# **Marketing Communications and Its** Sustainable Influence on Different Generations

Michal Varmus<sup>(⋈)</sup> and Milan Kubina

Faculty of Management Science and Informatics, University of Zilina, Univerzitná 8215/1, 01026 Žilina, Slovakia {michal.varmus, milan.kubina}@fri.uniza.sk

**Abstract.** Trends in marketing communication are time to time changed due to new technologies, social trends and other aspects. Internet and social media are used in marketing communication couple of years and especially they are focused to younger customers. On the other hand recently is growing up group of older customers who are interest in internet buying and as well as in taking information from websites. This paper deals with perception of marketing communications by different generations of customers. On based of the conducted research and review of literature is shown how different generations of customers perceive marketing communication, especially traditional channels and tools versus internet and social media. During the research were used these methods: content analysis, documents study, comparative analysis, process analysis, statistic analysis, empirical research and more. One of the results of the paper is that internet is very crucial in all generations although their loyalty is different.

Keywords: Marketing communications · Generation · Social media · Customer behaviour · Loyalty

# Introduction

Use and perceptions of marketing communication mix, as was defined a few years ago has nowadays significantly changed. It is no longer appropriate to divide the different communication tools to "traditional" and "non-traditional", mainly due to the fact that originally named the "non-traditional" are more frequency and effective in business practice. To some extent they integrated original instruments of "traditional" communication mix and in today's fast times, full of information and information technology they have significantly higher probability of effective targeting to selected customer segments.

Integrated marketing communication is no longer just an advantage; it is a necessity if company or other organizations want to be successful. Segmentation that is required for correct targeting of campaigns should be treated in great detail, and many companies and organizations use micro segmentation to utilize its resources [21]. The situation today is complicated by the highly dynamic behaviour of customers that is often subject to a change of trend. The new challenge for market is also the gradual formation of a strong group of customers "seniors", which is still significantly

© ICST Institute for Computer Sciences, Social Informatics and Telecommunications Engineering 2016 A. Leon-Garcia et al. (Eds.): Smart City 2015, LNICST 166, pp. 681-691, 2016.

DOI: 10.1007/978-3-319-33681-7 59

undervalued by individual companies, despite the fact that a large group of these customers is not prevent to new consumer trends. On the other hand, there is a segment juniors who still have great influence on customer behavior and their vicinity. All this relates mainly with coming and continuous development of information technologies.

Use of modern information and communication technologies is no longer the domain currently only companies in business sector. The survey of Statistical Office of the Slovak Republic for 2012 shows that almost 80 % of households own a computer and 76 % of households in Slovakia also have access to the Internet and can use its services [19].

Another important factor that affects the communication mix is mobile communication, and in particular the development and use of mobile Internet using by "smart" phones, which also significantly changes the view on the communication mix. Penetration of mobile services in Slovakia have already exceeded 100 % and more and more people are using cell phone just for making calls but also for mobile data services and applications that recently achieved a significant development with the coming of LTE (Long Term Evolution) technology. LTE technology is considered as a modern technology for mobile internet access. Due to achieve the high speed and low delay (latency) LTE network enabling e.g. smooth video transmission in real time, online transmission of content in high quality HD and 3D video content.

Significant phenomenon becomes social networks particularly for the younger generation. There are several social networking sites such as Facebook, Google+, LinkedIn or Twitter that are variously designed respectively, focuses on a different type of content and services. Companies, increasingly in communication with customers also focus on the use of these networks. However the challenge remains to make communication mix and target the desired segment and achieve the desired effect.

### 1.1 Marketing Communication and Social Media

An interesting topic of the marketing communication is social networks and their impact on customer behaviour. Social Networking Sites are virtual communities where users can create individual public profiles, interact with real-life friends, and meet other people based on shared interests. They are seen as a 'global consumer phenomenon' with an exponential rise in usage within the last few years [11]. Social media marketing is different than traditional methods of marketing; therefore, it requires special attention and strategy building to achieve brand image and loyalty. Social media marketing is related to the consumers [8]. Each application consists of a social network, a set of socially relevant nodes connected by one or more relations [12]. Style of communication and orientation of the people to information and knowledge become one of the dynamically changing areas in recent years. Mainly due to the development of ICT reached various social areas its "virtual" form that resulted to creation of different social networks (Facebook, Google+, Twiter...). From a consumer's perspective, the use of information communication technologies offers a number of benefits, including efficiency, convenience, richer and participative information, a broader selection of products, competitive pricing, cost reduction, and product diversity [4].

The nature and distribution of these connections may vary from web site to web site. Social networks have a significant impact on the possible change in customer behaviour. They give unlimited space for discussion and sharing of customer experience. They also offer scope for rapid dissemination of new special offers.

Scott [15] has developed a number of recommendations as to extract the maximum from the social network for marketing:

- To reach specific audiences. Create the page to hit the audience that the organization needs. It is usually better to reach niche market.
- Being thought leaders. Offer interesting and valuable information that people are looking for. It is always better to show the market advantages of company, or solve customer problems as celebrate own product.
- Be authentic and transparent. Do not attempt to imitate anyone. Do not use dirty practices, because if it breaks, irreparably undermine the reputation of the company.
- Create many links. Make a link to own website and blog as well as on other pages within the industry and network. Everybody loves links - links make the web site.
- Encourage people to contact the organization. Make it so that an organization can be easy to find on the web and it is necessary to respond to e-mails from fans.
- To participate. Create groups and take part in internet discussions. Become the online leader and organizer.
- People have to easily find the organization. The page must be tagged.
- Experiment. Social sites are perfect and there are plenty of opportunities to try new things.

Social Media move the internet a step further. And although it is not known where they lead, one thing is certain, that the marketing and PR on the Web will continue to develop and to take a dramatic turn.

Donn L. Hoffman and Tom Novak of the University of California developed within social media 4Cs model based on higher order objectives [16]:

- Connection,
- Create,
- Consume,
- Control.

Thus social media becomes a hub for market intelligence as marketers begin to understand consumer's purchasing behaviour and gain insight as to why consumers feel the way that they do about certain brands [3]. These opportunities allow the marketer to create dialogue with the consumer, fine tune the marketing message and maintain the brand's presence in online market places [7]. However, as stated Urgeman and Myslivcová [18], it must be borne in mind that currently, social media are already the essential part of companies' communication mix. However, it is necessary to realize that they represent only a part of the modern communication. Companies must neither underestimate, nor overestimate this communication channel. However, if the company wants to be successful, it should include social media in its regular communication portfolio where they belong.

# 1.2 Loyalty and Customer Behaviour

There are many definitions of loyalty. Aaker [1] defines brand loyalty as the attachment that a customer has to a brand. Grembler and Brown [9] describe different levels of loyalty. Behavioural loyalty is linked to consumer behaviour in the marketplace that can be indicated by number of repeated purchases [10] or commitment to rebuy the brand as a primary choice [13, 14]. Cognitive loyalty which means that a brand comes up first in a consumers' mind, when the need to make a purchase decision arises, that is the consumers' first [3]. According Beyond Philosophy, however, few people realized that loyalty runs hand in hand with emotion. Customer loyalty is the result of consistent positive emotional experience, physical attributes based on the satisfaction and perceived value of experience, which includes product or service [17].

When is building customer loyalty it is about the management of the customer experience that combines physical, emotional experience and value elements into one cohesive experience. Following steps can form customer loyalty:

- Maintaining contact with customers via e-mail marketing, cards and so on.
- Good care of own company's team, so the team will then take good care of their customers.
- To show that the company depends on customers and remember what they like and dislike.
- Acknowledge that they preferred the company against of the competition.
- To figure out how to make customers more successful, happier and more enjoyable.

Through social networks such as Facebook organizations from all sectors collect data on the basis of new connections with their customers. Since customers regularly update their activities, status and life events, such companies are able to respond and adapt their marketing activities aimed at their clients and loyal customers, whether special offers or discounts.

### 2 Conducted Research

To better understand how customers' perception marketing communications in Slovakia was conducted survey in the form of questionnaires, which included 308 respondents. The survey was conducted in January and February 2014.

### 2.1 Methodology

In terms of age structure, respondents were divided into three groups: under 25, then from 26 to 50 years and the last group consists of respondents aged over 51 years. The percentage distribution can be seen in the Fig. 1.

From the all respondents was 41 % under the age of 25 years, 45 % of respondents were aged from 26 to 50 years and 14 % of respondents were aged over 51 years. Both genders were represented in like manner. 49 % of women and 51 % of men represented group under 25 years old. 41 % of women and 59 % of men represented category from 26 to 50 years. Ages over 51 years constitutes group of 43 % of women and 57 % of men.

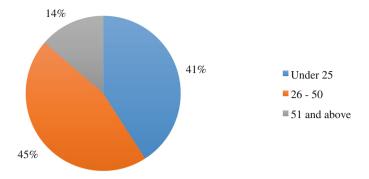


Fig. 1. Age structure of respondents (Color figure online)

# 2.2 Perceptions of Selected Tools and Channels that Are Using in Marketing Communication

One of the key tasks of the survey was to identify communication tools and channels that the segments often meet. Then which are most credible and which have the greatest influence on shopping behaviour of selected segments.

The survey focused primarily on the following communication tools and channels: advertising on TV, radio advertising, print media, catalogues, outdoor advertising, billboards, leaflets, internet, online advertising, mobile advertising and personal selling, respectively contact face to face.

Within the question "What kind of forms of marketing communication you are experiencing and how often?" the respondents could comment on a number of options based on a scale from "often encounter" to "not at all have not met." Some respondents used the option "do not know" responses.

On the Fig. 2 it can be seen that respondents under the age of 25 years reported that they often meet with internet, resp. online advertising and the advertising on TV. Group of 26–50 years reported very similar, just in the first place it is advertising on TV and then online advertising. Age group 51 and over indicated that they often meet with advertising on TV and with online and outdoor advertising, respectively with leaflets.

One thing is observation of marketing tools and second thing is a trust. We discovered that customers do not trust advertising, as we know it now. All age groups had the negative attitude to all mentioned marketing tools. This is a new trend that brings new challenges to marketers.

# 2.3 Social Media and Blogs

As was mentioned the social media have played very important role in marketing strategy couple of years. Their influence is bigger and bigger. Most of the marketers like it and use it in their campaigns, especially focused on young customers. In the research we were looking for the opinions of customers on this question.

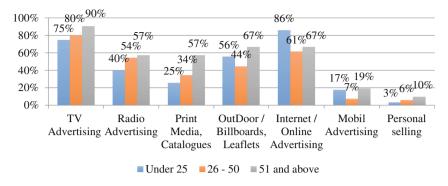


Fig. 2. Most often observed forms of marketing communication (Color figure online)

When we asked if they think that social networks (Facebook, twitter...) play an important role in online marketing, most of the customers confirmed that yes. The results can be seen on Fig. 3.

Of course the most of customers under 25 (63 %) confirmed that social media have important role for sure. But on other hand 43 % of respondents in years 50 and above confirmed that social media probably have important role and 29 % of them confirmed that social media are definitely important.

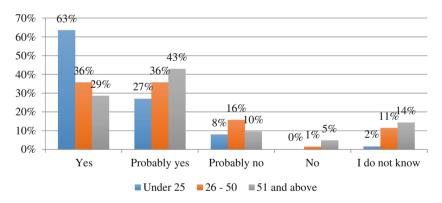


Fig. 3. Importance of social media (Color figure online)

Discussion forums have already an irreplaceable role in online marketing. As can be seen on Fig. 4. Most of the respondents check the discussion forums before they buy something. They are looking for evaluation of products as well. What is surprise, that 71 % of respondents in age 51 and above check that forums. This is something what give another view on online marketing and power of users on internet.

One thing is checking but what is very important is influence of forums. One of the interesting surprise of survey (as is shown on Fig. 5) is that most of the respondents confirmed that they are very influenced by forums (32 % of respondents under 25,

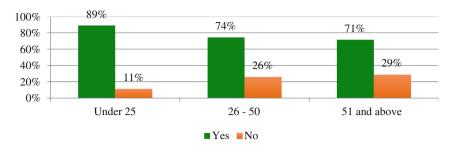


Fig. 4. Checking of discussion forums before buying (Color figure online)

13.46 % of respondents between age 26 and 50, and 6.67 % of respondents in age 51 and above), or probably influenced (almost 59 % of respondents under 25, 84.62 % of respondents between age 26 and 50, and 80 % of respondents in age 51 and above).

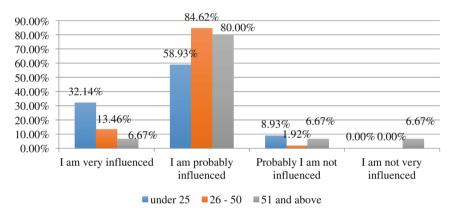


Fig. 5. Influence of discussion forums on buying (Color figure online)

### 2.4 Loyalty and Change of Purchase

Loyalty is one of the most important things in relationship with customers. Very often happens that both sites (customers vs. seller) understand loyalty by different ways. When were responded asked if they are loyal most of them confirmed that they are (Fig. 6). On the other hand 29 % of respondents under age 25 confirmed, that they are not probably loyal, but only 5 % of respondents under in age 51 and above said that are probably not loyal. It was confirmed, that younger people are more flexible in question of change of customer behaviour.

Loyalty programs are very often joined with loyalty of customers. In Table 1 is confrontation of answers of all respondents in questions if they are loyal and if they are joined in loyalty program. The result as can be seen is very consistent. E.g. 132 respondents who said that are probably loyal confirmed that they are join in loyalty program, against 46 of probably loyal respondents who are not in loyalty program.

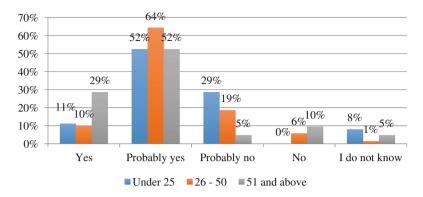


Fig. 6. Loyalty of customers (Color figure online)

		Loyal customer					Total
		Definitely	Probably	Probably	Definitely	I do	
		yes	yes	no	no	not	
						know	
Involved	Yes	30	132	40	6	4	212
in	No	10	46	24	6	10	96
program							
Total		40	178	64	12	14	308

**Table 1.** Loyalty vs. loyalty program

Important message what can improve the loyalty of customers is the main idea of the hotel or restaurant. Very strong group of customers are green customers. As was mentioned Baksi and Parida [2] in their study. As perception of green practices emerged as a potential factor to perceive green image, employees of firms pursuing eco-friendly marketing should initiate communication with the consumers explaining the green initiatives adopted by them and stating what triggered them to adopt such strategy.

Although the customers think that they are loyal there is still potential to change it. Each customer have different preferences on basis of which they make decisions when buying products and a different degree of sensitivity to changes in purchasing behaviour. Marketing communication significantly affects these preferences. During the survey were respondents asked to comment how much selected factors affect their purchasing.

All customers as can be seen on Fig. 7 are mostly influenced by these factors:

- Current price,
- Brand.
- References from friend,
- References in the discussions forums.

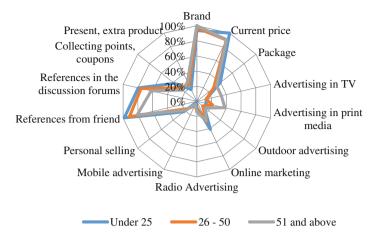


Fig. 7. Influence of selected tools and channels on buying (Color figure online)

The preferences are very similar except references, when 62 % consumers from the group 51 and above confirmed that they are influenced by references in the discussion forums. In contrast to this almost 80 % from other groups confirmed that are influenced by references in the discussion forums. On the other hand 62 % is very high number in group 51 and above, when in last time they were pointed as people who do not know use internet. It is also big challenge for companies.

### 3 Conclusions and Recommendations

With the coming of new information and communication technologies are changing the principles of marketing communications, as well as the preferences of individual customers. Based on a carried out survey, we can say that all generations to some extent are subject to these changes and adapt their behaviour.

On base the research can be understood that very traditional communication tools such as advertising are still very visible, but they have lower power and impact on customer behaviour. It does not mean that they lost importance in communication mix of any company. Although nowadays the social media are crucial in many communication campaigns the communication strategy has to be well balanced.

As was mentioned in the paper all ages are aware that the online environment plays an important role in the marketing communication, but people over age 51 yet does not capture the trend in the use of social networks.

People want to be loyal, but on other hand they allow to change their attitude when they are confronted mainly with better price or references from friends or in discussion forums. A long time existed presumption that older customers are very loyal and they do not want to change their customer behavior. After conducted survey it is possible say that older people are more loyal than younger but it is not definitely and older people like the change if it brings benefits. According to survey as the biggest motivation to change product is to taste something new.

It is clear that price had power in all times, but references from discussion forums are something new. Mainly if is talked about older generation. It is necessary that company create to space for discussion and recommendations from customers. It does not really matter if the company uses social networks like Facebook or they use forum in own web site. What is important and does matter, that company have all discussions under control. It is great space for feedback and the hotels or organizations have time and mainly spaces for react.

In this area exist still a lot of questions and the answers for them should be sought in next survey. It would be necessary find out other differences and dependencies in each generation for the needs make micro segmentation and better focus to smaller groups of customers.

**Acknowledgments.** This paper was supported by the Slovak scientific grants VEGA 1/0621/14, VEGA 1/0363/14 and KEGA 035ŽU-4/2013.

## References

- Aaker, D.: Managing Brand Equity: Capitalizing on the Value of a Brand Name. Free Press, New York (1991)
- Baksi, A.K., Parida, B.B.: Impact of green marketing on perceived image and behavioural intentions of consumers: empirical evidence from restaurant practices. Tour. Int. Multi. J. Tour. 8, 233–257 (2013)
- Balakrishnan, B.K., Dahnil, M.I., Yi, W.J.: The impact of social media marketing medium toward purchase intention and brand loyalty among generation Y. Procedia – Soc. Behav. Sci. 148, 177–185 (2014)
- 4. Bayo-Moriones, A., Lera-Lopez, F.: A firm-level analysis of determinants of ICT adoption in Spain. Technovation **27**, 352–366 (2007)
- Beer, D.: Social network(ing) sites...revisiting the story so far: a response to danah boyd & Nicole Ellison. J. Comuput. Mediat. Commun. 2, 516–529 (2008)
- Erdogmus, I.E., Cicek, M.: The impact of social media marketing on brand loyalty. Procedia
  Soc. Behav. Sci. 58, 1353–1360 (2012)
- 7. Evans, D., McKee, J.: Social Media Marketing: The Next Generation of Business Engagement. Wiley, Indiana (2010)
- Gordhamer, S.: 4 Ways social media is changing business. http://Mashable.com/2009/09/ 22Social-Media-Business/
- 9. Gremler, D., Brown, S.W.: The loyalty ripple effect: appreciating the full value of customers. Int. J. Serv. Ind. Manag. 10, 271–293 (1996)
- Keller, K.L.: Strategic Brand Management: Building, Measuring and Managing Brand Equity. Prentice Hall, New Jersey (1998)
- 11. Kuss, D.J., Griffiths, M.D.: Online social networking and addiction a review of the psychological literature. Int. J. Environ. Res. Public Health 8, 3528–3552 (2011)
- Marin, A., Wellman, B.: Social network analysis: an introduction. In: Scott, J., Carrington, P.J. (eds.) The SAGE Handbook of Social Network Analysis, pp. 11–25. Sage, London (2011)
- 13. Oliver, R.L., Rust, R.T., Varki, S.: Customer delight: foundations, findings, and managerial insight. J. Retail. **73**, 311–336 (1997)

- 14. Oliver, R.L.: Whence consumer loyalty? J. Mark. **63**, 33–44 (1999)
- 15. Scott, D.M.: Nové pravidla marketingu a PR. Eastone Books, Bratislava (2010)
- 16. Solomon, M.R.: Consumer Behavior, Buying, Having, and Being. Pearson Education, Harlow (2013)
- 17. Understanding the true definition of customer loyalty. http://www.beyondphilosophy.com/customer-experience/customer-loyalty/
- 18. Urgeman, O., Myslivcová, S.: Model of communication usable for small and medium-sized companies for the consumer communication in social media. E+M Ekon. Manag. = Econ. Manag. 17, 167–184 (2014)
- 19. SOSR. Using of information and communication technologies in the SR. http://portal.statistics.sk/files/Sekcie/sek 500/dopraya-IKT/publikacia ikt sr 2012.pdf
- Velšič, M.: Sociálne siete na Slovensku. http://www.ivo.sk/buxus/docs//publikacie/subory/ Socialne\_siete\_SR.pdf
- 21. Vodák, J., Soviar, J., Lendel, V.: The evaluation system proposal of the businesses preparedness for cooperative management implementation. Bus. Theory Pract. **14**, 315–322 (2013)