# THE EFFECTIVENESS OF INTERNET MARKETING IN MANAGING A MICRO-COMPANY. CASE STUDY

#### Bogusława Regina ZIÓŁKOWSKA

Faculty of Management, Czestochwa University of Technology; boguslawa.ziolkowska@pcz.pl, ORCID: 0000-0002-0377-3071

**Purpose:** The reason for writing the article was the surge of interest in internet marketing. The aim of the research was to describe the benefits of a micro-enterprise by resigning from traditional marketing tools for the use of Internet marketing.

**Design/methodology/approach**: In the theoretical part of the work, the definition of internet marketing was reviewed and the expectations of enterprises in this regard were indicated. The research method used to solve the problem was the case study. Research carried out in the company allowed to recognize the problem in business practice.

**Findings:** The paper found that internet marketing in Visign Studio is much more effective than traditional marketing. It allows you to reach a much larger number of customers with your offer, allows you to collect much more information about them, and all this at much lower costs.

**Research limitations/implications**: The identified problem requires further research, including cross-industry research, and diversification of research approaches and methods used in social sciences, including quantitative ones.

**Practical implications:** The results of the study clearly indicated the high effectiveness and high efficiency of internet marketing in a micro-enterprise. Enterprises should not be afraid of transferring marketing activity to the Internet, as generally available tools create low barriers to entry to the Internet. Currently, online marketing tools allow you to reach a wide audience with your offer, acquire new customers and increase sales.

**Social implications:** The issues raised in the article fall within the spectrum of society's transition to the impact of virtual reality, to the information society. Internet marketing has a pro-ecological character because it is based on intangible resources.

**Originality/value:** The paper presents, on an example selected from economic practice, how to set up a micro-company and then develop it using generally available Internet marketing tools. The article is addressed to entrepreneurs who create new enterprises or run their businesses for years, but are afraid of innovative technologies offered on the Internet. The added value is a detailed description of a thriving, young company that is rapidly developing and expanding its reach thanks to internet marketing.

Keywords: management, internet marketing, micro-enterprise.

Category of the paper: Case study.

# 1. Introduction

Nowadays, the Internet has become the basic tool of marketing communication. Thanks to it, micro-enterprises gained the opportunity to conduct activities ensuring interaction with their clients - Internet users. The dissemination of the availability of various e-marketing tools and new implementations, such as social networking sites, blogs, discussion groups, podcasts, e-mails, instant messaging, have given marketing on the Internet a whole new dimension. The development of technology has significantly modified the possibilities and nature of the company's communication with the market. The main difference offered by the Internet to enterprises is the possibility of full integration of communication channels with large groups of customers. It is possible thanks to the easy contact with the buyer in the distribution channel.

Members of The Balance Small Business have defined internet marketing as term that covers all online marketing services and products. It refers to all online and digital strategies. It is also referred as interactive marketing, because it relies on not only reaching a specific recipient, but also triggering specific actions in his behavior. The truth is that it is currently the most effective and most used form of marketing in the 21st century. On the Internet companies can target their advertisements to a large group of recipients and conduct marketing research. It also allows you to create brand awareness among potential or existing customers of the company in the most effective way. It is also one of the cheapest forms of marketing compared to effectiveness. For comparison, the cost of placing the simplest advertisement is directly proportional to:

- about 600 seconds of traditional radio advertising,
- 5 seconds of television advertising if we take into account the highest intensity of viewership,
- about a month of advertising on a billboard in one of the major cities.

This information shows that the costs compared to the standard methods used for many years are incomparably smaller and the possibilities are much greater. This is conducive to increasing the marketing specificity of enterprises, because facilitating access forces marketing departments in companies to take much better adapted actions. Thanks to the new technology, the consumer also has the opportunity to make a quick purchase without leaving home. Such far-reaching changes make the current sales process, in which the seller played a significant role, completely obsolete in the new, multi-channel purchasing process. Accompanying the consumer in the decision-making process by the seller no longer plays such an important role, because this decision has already been made previously without his support. (Vanheems et al., 2013)

Internet Marketing (also known as e-marketing, on-line marketing, cybermarketing, digital marketing) should be understood as broad activities marketing conducted on the Internet. Digital marketing is now a global phenomenon. All companies regardless of the industry,

industrial as well as service, have to face the latest trend which is digital marketing (Satapathy et al., 2016). This paper aims to pay attention to the fullest use of tools, methods and procedures of Internet marketing and the importance of its impact on the effectiveness of activities in managing a micro-company.

According to E. Frąckiewicz, Internet marketing means "conducting marketing activities through a global network. The Internet does not replace traditional ways of doing things, nor does it establish new marketing rules by completely rejecting the rules used so far. Instead, it is a new marketing tool" (Frąckiewicz, 2006). It is achieving goals by introducing new technologies (Hartanto et al., 2021). New digital technologies facilitate marketing activities. Thanks to the Internet and a wide range of offers addressed to enterprises, digital marketing is cheaper and more easily available online. Also, the constantly growing number of Internet users makes digital marketing more and more effective. This is the result of the use of marketing technology (Bermeo-Giraldo et al., 2022) It provides an interactive experience between sellers and buyers virtually (Chaffey, Ellis-Chadwick, 2016). Despite the fact that transactions are carried out physically in the real world technology is crucial (Hussien et al., 2020).

S. Dann and S. Dann speaking in the context of Internet marketing, draw attention to the following issues:

- the introduction and foundations of e-marketing, its strategies and planning,
- online buyer behavior,
- creation, delivery and exchange of the offered values,
- branding and promotion,
- services and relationship marketing,
- community and networks,
- implementation,
- usage; social media, mobile commerce,
- offline activity,
- social conditions (Dann, Dann, 2011).

The network economy causes the differences between channels to disappear sales (distribution) and communication (promotion) channels and allows you to go straight to the purchase process, regardless of the time, place and type of product purchased. The new paradigm of marketing communication enables the implementation of sales to every entrepreneur on a mass scale and bypassing traditional distribution channels (Brylew, 2019).

The most important aspect of any online marketing campaign is building a relationship. For this reason, what distinguishes internet marketing from the other tools known to us is much greater personalization to the recipient.

#### 2. Presentation of the micro-company Visign Studio

Visign Studio was founded in 2019 and deals with broadly understood computer graphics and marketing. The company's headquarters is located in Czestochowa, Poland, and they conduct their main activity via the Internet. There are three main departments in the company:

- graphics designing graphic materials used in advertising and printing,
- websites creation and full service of websites, including SEO,
- marketing conducting marketing campaigns.

In addition, the owners of the company assumed that they want to meet the needs of their customers comprehensively. Due to the high costs of printing machines, they decided to outsource these services. Thanks to this solution, the company offers a full range of standard, large-format and non-standard printing, such as gadgets or clothing prints. They specializes in building a coherent visual identity and compatible marketing strategies for enterprises.

The mission of the company from the very beginning was to refresh the image of marketing and to introduce it to smaller enterprises, which until now could not afford professional service. Due to the fact that the company is new on the market, has no reputation or market position, the initial target group were small and medium-sized local enterprises. The owners of the company focused on minor needs that were not associated with high earnings. They developed their professionalism instead, which allowed for systematic image building.

The team consists of five young and ambition people. The two owners, who have extensive experience in the industry, took three young students under their wing. The most important skills they paid attention to when choosing them were, of course, the knowledge of basic concepts in the areas of computer graphics and web programming, but also the desire for selfdevelopment and success. The tactic worked and after almost three years of work, the team remains unchanged to this day.

To provide services to its customers, the company uses the most modern and, what is very important, the most proven technologies. Employees use a full Adobe package to create graphic designs. Websites and stores are created using Wordpress. A content management system written in PHP. The company also makes sure that all the printing performed in external companies are always made by using the highest quality materials. Competition in the IT and printing industries is huge, both locally as well as globally. In Czestochowa alone, there are about 70 companies providing similar services as Visign Studio. In addition, the design industry is generally available, so the possibility of creating your own business with a similar profile is not a problem.

Plans for further development of the company are very broad. The owners constantly emphasize that they strive for high market diversification and automation of key processes. However, they do not want to completely eliminate the human factor from the provision of services, because, as they emphasize, no machine can replace human creativity. They also plan to expand the range of services their company is to offers. This is not about more separate departments, but additional specializations to the existing ones. A perfect example is a plan to implement spatial projects and 3D modeling for the architectural market. However, it requires a lot of work due to the hardware needs and additional staff skills. The company wants to create offices for its employees in every major provincial city where it will have at least 3 employees. The reason why it is so important is because the industry in which the company operates is characterized to a large extent thanks to remote work. However, the company pays great attention to the development of its employees and wants to create favorable working conditions for them.

To sum up, the company Visign Studio is characterized by a modern approach and the highest management standards introduced from the very beginning. The dynamics of development shows that the chosen direction is the right way to create an international company serving the largest clients.

#### 3. The use of Internet marketing in the Visign Studio enterprise

The beginnings of business activity are not easy for anyone, and building a position on the market among constantly growing competition in almost every industry does not make this task easier. This was also the assumption of the founders of Visign Studio. They decided to focus on the simplest and proven marketing activities. The Internet has already shown its power in relation to very low costs.

The basic actions taken by marketers from Visign Studio was to launch the most popular tools from Google, such as Google Ads and Google Merchant Center. Through them and the created website, the company could already reach recipients from the network.

The second activity related to internet marketing was the creation and running of a continuous campaign using social media such as Facebook, Instagram and LinkedIn. The greatest emphasis was placed on Facebook due to the potential and the ability to transfer both content and graphics, which is extremely important in a graphic design studio. It started with the creation of the company's website on Facebook and sharing it among the closer environment. Then, it was planned to transfer the content to other recipients and to the potential customers at the same time. It was and still is very important to create text and graphic content consistent with identity and policy of the company. Further solutions from a company called Meta were systematically implemented and automatically added to Instagram activities. However, for almost the first 3 years of activity, little emphasis was placed on marketing via Instagram. It was recognized that there is still not enough graphic material to create a good image on this social media portal. The last and, as it turned out, the most effective action taken at the very beginning was sending text messages and e-mails to potential customers who expressed interest in the company's activities on blogs and forums. Visign Studio representatives spent most of their time acquiring this type of contacts, personalizing the offer for needs of their clients, presenting and closing the sale. Similarly, in order to examine the effectiveness of direct and Internetbased marketing activities, four criteria are analyzed: audience selectivity, impact on addressees, communication structure, and ease of generating responses.

- Audience selectivity: Internet marketing activities using tools from Google or Facebook have a huge advantage over activities carried out using traditional methods when it comes to the aspect of creating the perfect recipient profile. This is due to the fact that during the entire process of marketing activities, the above-mentioned tools constantly collect a lot of data about the recipients of our activities, which allows us to set the company's advertisements even more precisely. There is no need to conduct any manual activity analysis, performance analysis or forecasting, because the programs do it automatically. This is a huge time and money saver. You can identify the company's market very broadly, but thanks to the data from the analyzes it is also possible to identify the ideal customer to whom our offer will reach the greatest extent.
- Impact on recipients: Compared to telemarketing, the impact of Internet marketing on the recipient of the advertisement is incomparably smaller, which does not mean that it has no impact. In activities on the Internet, it is much more profitable to create universal advertising, because it reaches a much larger group of potential recipients, which technically gives much greater results in terms of time and costs spent on preparing a marketing campaign.
- Communication structure: The amount of information a company can convey through advertising on the Internet is very diverse. The Visign Studio company has put on many advertisements, but those that present single aspects. Such action allowed to direct the client's attention only to the facts that interest him. This is made possible by further tools from two companies, namely, both Google and Facebook collect data about their users and show them only ads with things that interest them or may potentially interest them.
- Ease of generating feedback: campaigns are created so that the recipient of the advertisement can literally express their interest in the advertised product with one click. It is the easiest and simplest form of contact using instant messengers and e-mail.

# 4. A summary of the results of online campaigns conducted by Visign Studio

Starting the chronological analysis of the marketing activities of the surveyed company, the ranges that were built using tools from Google, and more precisely Google Ads, were analyzed first. The campaign, which lasted practically from the very beginning of the company's operation until the research was conducted (3 years), concerned the promotion of the entire company and its corporate website. The analysis used five main factors that Google indicates as crucial for the campaign:

- Views frequency of displayed ads. Each impression is counted, the higher frequency of displaying advertisements increases the probability of reaction to the advertisement.
- Clicks redirecting action to visit the website.
- Local activities activities aimed at visiting the company's headquarters by the interested customer or locating the area of its operation.
- Calls calls made directly from the ad level count.

Data from the already configured ad were collected for the analysis, which means that the data included in the study come from February 2021 to August 2022. The report was generated directly from the customer panel on the Google Ads platform.

The first thing we noticed was the number of impressions, clicks and other activities in a given budget. PLN 3,325.20 is the total cost incurred by the company from February 2021 to August 2022 for reaching such a group of recipients.

As already mentioned, Internet activities are incomparably cheaper. If we take into account, for example, that for the period of one and a half years of operation of the Internet campaign, the same work would be performed by a full-time employee, the cost of maintaining an employee would amount to several dozen thousand zlotys. Thus, the first and most important aspect prevailing on website internet marketing is the big saving of money by the company.

The next issue is automation. In traditional activities, in direct marketing, each information must always be provided by a person, an employee. He answers every inquiry from the client, makes phone calls and prepares offers. Whereas in online marketing using tools such as Google, automatic responses and offers are set. This means nothing more than pigeonholing the customer, putting him before certain standards and assigning him so that even in the future, when a natural person (employee) from the company will have to take care of him, he will have a large dose of information about him and his needs. This will speed up the sales and service process.

Unfortunately, not everything is so simple and pleasant in using tools from Google. Despite its simple structure and easy-to-use interface, it has a very extensive calibration system. You can very precisely personalize the target group of recipients, regions, content displayed and desired actions that the recipients are to perform after seeing the advertisement. This means that you will need an experienced person with competences who will have to calibrate the advertising system in an appropriate way. Nevertheless, these are still lower costs per opportunity if we used traditional and older methods of direct marketing.

The second, very heavily used tool by Visign Studio is the Facebook tool from a company now called Meta. It is nothing more than a social networking site that collects data of billions users from around the world on its servers. This fact is the most crucial because the amount of information about so many people gives countless possibilities.

The first indicator, which is the range and its increase, speaks of a completely different specification of this tool. Almost 170,000 recipients and a growth rate of 4.2 thousand percent gives very satisfactory results. There is also a noticeable large irregularity in the ranges. This is due to marketing activities carried out on the platform. You can see exactly when larger promotional campaigns were created and what effect they brought.

The reliable effect of the Visign Studio campaign with the Meta company gives us only a combination of two indicators, i.e. reach and visits to the website. In a very simple way, you can see which campaigns were effective only in terms of reaching the recipient, and which caused the desired reaction. This is so important, because a potential customer interested in advertising can find more detailed information about the service and all the necessary contact information only on the website.

It should be noted that the costs of campaigns conducted on the platforms did not exceed PLN 3,000 for the entire research period. Thus, the second tool already shows its advantage in savings, because of a large extent it automates the work of company representatives dealing with customer acquisition and service.

Putting the two campaigns together, they reached over 600,000 recipients together. This makes it a great way to build brand recognition on the market. In a year and a half, they achieved a result that a team of well-trained specialists in the field of marketing would take a much longer period of time and, more importantly, would consume much more capital.

## Conclusion

The research carried out in the company made it possible to precisely identify the problem in business practice, describe the process of creation, scope of activity, mission and strategic assumptions of the entity selected for the research, Visual Design. Detailed analysis of reports on the company's marketing activities with the use of tools offered by the Facebook and Google Ads platforms. allowed to identify the effects and relate them to the costs. Internet marketing allows you to reach a much larger number of customers with your offer, it allows you to collect much more information about them, and all this at much lower costs. Enterprises should not be afraid of transferring their marketing activities to the Internet, as publicly available tools create low barriers to entry to the Internet. Especially newly established micro-enterprises, whose budget for marketing is usually very limited. Currently, online marketing tools allow you to reach a wide audience with your offer, acquire new customers and increase sales. In addition, apart from the effectiveness and economic efficiency of internet marketing shown in the article, its pro-ecological character, based on intangible resources and at the same time saving nonrenewable resources, should also be emphasized.

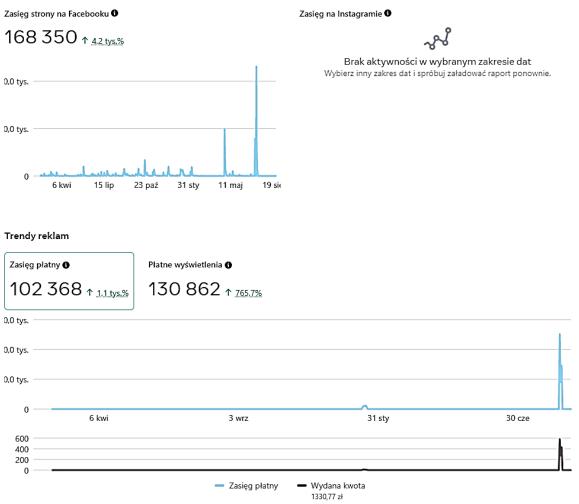
### References

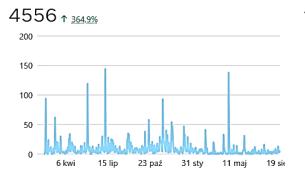
- Bermeo-Giraldo, M.C., Valencia-Arias, A., Ramos de Rosas, J.D., Benjumea-Arias, M., Calderón, J.M.V. (2022). Factors Influencing the Use of Digital Marketing by Small and Medium-Sized Enterprises during COVID-19. *Informatics, Vol. 9, Iss. 4, No. 86*. Retrieved from: http://www.mdpi.com/2227-9709/9/4/86, 15.12.2022.
- 2. Brylew, T. (2019). Rola Internetowych kanałów w komunikacji marketingowej. *Humanizacja Pracy, No. 4*(298), pp. 61-72.
- 3. Chaffey, D., Ellis-Chadwick, F. (2016). *Digital Marketing*. Harlow: Pearson.
- 4. Dann, S., Dann, S. (2011). *E-marketing. Theory and applications*. UK, Hampshire; US, New York: Palgrave Macmillan.
- 5. Frackiewicz, E. (2006). Marketing internetowy. Warszawa: PWN.
- Hartanto, Y., Firmansyah, M.A., Adhrianti, L. (2021). *Implementation Digital Marketing Pesona 88 Curup in to Build Image for the Decision of Visit Tourist Attraction*. 4th Social and Humanities Research Symposium (SoRes 2021), Vol. 658, pp. 589-594. Retrieved from: https://www.atlantis-press.com/proceedings/sores-21/125973433, 23.11.2022.
- Hussien, N., Ajlan, I., Firdhous, M., Alrikabi, H. (2020). Smart Shopping System with RFID Technology Based on Internet of Things. *International Journal of Interactive Mobile Technologies, Vol. 14, No. 4*, pp. 17-29.
- Satapathy, S.C., Mandal, J.K., Udgata, S.K, Bhateja, V. (2016). (Ed.) *Information Systems Design and Intelligent Applications*. Proceedings of Third International Conference INDIA 2016, Vol. 2. New Delhi: Springer India, pp. 187-197.
- 9. Tarczydło, B. (2014). Wybrane narzędzia marketingu internetowego w budowaniu społeczności wokół marki. Studium przypadku. *Marketing i Rynek, No. 11*, pp. 283-290.
- Vanheems, R., Kelly, J.S., Stevenson, K. (2013). The Internet, the Modern Death of a Salesman: Multichannel Retailing Impact. *International Journal of Marketing Communications*, No. 5, pp. 91-100.

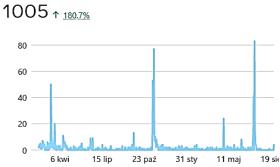
# Appendix

#### **Report Facebook Ads**



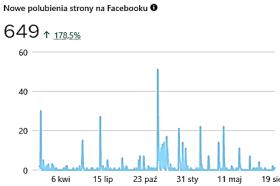






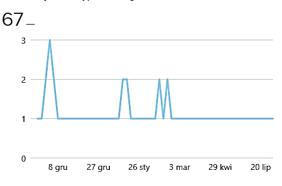
#### Odwiedziny na stronie i w profilu Odwiedziny strony na Facebooku 🕄

Nowe polubienia i osoby obserwujące



Nowe osoby obserwujące na Instagramie 0

Wizyty w profilu na Instagramie **(** 



#### **Report Google Ads**



3 325,20 Zł Wydatki całkowite

Jak często wyświetlały się Twoje reklamy

Wyświetlenie jest liczone przy każdym wyświetleniu reklamy. Im więcej masz wyświetleń, tym bardziej prawdopodobne, że użytkownicy będą klikać Twoją reklamę.

Wyświetlenia pomagają zwiększać świadomość marki. Dzięki temu użytkownicy zauważają i rozpoznają Twoją firmę.

Nie płacisz za wyświetlenia. Dowiedz się więcej

#### Szczegóły wyświetleń

Statystyki dotyczącego tego, jak Twoje reklamy docierają do użytkowników.

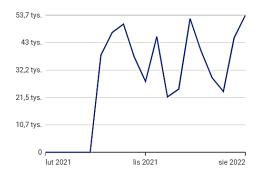
✦ 528 tys. − liczba wyświetleń na urządzeniach typu telefon komórkowy

125 tys. razy użytkownikom w wieku 35-44

# 536 229



4 0 7 9



#### Działania związane z reklamami

Kliknięcia Twoich reklam prowadzą do wizyt w Twojej witrynie lub na Twojej stronie docelowej albo do połączeń z Twoją firmą.

Kiedy ktoś klika Twoją reklamę, to sygnał, że Twoje reklamy przyciągają uwagę użytkowników, którzy chcą się dowiedzieć więcej o Twojej firmie i jej ofercie.

Płacisz za kliknięcia.

Skąd pochodzą kliknięcia Twoich reklam

Wyświetlamy Twoje reklamy w Google i w witrynach partnerskich Google, by pomóc Ci przyciągnąć więcej klientów przy jak najniższym koszcie. <u>Dowiedz się więcej</u>

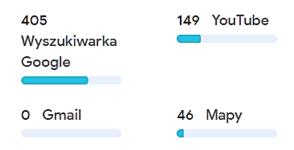






# 600

kliknięcia w Google





#### 3 4 7 9

kliknięcia w witrynach partnerskich Google

Działania wskazujące na zamiar odwiedzenia Twojej firmy

Działania lokalne informują, że użytkownicy w Twojej okolicy interesują się Twoją firmą. <u>Dowiedz się więcej</u>

#### Działania lokalne obejmują:

- Działania, które użytkownicy mogą wykonać w profilu <u>Twojej firmy</u> w Mapach Google po zobaczeniu Twoich reklam.
- Szacunkową liczbę osób, które odwiedzają Twój sklep po kliknięciu lub obejrzeniu Twoich reklam (wizyty w sklepie stacjonarnym).

Szczegóły działania lokalnego

## 77



