It can be used, for example, to change work patterns, organize work teams, question and provoke, promote change and best practices oriented thinking. It differs from the traditional conceptual design approaches by its strong user-centered focus, combined with feasibility of technological solutions and viability of business propositions that it results in. Rather than trying to solve the problem well, focus is on trying to identify the right problem to solve. This often requires taking a holistic, ecological perspective. Clearly, opening up the problem space, makes for increased complexity. Empathy with users is part of the approach and is important especially when users are not instrumental in the design process (Gasparini, 2015). DT approach was used and supported since the early 1990s by various designers, scientists and design agencies, such as IDEO. In 2005, the approach was given a further boost with d.school (School of Design) at Stanford University that helped to establish DT as an innovation strategy. The approach was embraced by management and adopted as part of the corporate strategy in many organizations (Martin, 2009). This has triggered a debate about its value, especially because it seemed to be accessible to designers and non-designers alike (Leavy, 2010; Brown, 2009, 2009; Martin, 2009). Despite the fact that, in theory, anyone can become a design thinker, we do not find practical evidence that it is so. In the literature, we find many examples of how design-thinking processes gave good results when professional designers guided processes (Brown, 2008; Brown, 2009a). A limited number of papers are concerned with DT in novice teams, e.g., (Seidel & Fixson, 2013), or with non-designers familiar with design thinking, such as design researchers (Culén et al., 2016).

In summary, the following aspects of design thinking are often brought forward as essential:

- *Empathy with users* is regarded as critical to creating solutions that meet users' needs

- Careful *choice of the design team,* in accordance to competences and knowledge that is needed to fulfill the design process successfully, needs to be made. Participation of the leadership and management is desirable.
- Use of the *divergent and convergent thinking* to broaden the problem space and get an understanding of its complexity, but also be able to converge towards a set of possible solutions.
- *"Rapid" prototyping* - the use of simple models, drawings or pictures that help communicate ideas so that the whole design team may develop common understanding of concepts that they work with. In service design, there are often no prescribed models to follow. Rather, one works with tools that are generative and visual in their nature, such as customer journeys and touch points (key concepts in service design).
- *Test and evaluate ideas* quickly and make room for errors. *Failing cheap and early* is valuable.
- Use *abductive thinking,* or synthesis, to arrive to some optimal solution

In spite of many reported success stories with DT, there are some limitations and concerns worth mentioning (Collins, 2013; McCullagh, 2013; Nussbaum, 2011). The criticism is based on the fact that DT processes are often chaotic, as is usual with creative processes. It may be hard to accept this messiness at first, but if the organization chooses to accept discomfort in the beginning, it gradually gets the biggest dividends from the process. Nussbaum describes this as follows: *"From the beginning, the process of Design Thinking was a scaffolding for the real deliverable: creativity. But in order to appeal to the business culture of process, it was denuded of the mess, the conflict, failure, emotions, and looping circularity that is part and parcel of the creative process. In a few companies, CEOs and managers accepted that mess along with the process and real innovation took place*" (Nussbaum, 2011).

Other researchers have reported additional challenges in implementing DT in organizations. Carlgren et al. (Carlgren, Elmquist, & Rauth, 2014, 2016) point out seven challenges that they observed related to implementation of DT in large firms: "*misfit with existing processes and structures; resulting ideas and concepts are difficult to implement; value of DT is difficult to prove; DT principles/mindsets clash with organizational culture; existing power dynamics are threatened; skills are hard to acquire; and communication style is different.*" (ibid)

3.1. Design Interventions

A design intervention may be described as a proven and planned action with the purpose of making a change through design. It implies an active undertaking to make things happen that otherwise would not have happened (Löwgren, 2013). For example, a design intervention could aim to change the way in which a specific product or service is used, or how it looks like. To ensure that results of an intervention become meaningful, it is important that intervention initiators make preparations, execute the action and follow-up. Results of interventions should become visible or known, and guide future efforts. That is to say, each subsequent intervention needs to show that what was learned from previous interventions is taken into account when planning for new ones. Thus, design interventions provide an action-based framework to engage people in participatory design action.

Design interventions are mentioned here as we interpret them as efforts to engage in a design practice. We have seen numerous cases of design interventions during our studies of how design thinking, and openness specifically. Some had to do with changing physical spaces, so that, for example, they could be used in multiple and flexible manner. Others, used mixed physical and digital design, as for example, science fiction books being brought to one place in the library, but then also marketed as something special, by combining designed presentation of the collection on the multi-touch table and the possibility to view films or play games made adapted from books, e.g., The Martian, Ender's game. Lastly, there were digital interventions, for example, organizing an online service for PhD students called PhD on Track. Such interventions made efforts visible for the organization, and, possibly, also contributed to increased openness to DT.

3.2. Proto Practices and Workshops

Discussing sustained reflexive and collaborative transformations of work practices, Pandey proposed to transform design thinking practices into proto-practices (Pandey, 2015), by integrating novel (for library employees) designerly ways of working with the existing ones. Due to the largely tacit nature of proto practices, collaborative workshops involving multidisciplinary teams are suggested to support integration of design-thinking practices. Workshops involve participants, in small groups (3-4 participants), in design thinking activities. Based on our experience, we find that a one or two-days long workshops work best. The first half of the workshop time is used to understand users, context and underlying issues as thoroughly as possible. For this work, different approaches are used, such as ethnographic observations, brainstorming, role-playing, interviews, photo-safari, mood boarding and diverse mappings. The second half of the workshop is dedicated to rapid prototyping of different possible solutions, using synthesis to combine best parts of different propositions to provide a new, optimal solution.

In the next section, we describe two cases that exemplify the approach that we described above. We have chosen these two cases among approximately 25 workshops and design interventions that were carried out in order to introduce design thinking and support emergence of proto practices. We believe that they illustrate well aspects of openness that we have discussed in Section 2.

4. ASPECTS OF OPENNESS: TWO CASES

4.1. Case 1: Planning the Future Law Faculty Library

This was one of the first workshops held during our research study that started in 2013. It was a combination of a workshop and a seminar, the latter because DT was new for the Law Faculty library employees and needed to be introduced. We opted for one and half day in the countryside, right outside the capital of Norway. The workshop part was concerned with plans for the future Law faculty library. The tasks made for the workshop focused on user centeredness, i.e. knowledge about and empathy with users. The tools and methods used at the workshop were those frequently used in service design: making and discussing user journeys, primarily future journeys in the new library. Creation of journeys was supported with a card set, as a thinking and reflecting tool. Cards were a mixture of a set described in (Clatworthy, 2011) and cards made for the workshop, containing images relevant for library services, see Figure 1. The tasks included also refection over the forthcoming plans for moving the main Law Library (together with the entire Faculty of Law) to a new location, and merging it with seven small law libraries. This set of tasks aimed to use the power of DT to support divergent and convergent processes around how to design future services for the new location, from an ecological perspective. Some of the questions that we wanted answered were: Are there new kinds of services that could make the large, merged law library more attractive? How to make patrons visit the new law library? How to promote these new services?

Figure 1. Service design process, using service design cards and large paper to create user journeys.

Source: Gasparini, Håvard Kolle Riis

Counting eighteen participants, including the director of the Law Library and the director of the University of Oslo Library, almost all the employees of the library were present at the workshop. To support an emphatic understanding of a user and take user's perspective, we opted for discussions of experiences with a service that was often experienced as difficult, and that all present used and could discuss as users. The intention was to show the participants how the view of a service may differ from a provider's and user's perspective. The discussion then switched to how they see users' experiences in the Law Library. One example brought up was that of an old-fashioned service desk, that one of the librarians really wanted to keep also in the new library and cared about this a lot. In contrast, the possibility of putting a modern self-service desk, with employees available for help at any time, was also discussed. The participants were requested to look at both these possibilities from the users' perspective, and as librarians. Differences in type of services that these old and modern desks supported were also discussed, both negative and positive aspects of both possibilities. The insights gained by working on this task, were used later in the workshop to converge towards a possible solution for the front desk services in the future library.

Furthermore, the participants used service design cards to envision three user journeys focusing on services that are relevant for researchers and students of law. The participants worked in groups. The user journeys that groups proposed covered the use of both digital and non-digital services at the library building. For example, finding law library resources, searching for and booking a study room at the library, or visiting the main Law Library to deliver and discuss a reading list for any given course. In the second phase of the workshop, the participants discussed the same services in relation to the new library.

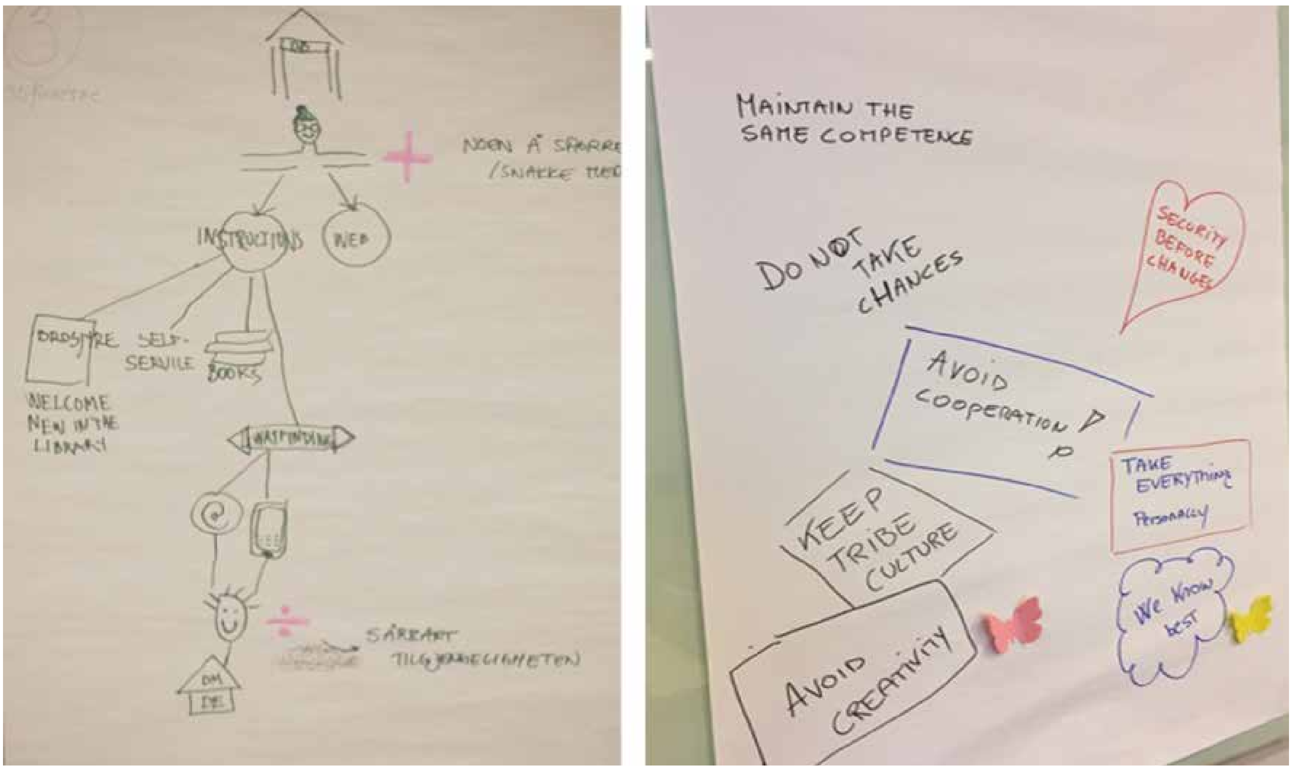
The results of the workshop were positive. Several new services were envisioned and plans were made to actually implement and test them. One of those ideas that was liked a lot was an app, a package of services for researchers, see Figure 2 a), that proposed new signage, an easy-to-get-in-touch service, and a wall in the library with the latest published research papers. The overall focus on design-driven solutions, contributed to hands on experiences of designerly ways of working and provided an approach to understanding user expectations, experiences, and satisfaction. We could observe that methods were suitable and opened for discussions in appropriate ways. Some of the participants were so excited about the design process that on the second day, they went straight to the meeting room, even before breakfast, just to change user journeys that they made the day before. The long-term effect of the workshop was also significant. The leadership, along with employees was exposed and actively participated in design activities. This implies that a common language was developed around such activities, participants learned the terminology used and experienced how the participation could change their views of some services. Some of the participants liked the approach so much, that they have appropriated and continued to use the same and developed similar tools for use in other library contexts.

4.2. Case 2: Funding Cuts

The second case chosen, a workshop that was one of the last ones, was organized at the end of 2016. The problem that the workshop focused on was related to funding cuts for the library, announced by the leadership of the University of Oslo. In addition to funding, the leadership proposed some structural changes, such as co-locating a group working with digital library services and a group working with information literacy support for researcher and students, and turning these into a new University department, outside of the library. The latter aimed to increase the quality of teaching and education by organizing and co-locating groups across the campus that could contribute to this task. On the one hand, being chosen to work on this task, was perceived by the Library leadership as rewarding, as it shows the University Leadership's trust that the library can accomplish this important work for the University of Oslo. On the other hand, the organizational changes could have a significant and unforeseen impacts on the library.

As a reaction to the two described issues, the management organized a one day workshop. The goal of the workshop was to address, understand and react to possible changes ahead. The twenty participants were all leaders of diverse sections of the Library.

Figure 2. a) Prototyping user journeys b) One group proposed some strategies that could make the library fail in responding appropriately to new conditions.



Source: Gasparini.

In the first phase of the workshop, after some short introductory presentations, the design thinking approach was used. In this case, we started by using the affinity mapping method to bring to the table all the challenges and advantages related to the proposed changes. When all the post-it with possible changes were grouped, several main categories were identified by the participants. While some categories had focus on competences that the library staff should acquire in order to be able to accomplish the given task successfully, others addressed issues regarding the tension between the paper-based and the digital library, learning spaces in the library, communication, and dissemination of information literacy, and, finally, how the changes would affect terms and conditions for Ph.D. students.

The second design task was new for all. The task was inspired by a presentation that one of the leaders listened to at the service design conference in the Nederlands (SDGC, 2016), where he was a participant. The method is called "*Sabotage*" and its goal is to emphasize actions that bring about negative results, for example, what makes an organization fail to achieve their strategic goals. Based on this new method, the task presented at the workshop was:

"*What shall the University of Oslo Library do to fail to adapt to new conditions?*" This inverse task revealed new interesting factors for where the library could be better. For instance, as Fig. 2 b) shows, "*do not take chances*" and "*we know best*" are examples of the way the library should not act, if it wishes to adapt to new conditions. One of the lessons learned from this activity is that some of the negative points brought up are easy to revert to, if one does not pay keen attention to them. Interesting points to bring up here are that the task "Sabotage" was proposed and implemented by one of the leaders and show that the leadership pays close attention to methods to understand issues and is willing to experiment.

The third task used the now familiar user journeys. Two groups had to work with an incomplete user journey that they were to complete with touch points related to needs for PhD students in becoming researchers. The remaining two groups worked with similar user journey, where users were not PhDs, but master students that needed to complete their master studies. The master students' journey started from the very first day at the university, and ended at the moment when the master thesis was delivered. With insights gained through previous tasks, all four groups worked on discussion how adding or removing touch points and services they represented, the participants gained a deeper understanding of services that are needed to support PhD and master students in completing their degree. The goal was to give relevance and value to each of the touch-points, add granularity, and understand the effects that suggested services would have on the library. The latter is important as even just prioritizing one service over another has an effect on how the library works. The workshop concluded by summarising all insights, and concretizing future plans of actions related re-structuring of the library and funding cuts.

4.3. Discussion

The two presented cases have been chosen as cases close to the start and to the end of our study of how openness influences uptake of designerly practices, transforming them into proto practices. At the start, library employees needed to be introduced to the language and practices of design thinking, and this was usually accomplished through seminar presentations, combined with workshops for hands-on experiences. The second case demonstrates that no such introduction was needed, and moreover, that the library leadership could also now chose and add new tools and methods to proto practices. Proto practices are characterized by overlapping of the new and old ways of doing things, and so the Case 2 illustrates this point. Both cases demonstrate how the library could use DT approach to influence their culture regarding innovation, making structural changes within organization and designing products and services. In addition, both cases show that the organization was able to learn from each design workshop or intervention and bring the new knowledge and competence to the next project. The use and adaptation of the new "Sabotage" service design method by the library, shows openness to using new design methods within the organization, and also shows how this new method gets integrated with already accepted methods and practices.

By giving participants the opportunity to work as designers in a workshop setting, we were able to observe to what degree participants are open to the use of different tools, such as cards, methods, such as diverse forms of mapping. In presenting diverse tools, methods and even tasks, we always left open room, such as using incomplete journeys and asking for completion by participants. In the process, attention was paid to openness towards building empathy and understanding of users' perspective.

The use of DT practices such as design interventions and workshops had the effect of preparing the library for understanding changes that were to come, also allowing for wider discussions and broader perspectives on own work practices. This, in a way, helps establish reflexive practices (Schön, 1983) at the organizational level. Being reflective allows learning and maturing process (ibid). Going back to the strategy document mentioned in Section 2, and re-visiting of organizational values in Section 3, we think that these two cases illustrate that openness indeed is one of the core values, not only on paper, but also in practice.

Our findings from the second case show that users are taken seriously and that ways of bringing user experiences in discussions are important. Although the context and goals of the meeting in Case 2 were urgent and important for the library, the empathy for the user and understanding of the user position were not put aside. Openness to rethink services, re-design them or create new ones, is present in both cases, and evident in their descriptions. We also found that the framework presented in this paper, in Section 2, was helpful in discussing the performative understanding of openness in designerly processes. For instance, participants' openness to design processes (workshops, seminars, and interventions) implied active and engaged participation, not just attendance.

In fact, the leadership of the library gained confidence in the design methods to a degree that they were willing to use them to tackle transitions to new buildings, demanding users and use contexts, but also to tackle important issues such as funding cuts, where it is not immediately clear that design thinking can be helpful. Both cases witness library's willingness to both design and implement better services, although the latter may take some time. Conceptualizing and prototyping new services was an important outcome of workshops in both cases. However, focusing on and building awareness of users' needs, was an equally important part of the process. The library has gained an understanding of how to leverage the knowledge of users as a competitive advantage.

CONCLUSION

The paper presented a framework to understand the role of openness in the uptake of designerly ways of working in the academic library. Two cases of library projects were design thinking was used as an approach to innovate were presented. We have highlighted some points that illustrate where openness was needed or how it was manifested in presented cases. Although we worked in the context of sustained innovation within an academic library, we believe that recognizing the role of openness and articulating it clearly (as well as re-thinking this articulation periodically) at the organizational and strategic level, is generally important for the success of approaches such as DT. Furthermore, employees' openness to learning designerly language, experiencing methods and tools in relevant, real life projects and accepting them as part of the everyday practice, is also central. Doing so does not imply that all library employees become designers, but that they recognize the value of DT and its potential to contributed to efforts of building sustained innovation practices. DT approach in itself already fosters openness to users' perspective, divergent thinking and use of method and tools that support creativity. These points, together, are the anchor points of the proposed framework.

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IDENTIFICATION AND USE OF INFORMATION AND COMMUNICATION TECHNOLOGY IN THE PROMOTION OF CROATIAN TOURISM

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ABSTRACT

The development of information and communication technology has created a solid technological framework for the application of new technologies in different environments. The implementation of cyberspace tools has changed social interactions in general as well as the technologies and advertising methods. Today, information and communication technology allows users to access information via telecommunications. The means whereby messages are conveyed include, among others, the Internet, wireless networks, advanced mobile devices, and other communication media. Numerous studies have shown that an appropriate use of electronic marketing activities can be useful in achieving various tourist promotion goals. However, today's level of technological development allows modern consumers, i.e. users, to search for information on a tourist destination in real time, and also before they arrive at the destination through mobile technology. The paper starts from the assumption that in the near future tourist destinations that provide information to consumers through information and communication technology will benefit the most. The aim of the paper is to define key factors conducive to increased online presence and use of online services. The research conducted will give a clear picture of the current situation in terms of the use of information and communication infrastructure in the promotion of tourism which can be used to develop and propose an appropriate strategy for the management of electronic marketing activities aimed at promoting Croatian tourism.

KEY WORDS: e-marketing, mobile marketing, information and communication technology, smartphone.

1. INTRODUCTION

Information and communications technologies are the backbone of marketing activities in modern business. The use of techniques, tools and services, collectively termed electronic marketing, enables optimisation of all the elements of the marketing mix. For that reason, it is justified to underline its potential in all economic activities, including tourism. Today, business entities have, for the most part, recognized the possibilities of electronic marketing resources. The rapid development of the Internet, which has become omnipresent in the 21st century, has changed forever the way people do business and communicate. According to Internet World Stats[1] software for data collection and analysis, in 2016, 3,393,000 individuals had access to the Internet. Around 40% of the world population has an internet connection today, as compared to 1% in 1995. Recent trends in the development of business activities show significant reliance on information and communications technologies, which will cause an increase in online bookings, primarily through mobile devices with Internet access. The rapid development of information and communications technologies and their application through e-marketing techniques and tools, in particular in the distribution and sales, has allowed all stakeholders in the tourism industry to penetrate the market more easily and increase their market share.

This paper aims to explore and define the main characteristics of a specific component of information and

[1] Data adapted from Internet World Stats: Internet Growth Statistics:History and Growth of the Internet from 1995 till Today: http://www.internetlivestats.com/internet-users/ (accessed 17.06.2016.).

communications technologies, i.e. electronic marketing, in tourism. The focus of the paper is on the current use of e-marketing techniques and tools and analytical monitoring of their effectiveness, as well as the use of mobile marketing tools that can be implemented into effective destination advertising strategy. The overall goal of the paper is to identify the current extent of use of information and communications technologies in the promotion of Croatia as a travel destination, as well as to analyse and understand the effort put in these activities. The survey results will help identify the areas where satisfactory progress has already been made, as well as those requiring improvement.

There is a causal relationship between marketing, as a social science discipline, and market changes; hence, the definition of marketing has changed over the years due to economic changes. Today, marketing is defined as the social and management process responsible for satisfying customer requirements profitably. Marketing as such represents a philosophy aimed at satisfying and striking a balance between the main variables that influence the functioning of the market, i.e. creating and satisfying demand through the optimal mix of four elements - product, price, distribution and promotion. As a result of the development of modern technology, one more variable had to be added to the marketing mix – social networking. Its widespread popularity among consumers has enabled electronic marketing to take a step further. Marketing is involved in all economic activities, including tourism, which is often defined by practitioners as an aggregator of other activities, including marketing activities. Due to a specific nature of marketing management in the tourism industry, which entails the combination of tangible and intangible elements, new models of marketing in the hotel and hospitality industry have been developed.

In recent years, tourism product developers have focused on the transformation of Croatia into a travel destination whose offer extends beyond a family vacation, sun and sea. Emphasis is placed on target market strategies and strategies on tourism product systems aimed at tailoring promotion to each region.[2] Almost all segments targeted by Croatian tourism use modern information and communications technologies and have, for the most part, adopted electronic marketing resources as tools for searching for and obtaining information. It is therefore necessary to develop a quality strategic approach to targeted market segment, whereby tourism product developers and consumers will be brought together in an online environment.

Electronic marketing, as a component of information and communications technologies, is of strategic importance in modern tourism promotion. However, in some types of tourism, these resources are insufficiently used. Online and offline marketing techniques and tools are vital elements of any tourism development strategy, in particular when it concerns the development of a travel destination. Over the past fifteen years, significant changes have occurred in the tourism market worldwide. They primarily concern the development of new travel destinations and new selective types of tourism, as well as the continued growth of tourism, both in terms of quality and quantity, as a result of which it has acquired the status of the fastest-growing industry.[3]

Today's tourism is characterised by faster, cheaper and simpler travel, an increasing quality as well as diversity of services, all of which are a result of the omnipresence of media and readily available modern technologies. There is a growing offer of programmes that allow tourists to plan their activities in the travel destination of their choice, in advance. In addition to its price and quality, the most important element of the tourism product is its content, in particular in terms of its originality, promotion of a healthy lifestyle, and sustainable management of natural resources.

Many authors agree that the information technology has fundamentally changed marketing activities (Persaud and Azhar[4]). The changes are also evident in tourism (Hossain and Amin[5], Amirkhanpour; Vrontis and Thrassou[6]). New opportunities created by the development of information technology have encouraged business entities to develop long-term relationships with their customers, which gave rise to relationship marketing. The Internet enables the customer to have a direct contact with a business entity at any time, day or night, from any location, so that he/she can obtain the information needed and make a purchase. The information can be personalized to the individual customer needs and wants. The Internet also allows customers easy and quick access to information about competitors' products and services. On the other hand, it enables business entities to find new customers, while providing services to the existing ones, by using the database to develop customer profiles and steer them towards products and services that suit their needs and preferences.[7] Electronic marketing can be defined as the process of creation, pricing, distribution and promotion of goods aimed at satisfying customer needs and desires profitably, by using the possibilities of digital technologies and the Internet. According to Strauss, J., El-Ansary, A. and Frost, R., electronic marketing is the use of information technology in the process of creating, communicating and delivering value to customers, as well as in customer relationship management to the benefit of both the organization and its stakeholders. This is the application

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of the information technology in traditional marketing practices.[8] Internet marketing is one of a range of terms used to describe electronic marketing, as it is most commonly referred to. Online marketing is another common synonym, used as a collective term for all types of electronic marketing. Other alternative terms include cyber marketing, Internet marketing and web marketing.[9] According to a broader definition, e-marketing involves the implementation of marketing activities of a company through extensive use of information and telecommunications technologies.[10] The literature offers an even broader definition of the concept of marketing that has been influenced by modern digital technology. Chaffey et al. assert that electronic marketing is the use of the Internet and other digital media to achieve marketing objectives and support the modern marketing concept.[11] Numerous definitions of e-marketing are based on a generally accepted definition of marketing. For instance, Mohammed et. al., define electronic marketing as the process of creating and maintaining customer relationships through online activities in order to facilitate the exchange of ideas, products and services and meet the objectives of the parties involved.[12] All of these definitions, as well as many others, suggest that marketers can use the possibilities of the Internet in all elements of marketing.[13] A general conclusion can be made that electronic marketing complements traditional marketing activities. It is closely linked with the development of information and communications technologies and seeks to implement the traditional activities of the marketing mix (variable) via the Internet.

Information and communications technologies can be complemented by electronic marketing resources. Some of the applications that can be used in tourism are:[14]

- Instant Messaging
- Internet Relay Chat, chat rooms, Internet Discussion Forums, bulletin boards
- Location Based Services - mobile phone and GPS related
- Social Network Services
- Social Guides
- Social Bookmarking
- Social Reputation Network
- Video blogs, Blogs, Micro-blogs
- Social Citations
- Peer-to-Peer Social Networks, File sharing
- Virtual Presence
- Virtual Worlds & Massively Multiplayer Online Games
- Wikis & Collaborative Writing/Editing

A common feature of the above applications is that users are invited to participate in the creation of content. A participant becomes an active user of the application through a browser, and has control over content that is being used. These applications are collectively called Web 2.0. The main characteristics of Web 2.0 include openness, freedom and collective intelligence. The architecture of WEB 2.0 enables users to have control over the website data. The Internet is used as a platform from which the user can consume content through the browser on his/her device (a mobile phone, tablet or desktop computer). Some authors claim that the concept of e-business entails that a large portion of business activities is carried out in virtual space, whereby the information is separated from the subject (entity) to which it relates.[15]

The use of Web 2.0 applications and ICT in tourism increases the speed and ease of conducting business transactions and, as a result, increases market competition. Tourism businesses must continually adapt to modern technologies, integrate new and faster systems and meet the needs of consumers worldwide. Goods no longer need to be held in stock, waiting to be ordered; instead, products are created and services are provided in accordance with the specific client requirements.

In practice, there is an "ideological clash" between the "official" content (websites of tourism businesses, brochures, descriptions, traditional categorization, etc.) and Consumer Generated Media, i.e. content generated by users who have visited a travel destination and reviewed the products and services, often posting various multimedia content. It is therefore necessary for tourism businesses to develop an information and communications strategy in order for information presented in an online environment to be aligned with marketing activities, and focused on sending a quality promotional message to tourists.

2. APPLICATION OF INFORMATION AND COMMUNICATIONS TECHNOLOGIES IN THE TOURIST BOARDS OF THE REPUBLIC OF CROATIA

The paper aims to identify the current level of application of information and communications technologies in the promotion of Croatia as a travel destination. To that end, a survey was conducted to identify the level of use of e-marketing techniques and tools. The authors assume that a more effective use of information and

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communications technologies leads to an adequate use of electronic marketing resources. The following hypothesis is proposed:

H1: The current use of information and communication technologies in the activities of tourist boards of the Republic of Croatia shows that the potential of the available infrastructure is used for electronic marketing.

The authors assume that tourist boards define and implement targeted marketing strategies aimed at promoting a tourist destination in which they operate. One of the main goals of these strategies is to create a framework for the efficient and effective dissemination of information. In other words, a tourist board office should act as a link between tourism businesses operating in the area for which a specific tourist board is responsible, and potential tourists, i.e. service users who want to visit a particular destination, are currently there or have already visited it. In order for the generated content to be efficient, a marketing plan needs to be developed to facilitate better information visibility and dissemination to key consumers, with an aim to attract them to a particular destination. To achieve this, the key factors of information and communications technologies as well as methods of using them have to be identified.

The survey was divided into 9 segments and included the tourist boards as business entities. The study was conducted on a sample of 95 offices that comprise the Croatian Tourist Board. The sample was divided into groups based on their level in the organisational structure, i.e. county tourist boards, city tourist boards, municipal tourist boards and local tourist boards. As it is governed by different regulations and has a separate budget and different strategic goals, the central office of the Croatian National Tourist Board performs its marketing activities independently and was therefore not included in the survey. The survey sample included 11 county tourist board offices, 35 city tourist board offices, 43 municipal tourist board offices, and 6 local tourist board offices. The questionnaire was created using a commercial online survey software - SurveyGizmo. Online questionnaires were sent to the official e-mail addresses of the tourist board offices in the period from October 2014 to January 2015. The questionnaires were filled in by the directors of tourist boards or heads of online advertising. Survey results were analyzed using Microsoft Excel, SurveyGizmo statistical analysis software, and software package for statistical analysis in social science (SPSS).

Since there is no general consensus on measuring information and communications technologies performance, an in-depth analysis was conducted of the current use of electronic resources in the tourist board offices which forms the basis for future effective development of electronic marketing. With a view to identifying the extent to which the potential of available infrastructure is being exploited through electronic marketing activities, the authors established 10 criteria using data from recent publications and situational analysis. Meeting all 10 represents a high level of implementation of information and communications technologies, i.e. Internet presence achieved through electronic marketing for all business purposes. The criteria include:

1. The business entity has its own website;
2. The website is less than 3 years old;
3. The business entity uses a newsletter as a means of communication with target groups;
4. The business entity sells products or services via the Internet;
5. The business entity uses e-mail as a means of communication in the pre-purchase activities;
6. The business entity uses some form of online advertising;
7. The business entity uses at least one of the tools of direct marketing via its website;
8. The business entity uses software for monitoring the performance of its website and web pages;
9. The website of the business entity is mobile responsive;
10. The business entity has created a mobile application (which it financed in whole or has co-financed and which has a logo or design associated with the tourist board.

The sample, comprising the observed business entities, was divided into groups based on their level in the structure of the system of tourist boards (county, city, municipality, locality). Due to constraints faced by some tourist boards, it was unrealistic to expect exceptionally good results. It was proposed to include in the analysis only those tourist boards that meet at least 5 of the 10 proposed criteria. In other words, if a business entity is found to meet at least 5 criteria, it would be included in the scope of analysis. The data indicate that the criterion of having their own website is met by all respondents (100%), while the criterion of communication via e-mail is met by a large percentage of respondents (93.7%). It is of note that 81.1% of websites in the observed sample is less than three years old (it should be mentioned that the respondents who indicated that their website was being redesigned were also included in this group, because the redesign process was completed by the time the data were processed). Of note is also the high level of application of direct marketing tools via the tourist board website. Almost all of these tools have been implemented by tourist boards. The percentage of respondents who satisfy the criterion of using the newsletter as a means of communication with target groups was the smallest (24.2%). The results are presented below.

Table 1. Level of implementation of information and communications technologies, i.e. Internet presence through electronic marketing resources.

Criteria	n	No. of business entities that meet the criterion	%
The tourist board has its own website	95	95	100
The website is less than 3 years old	95	77	81.1
The tourist board uses a newsletter as a means of communication with target groups	95	23	24.2
The tourist board promotes products or services via the Internet	95	39	41.1
The tourist board uses e-mail as a means of communication in the pre-purchase activities	95	89	93.7
The tourist board uses some form of online advertising:			
Facebook	95	32	33.7
LinkedIn	95	1	1.1
Twitter	95	4	4.2
Google Display Network	95	21	22.1
YouTube	95	10	10.5
Specialized blogs	95	8	8.4
The tourist board uses software for monitoring the performance of websites and web pages	95	38	40.0
The tourist board uses at least one of the tools of direct marketing via its website:			
Newsletter	95	83	87.37
Site map/site search	95	76	80.0
Virtual tours/panoramic images	95	69	72.6
Event calendar	95	89	93.7
Weather forecast	95	77	81.1
Map	95	87	91.6
Travel itinerary	95	46	48.4
Language option	95	87	91.6
The website of the tourist board is mobile responsive	95	57	60.0
The tourist board has a mobile application (which it financed in full or co-financed, and which has a logo or a mark of the tourist board)	95	42	44.2

Source: Author(s)

n this section of the paper, the authors seek to determine whether there is a correlation between variables and the budget that tourist board offices have allocated to online promotion. The survey involved measuring the percentage of investment in online marketing by each group of the observed tourist board offices. The results indicate that city and county tourist boards have the largest budget. This was used to test the statistical significance of the correlation between the budget allocated by tourist board offices and the following variables:

- Do the tourist board offices use software for monitoring the performance of websites and web pages?
- Have the tourist board offices conducted a paid advertising campaign on social platforms over the past year?
- Has the tourist board implemented some of the techniques of mobile advertising and to which extent?
- Is the website of the tourist board mobile responsive?
- Does the tourist board have a mobile application (which it financed in full or co-financed, and which has a logo or design associated with the tourist board)?

In the first iteration, the statistical significance was measured depending on the level of the tourist board in the organizational structure. The results show that there is a correlation between the two observed items in the observed sample at the following levels:

- City tourist boards: There is a statistically significant correlation between the budget and paid advertising campaign on social platforms (r = .535** , p = .001)
- County tourist boards: There is a statistically significant correlation between the budget and paid advertising campaign on social platforms (r = .611* , p = .046).

Statistical analysis indicates that the budget affects paid advertising campaigns. Effective use of electronic marketing techniques and tools can increase visibility in an online environment, i.e. enhance the performance of advertising campaigns. Survey results indicate that the respondents use, to some extent, the techniques and tools of electronic marketing. However, to reach the user more effectively, a carefully developed marketing plan needs to be laid out that will include paid advertising, which has the potential to facilitate successful communication with the user and the promotion of tourist destinations. The conclusion has been drawn that the existing tourist boards in the Republic of Croatia use information and communications technologies and have implemented Web 2.0 applications in their electronic marketing activities. Yet, it is noteworthy that the budget affects the application of these tools in that it enables a travel destination with a larger budget to use paid advertising, multimedia creation, paid content creation and contests, thereby increasing its visibility and communication efficiency.

The survey results show that the observed sample meets five of the ten criteria, which means that the tourist board offices use the potential of the available infrastructure resources in their electronic marketing activities. The hypothesis is thus confirmed and accepted. However, it should be noted that there is a substantial amount of untapped potential to be exploited in electronic marketing since the tools for the implementation of Web 2.0 strategies are already built into the system. It is also evident that some Web 2.0 applications are used to a limited extent, while others, such as social-networking platforms, newsletters and web analytics, are used to a very small extent.

CONCLUSION

Multimedia enables tourism business entities to let their consumers choose the source and the channel of information that suits them best. Web 2.0 applications enable business entities to offer customers their products and services in a faster, safer and more interactive way. As an aggregator of other activities, tourism also acts as a silent exporter, offering tourists the products and services of a travel destination. Thus, tourist boards, as the main source of information for consumers and as travel destination promoters, are in charge of the promotion of products that are sold in the travel destination in which they operate. In addition to theoretical considerations, the paper describes empirical research conducted on a sample of respondents composed of tourist boards, based on their level in the organizational structure. The research included an analysis of the current level of application of e-marketing techniques and tools. The aim of the research was to test the proposed hypothesis. The results obtained have confirmed the hypothesis (The current use of information and communication technologies in the activities of the tourist boards of the Republic of Croatia shows that the potential of the available infrastructure is used through electronic marketing). However, it should be noted that there is a substantial amount of untapped potential to be exploited in electronic marketing. It was found that the respondents have implemented, in their online marketing strategies, the electronic resources and Internet services mentioned earlier in the paper. However, it was also found that the percentages of use vary considerably, which shifted the focus of the research towards examining the level of content sharing using WEB 2.0 application. The rest of the research was based on the development and evolution of information and communications technologies, specifically, the components of Web 2.0 that have the potential to help create a recognizable identity in the virtual environment using the budget allocated for that purpose. Namely, Web 2.0 enables direct communication of businesses with customers who are constantly logged onto Internet services using their smart devices. This enables the implementation of the elements of the marketing philosophy whose application used to be limited. The formulated research problem served as the basis for conducting an analysis of the extent of use of electronic marketing resources by the tourist boards. A list was made of services that can create the potential for an effective promotion of tourism products and services. The results obtained confirm the hypothesis. However, it should be noted that certain Web 2.0 applications are used at higher organisational levels, while others, in particular certain social-networking platforms, newsletters and web analytics, are used to a small extent only. To ensure long-term sustainable and competitive results, a more comprehensive use of electronic marketing tools and techniques is needed. The scope of electronic marketing activities should be extended to include all social media platforms used by potential customers with an aim to identify and attract them.

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