THE FUTURE OF GLOBAL BUSINESS AND MARKETING:

How will smart companies deal with challenges and opportunities?

Pedja Ašanin Gole and Tina Vukasović Editors



BOOK COLLECTION: LESSONS FROM ECONOMIC AND APPLIED BUSINESS AND SOCIAL STUDIES

© DOBA BUSINESS SCHOOL (DOBA FAKULTETA ZA UPORABNE POSLOVNE IN DRUŽBENE ŠTUDIJE), MARIBOR, SLOVENIA, 2020

THE FUTURE OF GLOBAL BUSINESS AND MARKETING: HOW WILL SMART COMPANIES DEAL WITH CHALLENGES AND OPPORTUNITIES?

Reviewed extended abstracts of the 10th International scientific conference of the DOBA Business School

Free electronic edition

URL: https://www.fakulteta.doba.si/doba-znanja/raziskave/monografije DOI: 10.32015/DOBA.10.CONF.2020

EDITORS: Pedja Ašanin Gole and Tina Vukasović

FOREWORD: Prof. Dr. Rasto Ovin

REVIEWERS AND MEMBERS OF INTERNATIONAL SCIENTIFIC PROGRAMME COMMITTEE:

Prof. Dr. Rasto Ovin, DOBA Business School Maribor, Slovenia Prof. Dr. Marjan Bojadžiev, University American College, Skopje, North Macedonia Prof. Dr. Boris Cizelj, Slovenian Knowledge Economy Network, Belgium Prof. Dr. Marjana Merkač, University of Novo mesto, Slovenia Prof. Dr. Raghunath Anant Mashelkar. The Global Research Alliance, India Prof. Dr. Raman Mohanakrishnan, Zurich University of Applied Science, Suisse Prof. Dr. Mirjana Pejić Bach, University of Zagreb, Croatia Prof. Dr. Ilijana Petrovska, University of Standen, Quatar Prof. Dr. John L. Stanton, St. Joseph's University, USA Assoc. Prof. Dr. Jordan Berginc, Faculty of Design, Ljubljana, Slovenia Assoc. Prof. Dr. Birgit Burböck, University of Applied Sciences FH Joanneum, Graz, Austria Assoc. Prof. Dr. Slavica Cicvarić Kostić, University of Belgrade, Serbia Assoc. Prof. Dr. Danijela Lalić, University of Novi Sad, Serbia Assoc. Prof. Dr. Anita Maček, University of Applied Sciences FH Joanneum, Graz, Austria Assoc. Prof. Dr. Zoran Mihanović, University of Split, Croatia Assoc, Prof. Dr. Brankica Pažun, University Union Nikola Tesla, Belgrade, Serbia Assoc. Prof. Dr. Andrej Raspor, DOBA Business School Maribor, Slovenia Assoc. Prof. Dr. Jani Toroš, Ljubljana School of Business, Slovenia Assoc. Prof. Dr. Žaneta Trajkoska, Institute of Communication Studies, Macedonia Assoc. Prof. Dr. Tina Vukasović, DOBA Business School Maribor, Slovenia Assist. Prof. Dr. Marko Divjak, DOBA Business School Maribor, Slovenia Assist. Prof. Dr. Stefan Otto Grbenić, Technische Universität Graz, Austria Assist. Prof. Dr. Gregor Jagodič, International School for Social and Business Studies, Slovenia Assist. Prof. Dr. Marina Letonja, DOBA Business School Maribor, Slovenia Assist. Prof. Dr. Živa Veingerl Čič, DOBA Business School Maribor, Slovenia Sen. Lect. Dr. Kristina Potočnik, University of Edinburgh Business School, United Kingdom Sen. Lect. Pedja Ašanin Gole, DOBA Business School Maribor, Slovenia Lect, Dr. Nataša Fink, National Laboratory of Health, Environment and Food, Slovenia Lect. Dr. Michael Murg, University of Applied Sciences FH Joanneum, Graz, Austria Lect. Klemen Žibret, DOBA Business School Maribor, Slovenia Assist. Manca Matičič Zver, Faculty of Design, Ljubljana, Slovenia Dr. Hans Groth, World Demographic and Ageing Forum, St. Gallen, Suisse Dr. Anita Sluga, VenoFarmacija, Celje, Slovenia Nataša Jalen, Poslovno svetovanje in oglaševanje, Slovenia Vlaho Mihač, PHOBS, Dubrovnik, Croatia

PUBLISHED BY: DOBA Business School (DOBA Fakulteta za uporabne poslovne in družbene študije), Prešernova ulica 1, 2000 Maribor, Slovenia

Maribor, November 2020

THE FUTURE OF GLOBAL BUSINESS AND MARKETING: HOW WILL SMART COMPANIES DEAL WITH CHALLENGES AND OPPORTUNITIES?

Reviewed extended abstracts of the 10th International Scientific Conference of the DOBA Business School

> Edited by Pedja Ašanin Gole and Tina Vukasović

> > Maribor, 2020

Kataložni zapis o publikaciji (CIP) pripravili v Narodni in univerzitetni knjižnici v Ljubljani COBISS.SI-ID=33662723 ISBN 978-961-7061-08-6 (pdf)

Contents

	Foreword Rasto Ovin	XI
Ke	YNOTE INTRODUCTORY LECTURES	
1	John L. Stanton Marketing Enters a New Age of High-Tech Innovation: Reaching and Convincing the 21 st Century Consumer	13
2	Anders Parment Digitization – The End of Relationship Marketing?	15
3	Svend Hollensen Social Media Marketing and Its Influence on the Global Marketing Strategy	16
4	llijana Petrovska Digital Era Customer Empowerment	17
5	Mirjana Pejić Bach Social Responsibility and Ethical Issues About Smart Technology Usage	18
CH,	ALLENGES AND OPPORTUNITIES IN MARKETING	
6	The Need Recognition in Marketing of the Tailor-Made Furniture and Personalization Process of the Product Through Design Management Jordan Berginc	21
7	Digital Culture in the Maritime Industry: Marketing, Organizational and Human Resource Aspects Senka Šekularac-Ivošević	24
8	The Model of Ensuring Availability of Orphan Drugs Used in the Treatment of Rare Diseases on the Slovenian Market Nataša Jalen	27
9	The Quality of Sales Force Management in Slovenian Companies Amadea Dobovišek	30
10	Brand Equity in Higher Education Tina Vukasović	34
11	Marketing Strategies in Non-Profit Sector – Opportunity or Challenges? Marina Tuneva	38
12	Motivation and Learning Strategies of Students at DOBA Business School and Biotechnical Centre Naklo: Comparison and Implications for Marketing Marko Divjak, Valentina Prevolnik Rupel, Milena Maček Jerala	41

13	Marketing Plan for a New Product Launch Urška France Klemenčič, Aleš Naraglav, Dalija Verlič	44
14	Systems, Distribution Channels and Their Share in Online Sales of Hotel Accommodation Tina Vukasović, Vlaho Mihač	47
15	Planning of Sales and Market Communication in Introducing the Fire Insurance Service Petra Knez Bahor	50
16	Achieving Appropriate Marketing Communication Strategy and Obtaining Loyal Consumers with the Help of Content Marketing Anita Števanec	52
17	Use of Content Marketing and Content Strategies in Small Business in Slovenia Petra Bališ	55
18	Analysis of Contests as a Target Public Communication Tool for Sales Promotion Miranda Čović	59
19	Storytelling: Between Fairy Tales and Business, Ethics and Fund Raising Mateja Mahnič	62
20	The Effects of Omni-Channel Marketing on Customer Touch Points and Profitability in the Retail Industry in North Macedonia Gjorgjina Sherovska	65
21	Online Shopping and Influencing Factors Gregor Jagodič	68
22	Customer Satisfaction with Food Trademarks Damjan Vrabl, Miro Simonič	71
23	Understanding the Attitude towards Social Media among Small and Medium Enterprises (SMEs) in Albania Fatma Jaupi, Ariola Memia	73
24	Theory of Planned Behavior and the Purchase Intention of Green Beauty Products Birgit Burböck, Anna Tutner	76
25	Consumer Buying Behaviour Model for Environmentally Friendly Textile Products Manca Matičič Zver, Tina Vukasović	80
26	Consumer Behaviour When Purchasing Fixed Telecommunications Connections Aleš Lukman, Mirjana Pejić Bach, Tina Vukasović	83

27 Consumers' Attitudes, Expectations and Behaviour Toward Probiotic Milk Yoghurts Tina Vukasović, Aleksandra Zajc, John L. Stanton	86
28 Shopping Habits and Attitudes of Young People Towards Locally Grown Food Bojana Korez	89
29 Factors of Consumer Buying Behaviour When Buying Superfoods Željka Pećanin	92
30 After-Sales Activities and Their Importance in the Marketing of Medical Products Tina Vukasović, Anita Sluga	95
Challenges and Opportunities in Management, Business, and Economy	
31 Organizational Agility – Need or Competitive Advantage? Klemen Žibret	101
32 Management of Role Changing Skill-mix Initiatives in Radiology and their Impact on Service Outcomes Vladimir Bahun	105
33 The State of Responsible Artificial Intelligence in the Enterprise as Creating a Sustainable Development Programme Alja Perger	108
34 The Role of the Neurological Processes and Laws of Thermodynamics in Financial Trading Ana Njegovanović	111
35 Managing Niche Tourism – Api-Tourism in Slovenia, Case Study Tanja Ostrman Renault	114
36 Sustainable Tourism, Green Activities and Eco-Certification – The Case Study of Split-Dalmatia County Zoran Mihanović, Ana Gion, Ana Pavković	117
37 Tipping Habits in Poland Andrej Raspor	120
38 Why Distance Learning Should Become the Important Key Builder Inside School Frame While Creating Their Valuable Long-Term Curriculum? Alja Perger	123
39 Presence of Courses on Social Economy in Accredited Business Study Programs in Slovenia Karolina Babič	126

41 Towards Zero Waste Management - Designed to Recycle:	
Circular Economy and Social Media Martina Kadić	133
42 Motivation Opportunity Ability Model and Gender Differences in the context of the ARS Electronica Festival Birgit Burböck, Viktoria WetzImaier	136
 Role of Naïve Legal Framework vis-à-vis Post Covid-19 Work Environment Bhumika Sharma, Mohammed Muqatdir 	139
44 Internal Communication in the Coronavirus Pandemic: A Crisis Response or an Opportunity to Raise Employee Engagement? Pedja Ašanin Gole	142
45 Internal Communication at a Time of the Global Challenge Caused by the Coronavirus Pandemic Jasmina Mironski	147
46 Engaging Employees: The Case of Enterprise Social Networks Danijela Lalić, Dunja Bošković, Jelena Spajić, Bojana Milić	150
47 The Application of Psychodrama in Communication Training Sessions for Employees Miljan Vojnović	152
48 Increasing Commitment in the Virtual Team Through the Internal Corporate Staff Development Systems Svetlana Buko	155
49 Why Creativity and Personalization of Millennials is a Hot/must/new Trend in Business?! Mateja Mahnič	158
50 Older Workers and Digitalization – Challenge or Opportunity for Smart Companies? Bojana Drev	161
51 Socially Responsible Smaller Family Firms' Business Models – The Case of Slovenia Marina Letonja	164
52 Social Responsibility – a Moral Obligation of Slovenian Family Firms? Marina Letonja, Ivan Kosednar, Gregor Pezdirc, Blanka Movrič, Nada Pavlovski	167
53 Digital Skills and Competences of Vulnerable Groups - the Perspective of Slovenian Supporting Labour Market Institutions Anita Maček, Rasto Ovin, Marko Divjak, Živa Veingerl Čič	170

Foreword

Dear participants and authors of DOBA Business School's 10th International Scientific Online Conference,

Please let me welcome you to DOBA Business School's 10th biannual International Scientific Online Conference. On behalf of DBS and its students, teachers and other stakeholders we are honoured by your contribution to the resuscitation of academic connections and discussion in the times, when Covid – 19 is shaping our lives in a way that was once unimaginable. We welcome you to DBS, an institution that has been developing online study for more than two decades. We look forward to be able to support this conference with an appropriate standard of technology that will not only enable the presentation of the authors' papers but also allow for discussion among colleagues as we are now more or less tied to our home locations.

Although the 2020 conference is focusing on themes in marketing; the organizing committee was also able to attract authors from another two fields relevant to a modern business school: Business and Economy as well as Management. We are looking forward to hearing the presentations of the prepared papers and participate in the discussion. We opened this conference to allow for participation by our students and we hope that these "future experts" will use this opportunity to test their views and positions relevant to the topics that will be presented at this conference.

We thank the organizers, especially Tina Vukasović and Pedja Ašanin Gole, and wish you all a successful conference.

Rasto Ovin Dean of DOBA Business School

KEYNOTE INTRODUCTORY LECTURES

Marketing Enters a New Age of High-Tech Innovation: Reaching and Convincing the 21st Century Consumer

John L. Stanton

Purpose

The purpose of this talk is to demonstrate how the food consumer has been changing over the past 5 years and how the global industry has changed to adapt to the consumer's new behaviour. These changes will be shown to be globally occurring in developed country markets. Major changes especially in technology will be presented along with examples of how various companies have adopted this technology. The question asked in this session which of these changes does the audience expect to see in Slovenia and how quickly will it be defused.

About the keynote speaker

John L. Stanton has a Ph.D. in Quantitative Methods and Marketing from Syracuse University, and been in the food industry for about 40 years. He is currently professor and previously held endowed chair in the food marketing department at Saint Joseph's University in Philadelphia. Dr. Stanton was elected to the European Retail Academy Hall of Fame and the Private Label Manufacturers Hall of Fame. Besides academia, Dr. Stanton has also worked in the food industry. He has been Vice President of Marketing for Melitta, an international coffee company, and worked in Germany for Tengelmann, onc one of the world's largest food retailers and owner of A&P in the USA. Dr. Stanton was also director of research of an advertising agency and has consulted for many nationally known food companies including Campbell Soup Company, Procter & Gamble, Acme, Kroger, Pepsi, Frito Lay, Florida Dept. of Citrus, Kellogg and others.

Dr. Stanton has been regularly quoted in the media. He was interviewed on Fox Business, CNN, the Today Show and was interviewed on NBC Nightly News with Tom Brokaw as well as numerous local channels. He has been quoted in most of the food marketing magazines, as well as in the print media, and has been quoted in Forbes, Fortune, Advertising Age, Brand Week, New York Times, Wall Street Journal, and many others. He hosted an episode of the History Channel's Modern Marvels entitled, "The History of the Supermarket."

Dr. Stanton was awarded an honorary Degree from "Carol Davila" University of Medicine and Pharmacy for contribution to Food, Nutrition and Health and from the Romanian-American University for contributions to Global food marketing.

Dr. Stanton has written over 115 peer reviewed articles and 10 books including Winning Marketing Strategy, Precision Target Marketing MORE Stanton on Food Marketing, Stanton on Food Marketing, Success Leaves Clues!, Delight Me... The Ten Commandments of Customer Service, 21 Trends in Food Marketing for the 21st Century, 325 Ways to Make Customers Feel Like Your Supermarket Is Their

Supermarket, Marketing Planning in a Total Quality Environment, Running a Supermarket Consumer Focus Groups and Making Niche Marketing Work (McGraw-Hill). The niche book was selected for the Business Week Book Club, and has been published in German, Portuguese, Thai, Hebrew, and Korean.

2 Digitization – The End of Relationship Marketing?

Anders Parment

Purpose

The current situation provides main challenges for marketers around the world, regardless of industry and market position. Fake news, Corona crisis, new generations with a new set of expectations, political insecurity and many other characteristics of our times and. By gaining increased knowledge about what is happening in the environment, marketers can develop excellent marketing communications skills.

Topical issues include:

- Fake news and individualization of information flows a challenge for marketers
- Digitization the end of relationship marketing?
- Building strong brands in a difficult time
- Loyalty programmes and customer satisfaction does the recession give reason to change assumptions?
- New generations and their purchase patterns
- New hubs Google, Amazon etc. take over. Implications for companies. Hubs take over the customer contact, hence, those who are not hubs may have to pay the hubs to get access to customers
- How will we live, work and consume in 10 years time? Seven challenges and ten opportunities for marketers
- Smart and not so smart marketing (last five to ten minutes examples from various industries around the world).

About the keynote speaker

Anders Parment is Senior Lecturer and Researcher in Marketing at Stockholm Business School. He completed his PhD on Automobile Marketing at Linköping University. He also holds an MSc in Economics and Political Science from Lund University and a Bachelor of Laws from Örebro University. Dr Parment has won several prizes for his books and teaching and is a well-known speaker and advisor on various marketing themes, e.g. employer branding, generational cohorts marketing, automobile marketing and consumer behaviour, often with an outlook on what will happen in the future. He has published more than 50 books and numerous articles on topical themes in English, German and Swedish. Dr. Parment has acted as a consultant for numerous companies, including Audi, Bilia, BMW, Carnegie, Clas Ohlson, DNB Bank, Ernst & Young, Frauenhofer IAO, Gottlieb Duttweiler Institute, Grontmij, IGDS, IKEA, Peek & Cloppenburg, Porsche, Siemens, Swedbank, Toyota/Lexus, the Volkswagen Group and Volvo Cars; major banks and insurance companies; regions and municipalities; and also domestic organisations, including the Museum of Modern Art, Competition Authorities, and the Swedish Prime Minister's Office.

3 Social Media Marketing and Its Influence on the Global Marketing Strategy

Svend Hollensen

Purpose

Presentation of relevant models for understanding the main drivers of social media marketing and its influence on the global marketing strategy.

Agenda:

- 6C model in Social Media Marketing
- Playing 'Bowling' versus 'Pinball'
- Creation of a viral campaign through Social Media by appealing to different brain halves
- Influencer Marketing a case from the diaper industry
- Own experience with Social Media Marketing LinkedIn strategies for marketing of books.

About the keynote speaker

Svend Hollensen is Ph.D, Associate Professor of International Marketing at the University of Southern Denmark (Sønderborg). His research interests are within Global/International Marketing, Globalization, Internationalization of companies, Relationship Marketing and Social Media Marketing. He has published articles in well-recognized international journals like California Management Review. Furthermore, he is the author of globally published textbooks, e.g. 'Global Marketing' (8th edition, Pearson Education), 'Marketing Management' (4th edition, Pearson Benelux), and Social Media Marketing (4th edition, together with Philip Kotler and Marc Opresnik). Through his company, Hollensen ApS, Svend has also worked as a business consultant for several multinational companies, as well as global organizations like World Bank.

4 Digital Era Customer Empowerment

llijana Petrovska

Purpose

Main purpose of this presentation is to talk about the importance of customer engagement in today's marketing and brand communication. This topic is especially important with development of digitalization, usage of AI, marketing automation and relationship marketing. Content marketing will be discussed as an important marketing tool for initiating and preserving customer engagement, and as a powerful tool for brand empowerment. Using digitalization and marketing automation, content marketing is becoming more relevant for targeting, resulting in better customers engagement, creating satisfied and loyal customers to the brand.

About the keynote speaker

Ilijana Petrovska is a Marketing Professor at several Universities in Macedonia, Qatar and Italy. She is a Head of the professional training department at Stenden University Qatar, since September 2019, where she lectures and develops certified trainings for companies and business people. She is a Full professor of marketing, and Vice dean of education at University American College Skopje, since 2008, where she lectures and mentors master and doctoral students. She used to be a Head of the Business School's marketing department. She is a visiting professor at University of Tor Vergata, Rome, Italy since 2014. She used to be a visiting professor also at Qatar University, Rome Business School in Italy and University of Applied Science in Worms, Germany.

She has an Executive Education Certificate in Digital Marketing from Northwestern Kellogg's School of Management and "Points of You" certificate for training and creative tools development from summer 2019.

Her research area is in Digital marketing, Integrated marketing communications, Consumer behavior, Entrepreneurship Intentions, Branding, Marketing in Banking and Quality education. Her academic papers are published in high ranked journals. Her PhD research topic was "Effects from IMC strategy implementation in the banking industry" and her Master's degree topic was "Promotional mix in the banking industry" obtained at University "Ss. Cyril and Methodius".

She also has ten years' professional experience as a Marketing Manager in the biggest bank in Macedonia and before in Saatchi & Saatchi advertising agency. Professor Petrovska also works as consultat for EBRD BAS, and different private consulting companies.

5 Social Responsibility and Ethical Issues About Smart Technology Usage

Mirjana Pejić Bach

Purpose

Smart technology has become pervasive and abundant, and it has become evident that it impacts various aspects of human well-being. In order to assure the economic, societal and environmental sustainability, ethical principles need to be implemented in relation to smart technology. Diamandis and Bouras (2018) in their paper *Hubris and science* indicate that "Responsible leaders, including acclaimed scientists, should exercise greater humility to the complexity and inherent uncertainty of their activities and strive to seek out and challenge hubristic behaviors." This humility should take into account the economic, societal and environmental sustainability as one of the most important aspects of smart technology research. In order to explore the current role of ethics in smart technology research, the literature review has been conducted, with the goal to reveal the time trend, the main financing institutions, and the main topics, using bibliometrics and text mining analysis. Research results indicate that various and scattered efforts have been conducted in relation to smart technologies' ethics, which indicates the need for a coordinated and unified approach.

About the keynote speaker

Mirjana Pejić Bach is a Full Professor at the Department of Informatics at the Faculty of Economics & Business. She graduated at the Faculty of Economics & Business – Zagreb, where she also received her PhD degree in Business, submitting a thesis on *System Dynamics Applications in Business Modelling* in 2003. She is the recipient of the Emerald Literati Network Awards for Excellence for the paper *Influence of strategic approach to BPM on financial and non-financial performance*, published in Baltic Journal of Management. Mirjana was also educated at MIT Sloan School of Management in the field of system dynamics modelling, and at OliviaGroup in the field of data mining. She participates in a number of EU FP7 projects and is an expert for Horizon 2020. Mirjana Pejić Bach is editor in chief of two journals, and serves as the associate editor and member of editorial board in several other journals, in the field of information and management, as well as conferences.

THE FUTURE OF GLOBAL BUSINESS AND MARKETING: HOW WILL SMART COMPANIES DEAL WITH CHALLENGES AND OPPORTUNITIES?

CHALLENGES AND OPPORTUNITIES IN MARKETING

THE FUTURE OF GLOBAL BUSINESS AND MARKETING: HOW WILL SMART COMPANIES DEAL WITH CHALLENGES AND OPPORTUNITIES?

6 The Need Recognition in Marketing of the Tailor-Made Furniture and Personalization Process of the Product Through Design Management

Jordan Berginc*

Purpose

Small business furniture manufacturers in the age of digital media are changing the concepts of marketing and sales based on the strategy they recognize the user experiences. This creates a difference between industrial furniture manufacturers and traditional carpentry companies that produce tailor-made furniture. For our research, we examine the core question: "How successfully do small kitchen furniture manufacturers face strong competition in the market through a product personalization approach, considering user experiences and by practicing design management strategy?" With the support of the on-line marketing research, we will research 120 experienced customers, study their marketing need and user experiences of kitchen furniture in the concept of design management strategy.

Keywords: need in marketing; tailor-made furniture; value proposition; personalization; user experiences; design management.

Introduction and literature review

Modern marketing processes dictate to small manufacturers producer's quick responsiveness, especially in communication through digital media (Kay, 2019), where they intensively study user experiences and focus on personalized approaches and products (Torn, Vaneker 2019, p.18). Design and design thinking (Martin, 2009) is becoming a necessity for the survival of small businesses (Best, 2015) also in the wood-processing sector of kitchen manufacturing. Entrepreneurial concept and behaviour require the introduction of design thinking in the development of new product process (Berginc, 2016). Design management encompasses the ongoing processes, business decisions, and strategies that enable innovation and create effectively designed products, services, communications, environments, and brands that enhance our quality of life and provide organizational success (DMI, 2009). The design management strategy has proven to be an extremely effective model for recognizing the user experience (Borja, 2003) and personalizing the company's products in the last decade (Kootstra, 2009). On the sample of Slovenian companies, this practice was also recognized in KCDM (KCDM, 2019) and confirmed the thesis that they are more innovative and successful companies which introduce a design management culture at all levels. Similar findings are made by the author (Fraser, 2009). Small businesses have to therefore choose a strategy for the introduction of

Assoc. Prof. Dr., Studio of Entrepreneurship, Ljubljana, and Faculty of Design, Ljubljana, Slovenia, jordan.berginc@guest.arnes.si

personalized interior design services (Lindroos, 2016), by which can reach competitive level on the market.

Design / methodology / approach

We are planning to research a cohort of 120 clients/customers who already have some consumer buying behaviour experiences with an interior design focus on kitchen furniture. The qualitative research method of the questionnaire is prepared as an online format with 24 questions and general information with introduction letter. The majority of questions has five-point Likert scale answers option. Before, there will be accomplished a pilot study survey to check the correct level of questions. The questionnaire will be distributed in May and June 2020.

Findings / results and conclusions

At this stage of the research, we cannot yet talk about the final results. We have previously conducted a few interviews with loyal customers of the company and found that they miss mostly genuine communication, which must be based on a personal relationship and not just on the content of the product they buy. This also indicate a certain result of the research that customers will emphasize more on the value proposition of the company, personal and direct communication, which will be based on the exchange of user experiences when using kitchen furniture. Therefore, we will give a special focus in the research findings and conclusions to the design management strategy and principles that the company. This is the only option; the company could compete and attract a larger number of customers in the medium and long term. The final statistical analysis will be processed by the SPSS method and discussed with the final conclusions, remarks and lessons learned.

Research limitations / implications

The research is based on a small sample of the potential customers, thus cannot be generalized to all Slovene market population. On the other hand, the added value of the research could contribute a fresh business model strategy in which small tailor-made kitchen furniture manufacturers can compete with bigger industry furniture manufacturers by introducing design management strategy and personal approaches to new customers. To do this, small manufacturers need to understand and learn the process.

Practical and/or social implications

The research paper and conclusions will be helpful to all traditional small business and family business manufacturers which cope with very strong big retail and industry companies that offer and attract new customers on price strategy. Thus, small manufacturers of furniture need to understand and focus on special target groups of customers who respect and appreciate the personalization of the buying process and consider user experiences. In this way, small manufacturers can compete with their unique value proposition and brand strategy. All these activities are part of the design management orientation.

Originality / value

This paper will bring a valuable multidisciplinary approach and contribution, based on marketing, entrepreneurship, and design management theory. The final research paper will offer a new model for small manufacturing companies, which need to be more customer, entrepreneurial, and design management oriented. For this purpose, owners of the companies need to recognize and learn new approaches for market strategies to better understand marketing need and smart adapt their own business model to it.

References

- 1. Best, K. (2015). *Design Management: Managing Design Strategy, Process, and Implementation*. New York: Bloomsbury Publishing.
- Berginc J. (2016). Dizajn management vpetost dizajn managementa v podjetniški proces. Vipava: Studio podjetništva.
- 3. de Mozota, B. (2003). *Design Management, Using Design to Build Brand Value and Corporate Innovation*. New York: Allworth Press
- DMI. (2009). Design Management Institute, Boston [online]. Available at: https://www.dmi.org/page/What_is_Design_Manag [Accessed: 31.3.2020].
- 5. Kajsa, E. (2005). Design Investments in Small Wood Manufacturing Companies Problems and Possibilities of Using Design Management Expertise in Product Development. Sweden: Lulea Technology University.
- 6. Fraser, H. (2009). Design Business: New Models for Success. *Design Management Review*, Spring 20 (2), 57
- 7. Lindroos, J. (2016). *Digital interior design by Stailia design OY*. Master Thesis Novia Turku: University of applied science Finland.
- Sorin, K. (2019). Think design spinning design ideas: Digital technologies innovation interior design [online]. Available at: https://blog.logodesignguru.com/digital-technologiesinnovating-interior-design/ [Accessed: 4.4.2020].
- KCDM. (2019). Z dizajnom do uspešne organizacije: izkušnje, rezultati in priporočila iz prakse slovenskega Kompetenčnega centra za design management. Ljubljana: Center za kreativnost, Muzej za arhitekturo in oblikovanje.
- 10. Kootstra, L.G. (2009) *The Incorporation of Design Management in Today's Business Practices*. Rotterdam: INHOLLAND University of Applied Sciences.
- 11. Martin, R. (2009). *The Design of Business: Why design thinking is the next competitive advantage*. Boston: Harvard Business School Publishing.
- 12. Vukasović, T. (2020). Koncepti sodobnega trženja. Harlow: Pearson Education.
- Torn, R., Vaniker, T. (2019). "Mass personalization with Industry 4.0 by SME's", Procedia Manufacturing, 28(2019), 135–141.

7 Digital Culture in the Maritime Industry: Marketing, Organizational and Human Resource Aspects

Senka Šekularac-Ivošević*

Purpose

The maritime industry faces the challenge of implementing a digital culture inherent in the 21st century, and a modern way of doing business in shipping, maritime ports, and a wider, within whole maritime logistic chain. This trend of transformation from traditional to digital marketing, organization based on modern technologies, and overall related impact on human resources is the subject of analysis in this paper.

Innovations, automation of logistics' processes, autonomous ships, smart maritime ports, changing human roles on the shore and onboard operations, digital marketing channels and promotions are gaining increasing interest from maritime regulatory institutions, national economies, associations, researchers, and individuals.

The respond to the question of how key maritime entities can better adapt to the emerging culture, but also to take advantage of digitalization in terms of increasing efficiency, business performance and human relations is the main goal of the paper.

Keywords: digital culture; maritime industry; marketing; organization; human resources.

Introduction and literature review

Digital culture is perceived as *"an emerging set of values, practices, and expectations regarding the way people (should) act and interact within the contemporary network society"*, while it has been evolving from a 19th century (print culture), via a 20th century (electronic culture), to a 21st century (digital culture) (Deuze, 2006).

Technology is the foundation of digital transformation, and this culture is about rethinking operational models, processes, and policies, taking staff members and customers at the core of the process (Safety4sea, 2018). The maritime industry has not yet experienced the degree of development in digitalization compared to other industries.

The trend of increasing the number of publications on maritime digitalization per year is optimistic. The percentage of publications published from 2010 to 2017 has been increasing by 20 %, while in 2002 it was significantly below 5 % (Sanchez-Gonzalez, et al., 2019). The geographical distribution of these works confirms that China, Korea, and Spain are the leading countries in terms of work on maritime transport digitalization studies (Sanchez-Gonzalez, et al., 2019).

^{*} Assoc. Prof. Dr., University of Montenegro, Faculty of Maritime Studies Kotor, Montenegro, senkas@ucg.ac.me

In literature, this topic has an emerging nature, and there is a lack of theoretical studies and related alternative explanatory approaches (Acciaro and Sys, 2020; Fruth and Teuteberg, 2017; Sanchez-Gonzalez et al., 2019; Munim, 2019). Fruth and Teuteberg (2017) revealed that the behavior of actors in the maritime logistics chain is still not researched enough. There is also a limited number of studies investigating the interaction between strategy and digitalization (Sanchez-Gonzalez, et al., 2019), while business models have been marginally explored in the maritime logistics automation literature (Munim, 2019).

Based on the relevant literature, the paper deals with the development of digital culture in the maritime industry, through marketing, organizational and human resource activities suggested: 1) modernization of systems, 2) usage of available data and improvement of vessels' performance, 3) implementation of real-time cargo tracking, 4) development of digital marketing, and 5) education of maritime staff members (Safety4sea, 2018; UK Essays, 2018).

Implementation of the digital culture brings benefits to maritime companies, as they (Heilig, et al., 2017; Alix, 2017):

- become more intelligent in terms of flow, situation, or customer management,
- make the best decisions, improve processes, and make them more efficient or cleaner,
- optimize connectivity, transfer of skills and knowledge, and enable better planning and management within and between maritime stakeholders, etc.

Design / methodology / approach

The paper is designed using the PESTEL framework. The systematic literature review is the main method, while the steps in methodology are as follows: definition of the investigation framework, development of research concept, literature search with keyword search, literature analysis and synthesis, and selection of the implications for science and practice (according to Fruth and Teuteberg, 2017).

Findings / results and conclusions

The paper establishes aspects of digital culture as follows:

- Marketing aspects building relationships with customers based on the most effective digital marketing tools: email marketing, content marketing, social media marketing, landing page and website optimization, and SEO,
- Organizational aspects modernization of business systems applying advanced analysis functions in order to manage the current state of affairs, but also to calculate complex statistical models or predictions; introduction of vessel performance management system, advanced cargo management system, and smart ports organization, and
- Human resource aspects investing in digital competencies of employees in order to improve productivity and efficiency; introduction of new job descriptions and careers, and opportunities for learning and development within maritime business.

Practical and/or social implications

The paper provides an opportunity to fill the current literary gap and draws attention to three essential aspects of digital culture in maritime industry.

Originality / value

The paper contributes to the development of fundamental economic and scientific disciplines, such as marketing, business organization, and human resource management, but from the perspective of their application in the field of maritime industry. All is linked with one of the most current topics of today – digital culture.

References

- 1. Acciaro, M., Sys, C. (2020). Innovation in the maritime sector: aligning strategy with outcomes. *Maritime Policy & Management*, doi: 10.1080/03088839.2020.1737335.
- Alix, J. (2017). Wat is a smart port? *Paris Innovation Review [online]*. Available at: http://parisinnovationreview.com/articles-en/what-is-a-smart-port [Accessed: 06. 04. 2020].
- Bavassano, G., Ferrari, C., Tei, A. (2020). Blockchain: How shipping industry is dealing with the ultimate technological leap. *Research in Transportation Business & Management* [online]. Available at: https://www.sciencedirect.com/science/article/abs/pii/ S2210539519301646?via%3Dihub [Accessed: 06. 04. 2020].
- 4. Chen, Z. (2017). Influence of 3D Printing on Global Container Multimodal Transport System. *Complexity*, 2017(13), 1–19.
- 5. Deuze, M. (2006). Participation, Remediation, Bricolage: Considering Principal Components of a Digital Culture. *Information Society*, 22(2), 63–75.
- 6. UK Essays. (2018). Maritime Shipping Industry in Mozambique Digital Marketing *[online]*. Available at: https://www.ukessays.com/essays/marketing/maritime-shipping-industry-mozambique-digital-4159.php?vref=1 [Accessed: 07.04. 2020].
- 7. Fruth, M, Teuteberg, F. (2017). Digitization in maritime logistics What is there and what is missing? *Cogent Business & Management*, 4(1), 1-40.
- 8. Heilig, L., Lalla-Ruiz, E., Voß, S. (2017). Digital transformation in maritime ports: analysis and a game theoretic framework. *NETNOMICS: Economic Research and Electronic Networking*, 18(2017), 227–254.
- 9. Munim, Z. H. (2019). Autonomous Ships: A Review, Innovative Applications and Future Maritime Business Models. *Supply Chain Forum*, 20(4), 266–279.
- Safety4sea (2018). Building a digital culture in maritime industry [online]. Available at: https://safety4sea.com/cm-building-a-digital-culture-in-maritime-industry [Accessed: 06. 04. 2020].
- 11. Sanchez-Gonzalez, P.L., Díaz-Gutiérrez, D., Leo, T.J., Núñez-Rivas, L.R. (2019). Toward Digitalization of Maritime Transport? *Sensors*, 19(4), 1-22.

8 The Model of Ensuring Availability of Orphan Drugs Used in the Treatment of Rare Diseases on the Slovenian Market

Nataša Jalen^{*}

Purpose

The subject of the discussion is to define the context of the entry of the orphan medicinal product into the Slovenian market, in terms of legal bases, marketing and communication practices among stakeholders, taking into account all legislative frameworks and requirements that the medicinal products must meet in order to be financed from public funds. Based on these factors, we will propose an orphan drug entry model that follows regulatory frameworks and good marketing and communication practices.

Orphan drugs are used to treat rare diseases. In the EU, rare disease is defined as a disease affecting less than 5 people in 10,000. About 5,000-8,000 different rare diseases affect 6-8% of the EU population, which means between 27 and 36 million people (European Commission, 2019).

The research questions related to the research problem are:

- What is Slovenian marketing and legislative environment in which the provider enters with new medicinal product?
- What are the legal bases governing rare diseases and orphan drugs?
- How does the state, through legislation, promote the availability of orphan drugs on the Slovenian market?
- What is the course of the communication channels between stakeholders in the process of orphan drug entry into the Slovenian market?
- What importance do the participants in the research of lobbying on the orphan drug field place?

Keywords: marketing; marketing plan; medicinal products marketing; lobbying; medicinal products legislation; orphan drug; rare disease.

Introduction and literature review

Health systems in Europe are based on social reciprocity, where vulnerable groups, including patients with rare diseases, are catered for. Orphanet (2020) defines orphan drug as a medicinal product, developed by the pharmaceutical industry, to meet public health needs and intended for diagnosis, prevention or treatment of life-threatening or very serious diseases or disorders that are rare. The EU's strategic objective in the field of rare diseases is to improve patients' accessibility to diagnosis, information and care. It is therefore necessary to improve the identification of rare diseases, to provide

^{*} Poslovno svetovanje in oglaševanje, Ljubljana, Slovenia, natasa@jalen-sp.com

a coding and traceability system, to support national patient associations, and to set up European reference centers for knowledge sharing.

The cost and physical presence of orphan medicine in individual country is important for the treatment of patients with rare diseases. This is a challenge as the cost of developing and registering an orphan drug is relatively high given the small number of patients. The assessment of the therapeutic value, pricing and decision on public funding is the responsibility of each Member State. Negotiations between stakeholder can be lengthy, cosing loss for patients as well, indirectly, for pharmaceutical companies, investing in the development and registration of an orphan medicinal product (EURORDIS, 2020).

We face this challenge with the entry of the orphan medicinal product into the Slovenian market, so it is important that the marketing authorization holder prepares an appropriate marketing and communication plan at the stage when orphan medicinal product is going through the registration process, and cooperates and lobbies closely with all stakeholders: Health Insurance Institute, prescribers and patients associations.

In addition to detailed marketing strategy, we believe that lobbying is an important factor that can significantly change the end result in the decision-making process for financing a medicinal product from public funds. Through thoughtful lobbying in the pre-marketing period, we adequately inform all stakeholders about the new therapeutic option, the benefits of new treatment, and the possible obstacles we may face when entering the market or in treatment.

Design / methodology / approach

We will use a qualitative research paradigm because we believe that through qualitative approaches we can find the answers to the questions we posed in the research. We chose the investigative case study as the type of research. As Stacks (2012) states, the case study focuses on an individual, organization, or event. It gives us an in-depth, holistic insight into a particular topic, even though the findings or answers to research questions cannot be generalized. The research will involve decision makers responsible for pricing of medicines, listing of medicines, diagnosing rare diseases and prescribing trements.

The sample will consist of: Head of the Pricing Department at the Public Agency for Medicinal Products and Medical Devices, Head of the Pharmacoeconomics Department at the Health Insurance Institute, Head of the National Contact Point for Rare Diseases, President of the Association for Rare Diseases of Slovenia and coordinator of orpha.net in Slovenia. We will choose a purposeful non-random sampling technique for sampling. The obtained data will be analyzed with: documentary analysis method and content analysis method (Esterby-Smith, Thorpe and Lowe, 2005).

Findings / results and conclusion

The main contribution to the research will be represented by empirical analysis intended to reveal the possibility of theoretical and empirical findings to be transferred

into practice, namely pharmaceutical industry. The research will, in terms of its design and content, represent one of the reference works in the field of marketing research.

The original contribution is to create a model for the entry of an orphan medicinal product into the Slovenian market. The research to test the latter, has not, according to researched data, been carried out yet. This type of model has not been noted, neither in Slovenia nor internationally.

Practical and/or social implications

The new conceptual model will help pharmaceutical companies to enter into the Slovenian market with new orphan drug.

Originality / value

The original contribution is to create a model for the entry of an orphan drug into the Slovenian market, with an emphasis on a carefully crafted marketing plan and lobbying. After reviewing the literature we have not identified this kind of model, prepared for the Slovenian market.

References

- Detiček, A., Čačilo, T., Janžič, A., Locatelli, I., Kos, M. (2016). Razpoložljivost zdravil za zdravljenje redkih bolezni v Sloveniji. *Farmacevtski vestnik: strokovno glasilo slovenske* farmacije, 67(2/3), 200-212.
- 2. Esterby-Smith, M., Thorpe, R., Lowe, A. (2005). *Raziskovanje v managementu*. Koper: Fakulteta za management.
- European Commission (2020). Rare diseases [online]. Available at: https://ec.europa.eu/health/non_communicable_diseases/rare_diseases_sl [Accessed: 15. 1. 2020].
- EURORDIS (2020). Rare Diseases Europe [online]. Available at: https://www.eurordis.org/ [Accessed:15. 1. 2020].
- 5. JAZMP (2017). Javna agencija za zdravila in medicinske pripomočke [online]. Available at: <u>https://www.jazmp.si/</u> [Accessed: 10. 1. 2020].
- 6. Jobber, D. (2010). Principles and Practice of Marketing. London: McGraw-Hill.
- 7. Kotler, P., Armstrong, G. (2018). Principles of Marketing. Harlow: Pearson Education Limited.
- 8. Oliver, R. L. (2014). Satisfaction: A behavioral perspective on the consumer. New York: Routledge.
- 9. Orphanet (2020). O redkih boleznih [online]. Available at: http://www.orpha.net/national/SI-SL/index/o-redkih-boleznih/ [Accessed: 15. 1. 2020].
- Stacks, D. W. (2013). Case Study in Heath. In R. Lawrence (Ed.), *Encyclopedia of Public Relations*. Thousand Oaks, CA: SAGE Publications. pp. 98-99.
- 11. Zakon o zdravilih-2. (2013). Available at: https://www.uradni-list.si/glasilo-uradni-list-rs/vsebina/116550 [Accessed: 18. 1. 2020].
- 12. Vukasović, T. (2020). Koncepti sodobnega trženja. Pearson Education.

9 The Quality of Sales Force Management in Slovenian Companies

Amadea Dobovišek*

Purpose

The purpose of this research is to examine the quality of sales force management in the 50 biggest Slovenian companies by testing their sales force control systems as viewed by top management. The sales force control system is the most important lever top executives have in exercising the influence upon the sales management of the company. The more consistent the control system, the smaller the gap between desired and actual sales force behavior and the more effectively is implemented the planned marketing strategy.

Keywords: sales force control system; top management; sales force behavior; implementation; marketing strategy.

Introduction and literature review

A sales force control system is a set of procedures used by companies to influence behaviors and performance of salespeople (Onyemah and Anderson, 2009). Although it has been the subject of important stream of research (Anderson and Oliver, 1987; Oliver and Anderson, 1995; Anderson and Onyemah, 2006; Darmon and Martin, 2011) pointing out a direct relationship between a company's sales success and its commitment to manage sales force behavior, it does not give an answer on why a company should employ an outcome or behavior based control system as suggested by most researchers. Therefore a need was recognized to develop a new conceptual framework (Dobovišek, 2012) that integrates the existing research with the field of a customer value creation in the selling process (Rackham and De Vincentis, 2002; Terho et al., 2012).

Design / methodology / approach

The research took place based on structured questionnaire which has been developed on the model of Anderson and Onyemah (2006) and expanded by Dobovišek (2012). The policies and practices that managers employ to adjust sales force behavior to customer needs form a "sales force control system". It comprises of several components and can be epitomized in the key questions senior management needs to ask about the way it conducts its sales force

^{*} Sen. Lect. Dr., DOBA Business School Maribor, and Director/Consultant, Publi Una d.o.o., Ljubljana, Slovenia, amadea.dobovisek@publiuna.si

behavior. The questionnaire is based on a set of 12 claims, which are rated from 1 to 7 on the Likert scale. How executives answer helps to detect whether companies employ a system that controls a transactional or consultative sales force behavior, or some hybrid combination of the two. It also shows how consistent are the system components with one another and which policies need better care of management.

Findings / results and conclusion

Findings show that top managers in Slovenian companies widely recognize consultative selling as a desired sales force behavior but do not fully support it with the control systems they apply. The results offer clear and compelling evidence of inconsistencies within the control systems and imply existence of the gap between desired and actual sales force behavior. Research evidences show that control systems put in place leave much to be desired, especially creation of sales force competencies and evaluation of their work. The results offer a clear guidance for improvements in sales force management.

Research limitations / impications

Main focus of our study was to identify a desired sales force behavior and to check the quality and consistency of management policies from the way how executives describe to manage their salespeople and not by direct observation of management policies.

Practical and/or social implications

Today's customers affect changes in purchasing concepts as they are willing to undertake a significant effort to get better value. As markets commoditize, and the amount of value that resides in the product or service steadily erodes, significant role in customer value creation is now put on sales force and the relationship it can develop with customers, especially in B2B segment. But the problem is that traditional sales forces experience gaps between the desired and the actual behavior. This implies that senior executives should redefine sales force behavior and help produce its reliable transformation by building effective management control system.

Originality / value

The research is built on foundation provided by Anderson and Oliver (1987) who characterized the sales force control system along the dimension of inputbased (behavior) control versus output-based (result) control. As it provides limited explanation of what induces a firm to select one specific control tool rather than another, we integrated two disconnected literatures, »customer value creation in selling process« and »sales force control system« into a new and unified framework (2012). This contributes to a better understanding about how sales force control systems should be established to meet companies' strategic objectives. Based on this new model we examine then the challanges senior executives are facing when transforming the sales force into more effective force of the company and better adapted to the new competitive environment.

References

- 1. Anderson, E., Oliver, R.L. (1987). Perspectives on Behavior-Based Versus Outcome-Based Sales force Control Systems. *Journal of Marketing*, 51(October), 76-88.
- 2. Anderson, E., Onyemah, V. (2006). How Right Should the Customer Be? *Harvard Business Review*, 84(7–8), 58–67.
- Colletti, J.A., Chonko, L.B. (1997). Change management initiatives: Moving sales organizations from obsolescence to high performance. *The Journal of Personal Selling & Sales Management*, 17(2), 1-30.
- 4. Cravens, D.W., Ingram, T.N., LaForge, R.W., Young, C.E. (1993). Behavior-Based and Outcome-Based Salesforce Control Systems. *Journal of Marketing*, 57 (October), 47-59.
- Cron, W.L., Baldauf, A., Leigh, T.W., Grossenbacher, S. (2014). The strategic role of the sales force: perceptions of senior sales executives. *Journal of the Academy of Marketing Science*, 42(5), pp 471–489.
- 6. Darmon, R.Y., Martin, X.C. (2011). A New Conceptual Framework of Sales Force Control Systems. *Journal of Personal Selling & Sales Management*, 31(3), 297-310.
- 7. DelVecchio, S. (1996). Predicting sales manager control: A comparison of control-system and leadership approaches. *Journal of Applied Business Research*, 12(4), 100-114.
- 8. De Vincentis, J. R., Rackham, N. (1998). Breadth of a Salesman. *McKinsey Quarterly*, 4(4), 32–43.
- Ford, M.W., Greer, B.M. (2005). The Relationship between Management Control Systems Usage and Planned Change Achievement: An Exploratory Study. *Journal of Change Management*, 5(1), 29-46.
- Guenzi, P., De Luca, L.M. (2011). Organizational Drivers of Salespeople's Customer Orientation and Selling Orientation. *Journal of Personal Selling & Sales Management*, 31(3), 269-285.
- 11. Harker, M.J., Egan, J. (2006). The Past, Present and Future of Relationship Marketing. *Journal of Marketing Management*, 22(1/2), 215-242.
- Jaramillo, F., Ladik, D.M., Marshall, G.W., Mulki, J.P. (2007). A Meta-Analysis of the Relationship Between Sales Orientation–Customer Orientation (SOCO) and Salesperson Job Performance. *Journal of Business & Industrial Marketing*, 22(5), 302–310.
- 13. Jones, E., Brown, S.P., Zoltners, A.A., Weitz, B. (2005). The changing environment of selling and sales management. *Journal of Personal Selling & Sales Management*, 25(2), 105-111.
- 14. Likert, R. (1961). New Patterns of Management. New York: McGraw Hill.
- Malek, S.L., Sarin, S., Jaworski, B.J. (2018). Sales management control systems: review, synthesis, and directions for future exploration. *Journal of Personal Selling & Sales Management*, 38(1), 30–55.
- Marshall, G.W., Michaels, R.E. (2001). Research in Selling and Sales Management in the Next Millennium: An Agenda from the AMA Faculty Consortium. *Journal of Personnel Selling & Sales Management*, 21(1), 15–17.
- 17. Narayandas, D., Rangan, K.V. (2004). Building and Sustaining Buyer-Seller Relationship in Mature Industrial Markets. *Journal of Marketing*, 68(Summer), 63-77.
- 18. Oliver, R.L., Anderson, E. (1994). An Empirical Test of the Consequences of Behavior and Outcome-Based Sales Control Systems. *Journal of Marketing*, 58(October), 53–67.

- Oliver, R.L., Anderson, E. (1995). Behavior-and Outcome-Based Sales Control Systems: Evidence and Consequences of Pure-Form and Hybrid Governance. *Journal of Personal Selling & Sales Management*, 15(4), 1–15.
- Onyemah, V., Anderson, E. (2009). Inconsistencies among the constitutive elements of a sales force control system: test of a configuration theory-based performance prediction. *Journal of Personal Selling & Sales Management*, 29(1), 9-24.
- Palmatier, R.W., Dant, R.P., Grewal, D., Evans, K.R. (2006). Factors Influencing the Effectiveness of Relationship Marketing: A Meta-Analysis. *Journal of Marketing*, 70(4), 136– 153.
- Piercy, N. F., Low, G.S., Cravens, D.W. (2004). Consequences of Sales Management's Behavior and Compensation-Based Control Strategies in Developing Countries. *Journal of International Marketing*, 12(3), 30–57.
- 23. Rackham, N., De Vincentis, J.R. (2002). *Rethinking the sales force: redefining selling to create and capture customer value*. New York: McGraw-Hill.
- Rouziés, D., Macquin, A. (2002). An Exploratory Investigation of the Impact of Culture on Sales Force Management Control Systems in Europe. *Journal of Personal Selling & Sales Management*, 23(1), 61–72.
- Samaraweera, M., Gelb, B.D. (2015). Formal salesforce controls and revenue production: a meta-analysis. *Journal of Personal Selling & Sales Management*, 35(1), 23–32.
- 26. Shapiro, B.P., Posner, R.S. (2006). Making the Major Sale. *Harvard Business Review*, (July/August), 140-148.
- 27. Simons, R. (2000). *Performance Measurement and Control Systems for Implementing Strategy*. Upper Saddle River, New York: Prentice Hall.
- 28. Steenburgh, T. (2006). *Personal Selling and Sales Management*. Bostron: Harvard Business School.
- 29. Strauss, E.R., Zecher, C. (2013). Management Control Systems A Review. Journal of Management Control, 23(4), 233–268.
- Terho, H., Haas, A., Eggert, A., Ulaga, W. (2012). It's almost like taking the sales out of selling-Towards a conceptualization of value-based selling in business markets. *Industrial Marketing Management*, 41(1), 174–185.
- Terho, H., Eggert, A., Haas, A., Ulaga, W. (2015). How sales strategy translates into performance: The role of salesperson customer orientation and value-based selling. *Industrial Marketing Management*, 45(1), 12–21.

10 Brand Eguity in Higher Education

Tina Vukasović^{*}

Purpose

Brand equity (BE) in higher education (HE) has received significant scholarly attention in recent years. However, there are a number of contradictions between the empirically approved determinants and the dimensions of brand equity in HE (Mourad et. al, 2019). The purpose of this study is to establish the key elements of brand equity for international students by exploring existing brand equity theory in its applicability to international HE. The study will look at Keller's (1993, 2001) and Aaker's (1991, 1996) theory on building customer-based brand equity and establish how this can be transferred into the HE context. Through doing this, the key components for building brand equity in this context will be established. The main objective of this research is to enhance academic understanding of brand equity in the HE sector and explore the implications for management practice.

Keywords: brand perception; brand equity; higher education; services marketing.

Introduction and literature review

As this study will be focusing on identifying the critical elements of creating brand equity in a HEs marketing context as an element of competitive advantage, the focus of the literature review will be on customer-based brand equity.

Several academic studies attempted to empirically test and measure BE in different industries. For instance, Erdem and Swait (2004) categorized BE measurement models into holistic models that seek an overall evaluation of the brand and component-based models that measure the determinants of BE. Netemeyer et al. (2004) studied four core facets of customer-based BE; these components are perceived quality (PQ), perceived value for the cost (PVC), uniqueness, and willingness to pay a price premium for a brand. Agarwal and Rao (1996) compared 11 consumer-based BE measures and further evaluated their interrelation and convergence. Aaker (1991), on the other hand, developed the most comprehensive multidimensional component-based model. It includes awareness, brand associations, perceived quality, loyalty, and other proprietary assets as the main dimensions of BE. In addition, Keller (1993) developed another important component-based model focusing on brand knowledge as the main determinant of BE. Based on these two models, Cobb-Walgren, Ruble, and Donthu (1995) empirically proved that BE affects the overall perception of the brand image as well as the brand attitude. Finally, Yoo and Donthu (2001) developed a 22-item multidimensional scale for measuring BE based on these two models (Mourad et. al, 2011; Mourad et. al, 2019).

^{*} Assoc. Prof. Dr., DOBA Business School Maribor, and University of Primorska, Slovenia, tina.vukasovic@net.doba.si

Despite the expansion of the service industry in the global economy, few researches study the concept of BE in the service sector (De Chernatony and Riley, 1999; Riel, Lemmink, and Ouwersloot, 2001). This study utilizes a component-based approach whereby BE is conceptualized as a multidimensional construct (Aaker, 1991; Keller, 1993) in the HE service industry. Empirically, the determinants of the customer-based BE in different HE markets are tested. The reasons for focusing on customer-based measures in this study are various: (1) It allows for the assessment of the equity at the brand level, (2) It capitalizes on the high acquaintance of marketing managers with customer-based measures and hence it's easily interpreted and used in practice, and (3) It leverages the abundance of marketing scholarly research that capitalizes on customer-based equity measures (Agarwal and Rao, 1996; Mourad et. al, 2019).

Design / methodology / approach

Quantitative data collected will be used to test a model of brand equity in the context of HE. The sample chosen for the current study targeted will be graduate students, first and second year. University students will be selected from the popular faculties in country. The questionnaire is designed primarily using a range of established scales from previous studies (Mourad et. al, 2011; Mourad et. al, 2019). The data will be collected using a structured questionnaire administered by e-mail survey with the use of closed answers (questions with multiple choice answers). Considering the brand image dimension of brand equity and following the categorisation discussed earlier, the independent variables are:

- Service attributes used by consumers to evaluate a service.
- Promotion activities. This covers all promotional activitiescinducted by HE institutions.
- Symbolic attributes were defined as social image, market position and personality.
- Finance attributes. This covers the relationship between services quality and price and financial stability of the faculty.
- Consumer attributes. These relate to the consumers own socio-economic characteristics and experience with the brand.

Findings / results and conclusions

The main contribution to the research will be represented by empirical analysis intended to reveal the possibility of theoretical and empirical findings to be put into practice, namely in HE. The research will, in terms of its design and content, represent one of the reference works in the field of marketing research and its narrower segment brand equity in HE. The results provide support for the proposed conceptual model, with consumer's-related, image-related and awareness-related determinants.

Practical and/or social implications

The new conceptual model will help the developers of marketing strategies in HE context to implement the new findings.

Originality / value

The findings of this research provided evidence that the customer-based brand equity model can be applied to the HE context and used to guide marketing activities for Universities internationally. As a result, focusing on developing and maintaining the determinants of brand equity will help managers and marketers in positioning their service in the market and hence influencing the consumer choice.

Acknowledgment: This research is part of the bilateral project Slovenia – Norway (BI-N0/20-22-010).

- 1. Aaker, D. (1991). Building Strong Brands. New York: The Free Press.
- Aaker, D. (1996). Measuring Brand Equity Across Products and Markets. California Management Review, 8, pp. 102–120.
- Agarwal, M., Rao, V. (1996). An Empirical Comparison of Consumer-Based Measures of Brand Equity. *Marketing Letters*, 7(3), 237–247.
- 4. Cobb-Walgren, C.J., Ruble, C.A., Donthu, N. (1995). Brand Equity, Brand Preference, and Purchase Intent. *Journal of Advertising*, 24(3), 25–40.
- Chen, L.H. (2008). Internationalization or international marketing? Two frameworks for understanding international students' choice of Canadian universities. *Journal of Marketing for Higher Education*, 18(1), 1-33.
- 6. De Chernatony, L. (2001). From Brand Vision to Brand Evaluation: Strategically Building and Sustaining Brands. Oxford: Butterworth Heineman.
- 7. De Chernatony, L., McDonald, M. (1998). *Creating Powerful Brands in Consumer, Services and Industrial Markets*. Oxford: Butterworth-Heinemann.
- 8. De Chernatony, L., Riley. F.D. (1999). Experts' Views About Defining Services Brands and the Principles of Services Branding. *Journal of Business Research*, 46, pp. 181–92.
- 9. Erdem, T., Swait, J. (1998). Brand equity as a signaling phenomenon. *Journal of Consumer Psychology*, 7(2), 131-57.
- 10. Erdem, T., Swait, J. (2004). Brand Credibility, Brand Consideration, and Choice. *Journal of Consumer Research*, 31, pp. 191–198.
- 11. Hanushek, E.A., Jackson, J.E. (2013). *Statistical methods for social scientists*. New York: Academic Press.
- 12. Keller K.L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, 57, pp. 1-22.
- 13. Keller K.L. (2001). Building customer-based brand equity. *Marketing Management*, 10(2), 14-19.
- 14. Keller K.L. (2008). *Strategic Brand Management: Building, Measuring, and Managing Brand Equity.* Pearson Education Inc. New Jersey: Upper Saddle River.
- 15. Kotler, P., Armstrong, G. (2018). Principles of Marketing. Harlow: Pearson Education Limited.
- 16. Lovelock, C., Wirtz, J. (2016). Services marketing: people, technology, strategy. Hackensack (NJ): World Scientific.
- 17. Mourad, M., Ennew, C., Kortam, W. (2011). Brand equity in higher education. *Marketing Intelligent and Planning*, 29(4), 403-420.
- Mourad, M., Meshreki, H., Sarofim, S. (2019). Brand equity in higher education: comparative analysis. *Studies in higher education*, 45(1), 209-231. DOI: 10.1080/03075079.2019.1582012
- Netemeyer, R.G., Krishnan, B., Pullig, C., Wang, G., Yagci, M., Dean, D., Wirth, F. (2004). Developing and Validating Measures of Facets of Customer-based Brand Equity. *Journal of Business Research*, 57(2), 209–24.

- Riel, A.C., Lemmink, J., Ouwersloot, H. (2001). Consumer Evaluations of Service Brand Extension. *Journal of Service Research*, 3(3), 220–231.
- 21. Vukasović, T. (2020). Koncepti sodobnega trženja. Harlow: Pearson Education Limited.
- 22. Vukasovič T. (2011). Conceptual model of strategic positioning of a poultry brand. *World's Poultry Science Journal*, 67(4), 643-652.
- 23. Vukasovič, T. (2012). Brand value as an element of sustainable competitive advantage. *International journal of sustainable economy*, 4(4), 390-409.
- 24. Yoo, B., Donthu, N. (2001). Developing and Validating a Multi-dimensional Consumer-based Brand Equity Scale. *Journal of Business Research*, 52(1), 1–14.

11 Marketing Strategies in the Non-Profit Sector – Opportunity or Challenges?

Marina Tuneva^{*}

Purpose

The purpose of this paper is to illustrate the ways marketing ideas and strategies are created and implemented in the non-profit sector. Consequently, the main research problem is defined as: how do non-profits develop and employ marketing strategies and tools to achieve their missions?

Part of this process will be to determine how management in non-profit organizations views marketing, as well as challenges and opportunities related to the marketing efforts.

Keywords: marketing; strategy; non-profit; relationships; planning.

Introduction and literature review

This paper generally discusses the role marketing strategies play in promoting the notfor-profit sector in its efforts to reach out and engage its audiences. Many non-profit organizations consider the use of tactical marketing strategy as useful and essential. The success of the non-profit sector is related to the wider environment in which it operates, such as the political, economic, socio-cultural, and technological. Therefore, a carefully designed marketing strategy can help the non-profit sector properly address the needs of the different target groups.

Marketing strategies in the nonprofit organizations are perceived to be different than the traditional ones, which are mostly aimed at improving company's bottom line. Many nonprofit organizations do not have a marketing-based approach in their activities, while some organizations perceive marketing to be an activity which leads to unwanted source of expenses, considering it as being unnecessary for the realization of objectives (Bennett, 2007). The marketing orientation toward research and the satisfaction of end users' needs is, often, 'conveniently' ignored, or perceived from the viewpoint of profit sector managers (Sheth and Sisodia, 2005).

The "classical" Kotler's (1999) approach to marketing process is used in this paper, whereby marketing activities refer to analysis, planning, application, and control as key components of marketing management process.

Design / methodology / approach

Using in-depth interviews with at least seven managers of non-profit organizations, the author will try to examine issues related to marketing strategies and tools distinct for the non-profit organizations.

^{*} Assist. Prof. Dr., Institute of Communications Studies, Skopje, North Macedonia, mtuneva@semm.mk

Analysis of secondary data will be also used to answer the research problem: how do CSO's marketing strategies and tools help achieve their missions.

One of the main conclusions is that the marketing idea is increasingly attracting the interest of the management of non-profit organizations as it offers a much richer understanding of what is happending in the civil society and sheds a light to the new opportunities. It helps the management better define the course of activities to be implemented and adjust to the needs and requirements of the target audences.

By employing a marketing strategy in its work, the non-profit sector establishes more efficient links and relationships with different stakeholders in the society, which in turn helps in the process of reputation building of the sector in general.

However, there are also organizations that, despite the advantages and opportunities that marketing offers, still resist it as a concept of work and consider it a "waste" of resources or as an activity which requires funds that are usually not available to the organizations.

Research limitations / implications

The study is limited to the representation of the reality in North Macedonia by reflecting on the practices of a selected number of CSOs. Analysis of the wide scope and the efficiency of marketing strategies and activities of different CSOs use might be in the focus of future research.

Practical and/or social implications

It is expected that the analysis will provide the non-profit sector in North Macedonia with a useful insight and overview of the importance of marketing strategies and tools in accomplishing of their missions and building reputation among the public. It is also expected to provide a better insight into the relationship building process with different stakeloders of benefit to the non-profit sector in general.

Originality / value

There is no research work on this topic in the country or it is of limited scope and is mainly focused at analyzing public relations strategies of the non-profit sector. Therefore, this study is aimed at offering both an insight of marketing strategies employed at a moment in time and a guidepost for scholars studying this topic in the future.

- 1. Anderson, J.C., Narus, J.A. (1991). Partnering as a focused marketing strategy. *California Management Review*, 33(3), 95-113.
- 2.Bennett, R. (2007). The use of marketing metrics by British fundraising charities: a survey of current practice. *Journal of Marketing Management*, 23 (9-10), 959-989.
- 3.Kotler, P. (1999). Upravljanje marketingom: analiza, planiranje, primjena, kontrola. Zagreb: Informator.
- 4.Kotler, P. (1979). Strategies for introducing marketing into nonprofit organizations. *Journal of Marketing*, 43(1), 37-44.

THE FUTURE OF GLOBAL BUSINESS AND MARKETING: HOW WILL SMART COMPANIES DEAL WITH CHALLENGES AND OPPORTUNITIES?

- 5. McDonald, R. E. (2011). An investigation of innovation in nonprofit organizations: The role of organizational mission. *Nonprofit and Voluntary Sector Quarterly*, 36(2), 256-281
- 6. Sheth, J. N., Sisodia, R. S. (2005). A dangerous divergence: marketing and society. *Journal of Public Policy and Marketing*, 24(1), 160-162.

12 Motivation and Learning Strategies of Students at DOBA Business School and Biotechnical Centre Naklo: Comparison and Implications for Marketing

Marko Divjak^{*} | Valentina Prelovnik Rupel^{**} | Milena Maček Jerala^{***}

Purpose

The aim of this paper is to analyse and compare the motivation and learning strategies of students at two heigher education institions (HEIs) in Slovenia, DOBA Business School (DOBA) and Biotechnical Centre Naklo (BC Naklo), and to discuss the practical implications of research findings in terms of marketing and marketing communication of HEIs.

Keywords: learning motivation; learning strategies; heigher education institution; marketing.

Introduction and literature review

Contemporary educational psychology includes the knowledge of motivation and learning strategies among the most important factors of successful independent learning. Learning success depends largely on the individual's study time management, the task approach, use of metacognitive strategies, mastering of learning strategies, the evaluation of contents and how one feels able to accomplish the task. Such issues are dealt with by self-regulated learning theories (Zimmerman & Martines-Pons, 1990; Jelenc-Krašovec et al., 2007; Pokay & Blumenfeld, 1990, cited in Radovan, 2010). The goals seem to be the most important motivational element in models of self-regulated learning. In addition, internal goals in particular, which reflect the intrinsic motivation for learning, are highly connected with the use of learning strategies (Radovan, 2010).

There has been extensive research conducted on the connections between motivational elements and learning strategies, but not as much is known about the differences in motivation and learning strategies among different types of students, which is the focus of this paper. For instance, previous research showed large differences among students, especially in their study approaches or styles. A study approach is characterised as a combination of learning strategies that an individual adopts and prefers in the majority of situations. The quality of learning outcomes, durability and usability of knowledge in particular, basically depends upon the adopted study approach (Entwistle, 1988, cited in Marentič Požarnik & Lavrič, 2011).

^{*} Assist. Prof. Dr., DOBA Business School Maribor, Slovenia, marko.divjak@doba.si

^{**} Assoc. Prof. Dr., Institute of Economic Research, Ljubljana, Slovenia, rupelv@ier.si

^{***} Lecturer, Biotechnical Centre Naklo, Slovenia, milena.jerala@bc-naklo.si

Design / methodology / approach

The study addressed all students who were officially enrolled in the study programmes at two selected HEIs. In other words, all members of the two target populations were invited to participate. Self-selective samples of n1 = 365 respondents from DOBA (28 percent response rate) and n2 = 52 respondents form BC Naklo (35 percent response rate) have been achieved. The data was collected by means of a structured online survey questionnaire that was distributed to students via their official school e-mail addresses. The survey questionnaire (MSLQ) that was originally designed by Pintrich, Smith, Garcia and McKeachie (1991). MLSQ measures six motivational scales, five cognitive and metacognitive strategy scales and four resource management strategy scales. Data collection took place from May until July 2019.

Findings / results and conclusions

In relative terms, DOBA's students scored significantly higher than students at BC Naklo on almost all the scales. In absolute terms, however, both samples demonstrate adequate motivation for learning and solid use of the basic cognitive learning strategies such as rehearsal, elaboration and organization. On the other hand, critical thinking and metacognition as well as some of the resource management strategies are only moderately developed among the students at BC Naklo. The discrepancies in the results of the two samples are discussed with a reference to differences in demographic structure, study implementation mode and formal educational level.

Research limitations / implications

The findings are limited to the two participating HEIs and cannot be generalised to students in other HEIs. To draw a general solid conclusion about motivation and learning strategies of students in Slovenia, for instance, a representative sample of HEIs and their students would be required.

Practical and/or social implications

In the end, the paper provides a few ideas on how the two participating HEIs could use the results to re-design and re-shape the implementation of their study programmes and to improve the study approaches (study programmes as "products" in marketing terms), in order to enhance and strengthen the aspects of motivation and learning strategies that currently seem to be underdeveloped, which could eventually lead to increased satisfaction and improved learning performance. Also, the paper discusses the opportunity of using the results on students' motivation and learning strategies in marketing communication for the purpose of reaching a more distinctive position in comparison with other competitors.

Originality / value

The findings of this paper primarly serve the representatives and study programme managers of the two participating HEIs but also their marketing specialists. However, the paper can also serve the other HEIs as a demonstration of the value of initiating

own research to learn more about the psychological and other charcteristics of their students, which could be one of the indicators and inputs for the potential readjustments of the study programmes and/or their implementation.

- Jelenc-Krašovec, S., Knaflič, L., Perme, E., Radovan, M., Rupert, J., Vilič Klenovšek, T., Žalec, N. (2007). Svetovalni pripomočki v izobraževanju odraslih [online]. Available at: http://arhiv.acs.si/publikacije/Svetovalni_pripomocki_v_izobrazevanju_odrslih.pdf [Accessed: 26. 6. 2019].
- 2. Marentič Požarnik, B., Lavrič, A. (2011). *Predavanja kot komunikacija: kako motivirati in aktivirati študente*. Ljubljana: Znanstvena založba Filozofske fakultete.
- 3.Pintrich, P., Smith, D., Garcia, T., McKeachie, W. (1991). *A manual for the use of the motivated strategies for learning questionnaire (MSLQ)* [online]. Available at: https://www.researchgate.net/publication/271429287_A_Manual_for_the_Use_of_the_Motiv ated_Strategies_for_Learning_Questionnaire_MSLQ [Accessed: 5. 4. 2020].
- 4.Radovan, M. (2010). Vpliv dejavnikov samoregulativnega učenja in starosti na uspešnost pri študiju. Sodobna pedagogika, 61(5), 94–115.
- 5.Zimmerman, B.J., Martines-Pons, M. (1990). Students differences in the self-regulated learning: Relation grade, sex, and giftedness to self-efficacy and strategy use. *Journal of Educational Psichology*, 82 (1), 51–59.

13 Marketing Plan for a New Product Launch

Urška France Klemenčič, Aleš Naraglav, Dalija Verlič^{*}

Purpose

Marketing has been facing many changes over the last few years. The constantly developing business environment, whose traits are a turbulent market, aware customers, rapid evolvement of information and telecommunication technology and an accelerated process of globalization has forced many companies to become highly innovative in all aspects of doing business. A key element, which affects the success of a company's operation, is a correctly determined marketing plan. A marketing plan is tightly coherent with the company's ambitions, as well as with determining what route the company will take and how it will achieve its goals.

The purpose of this paper is to suggest a marketing plan on a real-life example of introducing outdoor pool tables Hyphen on the Slovenian market. The Hyphen pool table is suitable for outdoor use and can also be converted into a dining table in order to treat family or friends for a meal during a picnic.

Keywords: marketing; sales; marketing plan; marketing mix; marketing communication; Slovenia.

Introduction and literature review

Marketing planning is vital in launching any new product on the market. Companies are nowadays, more than ever before, performing in an extremely competitive environment. Constant changes in the market force the management to stay on top of constant trends in customer behavior, market globalization, environmental awareness and community service (Milichovský, 2013).

A marketing plan is a formal, written document that determines the activities by means of which the company is going to realize its marketing strategies. The plan has to be written in a straightforward and understandable manner and has to incorporate clear and concrete key information about the marketing communication. With the marketing plan the company identifies the needs and wishes of the buyers, defines the characteristics of a market niche, on which it is going to focus, analyses the competitive advantages and disadvantages and based on that its own business strategy is formed and in the end a marketing mix is created, by means of which the set objectives can be achieved (Vede, 2009, 18).

With a marketing plan the company specifies its own marketing goals, forms successful marketing strategies and lastly creates such a marketing mix, by which it is going to achieve its set objectives. The management has to understand the role of the

^{*} DOBA Business School Maribor, Slovenia, urska.frace-klemencic@net.doba.si, ales.naraglav@net.doba.si, dalija.verlic@net.doba.si

marketing plan as the guideline in the process of making market decisions (Antončič et al., 2002, 237-239).

Design / methodology / approach

The empirical data and the case study used in this paper have been obtained from the secondary data available from the Cornilleau company, gained from literature reviews and previously published researches on the discussed area.

Findings / results and conclusions

The product presents a value to the consumer and is as such the key element of the marketing mix. Hyphen emerged due to the need, desire and demand in the market. The price will be fixed mostly on the basis of production, distribution and to a lesser extend on a basis of marketing costs. The price of the product will be be adjusted according to the prices of similar products and substitutes on the market.

The value of the products on the market is relatively small, as the product is currently being marketed only in France. The main present way of distribution (France) is direct online retail. The product is ordered by the end consumer via the company's online store, where all further information and promotion material (product catalogue, presentation brochures of the product, costumer reviews etc.) is available. The customer receives the product with shipping and installation included against payment. On the Slovenian market the distributer will use the established sales channels (developed for table tennis tables) and an online store.

Advertising in the form of television advertisements is intended during thematic/themeTV shows as well as in trade magazines which specialize in interior design, luxury real estate and affluent leisure accommodation. Customer relations is an area where potential customers, as well as the company-related public (e.g. distributors, sales personnel in specialized sports equipment retail stores etc.) is addressed. The direct marketing of the product is at the forefront, since the manufacturer offers their products in the online store, where a complete picture and information catalogue about the product along with means of purchase are at the disposal of the potential customer. We want to use influencer marketing via social media (primarily Facebook, Instagram, Youtube and Pinterest) in order to address online buyers (e.g. product promotions from vloggers and celebrities in the interior design industry). We want to content customers in physical stores and on fairs with professional sales personnel who will present the product to the customers with an appropriate approach.

We will introduce the new Hyphen trademark product to a domestic Slovenian market. A well-organized selling plan will enable the company to maximize its sale success of the pool tables in the outlined period.

Practical and/or social implications

Practical implication of this paper is a case study in illustrating the tasks involved in the planning of certain phases of a marketing plan in the case of a new product launch.

Originality / value

Applying marketing theories to a real-life example and illustrating the management tasks involved in certain phases of planning sales and marketing communication in case of new product launch.

- 1. Armstrong, G., Adam, S., Denize, S., Kotler, P. (2014). *Principles of marketing*. Harlow: Pearson Education.
- Habe, J. (2016). Skrivnosti uspešne prodaje: razumevanje kupcev, samozaupanje, iskanje prodajnih priložnosti, prodajni proces in vodenje za uspešno prodajo po meri poslovnih kupcev. Ljubljana: Poslovno svetovanje Jure Habbe.
- 3. Habjanič, D., Ušaj, T. (2003). Osnove trženja. Ljubljana: DZS.
- 4. Kadić, S., Palić, M., Čičić, M. (2011). "Improvement of Personal Sales Efficiency in Automotive Retailing", *Economic research-Ekonomska istraživanja*, 24(2), 112-125.
- 5. Kotler, P., Armstrong, G. (2018). Principles of Marketing. Harlow: Pearson Education Limited.
- Melewar, T., Foroudi, P., Goupta, S., Kitchen, P., Foroudi, M. (2017). Integrating identity, strategy and communications for trust, loyalty and commitment. *European Journal of Marketing*, 51(3), 572-604.
- 7. Oliver, R. L. (2014). Satisfaction: A behavioral perspective on the consumer: A behavioral perspective on the consumer. New York: Routledge.
- 8. Schiffman, L.G., Kanuk, L.L. (2015). *Consumer behavior*. Harlow: Pearson Education.
- 9. Snoj, B. (2005). Management prodaje. Maribor: Ekonomsko-poslovna fakulteta.
- 10. Snoj, B., Iršič, M. (2017). *Menedžment prodaje za teorijo in prakso*. Harlow: Pearson Education.
- 11. Vukasović, T. (2020). Koncepti sodobnega trženja. Harlow: Pearson Education.

14 Systems, Distribution Channels and Their Share in Online Sales of Hotel Accommodation

Tina Vukasović^{*} | Vlaho Mihač^{**}

Purpose

Tourism has been recognized as a strategic sector for economic growth in many countries and recognized as one of the most important industries in the world. Hotel industry is developing new ways of accomplishing their missions by leveraging the power of information and applying network-centric concepts (Chawla, 2013, p. 754). New challenge for hotel managers in the 21st century is how to integrate the new, complex and varied services and ICT systems into their existing business operations (Law and Jogaratnam, 2005, p. 178).

The research is aimed at elaborating systems, trends and innovations in online hotel accommodation sales in the Republic of Croatia. We were also interested in the share of online sales and its growth over the last three years so that we could see how much it currently occupies and is there any correlation between the used systems and the sales share size. For that purpose, we have set the following research questions: 1. Which systems are used in hotel sales and marketing departments, and what are they used for? 2. What is the growth and share of online sales in the last three years per sales channel?

Keywords: online booking systems; innovation; trends; share by sales channels; Croatia.

Introduction and literature review

The hotel industry has become one of the most important service industries in Croatia, where there is a sharply increasing growth in recent years. Furthermore, there is increased competition within this industry in Croatia. This increased competition has forced hoteliers to create strategies to retain current clients and to attract new clients. In line with these arguments, improving quality service through increased employee performance is the solution for this industry to remain competitive (Tsaur and Lin, 2004). The potential tourist surfs through so many websites and promotional messages before making a final decision on which hotel to book such as hotel websites, third-party websites, social media channels, search engines, mobile search (Aggarwal and Aggarwal 2010, p. 20). It depends on the hotel and its marketing strategies and activities to determine which of those stops will move the guests to generate business in its hotel. In raising its competitiveness, the hotel must invest in

^{*} Assoc. Prof. Dr., DOBA Business School Maribor, and University of Primorska, Slovenia, tina.vukasovic@net.doba.si

^{**} PHOBS, Dubrovnik, Croatia, vlaho.mihac@phobs.net

the development of a modern reservation system. Reservation systems are a particularly interesting area of information technology in tourism.

Design / methodology / approach

This research was based on qualitative and quantitative research methods. As basis for the research we looked into the leading companies in terms of accommodation in the Republic of Croatia, as well as award winners and nominees for the 2018 Croatian Tourism Days event. In the qualitative survey we received information on which systems are used by employees of the hotel sales and marketing department in their daily work. In the quantitative survey, we e-mailed the same question to all, or at least the vast majority of hoteliers in the Republic of Croatia, to see the representation of the use of the system in their hotel sales. The list of categorized facilities available on the Ministry of Tourism's website published on 31.08.2018 was used as the base. According to the mentioned database, at the given moment, there were 737 hotels in the Republic of Croatia to which we have sent anonymous surveys.

Findings / results and conclusions

According to the results of the research, we can conclude that online sales have been increasing recently, as well as the share of direct bookings of observed companies made through the website in relation to the number of bookings through OTA channels. Although the number of used tools does not have a significant impact on the share of online sales in total sales, according the results from PHOBS CRS, we can conclude that companies that use more tools have a more significant share of direct bookings made through the website than booking made through the OTA channels. It is also important to mention that OTA channels are not something that should be avoided in hotel sales and it is financially better to receive an OTA booking than the booking made through another type of sales that has a higher commission.

Practical and/or social implications

We believe that research results can help anyone who wants to know more about the above-mentioned topic, whether they are just starting with the research or looking for additional ways and tools to improve their business. With all available systems and automation, it is crucial to have a capable and motivated workforce. Systems are still a tool in the hands of man, which depend on his ability and creativity.

Originality / value

Employees in hotel sales can use this final work to gain insight into systems and tools for sales and management that are currently available on market, as well as their direct impact on business results and business process optimization, if applied in day-to-day business.

References

1. Aggarwal, B., Aggarwal, A. (2010). From Hotels to HTMLs, A Complete Guide to Internet Marketing for the Lodging Industry (third edition). Amer Hotel & Motel Assn.

- Akhila, S., Manikandan, C. (2018). A study on growing trends of online hotel booking. International Journal of Commerce and Management Research, 4(3), 9-15.
- Ambrož, R., Gomezelj Omerzel, D. (2017). Business Model Innovation in Tourism: How to Survive in Highly Competitive Environments. *Academica Turistica*, 10(1), 175 – 183.
- Anuar, J., Musa, M., Khalid, K. (2014). Smartphone's Application Adoption Benefits Using Mobile Hotel Reservation System (MHRS) among 3 to 5-star City hotels in Malaysia. *Procedia* – Social and Behavioral Sciences, 130(2014), 552-557.
- Bemile, R., Achampong, A., Danquah, E. (2014). Online Hotel Reservation System", *IJISET International Journal of Innovative Science, Engineering & Technology*, 1(9), 583-588.
- Bilgihan, A., Bujisic, M. (2015). The effect of website features in online relationship marketing: a case of online hotel booking. *Electronic Commerce Research and Applications*, 14(4), 222-232.
- Chawla, N. (2013). Online information monitoring for utilize hotel occupancy rate. Proceedings of ICCT2013, 15th IEEE International Conference on Communication Technology, November 17-19, Guilin, China, pp. 751-758.
- Crnojevac, I. H., Gugić, J., Karlovčan, S. (2010). eTourism: A comparison of Online and Offline Bookings and the Importance of Hotel Attributes. *Journal of Information and Organizational Sciences*, 34(1), 41-54.
- 9. Gorenak, M. (2019). The differences in perceptions on organistional values in hospitality sector: What do they tell us? *Academica Turistica*, 12(1), 73-82.
- 10. Krstinić Nižić, M., Šverko Grdić, Z., Hustić, A. (2016). The Importance of Energy for the Tourism Sector. *Academica Turistica*, 9(2), 77-83.
- 11. Law, R., Jogaratnam, G. (2005). A study of hotel information technology applications. *International Journal of Contemporary Hospitality Management*, 17(2), 170-180.
- 12. Murphy, H.C., Chen, M.M. (2014). Online Information Sources Used in Hotel Bookings: Examining Relevance and Recall Hilary. *Journal of Travel Research*, 55(4), 523-536.
- Murphy, H.C., Chen, M.M., Cossutta, M. (2016). An investigation of multiple devices and information sources used in the hotel booking process. *Tourism Management*, 52(2016), 44-51.
- Piccoli, G., Lui, T.W., Grün, B. (2017). The impact of IT-enabled customer service systems on service personalization, customer service perceptions, and hotel performance. *Tourism Management*, 59(2017), 349-362.
- 15. Silva, S., Martins, D. (2016). Human Resource Management in Hotel Units: The Portuguese Case. Academica Turistica, 9(1), 5-18.
- 16. Tsaur, S. H., Lin, Y.C. (2004). Promoting service quality in tourist hotels: The role of hrm practices and service behavior. *Tourism Management*, 25(4), 471–481.

15 Planning of Sales and Market Communication in Introducing the Fire Insurance Service

Petra Knez Bahor*

Purpose

The purpose is to study the theory and practical examples to introduce a new product for the selected market of Triglav Insurance - a standalone product, Fire Insurance. It was a challenge to analyze and prepare a reaserch for a company that is well known and has been doing great business for so long. In claims-based cross sell idea we decided to examine data about fires in Slovenia and find out is there any potential for additional new premium.

Keywords: sales; market communication; fire insurance service; Zavarovalnica Triglav.

Introduction and literature review

In Slovenia, the insurance industry is stable and represents a healthy pillar of the economy. Both domestic and foreign insurance companies are present on the market. The most importntant for succesful saels in insurance business is the insurance agent. Sales skills are therefore essential (Celin, 2018). Insurance Sector is Healthy and Stable, emphasizing that there are many opportunities for Slovenian insurance companies to grow (Čeh, 2015). One of the basic principles in insurance is that only future, uncertain, human-independent and measurable events can be insured.

Design / methodology / approach

In identifing the target customer group, we considered all characteristics, namely geographical, psychographic, economic, behavioral and demographic (Kotler, 1996). The critical thinking and experience were used, analyzed the internal available resources and research of Zavarovalnica Triglav and conducted a short survey.

Findings

The importance of fire insurance is growing, according to the Slovenian Insurance Association, growth is recorded in 2018 by 1.83%. Most interesting is the fact that the survey showed - clients still prefer to conclude insurance contracts through agents rather than online, as one might have expected. Long-term marketing plans are closely linked to the industry. Therefore, it is not enough to know the product in order to establish sales and advertising activities more efficiently, it is necessary to know the entire industry, including competition analysis and extensive market research.

^{*} DOBA Business School, Maribor, Slovenia, petra.knez-bahor1@net.doba.si

From all available data, the end-user market was first segmented demographically, by gender, age, economic status and the number of family members. Demographic results showed that the target buyers are young, up to four, middle-income families in the 21-40 age group, living in a residential building.

Research limitations

Because of limitaition to the specific value that we wanted to determine by conducting and analyzing the survey, the importance and type of values when taking of insurance, we broadly set geographic, demographic and psychographic factors.

Practical and/or social implications

If we design a custom product and address it with the right words, through appropriate sales channels, we can have a positive effect on fire insurance sales. The values that a company lives through its employees are extremely important. The data from our survey, as well as the data of Zavarovalnica Triglav, are identical in terms of trust in the sales represented by the agent.

Originality / value

Those who experienced a fire occurring in their neighbourhood developed a fear that it could happen to them. Hence, fear was a big motivator to conclude a fire insurance.

- 1. Celin, J. (2018). *Uspešnost prodajalcev zavarovalnih storitev*. Ljubljana: Slovensko zavarovalno združenje.
- 2. Čeh, S. (2015). Slovenski zavarovalni sektor je zdrav in stabilen. *Delo*, 30.7.2015.
- Brophy, R. (2019). Blockchain and insurance: a review for operations and regulation. *Journal of Financial Regulation and Compliance* [online]. Available at: https://www.emerald.com/insight/search?q=insurance+industry+in+eu&showAll=true&fac et-sort-date=last-12-months [Accessed 15.12.2019]
- 4. Arčon, T. (2009). Uspešnost poslovanja slovenskih zavarovalnic, ki ponujajo zdravstvena zavarovanja. Ljubljana: Ekonomska fakulteta.
- 5. Jug, A. (2018). Požar kot družbeni problem. Delo in varnost, 18-23.
- Zelena Slovenija (2019). Tveganja v okolju sistemi zaščite in rešitve EOL 121. Available at: https://www.zelenaslovenija.si/revija-eol-/aktualna-stevilka/okolje/4261-tveganja-vokolju-sistemi-zascite-in-resitve-eol-121_[Accessed: 15.12.2019]
- 7. Kotler, P. (1996). Marketing Managment, Ljubljana, Slovenska knjiga.
- 8. Kotler, P. (1998). Marketing management trženjsko upravljanje: analiza, načrtovanje, izvajanje in nadzor. Ljubljana: Slovenska knjiga.
- 9. Kotler, P. (2004). Management trženja. Ljubljana; GV založba.
- 10. Zavarovalnica Triglav (2019). Prodaja požarnih zavarovanj na podlagi analiziranja podatkov o požarih (interno gradivo). Ljubljana: Zavarovalnica Triglav.

16 Achieving Appropriate Marketing Communication Strategy and Obtaining Loyal Consumers with the Help of Content Marketing

Anita Stevanec^{*}

Purpose

The era of globalization, digitization and fast lifestyle has brought changes to many areas. People are being bombarded and saturated with information daily. At the same time, they are growing tired of misleading advertising. Advertisements are being blocked, skipped, flipped through and generally refused by the vast majority. Digitization has thus triggered information overload and, consequently, mistrust in consumers.

All of this has contributed to the development of a new way of communication between organizations and consumers. In recent years, content marketing has emerged, which provides the consumer with the use value first, and only secondarily leads them to where the products or services are being sold.

The aim of the paper is to research content marketing and the way of making purchasing decisions, as well as find out how organizations should set their marketing communication strategy in order to gain loyal customers and consequently increase their sales.

Keywords: content marketing, marketing communication strategy, loyal customers, Slovenia.

Introduction and literature review

Content marketing, as defined by Content Marketing Institute (2019), is a technique of creating and distributing valuable, relevant, and consistent content to attract and acquire a clearly defined audience – with the objective of driving profitable customer action. As stated by Hrabar (2016), with content marketing, we create and share the content that the customers want to read, see or hear. We build a relationship with customers, they grow to like us, we gain their trust, and they become our loyal customers.

We cannot talk about digital marketing without talking about content. Today, we live in a digital landscape where content is actually everywhere (Ryan 2017, p. 8). Content Marketing Institute (2019) states that a successful content marketing program starts with a documented strategy. Developing a marketing communication strategy is crucial, as written plans and goals can help us achieve all set goals and ensure that we follow them daily/weekly/monthly. It is also important to identify our target audience,

^{*} Agencija Pira, Murska Sobota, Slovenia, anita.stevanec@gmail.com

think about content and distribution channels, create a timeline and a financial plan, and, by doing so, plan the majority of our marketing activities.

Design / methodology / approach

The method used for the theoretical part, was an analysis of secondary sources, namely the method of description, compilation, and comparison. In conducting the research, we used quantitative methodology, with the survey research. We have obtained 77 usable (valid, fully completed) surveys, which have then been analyzed. The pattern was mainly represented by current readers (followers on Facebook profile), or recipients of e-notifications, as well as other individuals, entrepreneurs, heads of companies/units/departments, who were interested in the activity of the researched organization.

Findings / results and conclusion

When communicating with customers, the key is to establish a real human connection, one that comes from another person and not from a soulless brand. This means that it is better to build human-to-human communication/connection, than to build credibility through company-to-customer or company-to-company (Hall, 2017).

A customer goes through standardized steps when deciding whether to buy something or not. The customers are often unaware of the purchasing process. However, we almost always collect information, data, weigh options and make decisions before buying. This process is known the purchase path. It has three important stages: awareness, reflection and decision. The communication to the customer needs to be adapted for each of these routes.

When designing a marketing communication strategy, it is crucial to set the SMART goals that are specific, measurable, achievable/realistic, and relevant. It is also important to establish the brand identity, which means that the organization must first clearly clarify what it is, who it is, and what it wants to represent in the eyes of customers.

When preparing a effective marketing strategy, it is important to define the target audience: "These are ideal-typical representations of our best client. This way it is easier to think as our target audience, which facilitates the content preparation process and is the next key step of inbound marketing strategies" (Taman communications, 2018). Once the relevant content is created, it has to be distributed through channels that the target audience is already using. By distributing content on the right channels, we can attract attention, instead of asking for it.

In the end, we must not forget to optimize the prepared content, set an appropriate timeline and financial plan, as well as measure and monitor the effectiveness of marketing activities, as this is the only way of knowing whether our activities provide results and move in the right direction.

Practical and/or social implication

The final findings of the empirical research showed that it is crucial for respondents to

receive content that is of interest to them and encourages them to read or view useful content, current information and personal experiences of content authors.

The analysis of concrete content has also shown us that it is crucial for organizations to have prepared marketing communication strategies, as only this will enable them to pursue the objectives, address the right people, offer the appropriate content according to purchasing decisions, distribute content on the most profitable channels, and, at the same time, know how to measure the set indicators and adjust communication appropriately.

Originality / value

The added value of the article is precisely in the connection between the researched key starting points of the content marketing and purchasing decisions of customers, by preparing a marketing communication strategy. In order to support the theoretical starting points with empirical results, we analyzed the process of customers' decisions and wishes in the case of a specific organization, with which we reinforced the theoretical importance of content marketing as a necessity in the future.

- Chitral, P.P., Pawan, K.C. (2018). Digital Inbound Marketing to Drive the Success of Startups. Available at: https://pdfs.semanticscholar.org/3e8f/ bf65cc8b30db97b5a2301e24b314e1e35c7a.pdf [Accessed: 8. 9. 2019].
- Content Marketing Institute (2019). What Is Content Marketing? Available at: https://contentmarketinginstitute.com/what-is-content-marketing/ [Accessed: 9. 9. 2019].
- Content Marketing Institute (2019a). How to Develop a Content Strategy. Available at: https://contentmarketinginstitute.com/2019/09/questions-content-strategy/ [Accessed 16. 9. 2019].
- 4. Didner, P. (2015). *Global content marketing: how to create great content, reach more customers, and build a worldwide marketing strategy that works.* New York: MC Graw Hill Education.
- 5. Deiss, R., Henneberry, R. (2017). *Digital marketing for dummies*. New Jersey: John Wiley&Sons, Inc.
- 6. Didner, P. (2015). *Global content marketing: How to create great content, reach more customers, and build a worldwide marketing strategy that works.* New York: MC Graw Hill Education.
- 7. Hall, J. (2017). Top of mind: use content to unleash your influence and engage those who matter to you. New York: McGraw-Hill Education.
- 8. Hrabar, D. (2016). Vsebinski marketing. Available at: https://www.vikingmarketing.si/wpcontent/uploads/2016/12/Vsebinski-marketing-e-knjiga-v.1.0.pdf [Accessed: 8. 9. 2019].
- 9. Jobber, D., Lancaster, G. (2009). *Selling and Sales Management*. Harlow: Pearson Education Limited.
- 10. Kotler, P., Kartajaya, H., Setiawan, I. (2017). Marketing 4.0. New Jersey: John Wiley & Sons.
- 11. Ryan, D. (2017). Understanding digital marketing. New York: Kogan Page.
- Taman communications (2018). Kako do sodobne digitalne marketinške strategije. Available at: http://www.inbound.taman.si/nacrtovanje-in-izvajanje-vhodnega-marketinga [Accessed: 8. 9. 2019].

17 Use of Content Marketing and Content Strategies in Small Business in Slovenia

Petra Bališ^{*}

Purpose

Content marketing has recently become an indespensable element of marketing strategies in many companies, unlike paid advertising which is becoming – as being quite annoying to consumers – less and less effective. Therefore, in a struggle for consumer's attention companies developed new ways of gaining this – the very content marketing which with its approach neither imposes nor sells directly.

The purpose of the contribution is to explore what content marketing is, whether small businesses in Slovenia are familiar with its effects, to what extent they use it, what results they achieve, what budget is intended for it, and, if they have an outlined strategy.

Keywords: content marketing; strategy; small businesses; micro companies; Slovenia.

Introduction and literature review

Content marketing is marketing which neither imposes nor sells directly. When going through quality contents the customer does not or, respectively, must not get the feeling that anything should be purchased. The contents which the consumer reads about, sees or hears about, solve customers' difficulties, challenges and problems, therefore, these contents are presented as something useful and valuable.

Instead of offering, pushing or imposing (the so-called push strategy) products and services in advertisements, the company through different channels and formats distributes useful information which solve consumer's problems and represent an added value. To the consumer such content is precious. They themselves look for it, and thereafter, show interest for a product or service (the so-called pull strategy). The point of such content strategy is belief that consumers, in return for quality and useful content, reward the company with activity and loyalty.

Different literature and online resources indicates that in many companies use of content marketing is neither based on previously prepared strategy nor on set goals. Rebecca Lieb states in her book, Content The Atomic Particle Of Marketing, that even though 70% of B2B-marketers in 2017 created more content than the year before quite a great number of organisations deals with this issue without any documented content strategy. The consequences are inefficiency and missed opportunities as well as inability of result measuring as no goals were previously set (Lieb, 2017).

Ljubljana, Slovenia, petra@balis.si

Outlined strategy of content marketing, clear vision, assigned responsibilities among the employees and time schedule have an impact on results and company success, they increase recognition, enable strategic positioning of a company, stability, growth, discovering new trends in the environment and customers' needs, and, maintaining competitive advantages.

With no set goals in the field of content marketing the company does not take advantage of all its capacities which would help to higher recognition and faster growth. No previously prepared content marketing strategy may often result in company's lack of ideas, contents, time, authors or people responsible for content design and creation, as well as those responsible for punctual delivery to target audience.

Design / methodology / approach

For our research we used quantitative methodology, the interviewing technique. We acquired 179 useful (valid) surveys which were then analysed (16 were partially fulfilled and 163 were completed). We were focused on interviewing micro companies and small businesses regardless the geographical position (the whole of Slovenia). As criterion for determination of the size of the company we considered the number of employees in the company.

Findings / results and conclusions

Our research work proves the starting point that micro companies and small businesses in Slovenia know very well about the idea of 'content marketing' and to a great extent they also use it. However, micro companies and also those with one employee, are more consistent in implementation of content marketing regularly or occasionally than small businesses, which is contrary to our expectations. The surprising fact is that companies with a higher number of employees regularly or occasionally implement content marketing to a lesser extent than micro companies although they have more staff, and supposedly, more finances available.

In the research we found that companies are aware of the fact it is the outlined strategy they need to be successful. Interestingly however, the majority of them does not have it.

Practical and/or social implications

In spite of the fact that companies clearly declared themselves which goals to follow with content marketing, we found that the major part of companies do not have clear and measurable goals set at all. The results of research are showing that the effects of content marketing are related to the amount of the invested budget are expected. The higher the investments, the better the results.

Originality / value

No similar research or any other data on how and to what extent small businesses in Slovenia use content marketing has been found. Therefore, the results of our research, most probably unique in Slovenia are so much more interesting.

The contribution encourages small entrepreneurs to consider the use of content marketing and, above all, to be aware of the importance of content strategy documenting.

Companies know very well that the strategy is the foundation of success, however, their awareness should be raised up to the level of content strategy implementation and goal setting.

- Bullas, J. (2019). What are 4 Key Goals in Content marketing? Available at: https://www.jeffbullas.com/what-are-4-key-goals-in-content-marketing/ [Accessed: 20.9. 2019].
- CMI (2019). What Is Content Marketing? Available at: https://contentmarketinginstitute.com/what-is-content-marketing/ [Accessed: 9.9. 2019].
- DMS (2019). Zakaj vsebinski marketing? Available at: https://www.dmslo.si/zapis/ vsebinski-marketing-2 [Accessed: 14.10.2019].
- Harris, J. (2012). How to Measure the Sucess of Content Marketing. *CMI [online]*. Available at: https://contentmarketinginstitute.com/2012/06/measure-success-content-marketing/ [Accessed: 3.10.2019].
- Harris, J. (2019). How to Develop a Content Strategy: Start With These 3 Questions. *CMI* [online]. Available at: https://contentmarketinginstitute.com/2019/09/questions-contentstrategy/ [Accessed: 17.9.2019].
- Jagodic, M. (2019). 3 preprosti predlogi za vsebinski marketing. *Red orbit [online]*. Available at: https://www.red-orbit.si/blog/3-preprosti-predlogi-za-vsebinski-marketing [Accessed: 11.9.2019].
- Jefferson, S., Tanton, S. (2019). Everything we've learned about content (so far). Valuable Content [online]. Available at: https://www.valuablecontent.co.uk/blog/everything-wevelearned-about-content-so-far [Accessed: 10.9.2019].
- 8. Kingsnorth, S. (2016). *Digital Marketing Strategy*. New York: Kogan Page.
- 9. Kotler, P., Armstrong, G. (2018). Principles of Marketing. Harlow: Pearson Education.
- 10. Lieb, R. (2017). Content The Atomic Particle of Markting. New York: Kogan Page.
- Murton Beets, L. (2019). 2019 B2B Content Marketing Research: It Pays to Put Audience First. *CMI [online]*. Available at: https://contentmarketinginstitute.com/2018/10 /researchb2b-audience/ [Aceesed: 10.10.2019].
- Petrova, A. (2019). The Ultimate Guide to Content Marketing Strategy in 2019. Semrush [online]. Available at: https://www.semrush.com/blog/content-marketing-strategy-guide/ [Accessed: 11.10.2019].
- 13. Pulizzi, J. (2013). *Epic Content Marketing: How to Tell a Different Story, Break through the Clutter, and Win More Customers by Marketing Less.* New York: McGraw-Hill Education.
- 14. Pulizzi, J. (2016). Content Inc. How enterpreneuers use content to built masseive audiences and radiclaay succesfsul buissines. New York: McGraw-Hill Education.
- 15. Rose, R., Pulizzi, J. (2011). *Managing Content Markeing*. Ohio: CMI Booksdivision of Z Sqare Media.
- 16. Ryan, D. (2017). Understanding Digital Marketing. Marketing strategies engaging the digital generation. Fourth edition. New York: Kogan Page.
- 17. Schaeffer, M. (2015). The Content Code. St. Louis: Schaeffer Marketing Solutions.
- Schumacher, T. (2019). What percent of internet-users use adblock? *Quora [online]*. Available at: https://www.quora.com/What-percent-of-internet-users-use-adblock [Accessed: 11.9.2019].
- 19. Seibert, M. (2017). A Take on 3 Confusing Terms: Content Marketing, Content Strategy, Content Marketing Strategy. *CMI* [online]. Available at:

https://contentmarketinginstitute.com/2017/11/confusing-content-marketing-terms/ [Accessed: 1.10.2019].

 Times Union Media (2019). The Role of Content Marketing. Available at: https://www.timesunionmedia.com/blog/the-role-of-content-marketing/ [Accessed: 18.10.2019].

18 Analysis of Contests as a Target Public Communication Tool for Sales Promotion

Miranda Čović*

Purpose

The purpose of this paper is research on Facebook contests for sales improvement and ideal customer attraction. Key questions related to specific variables influence, in relation to organization and participation in contests, are highlighted throughout the paper. The purpose is to investigate and analyze the extent to which small business entities are represented in organization as well as the response (participation) in contests on Facebook in the Republic of Croatia.

The research is aimed at finding how popular are the contests on Facebook in the Republic of Croatia within small businesses. We were also interested whether the participants number depend on pre-festive or post-festive period, creativity of the contests rules and the respect of Facebook rules when organizing the contests. For that purpose, following research questions were set:

1. What is the response of the participants in Facebook contests?

2. Do the organizers and to what extent follow the Facebook rules when organizing contests?

3. How creative are the organizers in term of making rules for the participants?

4. Does the number of participants depend on the pre-festive and post-festive periods?

Keywords: marketing; social networks; Facebook; Facebook contests; sales promotion.

Introduction and literature review

With its intensive development, Internet has become a significant marketing medium that in the future will be an indispensable factor in business. With the development of social networks there have been significant changes in marketing and in the way companies interact with customers (Stanojević, 2011, p. 165). Duffet (2015) states that social media has become imperative for global marketing communication requiring investment in advertising especially for reaching younger generations.

Social media has increased as a marketing channel, and Facebook is the biggest social media company globally. Facebook contains both positive and negative information about companies; therefore, it is important for companies to manage their Facebook page to best serve their own interests (Hansson, Wrangmo and Søilen, 2013).

^{*} Vigo, Spain, mirandaklaric@gmail.com

One of the main advantages of using Facebook as a marketing channel is the ability of the client to communicate with the company about their desires and needs. When companies use social networks for sales purposes, they have the potencial to influence better quality of service. Companies which are using social networks are also better associated with the market trends because they receive real-time feedback from users.

Design / methodology / approach

This research was based on a quantitative research method. A survey was conducted from 3rd of October 2018 to 19th of February 2019. The respondents were 45 small businesses (up to 50 employees) from the Republic of Croatia. The questionnaire was sent to more than 500 adresses via Facebook private messages (Messenger) or the e-mail addresses of businesses which had this information available on their Facebook profiles. A total of 49 companies responded to the questionnaire survey, which means that the turnout was 9.8%. Four questionnaires were invalid and therefore excluded from further analysis. The survey was anonymous.

Findings / results and conclusion

Findings have shown that contests popularity with regards to participants number does not depend on pre-festive or post-festive period but rather on the prize given. While popularity also does not depend on rules of contest creativity, large number of survey participants try to be as creative as possible while creating the content itself.

Practical and/or social implications

Research findings can be practically applied during contests organization and marketing strategy planning. They can be a starting point for future research on the given topic which would encompass different geographic area or wider field within social network Facebook or other networks.

Originality / value

The research represents a new value both in the field of scientific research and in practical application for companies. It gives insight how companies as users of these marketing tools approach the matter and gives advice on how these should be done from the point of contest creator.

- Balaban, D. (2018). Running a Facebook Contest? 9 Steps to Success. *Business* [online]. Available at: https://www.business.com/articles/facebook-contest-9-steps/ [Accessed: 4. 3. 2019]
- 2. Duffett, R. G. (2015). Facebook advertising's influence on intention-to-purchase and purchase amongst millennials. *Internet Research*, 25(4), 498–526.
- 3. ElAydi, H. O. (2018). The Effect of Social Media Marketing on Brand Awareness through Facebook: An Individual-Based Perspective of Mobile Services Sector in Egypt. *OALib* 5(10), *1-5*.
- ePortal (2013). Povijest društvenih mreža: infografika. *Ekonomski portal* [online]. Available at: https://ekonomskiportal.com/povijest-drustvenih-mreza-infografika/ [Accessed: 25. 3. 2019].

- 5. Hansson, L., Wrangmo, A., Søilen, K. S. (2013). Optimal ways for companies to use Facebook as a marketing channel. *Journal of Information, Communication and Ethics in Society*, 11(2), 112-126.
- Paliaga, M., Mihovilović, J. (2014). Internet marketing. Available at: https://www.slideshare.net/josipmihovilovic/social-marketing-josip-mihovilovi-i-markopaliaga [Accessed: 4. 10. 2018].
- Edosomwan, S., Kalangot Prakasan, S., Kouame, D., Watson, J., Seymour, T. (2011). The history of social media and its impact on business. *The Journal of Applied Management & Entrepreneurship*, 16(3), 79-91
- 8. Stanojević, M. (2011). Marketing na društvenim mrežama. *Medianali*, 5(10), 165-179.
- Statista (2018). Number of social network users worldwide from 2010 to 2021 (in billions). Statista [online]. Available at: https://www.statista.com/statistics/278414/number-of-worldwide-social-network-users/ [Accessed: 25. 12. 2018].
- 10. WordStream (2018). Social Media Marketing for Businesses. *Wordstream* [online]. Available at: https://www.wordstream.com/social-media-marketing [Accessed: 25. 12. 2018].

19 Storytelling: Between Fairy Tales and Business, Ethics and Fund Raising

Mateja Mahnič^{*}

Purpose

Story telling is a creative method in literature which has reached an immense popularity also in journalism and advertising. Story telling is omnipresent more or less in all areas of our lives, which are life stories by themselves.

But there is still one of the main characteristics that is neglected. Hearing personal stories engenders greater understanding, empathy, therefore this method is expanding to social care and fundraising activities.

How does empathy work in fundraising projects? What are the tools and reasons that real life stories are so successful?

Keywords: storytelling; real life stories; presentation; fund raising; emphaty.

Introductory and literature review

From the origins of homo sapiens, humans wanted to perpetuate their achievements, first with oral tradition, then with cave paintings and then with printed media ... and digital media ... Structure of storytelling comes from myths and fairy tales. Prop's analysis of what makes a story unique reveals that it is determined not by main characters, but their functions in the development of the story (Prop,1982).

Story telling is essential content of literature, because, in the words of Kirkpatrick: »storytelling is the individual account of an event to create a memorable picture in the mind of the listener« (Kirkpatrick & al., 2007, 38).

Every successful and convincing story contains emotional element, which stimulates empathy of addressee: reader or listener. Empathy is a very popular and exciting object for academic researches (Fairbarn,2005). Empaty is the »must« for social care practitioners, but it is also an excellent tool in psychology and other social sciences, advertising, design (Dam & Siang, 2020), and at last, for fundraising activities.

Design / methodology / approach

As a method we used case study, text analyses and quantitative performance measures. We were interested how efficient are real life stories for fundraising actions. How they stimulate empathy in people and how they were persuaded to donate money. We analysed three real life stories from Association of Friends of Youth Ljubljana Moste-Polje. We discussed these three possibilities to influence people with storytelling. Stories can change our behaviour. They can influence our perceptions.

^{*} Sen. Lect. Dr., DOBA Business School, Maribor, Slovenia, mmlinvist@gmail.com

(Konnikova, 2012) We analysed three real stories and got the explanation of why some got more money in fund than the others.

Findings / results and conclusions

The best results/donation came from the story, which was written by a jounalist but was accompanied by the voice or by the presence of real hero of the story. As we see, that credibility plays an important content in real life stories. If they are presented by journalist or by social carer, they do not get so mu credibility/money as when they include the sufferer.

So, people are favoured to donate, but you have to persuade them that the donation is really helpful. As we said before: This has some connection with who is telling the story: the real person, who is in trouble, or a journalist or one of humanitarian workers.

We found out that using real life stories has stimulated empathy and also caused financial support from readers. But there must be some guarantee that people in need got the money. There of a lot of frauds in this field. We found out that the best way to provoke empathy is for that the main character to have a voice. The real story of Ana and Luka was heard on radio and also published as a reportage, so they got multimedia support on them.

Research limitations / implications

We addressed just three stories, but we propose to do more research. People, who are responsible for social support, are burdened with actual cases, so they were not available to do research.

Practical and/or social implications

Storytelling is crucial for anyone to succeed as a fundraiser. Stories, not statistics, evoke the emotion and desire to help. Stone (2012) So we suggest that fundrasiers use this powerful method more and regulary and tell stories espacially about the difference theirs humanitarian organizations made in the life of one person whose life could have taken a not so happy course without theirs assistance.

Social implications of successful story telling are enormous: raising the rate of emphaty and also removal stigma from poverty and other social deviations.

Originality / value

We researched the connection between story telling of real-life stories and emphaty which they provoked in listener/reader/viewer, we concluded that there the efficiency of fundraising is dependable on how they presented real life stories of their clients. Different methods of story telling were evoking different levels of empathy and also funds raised.

- Blažić, M.M. (2003). Kreativno pisanje: vaje za razvijanje sposobnosti ustvarjalnega pisanja. Wikibooks. Available at https://sl.wikibooks.org/wiki/Kreativno_pisanje. [Accessed: 30.8.2020]
- Dam, F., Siang, T.Y. (2020). The Power of Stories in Building Empathy. *Interaction design foundation*. Available at: https://www.interaction-design.org/literature/article/the-power-of-stories-in-building-empathy. [Accessed: 3.8.2020]
- 3. Drumm, M. (2003). The role of personal storytelling in practice. *Insights* [online]. Available at: https://www.iriss.org.uk/sites/default/files/iriss-insight-23.pdf. [Accessed: 29.8.2020]
- 4. Fairbairn, G. (2005). Storytelling, ethics and empathy. *Ethical Space: The International Journal of Communication Ethic* 2(3), 48-55.
- 5. Fryer, B. (2003). Storytelling That Moves People. *Harvard Business Review* [online]. Available at: https://hbr.org/2003/06/storytelling-that-moves-people. [Accessed: 29.8.2020]
- 6. Kirkpatrick, M.K., Fords, C. (1997). Storytelling. An approach to client-centered care. *Nurse Educ*. 22(2), 38-40. doi:10.1097/00006223-199703000-00016.
- Konnikova, M. (2012). A Conversation with Jonathan Gottschall The Storytelling Animal. Scientific American. Available at: https://blogs.scientificamerican.com/literally-psyched/ the-storytelling-animal-a-conversation-with-jonathan-gottschall/ [Accessed: 29.8.2020]
- Obolnar, S. (2020). Pomagajmo srednješolki Tiji, starši so ji zapustili dolgove. *OnaPlus*. Available at: https://onaplus.delo.si/pomagajmo-srednjesolki-tiji-starsi-so-ji-zapustilidolgove [Accessed: 29.8.2020]
- 9. Ogulin, A. (2020). *Mitja je bil največkrat tepen, a nikoli ni vedel, zakaj: dnevnik Anite Ogulin.* 24ur.com. Available at: https://www.24ur.com/veriga-dobrih-ljudi/mitja-je-bil-najveckrattepen-a-nikoli-ni-vedel-zakaj.html [Accessed: 29.8.2020]
- 10. Prop, V. (1982). Morfologija bajke. Beograd: Prosveta.
- Rob, W. (2011). How to Get Started in Storytelling for Fundraising Cara Jones Interview on July 14. *Cause Vox*. Available at https://www.causevox.com/blog/how-to-get-started-instorytelling-for-fundraising-cara-jones-interview/ [Accessed: 29.8.2020]
- Stone, R. (2012). Storytelling opens the door to successful fundraising. *Institute for giving*. Available at: http://www.instituteforgiving.org/Resource%20Articles/Story%20Telling%201-2-12.pdf [Accessed: 29.8.2020]
- 13. Vidic, J. (2018). Devetnajstletna brucka Ana skrbi za dementno babico in brata. *Val 202.* Available at: https://val202.rtvslo.si/2018/09/botrstvo-142/ [Accessed: 29.8.2020]
- 14. Zdovc, S.M. (2008). Literarno novinarstvo. Ljubljana: Modrijan.

20 The Effects of Omni-Channel Marketing on Customer Touch Points and Profitability in the Retail Industry in North Macedonia

Gjorgjina Sherovska*

Purpose

In this paper the purpose is to investigate the cause and effect between customer touch points and consumer engagement and, its second relationship, cause and effect between, touch points and profitability of retailers, from the retailer's aspect.

Keywords: health, health behaviour, education, communications

Introduction and literature review

In a world filled with digital and physical touchpoints, successful retailing comes down to obsessing about customer's experience and how to make it better yet form profitable relationships. For this reason, it is important for retailers wisely to choose their marketing channels. Wind et al. (2016a), provide a concise explanation of the 5 key points as per what are the benefits of omni-channel marketing. They name: (1) science and technological advances, (2) proliferation of media landscapes, (3) sceptical and empowered consumers, (4) a turbulent and hyper-connected world, and (5) disruptive new business and revenue models. Highlighting the touch points where the retailer could evoke shoppers' sense, to feel, think and act reactions, it is indeed needed to it can be identified and implemented, ensuring a more seamless experience across channels eventually building a customer engagement. As Brynjolfsson et al. (2013) points out, this development is affecting competitive strategies.

According to these authors, new channels will break down old barriers such as geography and consumer ignorance. Hence, it will become critical for retailers and their supply-chain partners in other industries to rethink their competitive strategies. Retailer are now who seeking to optimize performance for each channel are practicing multi-channel marketing, whereas retailers focusing on overall customer profitability across all channels are employing omni-channel marketing explains Verhoef et al. (2015). Newer technologies, business models, and predictive analytics are reshaping the boundaries of retailing, and as a result, retailers are provided with sample tools to generate differentiating value for customers and build deeper customer engagement as Grewal, et al., (2017) explain. Bagge (2007) recognizes that a successful transition to omni-channel strategy and business requires a transformation in organizational culture, operations and processes, and underlying technologies.

^{*} PhD Student, School of Business Economics and Management, University American College Skopje, North Macedonia, gsherovska@yahoo.com

Design / methodology / approach

The methodology used for this research was conducted through a quantitative approach with a questionnaire. The questionnaire for this research includes different types of sub-industries that are under the main industry of retail and their top executives as responders, reaching a responsiveness of 52 respondents. A qualitative research method is being used to quantify the problem by way of generating data that can be transformed into useable statistics especially for longitudinal research such as the one presented in this paper.

Findings / results and conclusion

From the results it can be concluded that the retailers in the Republic of North Macedonia do have a knowledge of omni-channel marketing strategy may mean in the core of it implementation. By exploring the 5 key points as per what are the benefits of omni-channel marketing developed by Wind et al. (2016a), as a model in this paper, we can conclude that regarding the first point, science and technological advances, one of the biggest factors that has influence over that process are the technological changes needed to be covered before execution. Concluding from the literature review, technology is guite an important asset for implementation of omni-channel marketing. On the second key point proliferation of media landscapes the positive side is that they are aware of the importance omni-channel strategy has and its benefits. However, it seems guite difficult for companies to transition from the traditional form of marketing communication towards a more digital one. The third point, for the third key point, sceptical and empowered consumers as Grewal, et al., (2017) explained, business should generate differentiating value for customers and build deeper customer engagement. Regarding the fifth and last key point, disruptive new business and revenue models from the results we can conclude that retailers must adapt to the new digital challenges, sustain the existing tools of communication and marketing strategy if they are sustainable but at the same time move towards a more open communication that will empower customers and provide them a seamless and consistent customer experience across all sales channels by engaging with each touchpoint.

Research limitations / implications

Due to data limitations, we were not able to study the impact on sales that the customer engagement has, but this is a fruitful area for future research

Practical and/or social implications

This is an important next development in retailing and will affect how retailers operate. To date, little research in marketing management has studied this type of marketing especially in the sequence of retail business. The omni-channel research framework reported here will help guide research in this area.

Originality / value

This research paper aims to present some of the implications of omni-channel marketing in the retail industry in Republic of North Macedonia, for understanding how

disparate customer touch points impact customer touch points, engagement and profitability in an omni-channel environment from retailer point of view and how to build the future of retail with omni-channel marketing implementation.

- Bagge, D. (2007). Multi-channel retailing: the route to customer focus. *Eur. Retail Dig.* 53(2007), 57-70.
- Brynjolfsson, E., Hu, Y. J., Rahman, M.S. (2013). Competing in the Age of Omni-channel Retailing. *MIT Sloan Management Review*, 54(4), 23–29.
- Grewal, D., Roggeveen, A.L., Nordfält, J. (2017). The future of retailing. *Journal of Retailing*, 93(1), 1–6.
- Frazer, M., Stiehler, B.E., (2014). Omnichannel retailing: The merging of the online and offline environment. *Global Conference on Business & Finance Proceedings, Institute for Business & Finance Research*, 9(1) 655.
- Melero, I., Sese, F., Verhoef, P. (2016). Recasting the customer experience in today's omnichannel environment. *Universia Business Review*, 50(2016), 18-37.
- Peltier, J.W., Schibrowsky, J.A., Schultz, D.E. (2002). Leveraging customer information to develop sequential communication strategies: A case study of charitable giving behavior. *Journal of Advertising Research*, 42(4), 23-41.
- 7. Sorescu, A., Frambach, R.T., Singh, J., Rangaswamy, A., Bridges, C. (2011). Innovations in Retail Business Models. *Journal of Retailing*, 87(1), 3-16.
- 8. Van, B.S., Dach, C. (2005). Free riding and customer retention across retailers' channels. *Journal of Interactive Marketing*, 19(2), 75-85.
- Verhoef P.C., Kannan P.K., Inman J. J. (2015). From multi-channel retailing to omni-channel retailing: introduction to the special issue on multi-channel retailing. *Journal of retailing*, 91(2), 174-181.
- 10. Wind, Y., Hays, C.F. (2016). Beyond advertising: Creating value through all customer touch points. New Jersey: Wiley.

21 Online Shopping and Influencing Factors

Gregor Jagodič^{*}

Purpose

The aim of this paper is to analyse the online shopping and how the media influences on the online shopping. Online shopping is becoming more interesting and convenient for consumers. The reasons are mainly in terms of time consumption, ordering time, price flexibility, breadth of product range, and comparability of supply.

Keywords: online shopping; advertising; social media.

Introduction and literature review

Companies operating in the e-environment need to understand their micro environment (suppliers, intermediaries, partners and customers) and the macro environment (use and limitations of the ICT, legal, political and economic environment, and business standards in each market) (Brzozowska and Bubel, 2015). E-commerce is the result of the development of ICT and Internet access by an increasing number of customers (UNCTAD 2010; Tsai, Huang and Lin, 2004). At the same time, e-commerce enables lower transaction costs, elimination of space constraints and contactless provider-client meeting (De Ruyter, Wetzels and Kleijnen, 2001).

E-commerce involves communication as well as transfer of all necessary information for the purchase and sale of products and/or services, all the necessary infrastructure to enable the transaction, that is, payment, and delivery of purchased products to the customer's address (Hutt and Speh, 2004). It also enables providers to easily trade across the border (Nagy, 2016). The acceptance and use of e-shopping depends on many factors that can be influenced by the customers themselves and their trust in the provider (Ba and Pavlou, 2002).

The marketing activities of the providers have been adapted to the wishes and interests of the customers (Pongsakornrungsilp, 2012). Certainly, e-shopping enables faster and more direct customer feedback, which facilitates the development of new products and services and their adaptations in the offering (Laosirihongthong, Tungkaprasert, Banjongmanomai and Somlake, 2009).

Design / methodology / approach

The study was addressed to the students at ISSBS. We send the link to the Questionnaire to 422 students and we collect 219 units. The response rate was 51.9%. They are the right target group as they are familiar with use of modern ICT. They also like different social media and they are prepared to try different things. Because of internet they usually research the offer, the producers, and prices. Very often they also

^{*} Assist. Prof. Dr., International School for Social and Business Studies, Celje, Slovenia, gregor.jagodic@mfdps.si

take a look about the other users' comments about the products. For research we have used the web tool 1-ka. The questionnaire was very short, we just asked about the demographic data, about the e-shopping and about the media, which they are following. The research was active between October and November 2019.

Findings / results and conclusions

The decision for online shopping is influenced by the media where providers advertise their online stores. The biggest influence has social networks, but we find out that the small is also from the print media (newspapers and magazines) and radio, while TV had even a negative impact on the decision to online shopping. In addition, the survey identified the most common payment methods by the respondents are a card or a pay by the delivery. We also find out, that quite a lot of respodents use the option of paying wth their mobile phones.

Research limitations / implications

Findings in our research are limited just to the students of ISBS and we can not generazlie them. Most probably it will be good to provide a new research for students from HEIs, and to include their parents.

Practical and/or social implications

Providers of online shopping must therefore focus on conducting their marketing and promotional activities on social media, where they can reach their target customers more easily, faster and at a lower cost. In addition, they need to think about an appropriate payment option. It is no longer enough to offer payment only by card or at pickup because other forms of payment, are increasing, such as: payment with a mobile phone. Certainly, the use of appropriate media to inform the target customers is crucial to the success of the online store providers.

Originality / value

In generally we just want to confirm that the generation of the students nowadays use the social media. We also confirmed the fact, that they like to shop online. With online shoping they save their time, but they also have a better wiev of product, their specifications, prices of the products, and how quick, they can get the products. By the online shopping is very important also the possibilities for payment, as we find out, that quite a lot of them use the possibilities to pay with mobile phone.

- 1.Ba, S., Pavlou, P.A. (2002). Evidence of the effect of trust in electronic markets: price premiums and buyer behavior. *MIS Quarterly*, 26(3), 243–266.
- 2.Brzozowska, A., Bubel, D. (2015). E-business as a new trend in the economy. *International Conference on Communication, Management and Information Technology, Procedia Computer Science* 65, 1095–1104.
- 3.De Ruyter, K., Wetzels, M., Kleijnen, M. (2001). Customer adoption of e-service: an experimental study. *International Journal of Service Industry Management*, *12* (2), 184–207.

- 4. Hutt, M.D., Speh, T.W. (2004). Business marketing management A strategic view of industrial and organizational markets. 8th ed. Mason: Thomson South-Western.
- Laosirihongthong, T., Tungkaprasert, P., Banjongmanomai, S., Somlake, W. (2009). Mass customization. *Chulalongkorn Review*, 21(83), 33-63.
- 6.Nagy, K.H. (2016). E-commerce as a techno-managerial innovation ecosystem: Policy implications. *Journal of Innovation Management*, 4(1), 4-10.
- 7. Pongsakornrungsilp, S. (2012). Principles of marketing. Bangkok: Top.
- 8. Tsai, H., Huang, L., Lin, C. H. (2004). Emerging e-commerce development model for Taiwanese travel agencies. *Tourism Management Journal*, 26, 787–796.
- 9.UNCTAD (2010). Information economy reports the development perspective. Available at: www.unctad.org/ en/ docs/ ier2010 _ embargo2010 _ en.pdf [Accessed: 27. 1. 2019].

22 Customer Satisfaction with Food Trademarks

Damjan Vrabl^{*} | Miro Simonič^{**}

Purpose

In this paper we investigate whether customers put more trust into manufacturer's brands or retailers brands. The purpose of the research is to establish, which brands are assigned a higher quality rating, which have the most loyal customers-base and what is the attitude of customers towards new brands appearing on the market.

Keywords: manufacturer's brand; retailer's brand; quality of brands; customer behavior.

Introduction and literature review

As introduction an overview of the history of brands is established, as referenced by Hoffman (2017), Kotler (2018), hence Evans (2019), Vukasović (2020). The knowledge of customers is changing quickly, due to the fast growth of new dietary products available. The content of substances, with which manufacturers prolong the storage life of their products has to be indicated on the product label. Furthermore, customers use modern technology to find the best products to purchase. Increasingly aggressive marketing communicates the benefits of natural products to the customer. Recent trends have shown that the importance of brands and branding is increasing, which many manufacturers, and even more retailers, are aware of. Customers frequently choose to buy products marketed under the auspices of trademarks. This article explores which brands are more desirable in the dietary segment and whether customers are ready to recommend the brand to their friends and acquaintances.

Design / methodology / approach

Using an incredible and non-random survey questionnaire sent to respondents online, we collected data on customers' trust in brands, the frequency of purchases of branded products, and customer loyalty to brands. The collected data (n = 55) were compared with the demographic data of customers, and analysed according to age, income, education, and region.

Findings / results and conclusions

The results of the survey show that customers are more trusting of products from brand manufacturers, estimate that products from brand producers are of higher quality, and believe that store brands products are cheaper. The research concluded that customers prefer to stay with a proven brand, which they are already familiar, but

^{*} Perutnina Ptuj, Slovenia, damjan.vrabl@gmail.com

^{**} Dr., Perutnina Ptuj, Slovenia, mirosimoni@gmail.com

are careful when trying out new products. By analyzing the statistics obtained, we aimed to ascertain how effectively producers, with their own brands, can compete with increasingly advertised store brands.

Research limitations

One of the biggest limitation of the study was the acquisition of completed surveys. The reason for this might lie in the overwhelming number of information available to people when only a handful of them take the time to complete a short survey. For further research, carrying out the same questioner in different periods and comparing the change in results might prove interesting in different periods (in 2, 3 and/or 5 years) and compare the change in results.

Practical and/or social implications

Results of the research show the loyalty of customers to brands and give guidelines to manufacturers in the dietary segment on how to direct their advertisement. Advertising has to be adjusted to the modern customer, who is well informed and buys natural and healthy products.

Originality / value

Research is the basis for food producers, when deciding on the development of their own manufacturer's brand or adapting their products to the retailer's brand criteria.

- 1. Blackwell, R. D., Miniard, P. W., Engel, J. F. (2006). *Consumer Behavior*. London: Harourt College Publishers.
- 2. Hanushek, E. A., Jackson, J. E. (2013). *Statistical methods for social scientists*. New York: Academic Press.
- 3. Hence Evans, A. (2019). All About Trademarks: Everything You Need to Know About Trademarks. Baltimore: Purposely Created Publishing Group.
- 4. Hoffman, D. L. (2017). Sobering Trademark Stories: Costly Mistakes to Avoid. Valencia: HPG.
- 5. Kotler, P., Armstrong, G. (2018). *Principles of Marketing*. Harlow: Pearson Education.
- 6. Oliver, R.L. (2014). Satisfaction: A behavioral perspective on the consumer: A behavioral perspective on the consumer. New York: Routledge.
- 7. Prodnik, J. (2011). Vedenje porabnikov. Celje: Zavod IRC.
- 8. Schiffman, L.G., Kanuk, L.L. (2015). *Consumer behavior*. Harlow: Pearson Education.
- 9. Snoj, B., Iršič, M. (2017). *Menedžment prodaje za teorijo in prakso*. Harlow: Pearson Education.
- 10. Vukasović, T. (2020). Koncepti sodobnega trženja. Harlow: Pearson Education.

23 Understanding the Attitude towards Social Media among Small and Medium Enterprises (SMEs) in Albania

Fatma Jaupi^{*} | Ariola Memia^{**}

Purpose

The purpose of this paper is to investigate the usage of social media by SMEs and their perception on its outcome on customer growth. In addition, the aim is to examine if there is any connection among the sector they operate (production, service, etc) and the frequency of using social media. It is interesting to understand which is the linkage among the years in the market and their orientation toward social media. The impetus for this scientific research came as a need to understand how small and medium-sized companies are adapting to the challenges of growth and /or survival in the pandemic situation of Covid 19, studied in the perspective of social media as a tool to cooperate with customers.

Keywords: small and medium-sized enterprises; social media; marketing strategy; small firms growth.

Introduction and literature reciew

Small and medium-sized enterprises (SMEs) play a significant role in the development of local economies, contributing in poverty alleviation, employment generation, and general economic growth. Their role in job creation, innovation and industry development is extensively studied. Small and medium enterprises are facing challenges particularly in developing countries and small markets (i.e. Albania). Operating as local enterprises and struggling for firm growth, they continuously compete for customers. The use of social media gives new thoughts and ideas to discover new horizons of their product through new technologies and other experiments according to their customers demand. Social media usage gives rise to innovative ideas which in turn discover new fronts for products to be expanded by using customer demand related technologies. SMEs are expected to enhance business performance and competitiveness by using Internet-based applications (Shang, 2014). Obviously, SMEs are expected to be significant users of the Internet and social media while competing for customers, improving performance, aiming for growth, etc. However, there is a shift from the basic function of social media to be used for marketing purpose. Nowadays, they tend to increase and capture new clients. The above mentioned trends are particularly evident in developed countries, while there is much to understand the situation of the counties "in development" phase, where the level of economic development and digitalization remain low.

^{*} Dr., Lecturer and Researcher, Faculty of Economy, University of Tirana, Albania, fatmajaupi@feut.edu.al ** Faculty of Economy, University of Tirana, Albania, ariolamemia1604@gmail.com

Design / methodology / approach

The study was conducted between April 22, 2020 and May 6 2020 in Albania. The sample size was 90 SMEs, located in Tirana Qark. The response rate is 84,4 %(76 company participated and completed the questionnaire. The questionnaire aimed to capture data on the perception of Albanian SMEs with regard to the level of usage of social media, the primary purpose of using it, the potential impact of social media in firm growth.

Findings / results and conclusion

The survey was focused on understanding the approach of Albanian SMEs on evolving model of social media usage. 72.4% of companies have included social media as part of their marketing strategy. 40.8% of companies reported that they use social media to follow up and evaluate customer feedback. There is a low percentage rate (approximately 1.3 %) of respondents that do not use social media at all. Approximately 33 % of respondents using social media are in the market as new enterprises (2-5 years). There are provided data on the social media usage after the Earthquake of November 2019 and during the pandemic of COVID-19. The data analysis shows that a positive trend on social media usage was acknowledged for all enterprises and particularly for micro-enterprises. The estimation results show for a significant relation between service sector and the usage of social media as well.

Research limitations / implications

The survey is carried out in Tirana Qark where Internet and social media is widespread and well adopted by companies. A better picture of Albanian reality would be a survey at country level interviewing companies in small areas or very remote destinations.

Practical and/or social implications

The study carried out so far support the idea for a positive influence of social media on the SMEs growth.

Originality / value

Albania is in the phase of aiming for a digital agenda. Adoption of ICT channels of communication would be a valuable tool for Albanian SMEs.

- 1. Bianchini, M., Michalkova. V. (2019). Data Analytics in SMEs: Trends and Policies. *OECD SME and Entrepreneurship Papers* Paris: OECD Publishing.
- 2. Coleman. S. et al. (2016). How can SMEs benefit from big data? Challenges and a path forward. *Quality and Reliability Engineering International*, 32(6), 2151-2164.
- Ellison, N.B. (2007). Social network sites: Definition, history, and scholarship. Journal of Computer- Mediated Communication, 13(1), 210-230. doi: 10.1111/j.1083-6101.2007.00393.x.
- 4. Hitt M.A., Ireland R.D., Hoskisson R.E. (2013). *Strategic Management Cases: Competitiveness and Globalization* [e-book]. Cengage Learning, South Western.

- 5. Leftheriotis, I., Giannakos, M., (2014). Using social media for work: Losing your time or improving your work? *Comput. Hum. Behav.* 31, 134–142.
- 6. Miller, R., Lammas, N., (2010). Social media and its implications for viral marketing. *Asia Pacific Public Relations Journal*, pp. 1-9.
- Muller, P., Julius, J., Herr, D., Koch, L., Peycheva, V., McKiernan, S. (2018). Annual Report on European SMEs 2017/ 2018 - SMEs growing beyond borders". European Commission. Available at: https://www.oecd-ilibrary.org/economics/data-analytics-in-smes_1de6c6a7en [Accessed: 15.6.2020].
- 8. Papasolomou, I., Melanthiou, Y. (2012). Social media: Marketing public relations' new best friend. *Journal of Promotion Management*, 18(3), 319-328.
- 9. Rokka, J., Karlsson, K., & Tienari, J., (2014). Balancing acts: Managing employees and reputation in social media. J. Mark. Manag, 30, 802–827.
- Sevrani, K., Bahiti, R. (2008). ICT in Small and Medium-Sized Enterprises: Case of Albania. Available at: https://www.researchgate.net/publication/235701929_ICT_IN_SMALL_AND_ MEDIUM_ENTERPRISES_CASE_OF_ALBANIA [Accessed: 23.6.2020].
- 11. Shang, Y., (2014). Adoption of social media by SMTEs in China. Available at: https://ore.exeter.ac.uk/repository/handle/10871/15578 [Accessed: 24.6.2020].

24 Theory of Planned Behavior and the Purchase Intention of Green Beauty Products

Birgit Burböck^{*} | Anna Tutner^{**}

Purpose

A growing global demand of environmentally friendly products is increasing, and there is a trend evolving to purchase and use them. At present, the personal's awareness and consciousness of environmental issues is becoming an important topic of discussion. That is why the effort making of an individual to minimize one's personal environmental impact takes place in order to establish a green lifestyle by for example purchasing greenly.

A lot of businesses aim to solve environmental concerns and integrate environmental protection into their social responsibility strategies. The effort and demand of implementing green goals and strategies is increasing (Hsu et al., 2017). In addition, consumers are significantly afflicted by the green decision taking of businesses, which targets to engage them to practice green consumerism (Maniatis, 2016). This requires for a better understanding of consumers' purchase intentions, since they usually predict a certain consumers' behavior. A majority of studies focuses on the impulsive purchase decision making, in place of a cognitive evaluation (Beatty & Elizabeth Ferrell, 1998; Hsu et al., 2017). This study utilizes the theoretical framework based on Ajzen's (1991) theory of planned behavior (TPB) model to investigate associations of and engagement in green purchase behavioral intention (Hsu et al., 2017).

Keywords: theory of planned behavior; environmental concern; green beauty products.

Introduction and literature review

Previous literature on green consumption and products has mainly focused on general green consumption behavior (Chen & Hung, 2016; Paul et al., 2016), recycling behavior (Ramayah et al., 2012) and organic food (Tarkiainen & Sundqvist, 2005). There has been bare research and literature on investigating consumers' purchase intention with regards to green beauty products. According to Ghazali et. Al (2017) analogies exist regarding consumer preferences of organic food and green beauty products (Ghazali et al., 2017). Hence, the present study utilizes findings from previous studies as the basis which are related to different areas, for instance to consumption of green products, organic food, environmental and recycling behavior.

^{*} Assoc. Prof. Dr., FH – JOANNEUM, Institute of International Management, Graz, Austria, birgit.burboeck@fh-joanneum.at

^{**} FH – JOANNEUM, Institute of International Management, Graz, Austria, anna.tutner@edu.fhjoanneum.at

This study examines consumers' perceptions towards purchasing green beauty products and pursues to understand the relationships between motivating factors of green beauty product purchase intention. Based on an intensive literature review, the study expands the TPB by Ajzen (1991) and develops a conceptual framework.

Design / methodology / approach

How are the objectives achieved? Define the main method used for gathering the data including the sample size and state the rationale for using this method.

As researched and analyzed the TPB is a qualified and reasonable framework to predict a green purchase intention. To understand the green beauty product purchase intention, variables influencing green beauty product purchase intention are assessed. Figure 1 shows the extended TPB and suggested relationships which are examined in this study. The hyptheses are descended from the research question and propose a relationship between the independent variables and the dependent variables. The variables under investigation always refer to the context of purchasing green beauty products.

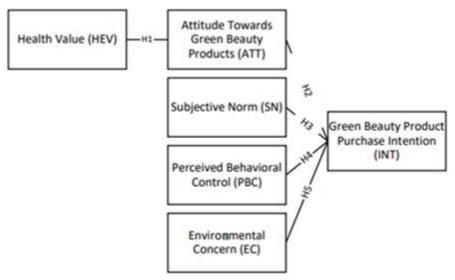


Figure 1: Adapted TPB after Ajzen, 2011, p. 135

The questionnaire developed for this research refers to purchasing green beauty products, therefore a familiarity of green consumerism is necessary. The participants were guided through the questionnaire and definitions of the terms green, TPB and its determinants were provided. The necessary sample size is based on the assumption of the statistical power analysis with p=0.8, ES=0.2 and α 1=0.05 and requires a sample size of n=325.

The propsed framework accounts for a reliability of r=0.92. The 29 variables were measured on a 5-point Likert type of scale, rating the item more positively the higher the item value is (1= strongly disagree up to 5=strongly disagree). Linar regression, ANOVA and t-test were calculated.

Findings / results and conclusion

Figure 2 represents the results and the constructs of the extended TPB and hypotheses.

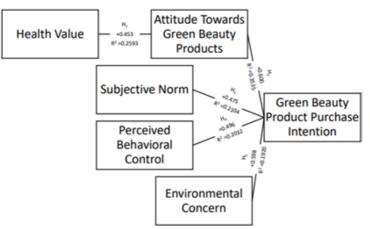


Figure 2: TPB study results

Summarizing the results, it can be concluded that HEV positively and significantly influences ATT as an antecedent, thus on a rather small impact. All three variables of TPB, attitude, subjective norm and perceived behavioral control influence the green beauty product purchase intention; furthermore, attitude results to be the strongest predictor. In addition to that, the extension of the variable environmental concern, proves to have a predicting, positive and significant influence in the purchase intention.

Research limitations / implications

The sample was internationally representative. However, it is recommended that future research should collect responses from a country- or culture-specific context. Countries are different considering their environmental development and a purchase intention of that kind, often is context dependent of country, culture, and their purchase power. The study considers green beauty products in general. Future research should test this proposed framework within various green beauty products settings, including skincare and haircare products, or feminine hygiene products.

Practical and/or social implication

The findings support the Theory of Planned Behavior, indicating attitude to be the strongest predictor of green beauty product purchase intention. However, the values of all variables are rather low, which implicates to add more variables for prediction behavioral purchase intention.

Originality / value

This study's main contribution is that the additional construct of EC was found to be significant and positive for purchase intention of green beauty products; furthermore, that health value was found to be significant and positive for attitude towards green

beauty products. Out of all variables, attitude was found to be the strongest predictor of green beauty products purchase intention, followed by environmental concern.

- 1. Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179–211. doi: 10.1016/0749-5978(91)90020-T.
- 2.Beatty, S. E., Ferrell, E.M. (1998). Impulse buying: Modeling its precursors. *Journal of Retailing*, 74(2), 169–191. doi: 10.1016/S0022-4359(99)80092-X.
- Chen, S.-C., Hung, C.-W. (2016). Elucidating the factors influencing the acceptance of green products: An extension of theory of planned behavior. *Technological Forecasting and Social Change*, 112, pp. 155–163.
- 4.Ghazali, E., Soon, P.C., Mutum, D.S., Nguyen, B. (2017). Health and cosmetics: Investigating consumers' values for buying organic personal care products. *Journal of Retailing and Consumer Services*, 39, pp. 154–163.
- 5.Hsu, C.-L., Chang, C.-Y., Yansritakul, C. (2017). Exploring purchase intention of green skincare products using the theory of planned behavior: Testing the moderating effects of country of origin and price sensitivity. *Journal of Retailing and Consumer Services*, 34, 145–152. <u>doi:</u> 10.1016/j.jretconser.2016.10.006.
- 6.Paul, J., Modi, A., Patel, J. (2016). Predicting green product consumption using theory of planned behavior and reasoned action. *Journal of Retailing and Consumer Services*, 29, 123– 134. doi:10.1016/j.jretconser.2015.11.006.
- 7.Ramayah, T., Lee, J. W.C., Lim, S. (2012). Sustaining the environment through recycling: An empirical study. *Journal of Environmental Management*, 102, 141–147. doi: 10.1016/j.jenvman.2012.02.025.
- Tarkiainen, A., Sundqvist, S. (2005). Subjective norms, attitudes and intentions of Finnish consumers in buying organic food. *British Food Journal*, 107(11), 808–822. doi: 10.1108/00070700510629760.

25 Consumer Buying Behaviour Model for Environmentally Friendly Textile Products

Manca Matičič Zver* | Tina Vukasović**

Purpose

The object of the research is development and empirical testing of consumer buying behaviour model towards environment friendly textile products. Interconnections between selected buying factors will be studied (price, brand, design, environment friendly product features) and their influence on buying decision making of a selected consumer target group for environment friendly textile products.

Research problem is based on the study of interconnections between selected buying factors and consumer purchase decision making. Research question connected to research problem is the following: what are the interconnections among variables in buying behaviour model, and which of the selected factors have statistically typically the strongest influence on consumer decision making for buying environment friendly textile products. With gradual increase of consumer awareness of negative influences of excessive production and consumption on environment both in Slovenia and abroad, we will be in particular interested how the label/features "Product with Certificate" or "Certified Product" affects consumer decision making to purchase environment friendly textile products.

Keywords: consumer behaviour; buying decision; environment-friendly textile product; price; brand.

Introduction and literature review

Care for environment is directly connected to consumer behaviour. Rokka and Uusitalo (2008) summarize in their research the findings of different authors who examined various aspects of socially responsible consumption, green consumption and ethical consumer behaviour. Their results have shown that consumers contribute to active environmental problem solving by selecting and buying environment friendly textile products. The consumers of today have started to act more ethically and responsibly while buying and considering the needed products, behaviour, which can be identified as: Socially and Environmentally Responsible Consumption (Chen and Chang, 2013). Environment friendly product is, compared to other competitive products, defined as a product having little or zero bearing on the environment throughout its life cycle. The analysis includes materials, production, packaging, distribution (Jones, 2008, 5). Circular life cycle is typical of them, which means that the product can be revived after its use either as a product or (raw) material. These products have durable shelf life. The used materials are either labelled with the Certificate of Environmental or Social

^{*} Assist., Faculty of Design, Ljubljana, Slovenia, manca.maticic@fd.si

^{**} Assoc. Prof. Dr., DOBA Business School Maribor, and University of Primorska, Slovenia, tina.vukasovic@net.doba.si

Responsibility, or are recycled.

Design / methodology / approach

Quantitative research will be carried out with the method of online survey. The sample will involve up to 400 consumers, aged from 25 to 65 coming from households of 12 Slovene regions. The sample will be proportional and random at the level of households, whereby the sample structure will match the population in accordance with population number of individual region registered in the Population Register of Slovenia. Sample will be representative regarding age, gender, region and settlement type. For the purposes of fundamental thesis and research hypotheses confirmation, the analysis of obtained data will be performed by employing adequate statistical methods. Univariante, bivariante and multivariante analyses will be used to describe research results. Analyses will be conducted with SPSS software program and statistical packages R and Smart PLS. In the phase of variable structure testing exploratory factor analysis will be employed, where variable reliability will be tested with Cronbach Alpha test. Research model will be, on the basis of collected survey questionnaires, tested with the use of Structural Equation Modelling, SEM, which combines analysis of causal links among variables (Hair, Ringle in Sarstedt, 2013).

Findings / results and conclusions

The main contribution to the research will be represented by empirical analysis intended to reveal the possibility of theoretical and empirical findings to be transferred into practice, namely textile industry. The research will, in terms of its design and content, represent one of the reference works in the field of marketing research and its narrower segment consumer behaviour. Authentic scientific paper presents the creation of consumer buying behaviour model to research and measure connections between buying factors and their affects on consumer buying decision making for environment friendly textile products. The research to test the latter, has not, according to researched data, been carried out yet. This type of model has not been noted, neither in Slovenia nor internationally. Bearing this in mind the research represents an important step towards development in science.

Practical and/or social implications

By raising consumer awareness of negative influences of conventional production the importance of environmental friendliness of the product is increasing. Due to that special attention will be paid to the comparison of influence of labelling/feature "Certified Product" to the influences of other researched factors on consumer buying decision making for environment friendly textile products. Should it be demonstrated that label "Certified Product" bears at least as strong statistically typical influence on consumer buying decision making as other influential factors, the research results will positively contribute to a more responsible orientation of corporate management to environment, and to a more efficient management of online marketing elements of environment friendly products in marketing departments.

Originality / value

Authentic scientific paper presents the creation of consumer buying behaviour model to research and measure connections between buying factors and their affects on consumer buying decision making for environment friendly textile products.

- 11. Chen, Y.S., Chang, C.H. (2013). Greenwash and green trust: The mediation effects of green consumer confusion and green perceived risk. *Journal of Business Ethics*, 114(3), 489–500.
- Cheah, I., Phau, I. (2011). Attitudes towards environmentally friendly products: The influence of ecoliteracy, interpersonal influence and value orientation. *Marketing Intelligence & Planning*, 29(5), 452–472.
- 13. Fletcher, K. (2014). Sustainable fashion and Textiles: Design Journeys. New York: Routledge.
- Hair, J.F., Ringle, C.M., Sarstedt, M. (2013). Partial Least Squares Structural Equation Modeling: Rigorous Applications, Better Results and Higher Acceptance. Long Range Planning, 46(1-2), 1-12.
- 15. Hoyer, W.D., Stokburger-Sauer, N.E. (2012). The role of aesthetic taste in consumer behavior. *Journal of the Academy of Marketing Science*, 40(1), 167–180.
- 16. Jones, L. (2008). Environmentally responsible design: Green and sustainable design for interior designers. New Jersey: John Wiley & Sons.
- 17. Koca, E., Koç, F. (2016). A study of Clothing Purchasing Behaviour by Gender with Respect to Fashion and Brand Awareness. *European Scientific Journal*, 2(7), 234–248.
- Manchiraju, S., Sadachar, A. (2014). Personal Values and Ethical Fashion Consumption. Journal of Fashion Marketing and Management, 18(3), 357–374.
- 19. Nassivera, F., Troiano, S., Marangon, F., Sillani, S., Markova Nencheva, I. (2017). Willingness to pay for organic cotton. *British Food Journal*, 119(8), 1815–1825.
- Rahnama, H., Rajabpour, S. (2017). Identifying effective factors on consumers choice behavior toward green products: the case of Tehran, the capital of Iran. *Environmental Science and Pollution Research* 24(1), 911–925.
- 21. Rokka, J., Uusitalo, L. (2008). Preference for green packaging in consumer product choices – Do consumers care? *International Journal of Consumer Studies*, 32(5), 516–525.
- Rothenberg, L, Matthews, D. (2017). Consumer decision making when purchasing ecofriendly apparel. *International Journal of Retail & Distribution Management*, 45(4), 404–418.
- 23. Vukasović, T. (2020). Koncepti sodobnega trženja. Harlow: Pearson Education Limited.
- 24. Zavali, M, Theodoropoulou, H. (2018). Investigating determinants of green consumption: Evidence from Greece. *Social Responsibility Journal*, 14(4), 719–736.
- Zhang, Y., Kang, H., Hou, H., Shao, S., Sun, X., Qin, C., Zhang, S. (2018). Improved design for textile production process based on life cycle assessment. *Clean Technologies and Environmental Policy*, 20(6), 1355–1365.

26 Consumer Behaviour When Purchasing Fixed Telecommunications Connections

Aleš Lukman^{*} | Mirjana Pejić Bach^{**} | Tina Vukasović^{***}

Purpose

The topic of this research is the development of the purchase behaviour model of consumers buying fixed telecommunications connections. We will study the correlations between selected factors (salesperson's characteristics, customer loyalty to the telecommunications company, company's characteristics) and their influence on the purchase decision made by consumers of fixed telecommunications connections in the Republic of Slovenia at the time of sale.

The research questions related to the research problem are the following: What are the key factors in the sale of fixed telecommunications connections, how do they affect a consumer's purchase decision, and what are the relationships between the variables in the purchase behaviour model?

Keywords: personal sales; consumer behaviour; sales skills; after-sales activities; purchase decision.

Introduction and literature review

Telecommunications is an area that deals with the transmission of information between distant locations. Its development has been exponential in recent decades and today it represents one of the key factors in the formation of society. The product or the service that is the subject of the survey research are fixed telecommunications connections covering the internet, television, telephony and mobile telephony in more than 15 different combinations.

Consumerism is an active movement of today's society. Trends, such as globalization, specialization and increasing competition change together with the consumer's role. A consumer is no longer a mere classical buyer and product consumer, but is turning into an active participant in product designing, its development and supply (Wang, Lo and Yang 2004, p. 171). Companies should, therefore, have better knowledge of consumers than in the past. They should be familiar with the factors influencing their buying decision-making. During the process of purchase decision-making, consumer behaviour is affected by various factors. These can be divided into several factor (influence) groups: psychological (motivation, attitude, learning and memory), social (reference groups, family, individual's role and position, status), personal (age and level of a family's life cycle, occupation and financial situation, lifestyle, personality and self-image, values and beliefs), cultural (culture, social class), economic (price – monetary)

^{*} GVO, Slovenia, ales.lukman@siol.net

^{**} Prof. Dr., University of Zagreb, Croatia, mirjana.pejic.bach@gmail.com

^{***} Assoc. Prof. Dr., DOBA Business School Maribor, and University of Primorska, Slovenia, tina.vukasovic@net.doba.si

and non-monetary aspect, income, quality), situational factors related to time and place of purchase (physical environment such as store, location, equipment; social environment as seller's influence, time associated with seasonal influences, days of the week and previous consumer mood), individual differences and environmental impacts (Habjanič and Ušaj, 2003; Blackwell et al., 2006; Bennett, 2011; Prodnik, 2011; Kotler and Armstrong, 2018; Vukasović, 2020). In the process of selling or buying, loyalty plays an important role. The characteristics of the salesperson and the telecommunications company also play a very important part in the consumer's decision to purchase a fixed telecommunications connection. On the salesperson's side, it is necessary for the successful realization of a sales transaction to know a number of different factors that influence the purchase decisions of users or customers.

Design / methodology / approach

In the first part of the survey, we will, as part of the qualitative research, conduct personal interviews with ten salespeople of fixed telecommunications connections. The purpose of these interviews is to discuss their opinion of the already identified determinants and identify potential unknown determinants that have an impact on the purchase decision and customer loyalty of fixed telecommunications connections. This will determine the final set of variables to be checked in the quantitative survey. The aim of the qualitative research is to ensure that the concepts are defined in the conceptual model as perceived and understood by consumers in Slovenia.

In the second part of the empirical research, we will design and conduct a quantitative survey. The primary data will be collected through a structured questionnaire. The survey will be conducted by distributing questionnaires via e-mail. The distribution of the questionnaires will be initiated according to the snowball principle in all Slovenian regions. The target population of the survey is the population of Slovenian citizens between 18 and 65 years of age (N = 500), who already use fixed telecommunication links, want to use them or want to change their provider. In order to test the hypotheses of the study, we will analyze the data by the corresponding uni-, bi- and multivariate data processing methods in the SPSS statistical package (Statistical Package for Social Sciences).

Findings / results and conclusions

The main contribution to the research will be represented by empirical analysis intended to reveal the possibility of theoretical and empirical findings to be put into practice, namely in the elecommunications industry. The research will, in terms of its design and content, represent one of the reference works in the field of marketing research and its narrower segment consumer behaviour. The authentic scientific paper presents the creation of the consumer purchase behaviour model to research and measure connections between buying factors and their effects on the consumer decision-making in the purchase of telecommunications connections. The research to test the latter, has not, according to researched data, been carried out yet. This type of model has not been noted, neither in Slovenia nor internationally. Bearing this in mind, the research represents an important step towards development in science.

Practical and/or social implications

The new conceptual model will help the developers of marketing strategies working in telecommunications companies and related industries to implement the new findings.

Originality / value

The original scientific contribution is the development of the consumer purchase behaviour model to study and measure the correlations between factors and their impact on a consumer's decision to purchase fixed telecommunications connections in the Republic of Slovenia. So far, there has been no such research to verify this. We have not seen such a model neither in Slovenia nor internationally.

- 1. Bennett, J. (2011). *The international handbook on Non-market Environmental Valuation*. Northampton: Edward Elgar Publishing.
- Bertschek, I., Briglauer, W., Hüschelrath, K., Kauf, B., Niebel, T. (2015). The economic impacts of broadband internet: a survey. *Review of Network Economics*, 14(4), 201-227.
- Blackwell, R.D., Miniard, P.W., Engel, J.F. (2006). Consumer Behavior. London: Harourt College Publishers.
- 4. Block, P. (2016). *The empowered manager: Positive political skills at work*. San Francisco: Jossey Bass a Wiley Company.
- 5. Habe, J. (2016). Skrivnosti uspešne prodaje: razumevanje kupcev, samozaupanje, iskanje prodajnih priložnosti, prodajni proces in vodenje za uspešno prodajo po meri poslovnih kupcev. Ljubljana: Poslovno svetovanje Jure Habbe.
- 6. Habjanič, D., Ušaj, T. (2003). Osnove trženja. Ljubljana: DZS.
- 7. Hanushek, E.A., Jackson, J.E. (2013). *Statistical methods for social scientists*. New York: Academic Press.
- 8. Kadić, S., Palić, M., Čičić, M. (2011). Improvement of Personal Sales Efficiency in Automotive Retailing. *Economic research-Ekonomska istraživanja*, 24(2), 112-125.
- Kadić-Maglajlić, S., Vida, I., Bodlaj, M. (2015). Vpliv čustvene inteligence na prodajno uspešnost. *Teorija in praksa*, 52(5), 907-924.
- 10. Kotler, P., Armstrong, G. (2018). Principles of Marketing. Harlow: Pearson Education Limited.
- Kumar, V., Dalla Pozza, I., Ganesh, J. (2013). Revisiting the satisfaction–loyalty relationship: empirical generalizations and directions for future research. *Journal of Retailing*, 89(3), 246-262.
- 12. Lovelock, C., Wirtz, J. (2016). Services marketing: people, technology, strategy. Hackensack (NJ): World Scientific.
- 13. Oliver, R.L. (2014). Satisfaction: A behavioral perspective on the consumer: A behavioral perspective on the consumer. New York: Routledge.
- 14. Prodnik, J. (2011). Vedenje porabnikov. Celje: Zavod IRC.
- 15. Quintal, V., Phau, I. (2013). *Brand leaders and me-too alternatives: how do consumers choose*. Perth: Emerald Group Publishing Limited.
- 16. Schiffman, L.G., Kanuk, L.L. (2015). Consumer behavior. Harlow: Pearson Education Limited.
- 17. Snoj, B., Iršič, M. (2017). *Menedžment prodaje za teorijo in prakso*. Harlow: Pearson Education Limited.
- 18. Vukasović, T. (2020). Koncepti sodobnega trženja. Harlow: Pearson Education Limited.
- 19. Wang, Y., Lo, H. P., Yang, Y. (2004). An integrated framework for service quality, customer value, satisfaction: Evidence from China's telecommunication industry. *Information systems frontiers*, 6(4), 325-340.

27 Consumers' Attitudes, Expectations and Behaviour Toward Probiotic Milk Yoghurts

Tina Vukasović^{*} | Aleksandra Zajc^{**} | John L. Stanton^{***}

Purpose

The food processing industry is faced with complex challenges that are, among other things, associated with changes in the global environment. Probiotic dairy products represent an important part of the functional foodstuffs which demonstrate growth and opportunity in expansion in the market. Consumers' opinions with regard to such foodstuffs are an important source of information in the research of consumer behaviour, and it is by marketing approaches that the providers of such products wish to influence the viewpoints held by consumers about a particular product or service. Hence, the objective of this research is to better understand consumers' attitudes, expectations and behaviour toward probiotic milk yoghurts among consumers in selected European country.

Keywords: consumer attitudes; yoghurts; probiotic; attributes; Europe.

Introduction and literature review

In today's fast paced lifestyle, healthy eating is extremely important. Food is basically related to the component necessary for many life sustaining functions such as production of energy, supply of nutrients, support of various metabolic activities besides growth and maintenance of the body (Kaur and Das, 2011). People are becoming more and more aware of this, which is why we are increasingly choosing wholesome and nutritional foodstuffs. In the modern era there is demand for such foods which not only provides nutrients but also prevents diseases and gives other health benefits to the consumers. These types of health promoting foods are commonly referred as functional foods. Milk and dairy products also belong to the category of such foodstuffs.

In the early of twenty-first century, consumers are increasingly concerned about their health and pay more attention to their lifestyle together with the healthiness of their diet. A continuous increase in life expectancy with greater attention to the quality of food started (Vicentini et al., 2016). The field of health in nutrition has been identified as an area with many potentials for improving the health of consumers (Vukasović and Stanton, 2017). It is also an area that has so far been relatively poorly researched. An

^{*} Assoc. Prof. Dr., DOBA Business School Maribor, and University of Primorska, Slovenia, tina.vukasovic@net.doba.si

^{**} MSc, Mlekarna Celeia, Slovenia, aleksandra.zajc@gmail.com

^{***} Prof. Dr., Department of Food Marketing, St. Joseph's University, Philadelphia, USA, jstanton@sju.edu

increased demand for "healthy" food stimulates innovation and new product development (Vukasović, 2015).Design / methodology / approach

We have used a quantitative research method to measure consumer attitudes toward probiotic dairy products. The research was conducted through an online survey. The survey sample was random. The questionnaires have been distributed via electronic mail (personal contacts) and social media (Facebook – a public profile, Instagram, etc.), as well as online blogs and discussions. The total sample of the analysed surveys, consisted of 92 respondents. In order to test the hypotheses of the study, we analyzed the data by the corresponding uni-, bi- and multivariate data processing methods in the SPSS statistical package.

Findings / results and conclusions

The survey revealed an important functional correlation between consumers and probiotic dairy products in terms of their beneficial effects on digestion and overall health. In addition to the good taste that consumers have recognized in probiotic dairy products, the quality and naturalness of the product, which is expressed in the attributes "natural aroma" and "free of colourants", are also important. The aforementioned label messages (attributes) have proved to be crucial for the future communication strategy of probiotic dairy products. Probiotic products are popular in Europe and will continue to be, but it is of great importance that producers do not make false statements about their probiotic products. Consumer attitudes show that there is an opportunity to position probiotic around holistic health.

Practical and/or social implications

The results of the research are particularly useful for product marketing in the European probiotic dairy sector as they reveal consumers' attitudes and expectations to probiotic yoghurts and show new opportunities and potential for increasing the interest of the existing consumers as well as attracting new ones.

Originality / value

Paper presents consumers' attitudes, expectations and behaviour toward probiotic milk yoghurts among consumers in selected European country. These results are particularly useful for product marketing, and future product development in the probiotic dairy sector, as they provide an indication as how it can better reach and satisfy existing consumers. Our study shows significant opportunities, challenges and potentials in the development of the probiotic dairy sector in selected European country.

References

- 1. Bekoglu, F.B., Ergen, A., Inci, B. (2016). The impact of attitude, Consumer innovativeness and interpersonal influence on functional food consumption. *International Business Research*, 9(4), 79-87.
- 2. Betoret, E., Betoret, N., Vidal, D., Fito, P. (2011). Functional foods development: trends and technologies. *Trends in Food Science and Technology*, 22(9), 498-508.

REVIEWED EXTENDED ABSTRACTS OF THE 10TH INTERNATIONAL SCIENTIFIC CONFERENCE OF DOBA BUSINESS SCHOOL

- 3. Hughes, M. (2019). Evolving consumer attitudes and understanding of the probiotic market in Europe. Agrofood industry Hi tech, 30(1), 8–9.
- Kaur, S., Das, M. (2011). Functional Foods: An Overview. Food Science and Biotechnology, 20(4), 861-875.
- 5. Kotler, P., Armstrong, G. (2018). Principles of Marketing. Harlow: Pearson Education Limited.
- 6. Paraskevakos, G. (2019). Overview on probiotics a market experiencing outstanding growth. *Agrofood industry Hi tech* 30(1), 4–7.
- 7. Roberfroid, M. (2011). Defining functional foods and associated claims. In M. Saarela (Ed.), *Functional Foods: Concept to Product*. Cambridge: Worldhead Publishing Limited, pp. 3-22.
- 8. Schiffman, L.G., Kanuk, L.L. (2015). Consumer behavior. Harlow: Pearson Education Limited.
- Schultz, H. (2013). Awareness of probiotics growing worldwide, expert says. Nutraingredients [online]. Available at: https://www.nutraingredients-usa.com/Article/2013/03/29/ Awareness-of-probiotics-growing-worldwide-expert-says [Accessed: 10.2.2020].
- 10. Shandilya, U. K., Sharma, A. (2017). Functional foods and their benefits: an overview. *Journal of Nutritional Health and Food Engineering*, 7(4), 2-5.
- 11. Solomon, M. R., Bamossy, G. Askegaard, S., Hogg, M. K. (2006). *Consumer behaviour: A European perspective*. Harlow: Pearson Education.
- Sökülmez K.P., Karakan, T., Sezgin, S., Aydın Avcı, I., Arusoğlu, G. (2016). Determination of probiotic concept product consumption among people of ages 14-65. *Progress in Nutrition*, 18(2), 111–117.
- 13. Vicentini, A., Liberatore, L., Mastrocola, D. (2016). Functional foods: trends and developments of the global market. *Italian Journal of Food Science*, 28, pp. 338-351.
- 14. Vukasović, T. (2015). Attitudes towards organic fruits and vegetables. *Agricultural Economics Review*, 16(1), 20-34.
- Vukasović, T., Stanton, J.L. (2017). Going local: exploring millennials preferences for locally sourced and produced fresh poultry in a developing economy. *World's Poultry Science Journal*, 73(4), 757-766.

28 Shopping Habits and Attitudes of Young People Towards Locally Grown Food

Bojana Korez^{*}

Purpose

Our choice of food influences our health, the quality of the environment, workplaces, our communities, culture and the diversity of our society. So it is increasingly important to us where the food we consume comes from. Locally grown food has many advantages over imported food. Not only it has a positive impact on the local economy, it also supports our local growers and farmers. By buying products directly from them and avoiding big shopping retailers, we enable farmers to have higher profits. It also has a great impact on our health.

The purpose of the study is to determine whether young people (students) are aware of the importance and origin of locally produced food, whether their daily routine includes consuming of locally produced food for school lunch and whether they know the impact of locally produced food on sustainable development and food self-supply.

We put forward four research hypotheses:

H1: Young people (students) are not familiar with the use of locally produced food for school lunch.

H2: Young people (students) are not familiar with the term *locally produced food*.

H3: Young people (students) think that locally produced food is properly labeled.

H4: Young people (students) think that the price of locally produced food is too high.

Keywords: consumer behaviour; attitudes; locally sourced and produced food; attributes; Slovenia.

Introduction and literature review

We live in a time when we are increasingly obsessed with what we are bringing into our bodies. However, do we really know what is good for our health? Locally produced and possibly organic food has many advantages over imported food. Not only it has a positive impact on the local economy, it also supports our local growers and farmers. By buying products directly from them and avoiding larger traders, we enable farmers to make more money and, as a result, increase the chance of additional quantities of newly produced food. All of it certainly affects our health as well.

According to Article 61 of the Law on Agriculture the entire territory of the Republic of Slovenia is defined as the local environment- the local market, to which we include sales at the location where the food was processed, sales at individual local markets, sales at mobile facilities, sales at events, fairs, sales through online and door-to-door sales (Law on Agriculture, 2015). Klander (2012) believes that the locally produced

DOBA Business School Maribor, Slovenia, bojana.korez@gmail.com

food is of a better and fuller taste, because it does not travel thousands of miles and it is brought to the market immediately after its production. So it remains fresh and tasteful. By purchasing locally grown food, we support agriculture in the local environment and thus contribute to the sustainable development of the area.

https://www.gartner.com/smarterwithgartner/9-future-of-work-trends-post-covid-19/ For the purposes of quantitative research, a survey questionnaire has been prepared and posted on the website 1ka.si as well as on the social network Facebook.

We designed a questionnaire that covers both open and closed questions. 94 respondents answered the questionnaire. Before enabling the questionnaire to operate in an online environment, we conducted a pilot testing of the questionnaire in order to identify potential ambiguities in answering the survey questions. The answers were processed, graphically presented and interpreted by using the Microsoft Excel computer program. The results and the individual variables were compared and displayed.

Findings / results and conclusions

The survey outcome shows that as many as 28% of respondents did not know the term "locally produced food". We also found out that the majority of respondents often consume locally produced food.

It is worrying that 54% of the respondents do not know whether they are eating locally produced food prepared in the school kitchen for lunch. Schools should definitely make students aware of the inclusion of locally grown food in their school lunch meals. 84% of respondents would like to eat more locally produced food at school. Almost half of respondents believe that prices of locally produced food are too high, which we agree with. As many as 97 % of respondents believe that locally sourced food should be appropriately labelled by retailers (consumer informing). Questioning the awareness of consumers about locally produced food, we also checked the labelling of food from the local environment. We found out that it depends on each individual retailer how much attention they pay to the food offered on the store shelves. Food originating from Slovenian producers is appropriately labelled by some retailers.

Practical and/or social implications

These results are particularly useful for product marketing and future product development in the sector for locally sourced and produced food as they provide an indication of how it can better reach and satisfy existing consumers. Our study shows significant opportunities, challenges and potentials in the development of the sector for locally sourced and produced food in Slovenia.

Originality / value

The results of the survey are intended to highlight the importance of locally grown food, which should be appropriately introduced to children, young people and other people. By using locally produced food in an appropriate, health-friendly way, we take care of health and contribute to better food self-supply of the region and the country. By purchasing local products, we encourage the development and existence of local food

producers, thus personally helping to raise awareness of the importance of locally produced food and its impact on sustainable development.

- Ambrož, R., Gomezelj Omerzel, D. (2017). Business Model Innovation in Tourism: How to Survive in Highly Competitive Environments. *Academica Turistica*, 10(1), 175 – 183.
- 2. Arens, U. (2006). *Hrana in zdravje: kaj nam škoduje, kaj nam koristi*. Ljubljana: Mladinska knjiga.
- 3. Atkins, R. C. (2002). Revolucija v prehrani. Ljubljana: Mladinska knjiga.
- Center za trajnostni razvoj podeželja Kranj. (2017). Lokalna samooskrba [online]. Available at: http://www.ctrp-kranj.si/trajnostni-razvoj/prehranska-samooskrba/ [Accessed:10. 3. 2020].
- 5. Eyikan, A. (2013). Zdrava hrana Zelena energija za življenje. Brezovica pri Ljubljani: Založba Cangura.
- 6. Kotler, P., Armstrong, G. (2018). Principles of Marketing. Harlow: Pearson Education Limited.
- Klander, K. (2012). Vrnimo se nazaj k lokalni hrani. Available at: http://www.ekomagazin.si/component/content/article/143-karla-klander/3666-vrnimosenazai-k-lokalni-hrani?ltemid=194 [Accessed:15. 9. 2019].
- 8. Kvas Majer, T. (2013). *Pomen lokalno pridelane hrane,* Konferenčno gradivo. Ljubljana: Ministrstvo za kmetijstvo in okolje.
- 9. Ministrstvo za kmetijstvo, gozdarstvo in prehrano. (2019). *Lokalno pridelana zelenjava [online].* Available at: http://www.mkgp.gov.si/si/delovna_podrocja/promocija_lokalne_hrane/lokalno_pridelana_zelenjava/ [Accessed:20. 12. 2019].
- 10. Schiffman, L.G., Kanuk, L.L. (2015). Consumer behavior. Harlow: Pearson Education Limited.
- 11. Solomon, M. R., Bamossy, G. Askegaard, S., Hogg, M.K. (2006). *Consumer behaviour: A European perspective*. Harlow: Pearson Education Limited.
- 12. Vukasović, T. (2015). Attitudes towards organic fruits and vegetables. *Agricultural Economics Review*, 16(1), 20-34.
- Vukasović, T., Stanton, J. L. (2017). Going local: exploring millennials preferences for locally sourced and produced fresh poultry in a developing economy. *World's Poultry Science Journal*, 73(4), 757-766.
- 14. Vukasović, T. (2020). Koncepti sodobnega trženja. Harlow: Pearson Education Limited.
- 15. Zakon o kmetijstvu (ZKme-UPB1). (2006). Uradni list Republike Slovenije, št. 51/2006.

29 Factors of Consumer Buying Behaviour When Buying Superfoods

Żeljka Pećanin^{*}

Purpose

More than 100 years is since, the term superfood is almost synonymous with alleged health benefits. Under the term superfood, each store labels and promotes its products. In recent years, consumer interest in the health benefits of various exotic nutritional products of exotic fruits, etc., in the form of juices, capsules, seeds, powders, etc., has increased rapidly. Nutritional intake of these foods has a positive effect on human health, function and disease, as they support the immune system and are full of nutrients. They contain an exceptional concentration of antioxidants, monounsaturated fats, dietary fiber and other minerals and vitamins (Llorent-Martínez et al., 2013).

The purpose of the study is the development of a conceptual model of consumer purchasing behaviour when purchasing superfoods. The research will analyze consumer behaviour and check their awareness when deciding to buy superfoods.

The research question is: what are the key factors for buying superfoods and how do they affect consumers' purchasing decisions?

Keywords: consumer behaviour; purchasing factors; purchasing decision; superfoods.

Introduction and literature review

The term superfood has no official definition, even the concept of superfoods is not well defined and the criteria for classifying superfoods are not well defined. However, it is used as a term to describe foods that are thought to have high nutritional value and beneficial health and/or disease-preventing properties. Due to the lack of rules and regulations for what constitutes a super-food, the European Union banned the labeling of products as "super-food" in 2006. There is also a legally binding act in this area, in which case Regulation (EC) No 1782/2003 is concerned. Regulation (EC) No 1924/2006, which states that such marketing terms may be used, but such foods must bear an approved nutritional or health claim (Uradni list Evropske unije, 2006).

The process of buying decision making is defined as a comprehensive process of consumer decision making that occurs mostly in five, and occasionally, in seven consecutive levels. The process includes all parameters a consumer may encounter while buying products for the first time experiencing a high level of buying commitment. We discuss about an expanded process of buying decision-making that consists of five or seven levels: problem/need identification, data and information collection, evaluation of alternatives, consumer choice and post purchase behaviour/result; regarding the seven-level model the use of purchased alternative

^{*} Workforce, Ljubljana, Slovenia, zeljka.pecanin@gmail.com

(satisfaction or dissatisfaction with the purchased product) and disposal of unused products and their parts are added (Vukasović, 2020).

Consumer behaviour is, during the process of buying decision making, affected by various factors. These can be divided into several factor (influence) groups: psychological (motivation, attitude, learning and memory), social (reference groups, family, individual's role and position, status), personal (age and level of a family's life cycle, occupation and financial situation, lifestyle, personality and self-image, values and beliefs), cultural (culture, social class), economic (price-monetary in non-monetary aspect, income, quality), individual differences and environmental impacts (Prodnik, 2011; Kotler et al., 2018; Vukasović, 2020).

Design / methodology / approach

In the first phase we will conduct a qualitative research (individual interviews) in which we will examine the experts views (biologist, nutritionist and doctor of medicine) on superfoods compared to indigenous foods. The aim of the interview is to discuss their attitudes towards already identified purchasing factors and to identify potential as yet unknown factors that influence consumers' purchasing decisions when purchasing superfoods. This will determine the final set of variables to be checked in the quantitative survey. We will develop a measuring instrument (questionnaire) for conducting our quantitative research. We will conduct the survey by distributing questionnaires online. The target population of the survey is the population of Slovenian citizens between the age of 18 and 70 years old (N = 400) who know or supervise the super-food or consume them. In order to test the hypotheses of the study, we will analyze the data by the corresponding uni-, bi- and multivariate data processing methods in the SPSS statistical package (Statistical Package for Social Sciences).

Findings / results and conclusions

The main contribution to the research will be represented by empirical analysis intended to reveal the possibility of theoretical and empirical findings to be transferred into practice, namely food industry. The research will, in terms of its design and content, represent one of the reference works in the field of marketing research and its narrower segment consumer behaviour. Authentic scientific paper presents the creation of a consumer buying behaviour model to research and measure connections between buying factors and their effects on consumer buying decisions making for superfood connections.

Practical and/or social implications

The new conceptual model will help implement new findings for food marketers and superfood marketers in the consumer market.

Originality / value

The original scientific contribution is the development of a consumer purchasing behaviour model to study and measure the links between purchasing factors and their impact on consumers' purchasing decisions when purchasing superfoods in Slovenia.

The research to test the latter, has not, according to researched data, been carried out yet. This type of model has not been noted, neither in Slovenia nor internationally.

- 1. Babbie, R. (2012). The Practice of Social Research. Wadsworth: Cengage Learning.
- Chang, S.K., Alasalvar, C., Shahidi, F. (2019). Superfruits: Phytochemicals, antioxidant efficacies, and health effects – A comprehensive review. *Critical Reviews in Food Science* and Nutrition, 59(10), 1580–1604.
- 3. Chapman, P. (2014). *Bananas: How the United Fruit Company Shaped the World*. New York: Canongate.
- 4. Chen, N.N. (2008). Food, Medicine, and the Quest for Good Health: Nutrition, Medicine, and Culture. Columbia: Columbia University Press.
- 5. Cline, E.H. (2012). *The Oxford Handbook of the Bronze Age Aegean*. New York: Oxford University Press, Inc.
- 6. Crowther, G. (2013). *Eating Culture: An Anthropological Guide to Food*. Toronto: University of Toronto Press, Inc.
- Davidson, K.T., Zhu, Z., Balabanov, D., Zhao, L., Wakefield, M.R., Bai, Q., Fang, Y. (2018). Beyond Conventional Medicine - a Look at Blueberry, a Cancer-Fighting Superfruit. *Pathol Oncol Res*, 24(4), 733–738.
- 8. Hanushek, E.A, Jackson, J.E. (2013). *Statistical Methods for Social Scientists*. New York: Academic Press.
- 9. Hong, X., Wang, X. (2012). Early life precursors, epigenetics, and the development of food allergy. *Seminars in immunopathology*, 34(5), 655–669.
- 10. Kotler, P., Armstrong, G. (2018). Principles of Marketing. Harlow: Pearson Education Limited.
- 11. Levinovitz, A. (2015). The Gluten Lie: And Other Myths About What You Eat. New York: Regan Arts.
- 12. Lieberman, D.E. (2015). Zgodba človeškega telesa: evolucija, zdravje in bolezen, preobrazba. Ljubljana: UMco.
- Llorent-Martínez, E.J., Fernández-de Córdova, M.L., Ortega-Barrales, P., Ruiz-Medina, A. (2013). Characterization and comparison of the chemical composition of exotic superfoods. *Microchemical Journal*, 110(September), 444–451.
- 14. Lunn, J. (2006). Superfoods. Nutrition Bulletin, 31(3), 171-172.
- 15. Prodnik, J. (2011). Vedenje porabnikov. Celje: Zavod IRC.
- 16. Schiffman, L.G., Kanuk, L.L. (2015). Consumer behavior. Harlow: Pearson Education Limited.
- Uradni list Evropske unije (2006). Uredba (ES) št. 1924/2006 [online]. Available at: https://eur-lex.europa.eu/legal-content/SL/TXT/PDF/?uri=CELEX:32006R1924&from=DE [Accessed:18. 1. 2020].
- 18. Vukasović, T. (2020). Koncepti sodobnega trženja. Harlow: Pearson Education Limited.
- Yamaguchi, K.K., Pereira, L.F.R., Lamarão, C.V., Lima, E.S., da Veiga-Junior, V.F. (2015). Amazon acai: Chemistry and biological activities: A review. *Food Chemistry*, 179(July), 137– 151.
- 20. Zveza potrošnikov Slovenije (2013). *Super živila ali super reklama [online]*? Available at: https://www.zps.si/index.php/hrana-in-pijaa-topmenu-327/oznaevanje-ivil-topmenu-328/5927-do-veraj-qnavadnaq-danes-pa-qsuperq-hrana-11-122012 [Accessed:20.3.3020].

30 After-Sales Activities and Their Importance in the Marketing of Medical Products

Tina Vukasović^{*} | Anita Sluga^{**}

Purpose

The purpose of the paper is to contribute to the knowledge in the field of marketing of medical devices in the public sector. The research focuses on the views of the actors involved, who are in our case employed in laboratories, hospitals and health centers. The studied variables were in this type of marketing presented as codependent variables, which influence the preparation of the tender documentation when marketing medical devices (blood collection devices) to social welfare institutions in which the sale is carried out through public procurement. The research problem is based on verifying the correlations between the elements of the 4P marketing mix, after-sales activities and their influence on the preparation of tender documentation in the marketing of medical devices to social welfare institutions.

The research question related to the research problem reads as follows: Do after-sales activities have at least as statistically significant influence on the preparation of the public procurement tender documentation when marketing medical devices to social welfare institutions as the elements of the marketing mix (product, price, promotion, distribution)?

Keywords: public procurement; medical devices; after-sales activities; social welfare institutions; marketing mix.

Introduction and literature review

The flourishing and growth of the information and communication society and hence the new communication media and e-commerce (the web, social networks such as Facebook and Twitter), the emergence of new ways of selling and purchasing (e.g. online sales, shopping centers, etc.), shortening of the product development process and product life cycles, increased consumer complexity and faster changes in their requirements, increased importance of the origin of products in the purchasing decision-making process, convergence of industries among themselves, increasing demands for the protection of the natural environment, increasing links between individual organizations, increasing service orientation of organizations, social responsibility of organizations, numerous unpredictable environmental factors, growth of the importance of marketing, etc., are only a few key forces in the economy that marketing in organizations needs to adapt to.

Hereinafter, we focus on one particular element, namely after-sales activities, which are supposed to be key in the purchasing behavior of consumers, who can in this case

^{*} Assoc. Prof. Dr., DOBA Business School Maribor, University of Primorska, Slovenia, tina.vukasovic@net.doba.si

^{**} Dr., VenoFarmacija, Celje, Slovenia, anita.saso@gmail.com

study purchase medical devices exclusively through public procurement, as required by the Public Procurement Act. Such marketing is different from the marketing where it is not necessary to market products through public procurement, in particular it differs in the part that follows the signing of the framework agreement or contract. The marketing mix with the basic elements, as many authors have so far pointed out, applies to the marketing of products that do not need to be marketed through public procurement. Many authors studied the marketing mix, but no one has ever expanded it with the variable of the after-sales activities. After the signing of the cooperation agreement between the supplier and the contracting authority, the obligation of the supplier to the customer is not terminated, instead by signing the mutual agreement, this obligation only starts in the aftermath of after-sales activities (monitoring and maintenance of contacts, preparation of seminars, informing about novelties).

Design / methodology / approach

A quantitative research method was used. The target population of our research is employed in laboratories in health centers (61 institutions) and hospitals (31 institutions) in Slovenia and totals 92 observed units. The primary data was collected by means of a structured questionnaire. We contacted the heads of laboratories via telephone and asked them to assist in the submission of surveys to their colleagues. We subsequently sent surveys to them by post. Upon completion, the respondents returned the completed surveys to the address provided in the accompanying survey letter. In order to test the fundamental thesis and the hypotheses of the study, we analyzed the data by the corresponding uni-, bi- and multivariate data processing methods in the SPSS statistical package.

Findings / results and conclusions

By conducting statistical analyses, we found that all the studied variables are in a positive correlation with each other and that the "Personal Sales" variable, which combines the marketing mix elements of "Market Communication (promotion)" and "Market Channel (distribution)", is equally important in the marketing of medical devices to social welfare institutions through public procurement as the "After-Sales Activities" variable. Based on the results, we produced a structural model of correlations between the studied elements of the marketing mix, the "After-Sales Activities" variable with respect to the "Public Procurement (preparation of tender documentation)" variable.

Practical and/or social implications

Companies that market their products through public procurement can make good use of the findings and based on them, formulate guidelines and their vision for the marketing of more complex medical devices to social welfare institutions.

Originality / value

The newly designed structural model of correlations between the studied elements, represents a new value both in the field of scientific research work as well as in the field of usability in practice.

- 1. Diamantopoulos, A., Siguaw J.A. (2000). Introducing LISREL: A guide for the uninitiated. London: Sage.
- 2. Doyle, P. (1994). Marketing management and strategy. New York: Prentice Hall.
- Goldsmith, R.E. (1999). The personalised marketplace: beyond 4P. Marketing Intelligent & Planing, 17(4), 178–185.
- 4. Grönroos, C. (2000). Service management and marketing: a customer relationship management approach. New York: Wiley.
- Hair, J.F., Ringle, C.M., Sarstedt, M. (2013). Partial Least Squares Structural Equation Modeling: Rigorous Applications, Better Results and Higher Acceptance. Long Range Planning, 46(1-2), 1-12.
- 6. Kotler, P., Armstrong, G. (2018). Principles of Marketing. Harlow: Pearson Education Limited.
- 7. Schiffman, L.G., Kanuk, L.L. (2015). Consumer behavior. Harlow: Pearson Education Limited.
- Tenenhaus, M., Esposito, V.V., Chatelin-Yves, M., Lauro, C. (2005). PLS path modeling. Computational Statistics & Data Analysis, 48(1), 159–205.
- Vignalli, C., Davies, B.J. (1994). The marketing mix redefined and mapped: Introducing the MIXMAP model. *Management Decision*, 32(8), 11–16.
- 10. Vukasović, T. (2012). Correlations between the country of origin (COO), marketing mix elements and the brand value. *World's Poultry Science Journal*, 68(4), 627-636.
- 11. Vukasović, T. (2020). Koncepti sodobnega trženja. Harlow: Pearson Education Limited.
- 12. Yoo, B., Donthu, N. (2001). "Developing and validating a multidimensional consumer-based brand equity scale", *Journal of Business Research*, 52(2001), 1–14.

CHALLENGES AND OPPORTUNITIES IN MANAGEMENT, BUSINESS, AND ECONOMY

31 Organizational Agility – Need or Competitive Advantage?

Klemen Żibret^{*}

Purpose

Rapidly changing environment is forcing organizations to quickly adopt to changed circumstances. Organizations operate in increasingly competitive and multifaceted business landscapes, commonly referred to as VUCA (volatile, uncertain, complex, and ambiguous) world (Kristensen and Shafiee, 2019). In such environment organizations need to develop dynamic capabilities of an agile organization. Organizations and their employees need to recognise changes. Furthermore – they need to foreseen changes. Changes are affecting organizational design, organizational culture, leadership, and the essences of the organization. Organizations, their management, and employees need to understand that there is a need to do things differently. It is also very important that organizations develop their inner capability to evaluate the effectiveness of their changes. Agility seems to be "currency" of the future.

The purpose of the paper is to summarize theoretical key findings regarding organizational agility, and to provide (theoretical) answer to key research question: is organizational agility need or is its competitive advantage?

Other research questions are:

- Is there a difference between organizational flexibility and agility?
- What are the key elements of organizational agility?
- Can any organization be agile?
- How to implement organizational agility concept?

Keywords: organizational agility; organizational performance; changes; change management.

Introduction and literature review

Concept of agility has been grounded in management theory already back in late 1990s. At that it was linked with organization's ability to manage dynamic and changing environment. It was mostly linked with agile manufacturing and organization's ability to react quickly and effectively to changing markets, driven by customer-defined products and services (Gunasekaran, 1999).

Later, concept of organizational ability was linked with other organizational capabilities: (hard and soft technologies, human resources, educated management, information technology etc. (Yusuf et al., 1999).

In nowadays theory organizational agility is mainly defined as an organization's ability to be adaptable in response to environmental changes. As a dynamic capability for

Lect., DOBA Business School Maribor, Slovenia, klemen.zibret@net.doba.si

organizations operating in a highly dynamic environment, organizational agility is the capacity to sense and respond rapidly to changing customer needs, to make decisions rapidly, and to reallocate resource quickly as circumstances change. Concept of organizational agility is often linked with some other organizational concepts, e. g. effectiveness, organizational excellence, knowledge management, organizational performance etc. (Nijssen and Paauwe, 2012, Wawarta and Heracleous, 2018).

Organizational agility consists of several key elements: speed and flexibility, responding to changes in the internal and external environment, high quality products, sustainability, technologies, and internal integration inside the institutions and among each other (Sherehiy, 2008).

Organizational agility is theoretically and practicality linked with organizational performance, since it has a positive impact on time to market, responding to changing customer requirements, addressing new business opportunities and making the cost base scalable, providing flexibility in a fast-changing operating environment (Ekdahl et al., 2017).

Design / methodology / approach

In the field of organizational agility many researches were carried out in the past. Considering this fact, we believe that we can answer this paper's research questions by reviewing relevant theory and relevant researches.

Our research will base on relevant theory and researches review by using following research methods:

- Analytical method, since we will analyse the concept of organizational agility by its elements,
- Method of compilation, since we will use and combine different authors and research findings,
- Method of comparison, since we will compare different authors and research findings,
- Inductive-deductive method since we will be reasoning from individual cases in general and vice versa; general reasoning on a case by case basis).

Findings / results and conclusions

Many researches have shown that organizational agility is linked to competitive advantages and organization's performance (Project Management Institute, 2016; McKinsey and Company, 2019; Ekdahl et al., 2017; Denning, 2019).

It is very likely to expect that in the current economic situation, organizational agility will not be any more organization's competitive advantage and it will become organizational need (Body and Kendall, 2020).

Research limitations / implications

Since we will use relevant theory and relevant researches review, we are limited by those researches results and analysis. We assume that reviewed researches' results are relevant also for our research.

Practical and/or social implications

Research results will have the possibility to be practically implemented by organizations in creating their organizational agility approach. The research will provide guiding lines for planning and implementing organizational agility concept in the practice.

Originality / value

The research will gather the most relevant theoretical findings about organizational agility, and it will provide comprehensive approach for practical implementation.

- Chamanifard. R., Nikpour, A., Chamanifard, S., Nobarieidishe, S. (2015). Impact of Organizational Agility Dimensions on Employee's Organizational Commitment. *European Online Journal of Natural and Social Sciences*, 4(1), 15-25.
- Denning, S. (2019). The Business Agility Report [online]. Available at: https://www.solutionsiq.com/wp-content/uploads/2019/07/2019-Business-Agility-Institute-Report.pdf [Accessed: 29. 3. 2020].
- Ekdahl P., Percival, J., Riekki, J. (2017). From agile to agile fast: why agility is the key to success [online]. Available at: https://www.accenture.com/t20170328t065747__w__/no-en /_acnmedia/pdf-47/accenture-nordic-pdf-agile-fast.pdf [Accessed: 29. 3. 2020].
- Felipe, C.M., Roldán, J.L., Leal-Rodríguez, A.L. (2017). Impact of Organizational Culture Values on Organizational Agility [online]. Available at: https://www.researchgate.net/publication/321874281_Impact_of_Organizational_Culture_ Values_on_Organizational_Agility [Accessed: 29. 3. 2020].
- Kristensen, S., Shafiee, S. (2019). Rethinking organization design to enforce organizational agility [online]. Available at: https://backend.orbit.dtu.dk/ws/portalfiles/portal/194235145/04_Kristensen_Rethinking_ organization_design_to_enforce_organizational_agility.pdf [Accessed: 29. 3. 2020].
- 6. Munteanu, A. (2019). A review of organizational agility concept and characteristics. *Annals of Faculty of Economics, University of Oradea, Faculty of Economics*, 1(1), 335-341.
- Nibedita, S. (2018). Organisational agility and KM strategy: Are they effective tools for achieving sustainable organisational excellence? [online]. Available at: https://www.researchgate.net/publication/322531195_Organisational_agility_and_KM_str ategy_Are_they_effective_tools_for_achieving_sustainable_organisational_excellence [Accessed: 29. 3. 2020].
- Prats, J., Siota, J. (2018). Organizational agility: why large corporations often struggle to adopt the inventions [online]. Available at: https://www.oliverwyman.com/content/dam/oliver-wyman/v2/publications/2018/april/ Organizational_Agility.pdf [Accessed: 29. 3. 2020].
- Project Management Institute. (2016). Organizational Agility [online]. Available at: https://www.pmi.org/~/media/PDF/Research/-/media/pmi/documents/public/pdf/ whitepapers/org-agility-where-speed-meets-strategy.pdf?v=a988026a-e41c-42b1-921d-2a8abbd0dabf [Accessed: 29. 3. 2020].
- 10. Saha, N., Gregar, A., Saha, P. (2017). Organizational agility and KM strategy: Are they the effective tool for achieving sustainable organizational excellence? *New Trends and Issues Proceedings on Humanities and Social Sciences*, 4(10), 110–117.
- Wafa T., Lilia G., Hervé, V. (2016). Organizational agility: key factors for dynamic business process management [online]. Available at: https://hal.archives-ouvertes.fr/hal-01375649/file/Papier.pdf [Accessed: 29. 3. 2020].

12. Wageeh, A.N. (2016). Organizational Agility: The Key to Organizational Success. *International Journal of Business and Management*, 11(5), 47-61.

32 Management of Role Changing Skill-mix Initiatives in Radiology and their Impact on Service Outcomes

Vladimir Bahun^{*}

Purpose

To explore, describe, evaluate, and predict the role changing skill-mix initiatives from radiology departments together with the impact on radiology service outcomes.

Keywords: skill-mix; professional role; role enhancement; literature review

Introduction and literature review

Radiology service management plays a vital role in the overall outcomes of this service. Currently, these departments are not sustainable - for example, only 2 % of the U.K.based radiology departments were able to fulfil their imaging reporting requirements within contracted hours in 2018, and only 20 % U.K. trusts and health boards have enough interventional radiologists to provide safe 24/7 service to perform urgent procedures (Board of the Faculty of Clinical Radiology, 2019). Radiology departments are also not ready for future challenges in terms of the predicted growth rate, where the demand for radiology services is continuously growing at the expected compound annual growth rate of 5.8 %, from 2018 to 2024 (*Global Medical Imaging Market Forecast to 2024; Medical Devices*, 2018).

Finally, radiology departments are not prepared to face the challenges of the ageing population or changing geopolitics (Moshe, 2014). The ageing population will need more diagnostic imaging services. From 2010 to 2040, in developed regions, the population over 65 is expected to increase from 16.1 to 25.2%, and the population over 80 will increase from 4.3 to 8.6 % (*United Nations*, n.d.).

On the other hand, throughout the radiographic and radiological profession history, the evolution of the radiographic practice has been a constant (Shanks, 1965; Lame, 1976; Price and Le Masurier, 2007). Lately, it has been shown that efficiencies within healthcare delivery could be achieved only through developing new models of care that build on the knowledge and skills of the whole workforce (Reeves, 2011; National Health Service, 2014). World Health Organisation has also emphasized on the value of the skill-mix in healthcare environments (Bourgeault *et al.*, 2008). Nevertheless, role enhancement skill-mix implementation is still incoherent and usually based on professional preference or opposition instead of the evidence (Forsyth and Robertson, 2007; Snaith and Hardy, 2008).

Sidra Medical and Research Center, Doha, Qatar, vladimir@bahun.com

Design / methodology / approach

Literature review search was conducted. A range of databases were searched using a defined search strategy. Search results were narrowed down according to the various filters (relevance of the paper, SJR indicator, the evidence used and others). Articles not written in the English language were excluded. No limitations were applied based on the year of publication since the time frame for skill-mix initiatives varies globally.

Findings / results and conclusions

Skill-mix initiatives in radiology are under-explored globally. Role changing skill-mix initiatives in radiology departments positively affect the service outcomes, outweighing the disadvantages.

Research limitations / implications

Greater exploration of the impact of the role changing skill-mix initiatives in radiology is advisable beyond individual hospital levels.

Practical and/or social implication

This study could have an impact on radiology decision and policymakers to embrace the role changing skill-mix initiatives in radiology services better. Ideally, these initiatives should be implemented before the actual need for them is absolutely evident. That way, the radiology services could be better prepared for future challenges and thus, providing the service to the public at the desired, constantly increasing level.

Originality / value

No research about role changing skill-mix initiatives in radiology services has been published involving multiple radiology stakeholders and personnel until now. This paper will help decision and policymakers in radiology departments and healthcare systems, together with other stakeholders to re-think and re-consider further development and implementation of role changing skill-mix initiatives in radiology.

- The Royal College of Radiologists (2019). Clinical radiology UK workforce census report 2018. Available at: https://www.rcr.ac.uk/publication/clinical-radiology-uk-workforcecensus-report-2018 [Accessed: 15. 4. 2020].
- Bourgeault, I.L., Kuhlmann, E., Neiterman, E., Sirpa, W. (2008). How can optimal skill mix be effectively implemented and why? [online]. WHO Regional Office for Europe. Available at: https://apps.who.int/iris/handle/10665/107973 [Accessed: 15. 4. 2020].
- 3. Forsyth, L.J., Robertson, E.M. (2007). Radiologist perceptions of radiographer role development in Scotland. *Radiography*, 13(1), 51-55.
- Infoholic Research (2018). Global Medical Imaging Market Forecast to 2024 [online]. Available at: https://www.infoholicresearch.com/report/medical-imaging-market/ [Accessed: 4. 2. 2020].
- 5. Lame, E.L. (1976). Letter: Must radiologists do all the reporting? *British Journal of Radiology*, 49(580), 381.
- 6. Moshe, G. (2014). Radiology in 2020: Opportunities and Challenges. HealthManagement

[online], 14(4). Available at: https://healthmanagement.org/c/healthmanagement/ issuearticle/ radiology-in-2020-opportunities-and-challenges [Accessed: 10. 10. 2019].

- NHS (2014). Five year forward view [online]. London, UK: NHS. Available at: https://www.england.nhs.uk/wp-content/uploads/2014/10/5yfv-web.pdf. [Accessed: 4. 2. 2020].
- 8. Price, R.C., Le Masurier, S.B. (2007). Longitudinal changes in extended roles in radiography: A new perspective. *Radiography*, 13(1), 18-29.
- Reeves, S. (2011). Liberating the NHS: Developing the Healthcare Workforce. Journal of Interprofessional Care, 25(4), 312–313.
- Shanks, S. C. (1965). The duties of radiographers in special radiological examinations. *Radiography*, 31(368), 172.
- 11. Snaith, B., Hardy, M. (2008). Radiographer abnormality detection schemes in the trauma environment-An assessment of current practice. *Radiography*, 14(4), 277-281.
- 12. United Nations (n.d.). World Population Prospects Population Division [online]. Available at: https://population.un.org/wpp/DataQuery/ [Accessed: 26. 2. 2020].

33 The State of Responsible Artificial Intelligence in the Enterprise as Creating a Sustainable Development Programme

Alja Perger^{*}

Purpose

Artificial Intelligence (AI) is a rapidly growing field and it shows no signs of slowing it down. At this moment, it is still impossible to evaluate and mark how the future will be transformed, but one thing is for sure: artificial intelligence (AI) follows a good stream to become a major part of the future. Companies nowadays still try to understand the major importance of innovative interaction between the human mind and the machine learning. They benefit from AI by making smarter, more informed and detailed decisions, in any industry, by collecting, measuring and analyzing data to prevent fraud, reduce risk, improve their productivity and efficiency, accelerate time to market and mean time to resolution, and improve accuracy and customer experience.

Mostly based on outcomes of research and practice, this paper wants to discuss further the possibility and importance of further AI scenarios which are already taken into some behavioral considerations as creating the existence of responsible AI programs.

Keywords: artificial intelligence, sustainable development; integrative technologies; revolution; machine learning; industry 4.0; ethics.

Introduction and literature review

Article *The State of Responsible Artificial Intelligence in the Enterprise as Creating a Sustainable Development Programme* presents an exciting challenge inside the responsible programme for AI research in Canada, Montreal. Not only to develop new technologies but mostly to set the important industry standards and create new processes and workflows. Nevertheless, it proposes some new use cases that will enhance the state of human-AI relationships as we know them. Through our expertise, we would like to create the understanding how AI should be used as an extension of humans and implemented so as to foster contextually personalized symbiotic human – AI experience. Saying differently, AI should be developed in a manner that is complementary to humans, whether it's designed with the intent to assist or substitute. The article strongly presents how AI isn't designed to replace humans at all, but rather to replace the menial tasks performed by humans.

Design / methodology / approach

Creating the article, I was mostly evaluating the results from research policies being given into the consideration all the way to show the practice itself. A traditional

^{*} DOBA Business School Maribor, Slovenia, alja.perger@net.doba.si

approach is used, mostly in the field of management decision makers and strategic conclusions which are important in each company basic concept. Taking some limitations, such into account, an AI approach was explored and demonstrated with some practical cases.

Findings / results and conclusions

Nowadays almost every industry has been already impacted by 'AI' and automation. Majority of them are currently seeking mostly what can be the benefits of implementing this technology inside their services. At this very moment, some of them are highly concerned as perhaps some factories, today still having the small traces of automated operations, can be leaders as creators for a new global economy. The information revolution has had an undeniable impact on society, as did the industrial revolution before it. Now artificial intelligence is poised to be the next revolution that will have an immense impact on our society from our personal lives to the way in which we transact business.

Al will undoubtedly continue to impact all business sectors, including the insurance business, which stands to incur a significant disruption. With the rapid pace at which it is developing, Al may soon be heavily used in all aspects of the insurance industry, including sales, customer service, underwriting, claims assessment and fraud detection and prevention.

In Canada, which pioneered many foundational advances in deep learning research and possesses a rich AI talent base, the question confronting businesses is whether they can reap AI benefits commensurate with the nation's historic academic leadership. But will Canada's pioneering AI history translate into accelerated technology advances in its own businesses?

Will be possible to create the state of responsible AI in the enterprise? Academics, industry and government have joined together, setting the stage for Canada to become a research and development powerhouse in AI.

Practical and/or social implications

Al transformation must begin by determining where Al will best support strategic priorities in enterprise, whether that is improving the customer experience, improving speed to market, developing innovative products and services, or some other objective. Many businesses take up artificial intelligence (Al) technology to try to reduce operational costs, increase efficiency, grow revenue and improve customer experience. For greatest benefits, businesses should look at putting the full range of smart technologies - including machine learning, natural language processing and more - into their processes and products.

Originality / value

It should be obvious that the broader the adoption of AI across the enterprise, the greater the value a business will retrieve. There are, however, barriers that must be eliminated to achieve. These barriers include concerns about job loss, the fear of the black box" nature of AI ("How does it work?"), and, most important, the fundamental

human resistance to change. To deal with that resistance, companies must invest time in understanding how machine prediction will interface with human judgment in making decisions. Spending time on change management and redefining business processes around AI will be more critical than the technology itself. In the end, AI will be a human problem, not a technical one.

- 1. Argyle, M. (1991). Cooperation, the Basis of Sociability. London: Routledge.
- 2. Cohen, R, Spencer, B., (2002). Advances in Artificial Intelligence. In *Proceedings: 15th Conference of the Canadian Society for Computational Studies of Intelligence*. Calgary, Canada, May 27–29, 2002. doi: 10.1007/3-540-47922-8.
- 3.Duan, Y., Edwards, J.S., Dwivedi, Y.K. (2019). Artificial intelligence for decision making in the era of Big Data–Evolution, challenges and research agenda. *International Journal of Information Management*, 48(October), 63–71.
- 4. Goodfellow, I., Bengio, Y., and Courville, A. (2017). Deep Learning. Cambridge: MIT Press.
- Supta, N.A. (2017). Literature Survey on Artificial Intelligence [online]. Available at: https://www.ijert.org/research/a-literature-survey-on-artificial-intelligence-IJERTCONV5IS19015.pdf [Accessed: 7.1.2020].
- 6.Turner J., (2019). Robot Rules. London: Palgrave Macmillan.
- 7.Wuest, T., Weimer, D., Irgens, C., Thoben, K.D. (2016). Machine learning in manufacturing: Advantages, challenges, and applications. *Productive Manufacture Research Journal*, 4(1), 23–45.
- 8.Zack, J.Z., Marshall, T.E. (2008). Business Intelligence: An Analysis of the Literature. *Engineering Management Review*, 25(2), 121-131.

34 The Role of the Neurological Processes and Laws of Thermodynamics in Financial Trading

Ana Njegovanović*

Purpose

The purpose of this research is to examine the relationship between neurological processes and the third law of thermodynamics/entropy with the relation between the relationship between quantum and Shannon information theory in financial trading.

Keywords: neurological processes; stock market; market volatility; quantum information theory; Shannon's theory of information.

Introduction and literature review

Individual decision making is influenced by cognitive and affective biases. Modern approaches to stock price formation in quantitative financing are usually based on the Black-Scholes model and the underlying random walk hypothesis. The stock market is a peculiar contextual system in which decision makers globally influence the market system and stock prices, determining non-classical behavior). Physics and information create interaction; Real-world information differs from what seems at first glance; the world is ultimately in quantum mechanics (quantum theory information overstates Shannon information by somehow intruding on Shannon information). Information is synonymous with knowledge. The Human Behavior Network is based on theoretical principles of information technology (such as biology and physics). Wondering what stock entropy is? The role of intelligence/human brain and entropy?

Design / methodology / approach

We have described some recent studies on thermodynamics and brain activity, and some techniques regarding thermodynamic models of brain activity (La Cerra, 2003; Varpula et al., 2013) using the Friston model based on information as well as the ways obtaining information measures from brain activity and cognition. Using Maxwell's demon paradox, we have indicated an understanding of how computer thoughts are related to energy and information.

Findings / results and conclusions

The brain is a thermodynamic device focused on information processing. Therefore, brain activity is often modeled in thermodynamic terms (La Cerra, 2003; Varpula et al., 2013) and cognitive processes in the information sense (Anderson, 1996; Friston, 2010). These two different approaches, separately, provide accurate descriptions of the brain and cognitive process. However, combining them would greatly enhance our

^{*} Zagreb, Croatia, ana.njegovanovic@gmail.com

understanding of the connection between brain activity and cognition and in turn would benefit both perspectives (Collell and Fauquet, 2014). Critically, there are deep theoretical connections between information theory and thermodynamics. Some of the classic links between the two disciplines are the Landauer Frontier - A Quantitative Landauer's Principle" (Faist et al., 2015), the energy cost of information processing, Gibbs and Boltzmann formulas, and the concepts of entropy and negentropy. New data from a variety of sources, including the human brain, corporate conference calls, genetics, and online trading, allow researchers to discover new facts about the cognitive processes that influence financial decision making.

Practical and/or social implications

Thermodynamics is a phenomenological science that derives its concepts directly from observation and experiment. The laws of thermodynamics can be considered as axioms of a mathematical model, and the fact that they are based on ordinary observations makes them extremely powerful and generally valid. Of particular interest is the application of thermodynamics to the systematic description of the behavior of economic and financial systems, such as trading. One of the difficulties of this approach is that it is necessary to pre-identify economic variables that can be identified as thermodynamic variables that satisfy the laws of thermodynamics. The results of this identification are often controversial. While in some studies money is considered a well-defined thermodynamic variable, other analyzes suggest that money is a completely irrelevant economic variable that should therefore not be used in any thermodynamic approach to economics. Even the basic thermodynamic assumption is that the economic system in equilibrium has been the subject of much debate. The concept of economic entropy also presents some difficulties and different definitions can be formulated. Whereas the mathematics of entropy emerging in information theory becomes the basis for modeling financial market dynamics as well as the dynamics of income and wealth distribution. It also provides a basis for an alternative representation of stochastic price balances in the economy. Formal mappings between thermodynamic and economic variables can be formulated however, the concept of entropy is unclear and the range of models in which it is found is undefined.

Models calculated by scientists have shown that, in addition to already known economic factors such as income and education, risk optimism and risk tolerance have a major impact on stock buying decisions.

Originality / value

The paper gives a theoretical insight into the complexity of the financial world in comparing physics (third law of thermodynamics) and entropy with quantum and Shanon's theory of information. Comparison gives a wider understanding and interdependence of the dynamic activities of the financial system.

Concepts and applications of entropies are relevant in the field of finance, although the term entropy itself is related to thermodynamics. Benefits are in risk measurement and distribution descriptor. Entropy as a risk measure in portfolio selection, or variance with entropy as a substitute for medium variance models or models for adding entropy to the original portfolio and optimizing new models. The principles of entropy in determining property prices allow the likelihood of extraction of property from incomplete or limited information. Successfully resolving canonical problem assessment options. The principle of maximum entropy is used in setting up different pricing models.

- 1. Anderson J. R. (1996). ACT: a simple theory of complex cognition. *American Psychologist*, 51(4), 355–365.
- Boltzmann, L. (1970). Weitere studien über das wärmegleichgewicht unter gasmolekülen. *Kinetische Theorie II* [online]. Available at: https://link.springer.com/chapter/10.1007/978-3-322-84986-1_3 [Accessed: 2. 4. 2020].
- Carhart-Harris, R., Leech, R., Hellyer, P., Shanahan, M., Feilding, S., Tagliazucchi, E., Chialvo D., Nutt, D. (2014). The entropic brain: a theory of conscious states informed by neuroimaging research with psychedelic drugs. *Frontiers in Human Neuroscience* [online]. Available at: https://www.frontiersin.org/articles/10.3389/fnhum.2014.00020/full [Accessed: 15. 3. 2020].
- Collell G, Fauquet J. (2014). How the relationship between information theory and thermodynamics can contribute to explaining brain and cognitive activity: an integrative approach, in Proceedings of the IEEE Sixth International Conference on Advanced Cognitive Technologies and Applications (COGNITIVE 2014) (Venice), 269–273.
- Faist, P., Dupuis, F., Oppenheim, J, Renner, R. (2015). The Minimal Work Cost of Information. Nature Communications [online]. Available at: https://www.nature.com/articles/ ncomms8669 [Accessed: 2. 4. 2020]
- 6. Friston, K. (2010). The free-energy principle: a unified brain theory? *Nature Reviews Neuroscience*, 11(2010), 127–138.
- La Cerra, P. (2003). The first law of psychology is the second law of thermodynamics: the energetic evolutionary model of the mind and the generation of human psychological phenomena. *Human Nature Review*, 3(2003), 440–447.
- 8. Landauer R. (1961). Irreversibility and heat generation in the computing process. *IBM Journal of Research and Development*, 5(3), 183–191.
- Lux, T. (2008). Applications of statistical physics in finance and economics. In *Kiel Working Paper No.* 1425. Kiel: Kiel Institute for the World Economy. Available at: https://www.econstor.eu/bitstream/10419/4302/1/KWP_1425_Applications_of_Statistical _Physics.pdf [Accessed: 10. 3. 2020].
- Noh, J. D. (2000). Model for Correlations in Stock Markets. *Physical Review*, 61(May), 5981– 5982.
- Samanidou, E., Zschischang, E., Stauffer, D, Lux, T. (2001). Microscopic Models of Financial Markets. Papers cond-mat/0110354, arXiv.org. Available at: https://arxiv.org/abs/condmat/0110354 [Accessed: 15. 2. 2020].
- Samanidou, E., Zschischang, E., Stauffer, D, Lux, T. (2006). Microscopic models of Financial Markets. *Economics Working Paper No. 2006-15*, Kiel: Kiel University, Department of Economics. Available at: https://www.econstor.eu/bitstream/10419/3925/1/EWP-2006-15.pdf [Accessed: 5. 3. 2020].
- 13. Smith, E, Foley, D. K. (2008). Classical thermodynamics and economic general equilibrium theory. *Journal of Economic Dynamics and Control*, 32(1), 7-65.
- 14. Shannon, C. E. (2000). A mathematical theory of communication. *Mobile Computing and Communications Review*, 5(1), 3–55.
- 15. Varpula S., Annila A, Beck C. (2013). Thoughts about thinking: cognition according to the second law of thermodynamics. *Advance Studios Biology*, 5(3), 135–149.

35 Managing Niche Tourism – Api-Tourism in Slovenia, Case Study

Tanja Ostrman Renault^{*}

Purpose

The purpose of this paper is to assess the possibilities for niche tourism in Slovenia, as the country has been building its tourism in particular on "boutique" destinations, i.e. on niche tourism. The present paper presents the study of api-tourism which is a rather unique and special form of niche tourism invented and developed in Slovenia by national professionals in tourism and apiculture. Although rather new – officially api-tourism started in 2003– it has had enough time to develop and show its potentials. So, few questions arise: How profitable is this branch of niche tourism for its main stakeholders and service providers? What perspectives and challenges is this sector experiencing in Slovenia? What are its advantages and disadvantages?

Keywords: niche tourism; api-tourism; Slovenia.

Introduction and literature review

Api-tourism is one of the staple elements of niche tourism in Slovenia. Broadly speaking, niche tourism, or rather its concept, has been inspired in 1957 by Hutchinson (in Novelli, 2005), and his findings in biology. But in its extension, the niche tourism can be seen also as a "revolt" against mass tourism (Robinson, Novelli, 2005). Matt Burdett (2017) suggests that another word for "niche" tourism can be "specialised" tourism. Being the opposite of mass tourism, it can be assumed that niche tourism attracts smaller number of people to a certain location or destination, and particularly those interested in something specific. According to his ranking, there are three main branches of niche tourism (adventure, movie location and heritage tourism), while Novelli and Robinson (2005) divide niche tourism into five micro-niches, such as cultural, environmental, rural, urban and others. Slovenia is building its tourism also on local products and its natural uniqueness. As such, this means that Slovenia partly bases its tourism on niche products, among which is apiculture and bees' products.

According to Barbara Woś (2014), api-tourism is part of rural environment, its traditions and culture. Very similar findings were brought forward by some of the co-creators of api-tourism in Slovenia, T. Arih Korošec and I. Kline Arih (2015), emphasising the importance of this sector for further development of eco-friendly and sustainable tourism. Api-tourism thus combines the pristine environment with authentic experience "far from the madding crowds", a sustainable development of tourism and a promising economic activity (Arih Korošec and Kline Arih, 2015).

^{*} Lect., DOBA Business School Maribor, Slovenia, tanja.ostrman-renault@net.doba.si

Design / methodology / approach

The data for the present paper were collected through qualitative research with semistructured interviews and observation. Interviews were carried out with seven presidents of national beekeepers' associations, several local urban beekeepers, all of them certified and engaged in api-tourism, two tourist guides specialised in api-tours, the responsible of a travel agency that started the api-tourism in Slovenia. In addition, on 6th December 2019, there was a panel discussion on api-tourism, which was organised by the Slovenian Beekeepers' Association and attended by api-tourism providers and the representative of the respective ministry; some data were gathered directly there through listening and observation.

Findings/Results and conclusions

All in all, it can be said that api-tourism is very well organised in terms of tourist supply and safety Slovenia being the only country until now issuing certificates to officially approved and certified providers of api-tourism. Nevertheless, in terms of economy and profitability, the majority of providers is not satisfied with the visit feeling "there could be more". Despite their excellent organisation in terms of beekeeping, the collected data show that "owing a beehive is not enough", and that tourism is something else than just taking care of bees. Api-tourism reveals itself as a rather seasonal activity subject also to climate change, and as an activity that comes second after the unconditional love for the bees nurtured by beekeepers.

Research limitations / implications

The lack of actual tourists' testimonies is regrettable and diminishes the scope of the present paper. On the other hand, it offers an excellent opportunity for further research. Moreover, the actual coronavirus crisis will definitely change the tourism industry in general, thus also api-tourism. To what extent and how shall be a topic of future research as certain api-treatments may prove beneficial for patients with respiratory troubles after having recovered from coronavirus and/or other similar deseases.

Practical and/or social implications

The present paper aims at raising awareness about the importance and fragility of niche api-tourism and in particular about local know-how and products. The paper aspires to reach api-tourism providers, agricultural and gastronomic sector as well as the general public.

Originality / value

Niche tourism is a rather new definition of "specialised" tourism within which can be placed api-tourism, a new branch of tourism created in Slovenia by Slovenian professionals in tourism and apiculture. Neither of the above have been thoroughly researched yet in Slovenia, at least to our knowledge. The present paper pretends to give a holistic insight into the actual situation of api-tourism in Slovenia, and provides some data which will, hopefully, trigger further interest of professionals, tourism providers, beekeepers, and general public.

- 1. Novelli, M. (Ed.) (2005). *Niche Tourism: Contemporary issues, trends and cases*. Philadelphia: Elsevier.
- 2. Novelli, M. (2005). Niche Tourism. London: Routledge.
- 3. Burdett, M. (2017). Niche Tourism [online]. Available at: https://geographycasestudy.com/niche-tourism/ [Accessed: 7. 4. 2020].
- 4. Woś, B. (2014). Api-tourism in Europe. *Journal of Environmental and Tourism Analyses*, 2.1(2014), 66-74.
- Kline Arih, I, Arih Korošec, T. (2015). Api-tourism: transforming Slovenia's apicultural traditions into a unique travel experience. WIT Transactions on Ecology and The Environment, 193, pp. 963-974.

36 Sustainable Tourism, Green Activities and Eco-Certification – The Case Study of Split-Dalmatia County

Zoran Mihanović^{*} | Ana Gion^{**} | Ana Pavković^{***}

Purpose

The paper investigate the extent to which the owners of hotels and the owners of holiday houses apply and how much they are ready for changes in applying the green mode of business; having eco-certificates; understand the importance of ecological management; there familiarity with sustainable tourism and the benefits of sustainable tourism; how much sustainable tourism affects the profitability of the business and what effects it has on the local community. In addition, the paper analyses the linkage of rural tourism and sustainable development and provides an insight into the importance of rural tourism for the development of rural areas. Particular attention has been given to the "Sunce" Association in Split, which deals with the issuance of Dalmatia Green certification, and can greatly benefit from this research.

Keywords: sustainable tourism; green marketing; eco certification; green hotels and holiday houses; Croatia; Split; Dalmatia county.

Introduction and literature review

Tourism has many positive influences, but also has meaningful negative influences on environment and it is necessary to reduce the mass tourism and all the disadvantages that come with it. In Croatia, tourism has been a major economic driver for years, but it is even more so in the recent past. The hotel sector as the most important branch of tourism has the greatest impact on the environment, and it is necessary to move to a "green" way of doing business and the necessity of applying eco-certificates that lead to encouraging the adoption of rules and standards of ecologically responsible business. Many certificates have been developed and to be awarded to hotels as evidence and awards for the application and efficiency of green practice in hotel business. Thus, hotels, apartment renters, and holiday house that run green activities are more attractive and more recognizable on the market, and stand out from the mass of ordinary accommodation with their differentiated offer that gives their guests an authentic stay. A large number of hotel owners refuse such way of doing business with customizing eco-certification and are aware of opportunities to open a green business, but one of the biggest problems is investing time and money in change. As competition is becoming more and more challenging, it is important to provide guality and reliable services in accordance with eco-regulations. There are a number of ways to apply green business such as energy efficiency, green roofs, water and energy consumption,

^{*} Assoc. Prof. Dr., University of Split, Faculty of Economics, Croatia, zoran.mihanovic@efst.hr

^{**} University of Split, Faculty of Economics, Croatia, ana.gion5@gmail.com

^{***} University of Split, Faculty of Economics, Croatia, anapavkovic18@gmail.com

green transport, sustainable activities, local and organic food supply, the use of environmental cleaners, etc.

Design / methodology / approach

This paper refers to the owners of hotels and to the owners of holiday houses in the area of Split-Dalmatia County. The empirical part used descriptive research conducted by interviewing respondents. The first part of the survey included 37 holiday homes in the area of Split-Dalmatia County, of which more than half of the respondents had homes in the rural area. The second part of the empirical research was conducted on a sample of 25 hotels in Split-Dalmatia County. The sample hotels are mostly large hotels in city centre's that are focused on tourism throughout the year

Findings / results and conclusions

The study concluded that respondents from holiday houses in the area of Split-Dalmatia County are not familiar enough with sustainable tourism but are willing to do business in accordance with the principles of sustainable tourism. They agree that sustainable tourism increases profitability and positively affects the environment. The result of the second part of the research was that hotels in the area of Split-Dalmatia County mostly do not apply the green marketing and green mode of business and have no eco-certificates that would contribute to their image and market positioning. They are aware of the benefits that carry the aforementioned mode of business for them, but investments and effort to relaunch are not planned in the next year.

Practical and/or social implications

Greening the offer of Split-Dalmatia County can become a brand of Dalmatia. This paper is a contribution to existing literature on green business, sustainable tourism and eco-certification. Other authors can also use the research as a starting point for further research on sustainable business. On the other hand, the contribution of this research is also reflected in the various profit and non-profit eco-certification organizations to help them obtain the information in which direction to go.

Originality/value

There is a lack of research papers on this topic in whole Croatia, especially in Dalmatia. It is necessary to align the planning of future development of tourism with respect principles of sustainable development. This type of tourism aims to reduce the negative impacts on the environment, educate travellers and employees, and lead to better relationships with the local community. One of the values is also connection of different stakeholders from profit, non-profit and public sector for realization of the same goal and this is sustainable green tourism and its impact on whole society.

- 1. Aas, C., Ladkin, A., Fletcher, J. (2005). Stakeholder collaboration and heritage management. *Annals of Tourism Research*, 32(1), 28–48.
- Bašić, I. (2015). Novi trendovi u funkciji povećanja konkurentnosti hrvatskog turizma u 21. stoljeću [online]. Available at: https://zavod.pgz.hr/pdf/34_lvo_BASIC.pdf [Accessed: 20.4. 2020].

- Bien, A. (2006). A Simple User's Guide to Certification for Sustainable Tourism and Ecotourism. Available at: https://www.responsibletravel.org/docs/Ecotourism_ Handbook_I.pdf [Accessed: 20. 4. 2020].
- 4. Cingoski V., Petrevska B. (2018). "Making hotels more energy efficient: the managerial perception", *Economic Research-Ekonomska Istraživanja*, 31(1), 87-101.
- Claver-Cortes, E., Molina-Azorin, J. F., Pereira-Moliner, J, Lopez-Gamero, M. D. (2007). Environmental Strategies and their Impact on Hotel Performance. *Journal of Sustainable Tourism*, 15(6), 663-679
- 6. Eskerod P., Đurić J. (2018). Motivations for and Comparisons of Green Certificates within the Hotel Industry. *Universal Journal of Management*, 6(6), 179-189
- 7. George, E.W., Mair, H, Reid, D.G. (2009). *Rural Tourism Development: Localism and Cultural Change*. Bristol: Channel View Publications.
- Graci, S., Dodds, R. (2008). Why goes green? The Business Case for Environmental Commitment in Canadian Hotel Industry. *Anatolia: An International Journal of Tourism and Hospitality Research*, 19(2), 251-270.
- Hays, D., Ozretić-Došen, Đ. (2014). Greening hotels building green values into hotel services. *Tourism and Hospitality Management*, 20(2014), 85-102.
- 10. Kantar, S. (2016). *Razvoj održivoga ruralnoga turizma: potencijali Koprivničko-križevačke županije*. Zagreb: Filozofski fakultet.
- 11. Križman-Pavlović, D. (2008). *Marketing turističke destinacije*. Zagreb: Sveučilište Jurja Dobrile u Puli.
- Pröbstl-Haider, U., Melzer, V., Jiricka, A. (2014). Rural tourism opportunities, strategies and requirements for destination leadership in peripheral areas. *Tourism Review*, 69(3), 216-228.
- 13. Sasidharan, V., Sirakaya, E., Kerstetter, D. (2002). Developing Countries and Tourism Ecolabels. *Tourism Management*, 23(2): 161-174.
- 14. Swami, R., Sharma, S. (2011) Hotel industry embraces "Green Revolution" across the globe. International Transactions in Applied Sciences, 3(3), 363-380.

37 Tipping Habits in Poland

Andrej Raspor*

Purpose

Tipping as a kind of consumer satisfaction indicator is widely explored but at the same time, it is still an interesting research area especially in the service industry due to service interaction. The main research question is: What are tipping habits in Poland and is there a statistically significant difference between different groups of respondents by demographic and socio-economic characteristics? This question was raised due to previously done research, especially the one realized in Slovenia and Montenegro to find some similarities or differences in tipping behavior in Poland.

Keywords: tipping habits; tips; motivation; service; waiter; Poland.

Introduction and literature review

Tipping behavior is a widely researched subject, especially in the tourism industry (Lynn, Zinkhan and Harris, 1993; Raspor, 2007a; Raspor, 2009; Raspor, 2010; Mansfield, 2016; Raspor and Divjak, 2017). Approach to tipping varies in different countries, based on the type of industries (Lynn, Zinkhan and Harris, 1993). It is common to give tips in USA, Argentina, and Greece while in Japan, Sweden, and New Zealand, tips are given in a very few industries (Star 1988). In most countries, tipping is still a very common habit (Worldwide Tipping Guide, 2014). In general, tipping rates account for 5-10 % of the bill amount (Mansfield, 2016).

Design / methodology / approach

Based on the theoretical findings on the factors that influence the potion, the methodology was set (Raspor and Divjak, 2017). Thus, a survey was conducted in Montenegro (Raspor, Lacmanović and Lacmanović, 2018). Following the same methodology, a survey was conducted in Poland. It has been used in the online survey in the form of a structured interview. The sample was formed by snowball sampling as a non-probability method based on referrals from initial subjects to get another subject. The sample consists of 74 respondents. Statistical data analysis was carried out with the help of IBM Statistic Package for Social Science (SPSS) software version 20. For statistical analysis, apart from the mean value, ANOVA, t-test for an independent sample, and Eta Square were used as well.

Findings / results and conclusions

It was found that more of half of respondents are always, very often and often giving a tip; in more than ninety percent of cases they give a tip to a waiter; they rated "Quality of service" and "Kindness of employees" as the most important one among other

^{*} Assoc. Prof. Dr., DOBA Business School Maribor, Slovenia, andrej.raspor@net.doba.si

reasons for tipping, giving no advantage to the gender of waiter; giving advantage the mod of payment (cash), more than ninety eight percent of respondents give a tip till ten percent of the bill; more than ninety eight percentage gives a tip till $4 \in$; most of the respondents give a tip regardless of the amount of the account.

Research limitations / implications

The study is based on a non-probability convenience sample that was collected using the snowball sampling technique via social media, meaning the results cannot be generalized to the whole population.

Practical and/or social implications

The service industry of today is facing with various challenges. Since guests demand high quality of service, employee skills must evolve to meet their demands (Raspor et al., 2014). For this reason, the managers as well as experts are trying to devise ways to persuade employees to enhance the quality of service, improve their work motivation and enhance the worker output (Raspor and Rozman, 2016). This research provides a good basis for additional research. Managers' opinions can be explored about what factors managers recognize as important for motivating employees and what kind of motivation managers practice in the service industry. It can also be examined whether managers recognize the right kind of tips and working conditions as an important factor for motivating workers and improving the quality of service. By comparing the results of research and research that could be done with managers in the future, a solution could be found to satisfy more effectively both sides.

Originality / value

This is the first research of tipping habits in Poland and in that sense, it could be a starting point for further investigations in that subject. The results of the research were compared with similar research and some implications were drawn. Some of the stated tipping habits could be interesting for marketing practitioners in the hospitality industry and also in creating marketing strategies concerning the service interactions among providers and consumers.

- Lynn, M., Zinkhan, G. M, Harris, J. (1993). Consumer Tipping: A Cross-Country Study Consumer Tipping: A Cross-Country Study. *Journal of Consumer Research*, 20(3), 478–488. doi: 10.1086/209363.
- Mansfield, E. D. (2016). The Political Economy of the Itching Palm: A Cross-National Analysis of Tipping. *International Studies Quarterly*. The Oxford University Press, 8(2), 1–12. doi: 10.1093/isq/sqw015.
- 3. Raspor, A. (2007). Napitnina v gostinstvu. Organizacija, 40(3), A27-A37.
- 4. Raspor, A. (2009). Demografske značilnosti dajalcev napitnine v gostinstvu in igralništvu, in *Management, izobraževanje in turizem-kreativno v spremembe: zbornik znanstevene konference.* Portorož.
- Raspor, A. (2010). Igralniška napitnina kakšno vedenje zaposlenih nagrajujejo z napitnino igralniški gosti. In A. Brezovec, J. Mekinc (Eds.) *Management, izobraževanje in turizem: družbena odgovornost za trajnostni razvoj.* Portorož, pp. 1726–1737.

- 6. Raspor, A., Miglič, G., Vukovič, G, Rodič, B. (2014). The role of tipping in reducing labour costs. *Innovative Issues & Approaches in Social Sciences*, 7(2), 8–29.
- Raspor, A., Divjak, M. (2017). What is tipping in post-communist countries ? A Case study from Slovenia. *Teorija in praksa*, 54(6), 1023–1039.
- Raspor, A., Lacmanović, D, Lacmanović, J. (2018). Tipping habits in hospitality industry in Montenegro. Available at: https://thi.fthm.hr/congress-proceedings/send/5-2018/124tipping-habits-in-hospitality-industry-in-montenegro [Accessed: 15. 3. 2020].
- 9. Raspor, A, Rozman, T. (2016). Impact of tipping on workers' motivation: comparison between the hospitality and gaming industries in Slovenia. *Sociološki diskurs*, (11), 67–92.
- Worldwide Tipping Guide (2014). Available at: http://www.magellans.com/traveladvice/travel-articles/travel_planning/worldwide_tipping_guide [Accessed: 15. 3. 2020].

38 Why Distance Learning Should Become the Important Key Builder Inside School Frame While Creating Their Valuable Long-Term Curriculum?

Alja Perger^{*}

Purpose

The reason for writing the paper is to present the importance of the subject regarding present situation in schools and distant learning necessity which happened recently in Slovenia and around the world. With this research, we would like to present how nowadays the "missing link in education", as it might be seen in the educational process as teaching and sharing knowledge among participants, should be taken seriously as being capable of creating a value that helps, develops and creates a bigger picture, the necessary frame with great importance.

A distant learning process should be understood as a reliable educational process. One of the important aims was not going through the government regulations concerning the subject, but mostly to create a reliable and opportunistic new educational curve. Named as such it should be highly implemented as the alternative educational model to build additional added value in schools. It can offer innovative techniques, flexible options and can give additional skills, which are more than welcome in nowadays educational crucial years.

Keywords: distant-learning; alternative schooling; school system; socialization; individual competence; school curriculum.

Introduction and literature review

Since social media tools like Facebook, Twitter and other social networks are part of our daily private lives (Stocker and Muller, 2013), but also their implementation as a business support tool has spread with amazing rapidity (Koch and Richter, 2009). Today every school has a strong mission. It should not be ignored the power of created vision, manifestations which are all streamed into one and important final goal. This is to teach and to provide important educational tools, which help to live the life we want to achieve. Nowadays school environments are becoming more flexible, open and acceptable for fast coming life diversity. It allows differences and different streams. Educators everywhere are eager to lead their knowledge tightly together with the concept of having the innovative approach and innovative learning environment. New methods and researches are showing how more than ever we can notice that both individuals, educators and the pupil, have changed in a way of what they are accepting and expecting.

Educators have attempted to implement a number of sustainable development

DOBA Business School Maribor, Slovenia, alja.perger@net.doba.si

initiatives. To inspire people with active participation to create a world where everyone has the opportunity to benefit from quality education and learn the values, behavior and lifestyles required for a sustainable future and for positive social transformation. It covers the full range of human activities in order to equip learners with the relevant knowledge, skills and values for sustainable development. At the same time, education being explained through the alternative concept of distance learning is transformed to allow understanding or even better accepting the process of learning taking place beyond traditional educational institutions.

Design / methodology / approach

Creating this article many different methods were used for gathering the data for best objectives achieved. The main method is based on more than 7 (seven) years of research on the subject and as well personally using the method of homeschooling and/or distant learning as well. We were capable of collecting many data and different understanding of distant learning based on elementary educators and its system and at the same time being the creator of the programme we also had a very close view and comparative approach with the given curriculum from the school and the path that was created later.

Findings / results and conclusions

During the research, a strong concept of creating a different and innovative educational concept was created; a process why a distant – learning still cannot represent the importance frame inside school, between education, as the important technique in teacher training and development of educational competence. It represents mostly the proactive sense and concept of understanding. Distant-learning as being manifested at the elementary level in Slovenia is still judged mainly as using the inappropriate tools for education growth. Still there is not enough examples nor education to be shown the opposite. Understanding it properly it could be a very useful and creative »mind-creative« tool for many individuals and groups who simply want to build strong, creative and usable competences as symbiosis with everyday needs and world fast pace developments.

Practical and/or social implications

Distant learning has been always often discussed in the context of higher education and adult education, but its relevance should be also the implementation inside elementary level as a part of educational added value technique.

Inside the article positive and negative applications and consequences are shown and as such also the impact on society and public attitudes has both sides, positive and negative. We try to create a frame where mostly the important part, a part where education is managed, understands the urge of this technique to become the main priority knowledge and tool inside teacher education.

Originality / value

There is the clear intention to show a reliable and opportunistic new educational curve.

A distant - learning as being the alternative educational model these days can build additional added value in our schools. It can offer innovative techniques, flexible options and can give additional skills, which are more than welcome in nowadays elementary educational crucial years. As well it can be evaluated openly and very positively as having a chance creating a very flexible educational environment with many benefits. But one thing is for sure, it will create a dramatic movement inside the education field, one of the promising soon to be effects of it could be its influence in forming and changing public education in the future.

- 1. Aurini, J., Davies, S. (2003). Homeschooling and Canadian Educational Politics: Rights, Pluralism and Pedagogical Individualism. *Evolution & research in Education*, 17(2-3), 63-73.
- 2. Coleman, P., Larocque, P. (1991). Struggling to Be Good Enough. London: Falmer Press.
- 3. Coulson, G. (1994). Power Teaching: How to Find Someone Who Can Teach Your Child When The Education System Fails? Milton, Ontario: Coulson Press.
- Cugmas, Z., Kepe-Globevnik, N., Pogorevec Merčnik J., Štemberger T. (2010). Vpletenost staršev v otrokovo šolanje. Sodobna Pedagogika, (2), 318-337.
- 5. Finn, C. E. Jr. (1991). *We Must Take Charge: Our Schools and Our Future*. New York: Free Press, MayMillian Inc.
- 6. Hirsch, E. D. Jr. (1996). *The Schools We Need and Why We Don't Have Them*. New York: Doubleday.
- 7. Maloney, M. (1998). *Teach Your Children Well: A solution to some of North America's educational problems.* Cambridge: Cambridge center for behavioral services.
- 8. Perger, A. (2000). *Inkulturacija Socializacija v antropološki perspektivi. Maribor*: Pedagoška Fakulteta.
- 9. Perger, A. (2008). Acculturation, Assimilation and Multiculturalism in the U.S. Ljubljana: Fakulteta za družbene vede.
- Perger, A. (2013). Slovenia vs. »Missing link«, Mednarodno inovativno poslovanje [online], 5(2). Available at: https://journal.doba.si/OJS/index.php/jimb/article/view/148/160 [Accessed: 15. 3. 2020].
- 11. Perger, A. (2018). Slovenija in šolanje na domu. *Revija Didactica Slovenica Pedagoška Obzorja*, 33(3-4), 166-177.
- Perger, A. (2019). Sociological Aspect of Homeschooling the Informal and Non-formal approach towards Social Responsibility and Sustainable Development. In Social responsibility and sustainable development in science, education and business conference, IRDO mednarodna konferenca Družbena odgovornost in izzivi časa. Maribor: IRDO, 14, pp. 20.

39 Presence of Courses on Social Economy in Accredited Business Study Programs in Slovenia

Karolina Babič^{*}

Purpose

The purpose of this paper is to identify and evaluate specific courses on the topics of social economy (with emphasis on cooperatives) in accredited higher education study programmes on business and management in Slovenia. The main goal of the study is to evaluate if current study programmes on business and management provide sufficient knowledge and skills for social economy actors in Slovenia, besides unformal education in this field.

Keywords: social economy; cooperatives; higher education; cooperative training; cooperative organizations.

Introduction and literature review

Development of social economy sector in Slovenia is part of public policies since passing the Law on social entrepreneurship in 2011. This sector includes cooperatives, social enterprises, companies for employment of disabled people and employment centres, non-governmental organizations with market orientation and mutuals. Development of this sector also requires special competences for managers, employees, members, and other stakeholders of these organizations, therefore the inclusion of proper courses on social economy into accredited programmes on business and management is necessary.

There seems to be no complete overview of higher education social economy courses in Slovenia, and only a few and partial on European or world level. But there are sufficient sources on the topics that need to be presented in the paper to follow the purpose:

- on the importance of social economy sector (with emphasis on cooperatives) for local and global economic and social development: public policies documents and international declarations
- on specific competences needed for managers, employees, members, and other stakeholders in social economy sector
- webpages with info on accredited study programmes on business and management in Slovenia and on programmes and courses on social economy in other countries for comparison.

^{*} Sen. Lect. Dr., DOBA Business School Maribor, Slovenia, karolina.babic@net.doba.si

Design / methodology / approach

To support the statement on importance of social economy for local and global social and economic development and to support the need of identification, evaluation and enhancement of courses on social economy in accredited study programmes in Slovenia the paper will present main global and national declarations and strategies on social economy (with emphasis on cooperatives).

To identify accredited programmes on business and management we will conduct a full inspection of NAKVIS evidence of accredited higher education study programmes in Slovenia (in all universities and independed higher education institutes).

The programmes on business and management identified in previous step will be further inspected (online) to identify existing courses on social economy.

Identified courses on social economy will be further analysed: in their content (syllabuses), objectives and competences.

Findings / results and conslusions

The findings about courses on social economy (their amount and content) will be compared with (already in other studies) identified needed competences of managers, employees, members and other stakeholders in social economy sector, with relevance of social economy in public policies documents in Slovenia and with example study programmes and courses abroad. Therefore, evaluation and recommendations will also be presented.

Research limitations / implications

There are of course some limitations of this study. First, in the evidence of accredited study programmes we might miss out relevant ones due to misunderstanding the names of the programmes. Also, we expect not to find all of the identified programmes on business and management presented online with details about the courses. Also, the use of terminology and classification of organizations in Slovenia is chaotic, for instance, terms "social economy" and "social entrepreneurship" are often mixed, "cooperatives" are sometimes meant as a prototype of organizational model of all social economy organizations, sometimes as one type of social economy organizations etc. So, the paper will present a proposed use of terminology and classification part.

Practical and/or social implications

The outcomes of this study will serve as an overview information about courses on social economy in accredited study programmes on business and management in Slovenia: How many are they? Is their amount and content sufficient to answer the needs of social economy sector? Furthermore, the study will, in comparison with some study programmes in other countries, include recommendations for improvement of existing courses and for development of new courses on social economy (with emphasis on cooperatives).

Originality / value

Therefore, the study, as the first study on this topic in Slovenia, will be of use to public and private higher education organizations when preparing new study programmes or improving existing ones; to the higher education teachers who teach in the field of social economy or in some relation to it; to public policies developers in the field of social and economic development in Slovenia; and of course to social economy organizations (especially cooperatives) which are in need of special knowledge and skills.

- 1. Avsec, F. (2018). Zadruge na Slovenskem: kratek zgodovinski oris. Časopis za kritiko znanosti, domišljijo in novo antropologijo, 271(XLVI), 104–116.
- 2. Babič, K. (2018). Iz kakšne snovi so zadruge? Razprava o zadružni lastnini, pravilih in skupnosti. *Časopisa za kritiko znanosti, domišljijo in novo antropologij*, 271(XLVI), 41–63.
- Babič, K, Dabič Perica, S. (2018). Aplikativna analiza stanja na področju socialne ekonomije v Republiki Sloveniji [online]. Available at: http://mgrt.arhiv-spletisc.gov.si/ fileadmin/user_upload/Analiza_stanja_na_podrocju_socialne_ekonomije_v_Sloveniji.pdf [Accessed: 10. 5. 2020].
- CICOPA International Organisation of Industrial and Service Cooperatives (2011). World Standards of Social Cooperatives [online]. Available at: https://www.cicopa.coop/wpcontent/uploads/2017/12/World-Standards-of-Social-Cooperatives_EN-1-1.pdf [Accessed: 10. 5. 2020].
- 5. Co-operative College (2020). *Official webpage of Co-operative College (UK)* [online]. Available at: https://www.co-op.ac.uk/ [Accessed: 10. 5. 2020].
- 6. Cooperative Enterprise and Social Business Management Mondragon Unibertsitatea (no date). Available at: https://www.mondragon.edu/en/master-degree-cooperative-enterprise-social-business-management [Accessed: 9. 5. 2020].
- European Commission (2019). Social economy in the EU Internal Market, Industry, Entrepreneurship and SMEs [online]. Available at: https://ec.europa.eu/growth/ sectors/social-economy_en [Accessed: 9. 5. 2020].
- European Commission (2020). Cooperatives Internal Market, Industry, Entrepreneurship and SMEs [online]. Available at: https://ec.europa.eu/growth/sectors/social-economy/ cooperatives_en [Accessed: 9. 5. 2020].
- European Commission (2019). Europe Sustainable Development Report 2019 [online]. Available at: https://www.sdgindex.org/reports/2019-europe-sustainable-development-report/ [Accessed: 9. 5. 2020].
- 10. European Economic and Social Committee (2019). Strasbourg Declaration 2019 [online]. Available at: https://www.eesc.europa.eu/en/strasbourg-declaration-2019 [Accessed: 8. 5. 2020].
- Gimenes, R., Tapia, D.V., Erlaine, B., Gimenes, F. (2016). Cooperative Educational Training, Participation and Satisfaction: A Case Study in Agricultural Cooperatives. *International Journal of Emerging Research in Management & Technology*, 5(6), 42-54.
- International Labour Organisation (ILO) (2002). Recommendation 193: Promotion of Cooperatives [online]. Available at: http://www.ilo.org/dyn/normlex/en/ f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R193 [Accessed: 10. 5. 2020].
- Meredith, M., Quiroz N.C., Arando, S., Coelho, L.S., Silva, M.F, Villafuerte Pezo, A.M. (2015). Enhancing studies of the social and solidarity economy: a reference handbook. York: York St John-Erasmus Social and Solidarity Economy Consortium.
- 14. NAKVIS (2020). Javne evidence [online]. Available at: https://www.nakvis.si/akreditacije-inevalvacije-v-visokem-solstvu/javne-evidence/ [Accessed: 9. 5. 2020].

- 15. Rakar, T., Kolarič, Z. (2019). Social enterprises and their eco-systems. Updated Country Report: Slovenia. Luxembourg: Publications Office of the European Union.
- Roelants, B. (2015). Promoting Worker, Social and Producers' Cooperatives in Slovenia. Brussels: The European confederation of industrial and service cooperatives (CECOP CICOPA-Europe).
- Roelants, B., Salvatori, G. (2019). Exploring The Cooperative Economy, World Cooperative Monitor [online]. Available at: https://monitor.coop/sites/default/files/publicationfiles/wcm2019-final-1671449250.pdf [Accessed: 10. 5. 2020].
- Sanchez Bajo, C, Roelants, B. (2011). Capital and the debt trap: Learning from cooperatives in the global crisis, Capital and the Debt Trap: Learning from Cooperatives in the Global Crisis. London: Palgrave Macmillan.
- Social Economy Europe (2019). Social Economy, a driver of economic and social progress in the European Union - Annual Report 2018 [online]. Available at: https://www.socialeconomy.eu.org/wp-content/uploads/2020/03/SEE-ANNUAL-REPORT-2018.pdf [Accessed: 10. 5. 2020].
- International Co-operative Alliance (ICA) (1995). Statement on the Cooperative Identity [online]. Available at: https://www.ica.coop/en/cooperatives/cooperative-identity [Accessed: 10. 5. 2020].
- 21. Woodin, T. (2014). *Co-operation, Learning and Co-operative Values Contemporary issues in education*. London: Routledge.
- 22. World Cooperative Monitor (2019). International Cooperative Alliance [online]. Available at: https://monitor.coop/en [Accessed: 9. 5. 2020].
- World Declaration on Worker Cooperatives (2005). International Co-operative Alliance (ICA). Available at: https://www.cicopa.coop/wp-content/uploads/2017/12/World-declaration-on-Worker-coops_EN.pdf [Accessed: 10. 5. 2020].

40 Quality of Life as an Optional Subject in Primary School

Darja Krevzelj*

Purpose

Quality of life is a concept frequently mentioned in the media. In addition, it is often discussed in comparative analyses between countries. While there is a lot of advice on how, when and what to do to improve the quality of life, they are merely theoretical, with the exception of various quality of life movement providers. Our youngest can be taught how to improve the quality of life at an early age, which is the main idea of the following Master thesis. We usually take the virtues and habits acquired in early childhood to our adult life. Family schedules are too often organized in a way that does not allow the family members to do activities together. At this point, society has somewhat strayed, as it no longer places an emphasis on the family. Children have very simple wishes – to spend time with their parents. And yes, this is possible. Children and parents can spend quality time together and achieve better quality of life and if teaching about it could be integrated in the primary school education system, achieving better quality of life would definitely improve.

Keywords: quality of life; education system; optional subject in primary schools.

Introduction and literature review

Quality of life is a multifaceted, complex construct, the exploration of which is not as simple as it might seem at first glance. We strongly believe that the most important foundation of quality of life is welfare, including good material living conditions. Only when these basic needs are met, can we build a quality life. Furthermore, quality of life is much more than owing a large bank account. It is important to feel satisfied with one's own life. There is a lot of literatureabout different dimensions of quality of life.

Children have always been the best possible collaborators. They are honest, attentive and love to help. Through all the years of dealing with children, we have found that theory is always the least interesting possible choice. Based on ours experience, we realized that the education system needs to be improved and become a system that is not only based on theory. Additionally, the education system allows possibilities to include parents in the teaching process. Introducing quality of life as an optional subject in primary schools, which is the topic of the following Master thesis, would encourage the family members to socialize, to help each other and to learn to enjoy each other's company. The subject would combine different dimensions of quality of life and teach the whole family in a very lifelike, practical way how to improve their quality of life. Additionally, the subject's special feature would also allow partially teaching it from a distance. One of the advantages of the optional subject, quality of life, would be its practical nature allowing activities agreeable to both, the children as

^{*} DOBA Business School Maribor, Slovenia, darja.krevzelj1@net.doba.si

well as the parents. Namely, the participants would be performing various activities such as cooking, tasting, experiencing, exercising, and acquiring skills that would help them improve their quality of life.

Design / methodology / approach

The main method used in research was quantitative empirical method. Online surweys were performed in one Slovenian region and could be generalized on Slovenian nation.

Findings / results and conclusions

The results of online surweys were that most of parents of pupils in primary school would be very interested to choose quality of life as an optinal subject. Further, most of the parents would be very interested to be a part of teaching process.

Research limitations / implications

We hope that results of empirical method will be enougt to introduce quality of life as an optional subject in primary schools.

Practical and/or social implications

Practical impact is definitely introducing quality of life as an optional subject in primary schools, a peculiarity of this subject will be a possibilitie to include parents in the teaching process. Further, the social impact on society will be that children and theirs parents learn to improve their quality of life.

Originality / value

If not now, when would be the right time for people to learn to live a quality life? Quality of life is simply vital for the future. If we don't live in accordance with certain principles and take care of ourselves and our contentment, companieswill no longer be as efficient and overall profitability will not bring much to society in the future.

- 1. Agostinho, E. (2006). Kako si okrepimo imunski sistem: pravilna prehrana, vitamini, trden spanec, gibanje, sprostitev. Ljubljana: Mladinska knjiga.
- Bacon, N., Brophy, M., Mguni, N, Mulgan G., Shandro, A. (2010). The State of Happiness: Can public policy shape people's wellbeing and resilience? [online]. Available at: https://youngfoundation.org/wp-content/uploads/2012/10/The-State-of-Happiness.pdf [Accessed: 26. 4. 2020].
- Eurostat (2019). Quality of life indicators measuring quality of life [online]. Available at: https://ec.europa.eu/eurostat/statistics-explained/pdfscache/30610.pdf [Accessed: 26. 4. 2020].
- 4. Flogie, A. (2013). *Medgeneracijsko sožitje za kakovost življenja: vsebinski priročnik*. Maribor: Zavod Antona Martina Slomška.
- 5. HRM Revija (2020). Paradoksi sedanjosti [online]. Available at: https://www.hrm-revija.si/paradoksi-sedanjosti [Accessed: 26. 4. 2020].
- 6. Knific, T., Backović Juričan, A., Djomba, J. K., Zupančič Tisovec, B., Šćepanović, D., Jakovljević, M. (2017). *Gibam se, priročnik za izvedbo delavnice*. Ljubljana: NIJZ.

- Mandič, S. (2005). Kakovost življenja: med novimi blaginjskimi koncepti in družbenimi izzivi. Družboslovne razprave, XXI(2005), 111-131. Available at: http://dk.fdv.unilj.si/dr/dr48Mandic.PDF [Accessed: 26. 4. 2020].
- Ministrstvo za gospodarski razvoj in tehnologijo (2017). Strategija razvoja Slovenije 2030 [online]. Available at: https://www.gov.si/assets/vladne-sluzbe/SVRK/Strategija-razvoja-Slovenije-2030/Strategija_razvoja_Slovenije_2030.pdf [Accessed: 26. 4. 2020].
- MZ (2015). Smernice za promocijo zdravja na delovnem mestu [online]. Available at: https://www.gov.si/assets/ministrstva/MZ/DOKUMENTI/Preventiva-in-skrb-zazdravje/Promocija-zdravja-na-delovnem-mestu/Smernice_promocija_zdravja_na_ delovnem_mestu-marec_2015.pdf [Accessed: 26. 4. 2020].
- NIJZ (2018). Zdrav življenjski slog za zdravo telesno težo [online]. Available at: https://www.nijz.si/sites/www.nijz.si/files/publikacije-datoteke/delovni_zvezek_12.1.2018 _za_splet.pdf [Accessed: 26. 4. 2020].
- 11. NUMBEO (2020). Quality of life rankings by country [online]. Available at: https://www.numbeo.com/quality-of-life/rankings_by_country.jsp [Accessed: 26. 4. 2020].
- 12. OECD (2017). How's Life in Slovenia? [*online*]. Available at: http://www.oecd.org/statistics/Better-Life-Initiative-country-note-Slovenia.pdf [Accessed: 26. 4. 2020].
- 13. OECD (2020). How's Life? [online]. Available at: https://www.oecdilibrary.org/economics/how-s-life/volume-/issue-_9870c393-en [Accessed: 26. 4. 2020].
- 14. Petauer, T. (2000). *Prehrana: obzirna, poceni, preprosta, samozadostna, svobodna, zdrava.* Ljubljana: Vitrum.
- 15. Statistični urad Republike Slovenije (2012). *Kakovost življenja*. Ljubljana: Statistični urad Republike Slovenije.
- 16. Šinigoj, U. (2019). *Možgani: zdrava prehrana in recepti za možgane, ki vam jih predpišejo zdravniki.* Ljubljana: Knjiga Galen.
- 17. Turk, Z. (2008). *Gibanje je vir zdravja in vir zdravja je gibanje*. Maribor: Fakulteta za zdravstvene vede.
- WHO (2007). Telesna dejavnost in zdravje v Evropi: dokazno gradivo za ukrepanje. [online]. Available at: http://cindi-slovenija.net/images/stories/cindi/publikacije/ who_teldejavnost.pdf. [Accessed: 26. 4. 2020].
- 19. ZRS (2020). Ostanite doma, (p)ostanite aktivni! [online]. Available at: https://www.zrs-kp.si/ [Accessed: 26. 4. 2020].
- 20. Žnidar, T. (2016). *Navihančki gurmani*. Ljubljana: Alba.

41 Towards Zero Waste Management -Designed to Recycle: Circular Economy and Social Media

Martina Kadić^{*}

Purpose

This part of the Europe, specially Croatia, is really slowly joining the circular direction. Overall, the social media coverage of circular economy activities is pretty poor. What future brings? What are existing marketing campaigns for promoting the values of Zero Waste Management?

Keywords: social media; circular economy; sustainable behavior; communication design strategy; society.

Introduction and literature review

Several few Years the economy has been taking shape of new direction- circular economy. According to European Commission new Circular Economy Action plan and a vision to make cleaner and more competitive Europe by strategy named "green deal" a time to act has come and it is now.

What is the circular economy? The circular economy is a model of production and consumption, which involves sharing, leasing, reusing, repairing, refurbishing, and recycling existing materials and products as long as possible. In this way, the life cycle of products is extended. We may refer that a circular economy is only a modern expression for a cradle to cradle which developed from cradle to grave. Environmentalists often characterize business as bad as industry itself as inevitably destructive. Industrialists often view environmentalism as an obstacle to production and growth (Braungart and McDonough, 2002, p. 6).

The goal of the European Union is to use the influence, expertise, and financial resources to foster shift towards the circular economy. According to existing researches the change will boost up the GDP of the countries applying those changes, create new jobs but we open several questions:

- How do we know where the economy stands now in circular percentage?
- How will that effect already existing companies: what do they need to do to be ready and are they informed about the changes that are on the way
- What is the role of social media and how EU is using those to promote the core values of that new wave?
- Will the traditional 4 P's marketing mix be enough, or the modified one 7 P's, or the matrix will be developed on the road which will include the 8th P of the Marketing Mix: Productivity & Quality.

DOBA Business School Maribor, Slovenia, martina.kadic@net.doba.si

One side is to shift business and economy towards sustainable and circular but the other is the public and end users. This situation recently with Covid-19 has showed that we are still society of "wants" rather than "needs". Consumption-based lifestyle remains entrenched.

Causal induction helps understand that "our economy, society, and environment are interdependent systems - the vitality of one affects the vitality of them all. This is the simple yet profound reality that begins our understanding of systems." (Ellen Macarthur Foundation, 2020). The vital part of systems in 21st centrury is social media.

IKEA plan by 2030 is to have only recycled renewable based plastics in IKEA products. Since 2016 the climate footprint of the IKEA value chain has not increased compared to previous Year. In absolute terms the climate footprint has fallen by 4.3% since 2018. (Inka Group, 2020). How is the public aware of that? Is there any influencer presenting those numbers? What is behind DyeCoo, Ellen Macarthur Foundation, Nike, Adidas, Ikea and how all of them can, and are, boosting the effect of circular economy. Bringing their visions, missions, education and results on the surface, presenting them more visible to public can influence the transition from "society of wants" towards "society of needs" and those needs being sustainable and recyclable.

Design / methodology / approach

Methods used: using deduction, analyze, synthesis, descriptive and comparative method to analyze the current leading companies in circular economy and their media coverage.

Finding / results and conclusions

Those methods helped to understand the relationship and system thinking (Ellen Macarthur Foundation org, 2020) are ways how design for sustainable behavior and communication design strategy can improve current social media visibility of circular change.

Practical and/or social implications

Contribution of this papar is that it presents on original way how creating connectivity of available circular change company leaders with current social media coverage, generating practical solution for overcoming milestones in transition from linear to circular. Challenges and opportunities for smart companies and the future leaders are already in place and the ground for both lays in circular economy. The difference in being a flop instead of top is in understanding a width of a change but also applying those in the same matter in mighty tool – social media.

Originality / values

Providing practical and easy applicable advices how to influence and "push" society towards circular needs and sustainable behaviour thru chanel that is used by many companies and businesses, but few used it as active tool towards success.

- 1. Braungart, M., McDonough W. (2002). *Cradle to Cradle: Remaking the Way We Make Things*. New York: North Point Press.
- European Commission (2020). A European Green Deal: Striving to be the first climate-neutral continent [online]. Available at: https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en [Accessed: 15.3.2020].
- European Commission (2020). A new Circular Economy Action Plan; For a cleaner and more competitive Europe [online]. Available at: https://eur-lex.europa.eu/legal-content/EN/TXT/ ?qid=1583933814386&uri=COM:2020:98:FIN_[Accessed: 15.3.2020].
- Ellen Macarthur Foundation (2020). What does this have to do with the economy? [online]. Available at: https://www.ellenmacarthurfoundation.org/explore/systems-and-the-circulareconomy [Accessed: 15.4.2020].
- Iles, J. (2018). Which country is leading the circular economy shift? [online]. Available at: https://medium.com/circulatenews/which-country-is-leading-the-circular-economy-shift-3670467db4bb [Accessed: 13.4.2020].
- Thornton, A. (2019) These 11 companies are leading the way to a circular economy [online]. Available at: https://www.weforum.org/agenda/2019/02/companies-leading-way-tocircular-economy/ [Accessed: 13.4.2020].
- Inka Group (2020). The world is changing fast. So are we. Annual Summary and Sustainability report FY19. [online]. Available at: https://www.ingka.com/this-is-ingkagroup/annual-report/ [Accessed: 14.4.2020].
- 8. Dyecoo (2019). Trusted by the top industry players [online]. Available at: http://www.dyecoo.com/trusted-by/ [Accessed: 14.4.2020].
- Ajzen, I., Fishbein, M., Lohmann, S., Albarracín, D. (2019). The influence of attitudes on behavior. In D. Albarracín, B.T. Johnson (Eds.), *The handbook of attitudes*. Volume 1: Basic principles (2nd Ed., pp. 197-255). New York: Routledge.

42 Motivation Opportunity Ability Model and Gender Differences in the context of the ARS Electronica Festival

Birgit Burböck^{*} | Viktoria Wetzlmaier^{**}

Purpose

Art and culture festival can play a significant role in multicultural societies (Viljoen et al., 2018). The ARS Electronica Festival (AEF) is taking place now since more than 40 years, and since it's invention the festival programme became denser and more diverse (Ars Electronica Linz GmbH & Co KG, 2020). Luonila and Kinnuen (2019) highlight the importance of interaction with their audience, ergo their consumers, during and after festivals. Such an interaction might establish a positive festival experience which in turn, might valueable to the consumers, the organizer of the festival and the environment of the festival.

According to Pielichaty (2015) gender studies in relation to festivals has not been sufficiently studied yet. Festivals are crucical for this field of studies after all the norms can be reconcentructed (Green, 1998). Mainly because leisure activities are put into a dynamic, social, and public environment art and culture festival are crucial for further research. Therefore, the aim of this research is, to indentify possible gender differences by applying the Motivation-Opportunity-Ability (MOA)-Model in the context of the AEF.

Keywords: motivation opportunity ability model; art festival; gender differences.

Introduction and literature review

The MOA-Model with its three dimensions is based on a Psychological concept (Krapez Trost, Skerlavaj & Anzengruber, 2016). Li & Petrick (2005) point out that most studies targeting the motivation of the eventgoers were conducted in a way which maily addressed the straightforward questions.

In this research "Motivation" explores whether the survey participants onsider the AEF to have a positive effect onto the locoal ecnomoy and whether they consider that the hosting of events creates a new market.

"Opportunity" can be described as the environmental or contextual mechanisms and constriants which are relevant of the performance of a certain behaviour (Krapez Trost, Skerlavaj & Anzengruber 2016; Siemsen, Roth & Balasubramanian, 2008). In our research however, "Opportunity" includes aspects such as wether the AEF has as

^{*} Assoc. Prof. Dr., FH - JOANNEUM, Institute of International Management, Graz, Austria, birgit.burboeck@fh-joanneum.at

^{**} FH – JOANNEUM, Institute of International Management, Graz, Austria, viktoria.wetzlmaier@edu.fhjoanneum.at

sustainable impact on the region and in how far the participants consider the AEF to be a good place for meetings and to connect with people.

The term "Ability" is seen as the skills and the capabilities nedded to perform a certain behaviour (Krapez Trost, Skerlavaj, Anzengruber 2016; Siemsen, Roth, Balasubramanian, 2008) and consists of two dimensions:

- a.) awareness and
- b.) knowledge.

"Awareness" describes the perception of knowledge (Vandenbos & American Psychology Association, 2015) This would indicate, that the participants are aware of the the AEF as well as aspects related to this festival. "Knoweldge" can be understood as the state of being familiar with something or aware of its existence, usually resulting from experience or study (Vandenbos & American Psychology Association, 2015). When applied to the AEF, "Knowledge" indicates in how far the participants are aware of the AEF programme, have knowledge about the festival and other events, or whether they are interested in information about the AEF.

Design / methodology / approach

With the power of 0.8, effect size of d 0 0.3 and significance level of α_2 0.05 a sample size of 176 valid responses per group and 352 in total was necessary. The results are based on a sample size of n= 382 of which 189 were males and 193 females. The target group of this survey was the local community of the city of Linz, Austria.

The questionnaire consisted of 12 questions with a Likert-Scale from 1 = compeletely agree to 5 = completely disagree and a "no opinion"-option. Questions 16 related to gender and question 17 asked about the age group.

Cronbachs Alpha for the dimension "Motivation" (q1-q3) was 0.88 and for the dimension "Opportunity" (q4-q6) 0.77, and 0.80 for the dimension "Ability" (q7-q12). The acceptable value for reliability of this construct were achieved after eliminating q5 and q11. This elminination is also consistent with the results of the principal component analysis.

Findings / results and conslucions

The independent t-test shows a significant difference between male and female in all questionnaire items except q4 and q7.

Research limitations / implications

One limitation is definitely the limitation to the distribution of the questionnaire only among the community in Linz. International participants were ignored and could therefore yield different results. A different underlying model to investigate these dimensions may lead also to other findings. Furthermore, a depper discussion into current gender differences like socio-economic persoective would give further insights and probably allow a different approach.

Practical and/or social implications

The practical implications relate to the marketing activities in community of Linz. This means, that male and female festival participants perceive this festival in different ways and should therefore be differently approached.

Originality / value

The applicablility of the MOA in the context art festivals are rather limited so far. These findings therefore give further insights into the application of an underyling model.

- 1. Ars Electronica Linz GmbH & Co KG (2020). Ars electronica About. About ARS Electronica [online]. Available at: https://ars.electroncia.art/about/en/ [Accessed: 8.5.2020].
- 2. Green, E. (1998). Women Doing Friendship: An analysis of women's leisure as a site of identity construction, empowerment, and resistance. *Leisure Studies*, 17(3), 171-185.
- Krapez Trost, J., Skerlavaj, M., Anzengruber, J. (2016). The Ability-Motivation-Opportunity Framework for Team Innovation Efficay Beliefs, Proactive Personalities, Supportive Supervision and Team Innovation. *Economic and Business Review*, 18(1), 77-102.
- 4. Li, X., Petrick, J.F. (2005). A Review of Festival and Event Motivation Studies. *Event Management*, 9(4), pp 239-245.
- 5. Luonila, M., Kinnuen, M. (2019). Future of the arts festivals. Do the views of managers and attendees match? *International Journal of Event and Festival Management*, 11(1), 105-126.
- 6. Pielichaty, H. (2015). Festival space: Gender, liminality and varnivalesque. *International Journal of Event and Festival Management*, 6(3), 235-250.
- Siemsen, E., Roth, A.V., Balasubramanian, S. (2008). How motivation, opportunity, and tability drive knowledge sharing: The constraining-factor model. *Journal of Operations-Management*, 26(3), 426 – 445.
- 8. Viljoen, A., Kruger, M., Saayman, M. (2018). The art of tastings: Enhancing the arts festival experience. *International Journal of Event and Festival Management*, 9(3), 246-265.

43 Role of Naïve Legal Framework vis-à-vis Post Covid-19 Work Environment

Bhumika Sharma* | Mohammed Muqatdir**

Purpose

Covid-19 has emerged as a health emergency and a call for changes in the lifestyles for the times to come. All spheres of life have been tremendously affected. The work culture and the regulation of the work/ employment need to adapt to this new challenge. The present research paper is an attempt to discuss what have been the manifest changes on the environment of work in different parts of the world and how the legal framework is developing, respectively. The rights of informal workers have been highlighted during this phase for lack of effective protection. International Labour Organisation, World Health Organisation, World Economic Forum, and others are continuously engaged in issuing advisories to the countries to bring appropriate changes. In this light, the paper shall also find out how far the countries have responded to the international Guidelines of ILO, WHO relating to the workspace.

Keywords: Covid-19; International Labour Organisation; employment; legal; work.

Introduction and literature review

In the light of safety of the workers as well as the general public, the manner how work is done has undergone transformation. In addition to the threat to public health, the economic and social disruption threatens the long-term livelihoods and wellbeing of millions. Various Reports of International Labour Organisation (ILO Monitor: COVID-19 and the world of work, 2020), World Health Organisation, and advisories of Government of India relating to Covid-19 have been analysed.

The literature studied reveals that the work environment has already transformed in accordance with the Covid-19. The impact is visible though it would take a long time for the society and the governments to implement the guidelines in true sense.

The legal framework is an immense means of governance and has become more viable due to the current situation. The enactment of new legislations to deal with Covid-19 in some countries and amendments in the existing legislations in the other has helped them to cope up with the situation. The economy must run and thus workforce should be ensuring safety amid the inherent risks of coming out of homes. Strong legislative approach with harmonising of the rights of both the employers and the workers must be adopted by all the countries. The Guidelines issued by expert organisations must be followed after due consideration of the socio-economic conditions in the respective countries.

^{*} Himachal Pradesh University, India, s24bhumika@gmail.com

M.M. Public School, India, sayed.mohmmad@gmail.com

Design / methodology / approach

The research study is using doctrinal method. Due to limitations of funds and large impact of the Covid-19, this method has been selected.

Findings / results and conslucions

The study has found out that there have been measures and efforts by various national and international organisations to figure a plan for adapting to post Covid-19 world. International Labour Organisation as one of the primary organisations dealing with the work, workers and employers has also issued different sets of Guidelines for the workplace. Various members of the WIEGO Network urged policymakers to implement some principles safeguarding the rights of informal workforce. Different rights of those engaged in working remotely and those working on site are in the process of development. The different countries of the world have evolved a range of rights to them. In India, unfortunately, in many states, a downfall in their rights has been observed during this phase. Suspension of the labour laws in BJP ruled states has been a phenomenon.

Research limitations / implications

The primary limitation of the study is that it is doctrinal. If the same was based on primary data, it would have been much more authoritative and persuasive. Secondly, due to paucity of space, the study would be confined to few of the countries and how they have regulated Covid-19 in the workspace.

Practical and/or social implications

The right to mental health and various dimensions of remote working must evolve to allow the society to adapt to the challenges of Covid-19. An empathetic approach by the law and policy makers has to be adopted. The employers must also sensitize with them. The present study is an integrated and comprehensive study – presenting all Guidelines relating to world of work together. It is hoped that the employers including the Governments and the policymakers would benefit from the examples of legal changes in other countries.

Originality / value

The study is an attempt to relate the application and implementation of the advisories, especially issued by the International Labour Organisation relating to work in post Covid world. The paper is different on account of discussing the impact of Covid-19 on the legal framework dealing with the employment and workspace. The paper shall help for further research to understand how the laws need to be changed in the light of any flaws mentioned in this study.

References

1.Government of India (2020). Advisories on COVID-19. Available at: https://labour.gov.in/advisories-covid-19 [Accessed: 16. 7. 2020].

- 2.ILO (2020). COVID-19 and the world of work. Available at: https://www.ilo.org/global/topics/coronavirus/lang--en/index.htm [Accessed: 16. 7. 2020].
- 3.World Economic Forum (2020). Workforce and Employment. Available at: https://www.weforum.org/agenda/archive/employment-and-skills/ [Accessed: 16. 7. 2020].
- 4.Baker, M. (2020). 9 Future of Work Trends Post-COVID-19. [online]. Available at: https://www.gartner.com/smarterwithgartner/9-future-of-work-trends-post-covid-19/ [Accessed: 15. 1. 2020].

44 Internal Communication in the Coronavirus Pandemic: A Crisis Response or an Opportunity to Raise Employee Engagement?

Pedja Ašanin Gole*

Purpose

The aim of this paper is to analyze and explain internal organizational communication in pandemic times. We haven't had a pandemic like the coronavirus in over a century ever since the Spanish flu (1918-19), and therefore no experience of internal organizational communication in such times. The literature in the field of public relations is rich in examples, advice and theories of crisis communication of organizations, but in the vast majority, if not all researched organizations, the organizations were either the cause of the crisis or the victim of a more or less direct attack, mostly individually. The coronavirus crisis, however, is not one that would "attack" individual organizations, nor did individual organizations cause this pandemic crisis (at least as far as is known so far, if we disregard the various conspiracy theories in the style of the U.S. 45th President).

During the pandemic physical distance, many organizations were forced to organize remote work, others were forced to send some employees "on hold", and still others, otherwise rare, tried to reorganize work differently, adapt production and employment to the situation. Thus, the coronavirus pandemic has caused a whole new situation in virtually all organizations around the world: how should organizations that exist only through and through communication respond to it? The purpose of this paper is to examine and find answers to questions about how to communicate effectively with employees in the conditions of this pandemic physical distance and how to connect employees during "work from home", maintain credibility and trust in the employer, maintain or even increase employee commitment. We are also interested in which communication channels to use and what to communicate to employees.

Keywords: CCO; internal communication; pandemic; employee's relations; crisis communication.

Introduction and literature review

Internal communication is a systematic way of influencing the behavior, knowledge and attitudes of employees, and its basic purpose is to give instructions for work and obtain feedback on the course of work (cf. Farrant, 2003; Gillis & Finney, 2008; Karanges, Johnston, Beatson, & Lings, 2015; Men, 2014; Ruck, 2015; Ruck & Welch, 2012; Tkalac Verčič & Pološki Vokić, 2017; Tkalac Verčič, Verčič, & Sriramesh, 2012; Welch & Jackson, 2007).

^{*} Sen. Lect., DOBA Business School Maribor, Slovenia, pedja.asanin-gole@net.doba.si

In a period of general distrust of social institutions, people resort to trust in their employers. Edelman's survey in mid-March 2020 among 10,000 employees in ten countries around the world showed that - apart from healthcare institutions - employer communication is the most credible source of information about coronavirus and that "my employer" is the most trusted institution at this time (Edelman, 2020a). This is great news, but the question is whether the current theoretical and experiential knowledge in the field of organizational internal communication is enough to maintain this trust of employees in employers. How do internal communicators "remotely" maintain a social (not physical!) distance from employees, what is their role in this pandemic, and what is the role of the first men of organizations? But not only employees, but also consumers want companies to protect their employees first and do everything in their power to protect the health and financial security of their employees, consumers and business partners, even if this means greater financial losses. Especially in these uncertain times of pandemic physical distancing, for which we don't even know how long they will last, organizations must continue to be a frequent and reliable source of information for their employees, consumers, and business partners. This once again confirms the role and importance of proactive, timely and credible communication with employees and other publics, and places internal communicators, their knowledge, skills and abilities at the heart of organizations.

Design / methodology / approach

This article will present a qualitative research conducted within the focus group of internal communicators of three Slovenian companies (A1 Slovenia, Petrol, Lidl Slovenia, all three companies based in Ljubljana), two Croatian companies (AD Plastik Group Solin and Zagreb International Airport) and one Serbian company (NIS Gazporm Neft Belgrade). These organizations have a total of more than 19,000 employees and with the exception of Zagreb Airport, all other organizations operate regionally or are part of an international companies. One of the considered organizations is production, one is production and service, and the other four are service organizations. As part of the focus group, structured interviews were conducted as part of an ad hoc webinar on internal communication "on remote", and respondents received questions for semi-structured interviews in advance. The survey was conducted from April 20 to May 7, 2020.

Findings / results and conclusions

In general, respondents agreed with the findings of research by Edelman (Edelman, 2020a, 2020b) and the Institute of Public Relations (Institute for Public Relations & Peppercom, 2020a, 2020b) regarding internal communication during a coronavirus pandemic. Of course, there are differences in the use of communication channels and communication tools, depending on whether it is a production or service organization and whether their employees continued to work on the premises of organizations (salespeople, airport staff, etc.), or worked "from home" or , or they were "on hold".

Practical and/or social implications

Internal communicators and top managers met for the first time in more than a hundred years with a pandemic that forced people into physical distance. Most used crisis communication approaches and good internal communication practices, while more digitized organizations used digital communication tools primarily for internal communication. That is why examples of good practice collected within the focus group of six organizations are welcome to understand the situation in which the organizations find themselves and to compare and study the internal communication with employees.

Research limitations / implications

The survey was conducted on the model of six organizations with a total of more than 19,000 employees, their examples of good practice are welcome, but the results of this survey cannot be generalized to the entire population, despite the fact that most of the findings match the findings of two other international research (Edelman and Institute for Public Relations).

Originality / value

The originality of this research lies mainly in the choice of methodology (two focus groups - one with internal communicators from Slovenian organizations and the other with internal communicators from two Croatian and one Serbian organization - within which structured interviews in the form of webinars were conducted). The results of this research will certainly help to build a body of knowledge in the field of internal communication during a pandemic, which is a relatively unexplored area.

- Blaschke, S, Schoeneborn, D. (2016). Organization as communication: Perspectives in dialogue. Organization as Communication: Perspectives in Dialogue. Taylor and Francis. https://doi.org/10.4324/9781315624297.
- Blaschke, S, Schoeneborn, D. (Eds.). (2017). Organization as Communication: Perspectives in Dialogue. New York & London: Routledge/Taylor & Francis Group. https://doi.org/10.1177/0893318911405622.
- Boivin, G., Brummans, B. H. J. M, Barker, J. R. (2017). The Institutionalization of CCO Scholarship: Trends from 2000 to 2015. *Management Communication Quaterly*, 31(3), 331-355. DOI: 10.1177/0893318916687396.
- 4. Brataas, K. (2018). Crisis Communication: Case Studies and Lessons Learned from International Disasters. New York: Routledge/Taylor & Francis Group.
- 5. Coombs, W. T. (2015). Ongoing Crisis Communication: Planning, Managing, and Responding (4th edn.). Los Angeles [etc.]: SAGE.
- Cooren, F., Kuhn, T., Cornelissen, J.P., Clark, T. (2011). Communication, Organizing and Organization: An Overview and Introduction to the Special Issue. *Organization Studies*, 32(9), 1149–1170. DOI: 10.1177/0170840611410836.
- Dawson, V. R. (2017). Communicative Theory of the Firm. In *The International Encyclopedia* of Organizational Communication (pp. 1–7). Wiley. DOI: 10.1002/9781118955567.wbieoc036.
- 8. Edelman. (2020a). Edelman Trust Barometer 2020: Special Report Trust and the Coronavirus. Available at: https://www.edelman.com/sites/g/files/aatuss191/files/2020-

03/2020 Edelman Trust Barometer Coronavirus Special Report_0.pdf [Accessed: 20. 4. 2020].

- Edelman. (2020b). How to guide: Employee & internal communications during the coronavirus pandemic. New York: Edelman. Available at: https://www.edelman.co.uk/insights/howguide-employee-internal-communications-during-coronavirus-pandemic [Accessed: 20. 4. 2020].
- 10. Farrant, J. (2003). Internal Communications. London: Thorogood.
- 11. Gillis, T.L, Finney, J. (2008). Essentials of Employee Communication. San Francisco, CA: IABC.
- Harrison, E.B, Mühlberg, J. (2014). Leadership Communication: How Leaders Communicate and How Communicators Lead in Today's Global Enterprise. New York, NY: Business Expert Press.
- Heath, R.L., Johansen, W., Vásquez, C, Schoeneborn, D. (2018). Communication as Constitutive of Organization (CCO). In *The International Encyclopedia of Strategic Communication* (pp. 1–12). Wiley. https://doi.org/10.1002/9781119010722.iesc0024
- 14. Institute for Public Relations & Peppercom. (2020a). *COVID-19: How Businesses are Handling the Crisis* [online]. Available at: https://instituteforpr.org/wpcontent/uploads/PC_IPR_Coronavirus_v Final.pdf [Accessed: 20. 4. 2020].
- Institute for Public Relations & Peppercom. (2020b). Special Report: How Companies Are Engaging Employees During COVID-19 [online]. Available at: https://instituteforpr.org/coronavirus-covid-19-comms-report/ [Accessed: 20. 4. 2020].
- Karanges, E., Johnston, K., Beatson, A, Lings, I. (2015). The influence of internal communication on employee engagement: A pilot study. *Public Relations Review*, 41(1), 129–131. https://doi.org/10.1016/j.pubrev.2014.12.003.
- Langley, A, Tsoukas, H. (2010). Introducing perspectives on process organization studies. In T. Hernes & S. Maitlis (Eds.), *Process, sensemaking and organizing* (pp. 1–26). Oxford: Oxford University Press.
- Liu, B.F., Austin, L, Jin, Y. (2011). How publics respond to crisis communication strategies: The interplay of information form and source. *Public Relations Review*, 37(4), 345–353. https://doi.org/10.1016/j.pubrev.2011.08.004
- Liu, B.F, Kim, S. (2011). How organizations framed the 2009 H1N1 pandemic via social and traditional media: Implications for U.S. health communicators. *Public Relations Review*, 37(3), 233–244. DOI: 10.1016/j.pubrev.2011.03.005.
- Men, L.R. (2014a). Strategic Internal Communication: Transformational Leadership, Communication Channels, and Employee Satisfaction. *Management Communication Quarterly*, 28(2), 264–284. https://doi.org/10.1177/0893318914524536.
- Men, L.R. (2014b). Why Leadership Matters to Internal Communication: Linking Transformational Leadership, Symmetrical Communication, and Employee Outcomes. *Journal of Public Relations Research*, 26(3), 256-279. DOI: 10.1080/1062726X.2014.908719.
- 22. Ndlela, M.N. (2019). Crisis Communication: A Stakeholder Approach. Cham: Palgrave Macmillan, Springer. https://doi.org/10.1007/978-3-319-97256-5.
- Neill, M.S. (2016). The Influence of Employer Branding in Internal Communication. Research Journal of the Institute for Public Relations, 3(1), 1–25. Available at: http://www.instituteforpr.org/wp-content/uploads/Marlene-S.-Neill.pdf [2. 4. 2020].
- 24. Park, H. (2017). Exploring effective crisis response strategies. *Public Relations Review*, 43(1), 190-192. https://doi.org/10.1016/j.pubrev.2016.12.001.
- 25. Putnam, L.L, Nicotera, A.M. (Eds.) (2009). *Building Theories of Organization: The Constitutive Role of Communication*. New York & London: Routledge.
- Ruck, K. (2014). Exploring Internal Communication: Informed employee voice. In Exploring Internal Communication: Towards Informed Employee Voice (2nd edn., pp. 118–127). New York: Routledge.
- 27. Ruck, K. (2015). Informed employee voice. In Exploring Internal Communication: Towards

Informed Employee Voice (3rd edn., pp. 118–127). New York: Routledge.

- Ruck, K, Welch, M. (2012). Valuing internal communication; management and employee perspectives. *Public Relations Review*, 38(2), 294–302. https://doi.org/10.1016/j.pubrev.2011.12.016.
- Sandhu, S. (2017). Organization as Communication and Institutional Theory: Opportunities for Communicative Convergence? In S. Blaschke & D. Schoeneborn (Eds.), Organization as Communication: Perspectives in Dialogue (pp. 79–102). New York & London: Routledge/Taylor & Francis Group.
- 30. Schoeneborn, D. (2011a). Organization as communication: A luhmannian perspective. *Management Communication Quarterly*, 25(4), 663–689. https://doi.org/10.1177/0893318911405622.
- 31. Schoeneborn, D. (2011b). Organization as Communication. *Management Communication Quarterly*, 25(4), 663–689. https://doi.org/10.1177/0893318911405622.
- Schoeneborn, D., Blaschke, S., Cooren, F., McPhee, R.D., Seidl, D., Taylor, J. R. (2014). The Three Schools of CCO Thinking: Interactive Dialogue and Systematic Comparison. *Management Communication Quarterly*, 28(2), 285–316. https://doi.org/10.1177/0893318914527000.
- Schoeneborn, D., Kuhn, T.R., Kärreman, D. (2018a). The Communicative Constitution of Organization, Organizing, and Organizationality. *Organization Studies*, 40(4), 475-496. https://doi.org/10.1177/0170840618782284.
- 34. Sellnow, T.L., Seeger, M.W. (2013). *Theorizing Crisis Communication*. Malden, MA, Oxford, UK, West Sussex, UK: Wiley-Blackwell. https://doi.org/10.1007/s13398-014-0173-7.2.
- 35. Stauss, B. Hoffman, F. (2000). Using business television. In R. J. Varey, B. R. Lewis (Eds.), Internal Marketing: Directions for Management (pp. 139-159). London: Routledge.
- Tkalac Verčič, A. Pološki Vokić, N. (2017). Engaging employees through internal communication. *Public Relations Review*, 43(5), 885–893. https://doi.org/10.1016/j.pubrev.2017.04.005.
- 37. Tkalac Verčič, A., Verčič, D., Sriramesh, K. (2012). Internal communication: Definition, parameters, and the future. *Public Relations Review*, 38(2), 223–230. https://doi.org/10.1016/j.pubrev.2011.12.019.
- Yeomans, L. (2017). Internal communication. In R. Tench & L. Yeomans (Eds.), *Exploring Public Relations* (pp. 316–337). London: Pearson Education.
- 39. Welch, M., Jackson, P.R. (2007). Rethinking internal communication: a stakeholder approach. *Corporate Communications: An International Journal*, 12(2), 177–198. https://doi.org/10.1108/13563280710744847.
- Wenzel, M., Will, M.G. (2019). The communicative constitution of academic fields in the digital age: The case of CSR. *Technological Forecasting and Social Change*, 146(C), 517– 533. https://doi.org/10.1016/j.techfore.2019.05.006.

45 Internal Communication at a Time of the Global Challenge Caused by the Coronavirus Pandemic

Jasmina Mironski*

Purpose

The aim of this paper is to analyse and explain the objectives of the Future of Global Business and Marketing in the light of a new global challenge – the coronavirus pandemic that suddenly hit the world, provoking enormous problems in the daily life of businesses and citizens. The emphasis is put primarily on the Challenges and Opportunities within the communication between the leadership and employees, and also on the role of internal communication through different stages of companies and media outlets at a time of crisis. The goals of the Future of Global Business and Marketing should be seen in the light of a new global challenge - the coronavirus pandemic that suddenly hit the world and already caused enormous problems in the Macedonian companies and media involved in global business. The aim is to present how internal communication functions in small and mid-size companies, especially those dealing with media business, helping them to survive during the global pandemic.

Keywords: internal communication; media; strategies; pandemic; fake news.

Introduction and literature review

Internal communication (IC) is the function responsible for effective communications among participants within an organization. As internal communications strategy, plans and programs are essential for the successful development of any company, they are also relevant for the media and the stressful months of isolation. At a time like this, conducting proper crises management is essential on all levels, primarily in internal communication, bearing in mind stores and shops closed overnight, reduced production in small and medium-sized enterprises, and media outlets working in a specific environment and circumstances during the coronavirus pandemic. The digital era undoubtedly gives a lot of opportunities for different manners of communication and management during the time of crisis, particularly when it comes to the management and promotion of services and elements of communication at an internal level, as well as influence on the external level – public audience.

Design / methodology / approach

The main method used for gathering data includes the following: qualitative research using in-depth or semi-structured interviews and data reports analyses. We would have to conduct at least three in-depth interviews with editors-in-chief of prominent portals

REVIEWED EXTENDED ABSTRACTS OF THE 10TH INTERNATIONAL SCIENTIFIC CONFERENCE OF DOBA BUSINESS SCHOOL

^{*} Assoc. Prof. Dr., Institute of Communication Studies (IKS) Skopje, North Macedonia, jasmina.mironski@gmail.com

and TV stations, in addition to five semi-structured interviews with journalists in order to obtain real data.

Findings / results and conclusions

The primary intention is to show the value and importance of internal communication and to explain how this should be improved in small and medium-sized enterprises, pointed in the media in Macedonia. New trends lead to not so much listening to the employees (journalists), but rather implementing the orders of the management, as it often happens at a time of crisis. On the other hand, it is important to maintain ethical values and tell the truth, in an era of fake news and speculations circulating throughout the world. In the media business, internal communication helps create a positive working atmosphere, providing more efficiency through a common debate and strengthening the confidence between journalists and editors. Exchanging views, brainstorming and joint meetings help the media to maintain the basic values and principles of the freedom of expression, to tell the truth, to present news in a balanced manner. How all this has been functioning during the three months of stress, quarantine, reduced programs, while trying to be as efficient and professional as possible - is hard to tell at this stage but is no doubt worth examining.

Practical and/or social implications

Smart organizations understand the value of maintaining an ongoing dialogue with their employees; with the right strategies and tactics, these dialogues can yield feedback from employees and help foster a sense of belonging and investment in the company. Employees have the ability to interact and use technological advance, and yet many find themselves jobless overnight and face uncertainty. Now that people all over the world fear losing their jobs or even lives, internal organization and leadership seem essential for creating an atmosphere of cooperation and confidence, providing hope that better days will come. The survey will give us insight into the use of internal communication strategies and tactics in the media of Northern Macedonia during the pandemic, which also includes preventing the spread of fake news.

Research limitations / implications

In order to be able to build a positive perception of a business, to create a positive image and to send a message that will be believable and convincing enough so that the company may gain support, communication techniques and tools must be adequately and successfully implemented. Nevertheless, it is of primary importance to be well familiar with these tools and techniques and to develop detailed, long-term strategies that would be applicable both in positive and negative scenarios. This would help in this unpredictable scenario that became a global problem. The research is related to internal communication in the largest media in Northern Macedonia, and due to the use of qualitative methodology, the results cannot be generalized to the general population.

Originality / value

Research has shown that to work successfully and to maintain adequate internal communication, especially in a situation like this, it is necessary to build trust and to develop teamwork atmosphere and cooperation, which would foster the feeling of belonging in enterprises or media organizations. It is important to support cooperation that leads to work satisfaction even at a time of enormous crisis and uncertainty; obstacles and problems can thus be overcome through empathy, hope and trust, when it seems that the future will not be brighter any time soon. This research will be one of the first to examine internal communication and its importance during the coronavirus pandemic in the Macedonian media and in preventing the spread of fake news during this time.

- 1. Davis, A. (2003). *Everything You Should Know About Public Relations*. London: Kogan Page.
- Edelman (2020). How to Guide: Employee & Internal Communications During the CoronaVirus Pandemic [online]. Available at: https://www.edelman.co.uk/insights/how-guide-employeeinternal-communications-during-coronavirus-pandemic_[Accessed: 22. 4.2020]
- Jurković, Z. (2012). Važnost komunikacije u funkcioniranju organizacije. Ekonomski vjesnik: Review of Contemporary Entrepreneurship, Business, and Economic Issues, XXV(2), 387-399.
- 4. Kitchen, P., Daly, F. (2002). Internal communication during change management. *Corporate Communication: An International Journal*, 7(1), 46-53.
- PAHO (2019). Disaster management in a pandemic. Pan American Heath Organization [online]. Available at: https://www.paho.org/disasters/index.php?option=com_ docman&view=download&category_slug=tools&alias=542-pandinflu-leadershipduring-tool-15&Itemid=1179&Iang=en [Accessed: 18. 4. 2020]
- 6. Petković, M., Janićijević, N., Bogićević, B. (2002). *Organizacija*. Beograd: Ekonomski fakultet.
- Smarp (2020). Crisis Communication How to Communicate Effectively with Your Employees [online]. Available at: https://blog.smarp.com/crisis-communication-how-to-communicatewith-employees-during-a-crisis [Accessed: 19. 4.2020]
- 8. Rouse, M.J., Rouse, S. (2005). Poslovne komunikacije. Zagreb: Masmedia.
- 9. Quirke, B. (2008). *Making the connections: Using internal communication to turn strategy into action*. Burlington, VT: Gower.
- 10. Tkalac Verčič, A., Verčič, D., Sriramesh, K. (2012). Internal communication: Definition, parameters, and the future. *Public Relations Review*, 38(2012), 223-230.
- 11. Van Riel, C., Fombrun, C. J. (2007). *Osnovi na korporativnoto komuniciranje*. Skopje: Visoka škola za novinarstvo i za odnosi so javnosta.

THE FUTURE OF GLOBAL BUSINESS AND MARKETING: HOW WILL SMART COMPANIES DEAL WITH CHALLENGES AND OPPORTUNITIES?

46 Engaging Employees: The Case of Enterprise Social Networks

Danijela Lalić* | Dunja Bošković** | Jelena Spajić*** | Bojana Milić****

Purpose

The purpose of the paper is to analyze the value of different characteristics of Enterprise Social Networks (ESNs), to determine their perceived value to the ESN company, as well as their value to the ESN user. Based on the analysis of the most frequently used ESNs in the world, we have singled out the main characteristics of ESNs, common to those analyzed.

Keywords: enterprise social networks; social media; employee engagement; internal social networks; internal communication.

Introduction and literature review

Many organizations have recognized the great potential of the Enterprise Social Networks (ESNs) in engaging employees. The concept of the ESN is relatively new phenomenon which is present for 15 years in the research body of knowledge, and their dynamics and benefits are not fully yet explored. In the web paradigm, for the enterprises, social media and social networks enable communication and collaboration among co-workers and give employees a sense of online community (Radovanović, Hogan and Lalić, 2015). Also, there is a high need to support collaboration, communication, and information exchange between employees with the IT department (Luo, Pan, Wang and Huang, 2019). Employee engagement is a unique concept which deserves the same theoretical and practical attention as other more established concepts within the organization. Although the external social networks are more popular and widely distributed, internal networks are more appropriate for the communication and connection between the employees in the organization (Ellison, Gibbs and Weber, 2015). The quality and performance of the external communications will depend on the internal relations and good communication among the employees (Leonardi, 2014). Some authors indicate that internal communication satisfaction is extremely important to highly engaged employees and identified as a prerequisite to employee engagement (Tkalac Verčič and Pološki Vokić, 2017). Employee engagement within the enterprise social networks is comprehensive and extensive concept and it represents the future of internal public relations (Aboelmaged, 2018).

^{*} Assoc. Prof. Dr., University of Novi Sad, Faculty of Technical Sciences, Department of Industrial Engineering and Management, Novi Sad, Serbia, danijela.lalic@uns.ac.rs

^{**} Teaching Assist., University of Novi Sad, Faculty of Technical Sciences, Department of Industrial Engineering and Management, Novi Sad, Serbia, dunja.vujicic@uns.ac.rs

^{***} Assist. Prof. Dr., University of Novi Sad, Faculty of Technical Sciences, Department of Industrial Engineering and Management, Novi Sad, Serbia, stankovicj@uns.ac.rs

^{****} Teaching Assist., University of Novi Sad, Faculty of Technical Sciences, Department of Industrial Engineering and Management, Novi Sad, Serbia, bojana.milic@uns.ac.rs

Design / methodology / approach

As a main method, a qualitative research approach is used for gathering the data, aside by content analysis, web-desktop analysis and interviewing. This paper analyzes the usage of enterprise social networks which are the most widely used in business environment. We seeked to determine which enterprise social networks exist in digital media landscape and which are the most widespread in their use. We conducted openended interviews with ESN companies and ESN users. The ESN users were chosen according to the lists of clients on the websites of ESN companies.

Findings / results and conclusions

The main research results refer to evaluation of perceived values of ESNs by two perspectives – ESN companies and ESN users. Based on the content analysis of ESNs which are the most frequently used in the world, we have singled out the main characteristics of ESN, common to most of the analyzed ESN: organization – of team communication in one place; collaboration – between team members; participation – seek and share new ideas with real-time feedback; accessibility – an access from anywhere, at anytime, and from any device, and break down barriers – across locations and job titles by giving everyone a voice.

Practical and/or social implications

We are providing practical and social implications, suggesting that a successful implementation of ESNs empowers engagement of employees and suggests that ESNs are the future of internal public relations.

Originality / value

We have shown that ESNs enable improved communication and collaboration among co-workers and give employees a sense of online community, social interaction and employee engagement between its users/employees.

- 1. Aboelmaged, M.G. (2018). Knowledge sharing through enterprise social network (ESN) systems: motivational drivers and their impact on employees' productivity. Journal of Knowledge Management, 22(2), 362-383.
- Ellison, N.B., Gibbs, J.L., Weber, M. S. (2015). The use of enterprise social network sites for knowledge sharing in distributed organizations: The role of organizational affordances. *American Behavioral Scientist*, 59(1), 103-123.
- 3. Leonardi, P.M. (2014). Social media, knowledge sharing, and innovation: Toward a theory of communication visibility. *Information systems research*, 25(4), 796-816.
- 4. Luo, J., Pan, X., Wang, S., Huang, Y. (2019). Identifying target audience on enterprise social network. *Industrial Management & Data Systems*, 119(1), 111-128.
- 5. Radovanović, D., Hogan, B., Lalić, D. (2015). Overcoming digital divides in higher education: Digital literacy beyond Facebook. *New media & society*, 17(10), 1733-1749.
- 6. Tkalac Verčič, A., Pološki Vokić, N. (2017). Engaging employees through internal communication. *Public Relations Review*, 43(5), 885-893.

47 The Application of Psychodrama in Communication Training Sessions for Employees

Miljan Vojnović*

Purpose

The purpose of this paper is to show the functionality and applicability of the concept of psychodrama method in communication training sessions for employees. Since psychodrama is based on psychotherapeutical group work, according to some fundamental principles was established by Jakov Levi Moreno, an American psychiatrist of Romanian origin, in the first half of the 20th century. Later on, numerous practical techniques were developed in non-clinical practice, such as education, human resources development, social services, in all activities which comprise group or team work. The methodology of psychodrama is based on the experiential and practical work. Such experiential research is implemented in communication which is essential for the functioning of individuals in private and professional environment, so the results of such research are extremely important for understanding the community dynamics and principles. A special value of this method lies in its specific psychodramatic role theory which represents personality theory and teaches us that the types of roles we play in life are the determining factors for the development and functioning of a person within a community. Experiential communication training sessions which were carried out by the author and his associates, are the research subject of this paper. They have given us an insight into the usefulness and applicability of the psychodramatic methodology in communication training for employees.

Keywords: psychodrama; experiential training; role theory; communication; communication literacy.

Introduction and literature review

By correlating with the different methods represented in training sessions, psychodrama is based on its fundamental postulates that correspond to different approaches such as transactional analysis (Poelje, 2018) and NLP (Knight, 2001), and to similar research in these areas. The author has participated as a moderator and implemeter of dramatized communication situations for corporate training sessions, and later on developed his own methodology after completing a comprehensive education in psychodrama based on the work of Blatner (2000). Previous research has also been used as starting point, such as *Teaching method of role play in traditional study process* (Števančec, Grubačević Fink and Vojnović, 2018), "*The elements of drama in the function of communicational training for employees*" (Vojnović, 2003).

^{*} Teaching Associate, Dr., Academy of Arts Novi Sad, Serbia, miljan.vojnovic@new.doba.rs

Design / methodology / approach

The author created a research sample of five groups from different companies in which he conducted experiential psychodrama training. After the training sessions, the author conducted a qualitative research among the participants in the form of a questionnaire with open-ended questions as well as the interviews with the senior management. Key elements of psychodramatic insights have an impact on authentic insights of each individual, which are different for every person, and this is the key reason for using a qualitative research method. In the questionaires and interviews were based on similar questions for each participant in the research.

Findings / results and conclusions

The main findings and conclusions of this combined research are presented in this paper. The results indicate the acquisition of specific experiential insights of employees which are different in quality from the insights reached in other methods. Here is one of the personal insights of one of our participants in the training sessions who played different roles: 'Only when I stepped into the role of my senior manager, I understood his point of view and realized what I should work on personally'. To sum up, this method is unique and very productive both for personal growth and team development.

Research limitations / implications

Some of the segments of the research are not verifiable through quantitative analysis, and this is why a detailed qualitative analysis is applied. In the future, one of the aims will be to expand research for broader quantitative analysis which will be supported by a qualitative one as well.

Practical and/or social implications

Specific applied modification of psychodrama in groupwork is based on the method of sociometry and sociodrama. This method measures specific dynamics and relationships within a certain group and is used as a basis for developing thematic experiential sociodramatic investigation as central part of the training process for the employers in teams. Different conclusions which defined the situation within corporate teams participating in the training sessions were drawn from the specific sociometry and roleplay activities. The example of smaller groups can indicate the implications that such a method would have on the wider social community.

Originality / value

The research proves that the method of psychodrama is very useful for the development of an individual within the business environment, as well as for the development of their own communication competencies through experiential practice.

- Blatner, A. and Blatner, A. (1997). Applying sociodramatic methods in education. In *The* Art of Play: Helping adults reclaim imagination and spontaneity. New York: Brunner/Mazel, pp. 124-133.
- 2. Blatner, A. (1996). *Acting-In: Practical Applications of Psychodramatic Methods*. New York: Springer Publishing.
- 3. Blatner, A. (2000). *Foundations of Psychodrama: History, Theory, and Practice*. New York: Springer Publishing.
- 4. Đokić, Z. (2009). Moć psihodrame: teorija i praksa psihodrame. Novi Sad: Psihopolis.
- 5. Erić, L. (2001). *Psihoterapija*. Beograd: Medicinski fakultet u Beogradu.
- 6. Fox, J. C. (2008). Introduction in The Essential Moreno, Writings of Psychodrama, Group Method and Spontaneity by J. L. Moreno, M. D. New Paltz. New York: Tusitala Publishing.
- 7. Knight, S. (2001). NLP at Work. New York: Nicholas Brealey Publishing.
- 8. Poelje, S. (2018). Transakciona analiza u organizacijama. Novi Sad: Psihopolis.
- Števančec, D., Grubačević Fink, I., Vojnović, M. (2018). Teaching method of role play in traditional study process. In *Conference Proceedings*. 37th International Conference on Organizational Science Development (pp. 1071 – 1080), Portorož.
- Vojnović, M. (2004). Elementi dramskog u funkciji komunikološkog treninga za zaposlene. In Zbornik radova, II savetovanje: Na putu ka dobu znanja. Novi Sad: Fakultet za menadžment, pp. 480-492.

48 Increasing Commitment in the Virtual Team Through the Internal Corporate Staff Development Systems

Svetlana Buko*

Purpose

The purpose of this multiple-case design research project was to analyze how internal corporate education systems within the virtual team impacts staff commitment.

Keywords: virtual team comitment; human resources; virtual corporate education system; virtual team development.

Introduction and literature review

The research on virtual team commitment is tracked back to several decades (Powell, 1999), where researchers tackeld the question of how physically separated staff, working in different timezones, represerenting different cultures relate to the concept of organizational commitment (Lipnack and Stamps, 1997). The initial definition offered by Mowday, Porter, and Steers (1982) focused on three dimentions of staff commitment (1) shared vision and values of the organization;(2) readiness to do more / work extra for the company; and (3) desire to stay a part of the organization. Later, researchers Meyer and Allen (1991) expanded definitions of three components of commitment and designed an Organizational Commitment Questionnare: affective (emotional bonding and organizational involvement); continuance; and normative (remaining within the company).

Although a body of empirical research on the virtual team exists, there is a need to explore how specifically corporate education could help virtual team managers/leaders better respond to the needs that virtual teams have (Global Human Capital Trends, 2019).

Design / methodology / approach

Research is a multiple-case design study, focused on the two cases of virtual team building via tailored internal corporate education system based on the "on-the-job learning" approach, using innovative learning methodology and IT systems within two international virtual teams. Both cases are examined using multiple data collection methods: observation, qualitative interviews and quantitative OCQ survey data.

Both start-up organizations were small businesses with up to 10 staff members, located in different countries, providing services to the global clients around the world. Majority of the team members worked from home offices, communication is done via whatsup, skype calls, zooms call, regular phones and MS Teams system. The goal of

^{*} Assist. Prof. Dr., Research Director, EPOS Research Center, Ljubljana, Slovenia, crossborder.legends@gmail.com

the leaders of both organizations was to apply corporate education in order to address employment brand issues, leadership issues, internal processes issues within the organization. The system was designed to unite geographically dispersed team by creating favorable developmental trainings and learning experiences and improve commitment of the memebrs to the organization.

Projects were implemented within nine months, results were measured with the help of OCQ Survey (Organization Commitment Questionaare) (Allen-Mayer, 1991). With the goal to increase team commitment HR department introduced educational tool/platform aimed at a) enhancing presentation/communication/content skills of all team members; b) elisiting practical knowledge/cases from team members about client work; c) creating team virtual contact experience during the training sessing.

The projects were kicked off with the presentation to the teams by their leaders via virtual video conference with slides and Q/A session, stressing the importance of shared team expertise development, based on the best practices sharing/real life cases from the practical work with clients. Corporate education system was based on the concept of "expert knowledge team sharing," where content expertise and practical knowledge is presented within the team internally, using designated time/online platform/approach and moderation methods. In both cases, each team member had an opportunity to selected, prepare and share their professional cases (working with international clients). Content derived from the staff members: IT system was implemented with video conference/recording options/topic voting poll/staff forum. Meetings were conducted in MS Teams Channels and recorded for educational purposes and future processing by the HR department for on-boarding programs for newcomers. The goal of the workshops for the team was to help staff member stay relevant, sharp, focused and in the best shape for international market following top standards in the industry. The tool was integrated in order to help develop new competencies listed as "competencies of the future" by World Economic Forum (Beckford, 2018).

Findings / results and conclusions

After six month pilot implementation of the program the HR manager evaluated the skills of each team members during the performance assessment: 1) complex problem solving in the international business environment – cases with business solutions 2) creativity within international teams – how difficult cases with international clients were resolved 3) coordinating with others internally and in the learning set up. After nine month of the project implementation each team member took part as a presenter within the corporate education system and received immediate feedback from the HR department about implementation. Evaluation was conducted by the HR in the form of reflective sessions, qualitative interviews and quantitative survey (OCQ), assessing the level of team commitment. Researcher collected key perceptions about educational system impact on the feeling of belonging and identifying some barriers (technical, motivational, time management) during the implementation of the corporate learning system within virtual team.

This HR project enabled to see a holistic perspective of staff opinions and register evolution of the virtual team commitment within the nine month of project

implementation. Data from the observation, HR interviews and OCQ Survey provided insights regarding perceptions of alignment to organizational goals, leadership, colleagues/collaboration, future intentions and role/job clarity.

Practical and/or social implications

Findings were integrated into the annual HR assessments for the virtual team members to support professional growth of the staff. Leaders of the organizations used the findings during the annual virtual staff conferences in order to reflect on the uniquness of the virtual organizations and reconfirm common values and missions.

Originality / value

This project is an original research – case study of two virtual intercultural organizations.

- Allen, N.J., Meyer, J.P. (1991). The measurement and antecedents of affective, continuance and normative commitment to the organization. *Journal of occupational psychology*, 63(1), 1-18.
- Beckford, A. (2018). Future of Jobs report: Top 10 skills in 2020. World Economic Forum. [online]. Availiable at: https://www.forbes.com/sites/ellevate/2018/08/06/the-skills-youneed-to-succeed-in-2020/ [Accessed: 7.3.2020].
- Global Human Capital Trends (2019). Deloitt Research [online]. Available at: https://www2.deloitte.com/us/en/insights/focus/human-capital-trends.html [Accessed: 7.3.2020].
- 4. Lipnack, J. and Stamps, J. (1997). Virtual teams: *Reaching Across Space, Time, and Organizations with Technology*. New York: John Wiley & Sons.
- 5. Mowday, R. T., Porter, L. W. and Steers, R. M. (1982). *Employee-Organization Linkages: The Psychology of Commitment, Absenteeism, and Turnover*. New York: Academic Press.
- 6. Powell, A. (1999). Commitment in a Virtual Team. In *AMCIS 1999 Proceedings* (p. 124). Availiable at: http://aisel.aisnet.org/amcis1999/124 [Accessed: 7.3.2020].

49 Why Creativity and Personalization of Millennials Is a Hot/must/new Trend in Business?

Mateja Mahnič*

Purpose

In this article we continued our interest in generation Y, Millennials, abbreviated Gen Y, which members I was teaching from 2015. My students of on line bachelors's courses Advertising C ampaigns and Creative communication are mostly 25 – 40 years old, so they have tipical characteristics od Gen Y. As I has described in my former article *Generation Y: Creative, Innovative, Dynamic (2018)*, they are creative and innovative. There existed even a proved connection between creativity and readiness to innovate or share innovations. Members of Gen Y are used of networking and willing to share adopted innovations with interpersonal relations, especially on social networks.

Keywords: persona; real-life data; Gen Y; creativity; trends; innovations; marketing.

Introduction and literature review

In this article we went one step futher. We were interested how Millennials would behave if they were offered a possibility to create some business projects themselves. Since we had five years of experience, observation and communication with Gen Y, we rated them as creative and ambitious people, who wanted to get higher in their career. They loved challenges and practical seminars' tasks in which they could produce and promote real business projects.

Design / methodology / approach

First we decided to verify the statement of their creativity. We used methodology of international survey, which was used by on line InSites' researchers. Because our survey was not obligatory, we got answers just from 14 students (20 to 40 years in my bachelors' Creative Communication course 2018). But the results were significantly different from international survey.

On international scale the winning response for the question: *What creativity means for Millennials*? was: *Inovating something new* (26 %) but my students has different priority: for them creativity in a first place ment: *Original/Different/ Unique* (64,28 %). Maybe we should attribute this difference to the fact that In the Bloomberg Innovation Index 2020, measured by the United States Bloomberg Agency, Slovenia took 21st place. Maybe innovation in Slovenia was not enough promoted, so Gen Y, who are used to social networks, prefered something original, unique and different from average.

^{*} Sen. Lect. Dr., DOBA Business School Maribor, Slovenia, mmlingvist@gmail.com

Our second step in methodology was to include students' personality into their seminar's business case. In model of dinamic communications, which we used in our teaching contents, the first phase is to create *persona*, pen and visual profile of first user of new product or service. *Persona*, who is individual, not group, is the key for creative strategy, slogan and texts of advertisign campaign and also for viral promotion on social networks.

Findings / results and conclusions

In june 2020 our students of Advertising Campaings were chalenged by brief from Doba Faculty. DOBA was interested that her students would prepare advertising campaing to promote on line study. And since they knew all about advantages and shortcomings of online learning, we recommended that they designed persona on charasteristics of one of their team mates, on real-life data. Students loved the idea since it had added value for them.

Research limitations / implications

Stimulating *role method* was very effective. The results of this *case study* were usefull inovations in promoting on line study of DOBA Faculty. So with this method we could turn business models into reality and make them interesting and worth to buy from modern cosumers. There is no limitations, if you are happy enough to teach the "role target group".

The research should be done at all online slovene Universities to get more credible results.

Practical and/or social implications

The conclusion it that Gen Y are not just creative and innovative, but they are also great consumers, *personas*, who knew what they wanted. Millennials could be the key actors, key consumers, which could stimulate new business models which were efficient AND – at the same time consumer and not company oriented. But there is some problem: if students do not get a brief for a product or service, which they love, which is original, different and unique, they did not do it well. They were eligible to participate in promotion of product/service, which has added value for them.

Originality / value

Our practical implication is, that a smart company/business/entrepreneur/ creative industry should involve Millennialls as their key *persona* in preparation of their advertising campaigns, especially on social networks with its interpersonal relations. This solution could strengten and empower their link with consumers and increase their profits.

- 1. Arih, I. (2011). *Iz mojih čevljev*. Ljubljana: Medijski partner.
- 2. Ašanin Gole, P., Mahnič, M. (2018). Linking teaching methods to the satisfaction and success of students in online study mode. *Balkans JETSS* 1(1), 79-84.

- Čuden S., Dindić A., Fajfar A. and Horvat M. (2020). Kreativno oglaševalsko sporočilo/oglas za promocijo on line študija na fakulteti Doba, Timska naloga III/1, Oglaševalske akcije, arhiv BB, Doba Fakulteta.
- 4. Franken, R.E. (1994). *Human Motivation* (3rd ed.). Pacific Grove, CA: Brooks/Cole Publishing.
- Havice, J. (2020). How To Create Customer Personas with Actual, Real-Life Data, CXL Institute. Available at: https://cxl.com/blog/creating-customer-personas-using-datadriven-research/ [Accessed: 5.8.2020].
- 6. Jančič, Z. and Žabkar V. (2013). *Oglaševanje*. Ljubljana: Založba FDV.
- Mahnič, M. (2011). Generation Y: Creative, Innovative, Dynamic. In P. Ašanin Gole, R. Ovin (Eds.), *Izzivi uporabnih poslovnih in družbenih študij: monografija DOBA Fakultete 2018 = Challenges of applied business and social studies: 2018 monograph of the DOBA Business School* (pp. 199-208). Maribor: DOBA Business School.
- Posner, A.(2019). 4 keys to unlocking creativity from Google's brand strategist, Leo Hill Leadership Speaker Series. Available at: https://www.colorado.edu/today/2019/03/06/4keys-unlocking-creativity-googles-brand-strategisr [Accessed: 5.8.2020].
- 9. Van den Bergh, J. (2016). *A Millennial view on creativity*. InSites nv. Available at: https://www.howcoolbrandsstayhot.com/2015/03/17/a-millennial-view-on-creativity/ [Accessed: 5.8.2020].
- 10. Vitali, S. (2019). *When personas and user stories aren't exactly what you need*. UX Collective. Available at: https://uxdesign.cc/when-personas-and-user-stories-arent-what-you-need-c21842302dbb [Accessed: 5.8.2020].
- 11. Vukasović, T., Söke, H. (2016). *Izhodišča za pripravo spletne oglaševalske akcije* Available at: http://journal.doba.si/repec/pdf/8_2016_2_izhodisca.pdf [Accessed: 5.8.2020].

50 Older Workers and Digitalization – Challenge or Opportunity for Smart Companies?

Bojana Drev^{*}

Purpose

Could stereotypes that older workers lack sufficient information and communication technology (ICT) knowledge and skills be a factor when deciding about the recruitment of older workers? Age-based discrimination at work, recruitment of older workers, and stereotypes about lack of ICT knowledge of older workers can be some of the challenges that smart companies can address and take measures to prevent.

The main goal of this paper is helping to change perspectives on ageing and determining whether the older working population is skilled enough for digital transformation as well as helping human resources department, managers and decision-makers to understand the potential of workers above 45.

In this paper, we attempt to determine the level of development of Slovenian digital society and the digital skills of the 45+ population. We will present how the EU, Australia, and the USA are dealing with the same issue.

Keywords: skilled working population; ageism; age discrimination; digitalisation; active work age.

Introduction and literature review

Ageing of the population is affecting European societies and economies. There is also an evident lack of skilled workers in many areas of production. However, as the research: New Perspectives on a Longer Working Life in Croatia and Slovenia, from 2008, showed, older workers were participating less in the labour market. The research also pointed out that there was almost no new employment for workers in age from 50 to 64 years. It can be an opportunity if we recognise the potential of people that is not recognised because of various reasons.

Design / methodology / approach

Our case study is built based on the content analysis of secondary data, a review of the relevant literature of local and foreign authors and an analysis of some demographical data. Secondary information, such as the results of earlier studies and regional and global government websites were used for data results comparison. The methodology of description, comparison, synthesis, and analysis were used.

DOBA Business School Maribor, Slovenia, bojana.drev@net.doba.si

Findings / results and conclusions

We will address managers, HR departments, recruiters and decision-makers, to help them be aware that their stereotypes can mislead them when hiring new employees and we will present the obstacles and challenges from all over the world in this area of research. Coping with demographic change in labour markets, can be supported with more knowledge about the older work population.

Research limitations / implications

The use of secondary data for analysis can be a limitation for this research.

Practical and/or social implications

Better recognition and knowledge about the older working population can help organisations to change challenges into opportunities. The challenge of the lack of skilled workers, which is becoming a great obstacle for productivity, can be addressed with the correct measures, which will also help to postpone the age of leaving the labour market. With cases of best practices, we will show examples of how to have more skilled people employed after the age of 45. The guidelines are intended for management and HR departments, whose primary concern is to have a skilled working population.

Originality / value

The study contributes to the theory and practice of age management and points out the less-researched fact that discrimination towards older people can start with recruitment. The paper contributes to the literature of older workforce competitiveness by examining the data on digitalisation and the value system of the older working population. It helps organisations to recognise the potential of older workers that are already employees of or are potential new employees.

- 1. Applewhite, A. (2016). *Lepota let: Manifest proti starizmu*. Nova Gorica: Eno.
- 2. Grah, B., Pwerme, E., Colnar, S. and Penger, S. (2019). Age Management: What Can we Learn from High-End Luxury Fashion Designer with More than 50 Years of Working Experience? *Organizacija*, 52(4), November 2019.
- AARP Bulletin (2019). Ageism in the Workplace Remains Rampant. PR Newswire US, 12/30/2019 [online]. Available at: https://www.prnewswire.com/newsreleases/januaryfebruary-aarp-bulletin-ageism-in-the-workplace-remains-rampant-300979854.html [Accessed: 5.3.2020]
- 4. OSHA EUROPA. (2017). Towards age-friendly work in Europe: a life-course perspective on work and ageing from EU Agencies [online]. Available at: https://www.cedefop.europa.eu/files/2220_en.pdf [Accessed: 23. 3. 2020]
- Sklad-kadri. (2019). Katalog upravljanja starejših zaposlenih [online]. Available at: http://www.sklad-kadri.si/si/razvoj-kadrov/celovita-podpora-podjetjem-za-aktivnostaranje-delovne-sile-asi/katalog-upravljanja-starejsih-zaposlenih [Accessed: 30.3. 2020]
- SURS. (2019). Razvitost slovenske digitalne družbe: nameni uporabe interneta in s tem povezane težave. Available at: https://www.stat.si/StatWeb/News/Index/8423 [Accessed: 5.4.2020]

- UMAR (n.d.). Strategija dolgožive družbe [online]. Available at: http://www.umar.gov.si/fileadmin/user_upload/publikacije/kratke_analize/Strategija_dol gozive_druzbe/Strategija_dolgozive_druzbe.pdf, [Accessed: 25. 3. 2020]
- 8. Pušnik, K., Šlebinger, M., Bradač, B., Rebernik, M. (2007). *The age as resource: active ageing in Slovenia and the New EU member states*. Maribor: Faculty of Economics and Business.
- 9. Ramovš, J. (2003). *Kakovostna starost: socialna gerontologija in gerontagogika*. Ljubljana: Inštitut Antona Trstenjaka.
- 10. Schirrmacher, F. (2007). Zarota metuzalemov. Ljubljana: Vale-Novak.
- 11. Vehovec, M. (2008). *New Perspectives on a longer working life in Croatia and Slovenia*. Zagreb: The Institute of Economics and Friedrich Ebert Stiftung.

51 Socially Responsible Smaller Family Firms' Business Models – The Case of Slovenia

Marina Letonja*

Purpose

Scholarly interest for family businesses and succession has been increasing and while the question of their sustainability is of high importance for the national economies (family firms represent 83% of all firms in Slovenia (Antončič et. al., 2015) we decided to explore the new business models of smaller family firms (FFs) in Slovenia related to introduction of corporate social responsibility (CSR) into their daily practice. Based on the findings of various empirical studies on CSR in family firms, we assume that CSR in family firms contributes to the trust of stakeholders in the company and enables the company to maintain favorable relationships with them. A pro-active approach to CSR in smaller FFs includes a strong presence and significant roots in the community, longterm orientation, greater respect and positive treatment of employees, respect for family values and trust in relationships with suppliers and customers.

RQ: How is CSR integrated into the business models of smaller family businesses in Slovenia?

Keywords: family business; corporate social responsibility; CSR business models; Slovenia.

Introduction and literature review

The design of a firm's business model has been identified according to Morris et.al. (2005) as a source of competitive advantage, and according to Amit and Zott (2010) as a driver of firm's performance. According to previous research (Johnson et al., 2008) business model innovation involves the firm's value proposition, target customers, product and service offering, resources, revenue model, cost structure, processes, rules and norms.

The CSR approach has over 50 years of history and according to Carroll and Buchholtz (2003) became a global concern and also reality in the companies' life (Du et.al., 2013). Szegedi (2014) defines the main focuses of CSR as: focus on environmental and social interrelationships, focus on stakeholders' approach, focus on ethical behavior, focus on volunteering. In practice in the majority of companies CSR takes a form of charitable activities, without a profit-making goal.

A few companies restructure their business model or develop new company forms (Rangan, Chase and Karim, 2015). Within the elements of a business model, such as e.g. value proposition, there is enough space to integrate CSR model according to which companies do both in an integrated manner: they conduct profitable business while simultaneously act responsibly, not only vis-a-vis their immediate social and

^{*} Assist. Prof. Dr., DOBA Business School Maribor, Slovenia, marina.letonja@doba.si

physical environment, but actually because they conduct their business in a responsible way by not creating socio-economic imbalances (Mashelkar, 2018; Cizelj, Fošner and Letonja, 2019).

Design / methodology / approach

The target group of our research are smaller FFs, employing between 10 and 249 people, in Slovenia. We defined a family firm as a business where the owner considers the firm as a FF. Therefore, we first asked the owners, if they consider their firm a FF. We conducted a qualitative, case study research based on personal interviews with help of semi-structured questions which according to Yin (2003) is a sensible approach due to the explanatory nature of the research.

We have interviewed 100 smaller FFs from different Slovenian regions and from different industrial sectors. Only hand written minutes were taken and the replies were transcribed immediately after the interview. Than we selected 24 most representative smaller FFs (structured with regard to their size, region and industry) which understand that integrating CSR principles in their business models will be on a long run rewarded by their stakeholders.

Findings / results and conclusions

The way CSR is integrated into the business models of smaller FFs in Slovenia was checked with help of the specific research questions. Our research has shown that CSR in smaller FFs contributes to the trust of stakeholders in the company and enables the company to maintain favorable relationships with them and that a pro-active approach to CSR in FFs involves a strong presence and significant roots in the community, long-term orientation, greater respect and positive treatment of employees, respect for family values and trust in relationships with suppliers and customers. The importance of CSR in smaller FFs is growing. In a long run they will benefit from it.

Research limitations / implications

An important limitation of the research is that the results of the research can't be generalized to any population of companies, as they are limited to smaller FFs. The study was conducted on a sample of 100 smaller FFs and only 24 smaller FFs are presented and analyzed in this paper.

Practical and/or social implications

The findings of the research are useful for family entrepreneurs and other stakeholders, as well for future economic policy, as application of CSR principles in companies co-creates closer personal relationships between the founders, managers, strategic partners, it contributes to building trust and raises awareness that CSR is not against making profits, it is against profits being made by manipulation of consumers and other business partners through dishonest business practices and fake information.

Originality / value

This paper presents a valuable contribution to the theory of the firm (CSR) and entrepreneurship theory; therefore, the results could be used for a further scientific research as also for practical implications.

- 1. Ammit, R., Zott, C. (2010). Business model Innovation: Creating Value in times of change. *Working paper*. IESE, University of Navarra.
- 2. Antončič, B., Auer Antončič, J., Juričič, D. (2015). *Družinsko podjetništvo: značilnosti v Sloveniji*. Ljubljana: EY.
- 3. Behringer, K., and Szegedi, K. (2016). "The role of CSR in achieving Sustainable development Theoretical Approach", *European scientific Journal*, 12(22), 10-25.
- 4. Carroll, A.B., Buchholtz, A.K. (2003). *Business and Soeciety: Ethics and Stakeholder Management.* 5th Ed. Mason Ohio: South-Western Thomson learning.
- 5. Cizelj, B., Fošner, A., Letonja, M. (2019). Socially responsible entrepreneurship and the smaller family firm. Maribor: IRDO.
- 6. Du, S., Swaen, V., Lindgreen, A and Sen, S. (2013). "The roles of leadership styles in CSR", *Journal of Business ethics* 114(1), 1-43.
- 7. Johnson, M.W., Christensen, C.C., Kagerman, H. (2008). Reiventing your business model. *Harvard Business Review*, 87 (12), 52-60.
- 8. Mashelkar, R.A. (2018). Dismantling Inequality through ASSURED Innovation (1/2). Available at: http://www.mashelkar.com/blog/194-dismantling-inequality-throughassured-innovation_[Accessed: 13. 4. 2020].
- 9. Morris, M., Schindehutte, M., Allen, J. (2005). The entrepreneur's business model: Toward a unifiedperspective. *Journal of Business research*, 58(6), 726–735.
- 10. Rangan, V.K., Chase, L., Karim, S. (2015). The truth about CSR. *Harvard Business Review* [online]. Available at: https://hbr.org/2015/01/the-truth-about-csr [Accessed: 10. 4. 2020].
- 11. Szegedi, K. (2014). Possibilities of CSR. I L. Berenyi (ed.), *Management challenges in the 21st century*. LAP Lambert Academic Publishing.
- 12. Yin, K.R. (2003). *Case Study Research, Design and Methods*. 3rd ed. Los Angeles: Sage Publications.

52 Social Responsibility – a Moral Obligation of Slovenian Family Firms?

Marina Letonja[®] | Ivan Kosednar, Gregor Pezdirc, Blanka Movrič, Nada Pavlovski[®]

Purpose

In the modern business world, an effective competitive advantage over other competitors in the market is extremely important for a company. Stable and long-term relationships with all business stakeholders who trust the company when they cooperate are important. In order for a company to gain their trust, it must act socially responsible. Integrating and building socially responsible business operations is easier to design in family than non-FFs. We assume that FFs (FFs), due to the incorporation of family values into the everyday life of their business, understand social responsibility as a moral obligation, while being aware that socially responsible behaviour will be rewarded by customers and will contribute to strengthening the firm's competitive position in the market.

RQ: Do the smaller FFs in Slovenia understand social responsibility as a moral obligation?

Keywords: corporate social responsibility; family firm; trust of stakeholders; moral; Slovenia.

Introduction and literature review

Opinions on why so many successful companies in the world are family-run vary. Vadnjal (2018) believes that FFs are "a combination of two incompatible systems - rational business and emotional family. The optimal mix of the two, however, provides FFs with an advantage that other firms cannot achieve." Antončič et al. (2015, p. 18) argue that due to the presence of family values, the business operations of FFs often include: »... the desire to preserve one's public image and protect the family's reputation. As a result, FFs are probably more aware of citizenship and corporate social responsibility than non-FFs. The combination of aspects of corporate social responsibility (economic benefits, consistency of ethical and legal expectations, involvement in humanitarian activities and the community) can help explain the behavior and relationships of FFs with different stakeholders." Some authors believe (McIntosh et al. 1998, p. 47) that in the future, only those companies that focus less on financial criteria will maintain their competitive success and instead they will include all relations with stakeholders and more non-financial criteria in their operations as a measure of business performance - not least social responsibility.

Design / methodology / approach

^{*} Assist. Prof. Dr., DOBA Business School Maribor, Slovenia, marina.letonja@doba.si

^{**} DOBA Business School Maribor, Slovenia, ivan.kosednar@net.doba.si, gregor.pezdirc@net.doba.si, blanka.movric@net.doba.si, nada.pavlovski@net.doba.si

12 FFs were included in our research. We focused on smaller FFs (employing 10 to 249 employees) in Slovenia - those companies in which the founders or one of their family members (successors) employed in the company declared that they are 'family firm'. The criterion for selecting FFs in the sample is their information on topics such as social responsibility, moral obligation, and family entrepreneurship. FFs come from 5 different statistical regions of Slovenia. They created between EUR 2.7 million and EUR 42 million in net turnover, 3 FFs are from trade services and 9 from manufacturing industry. We conducted a qualitative, case study research (Yin, 2003) based on personal interviews with help of 20 semi-structured specific questions to measure strength of moral reflections in FFs to determine the degree and manner of integration of social responsibility into their business operations. Model of variables includes moral obligations, requests, and satisfaction of stakeholders (local community, customers, employees, suppliers, investors/partners). We used the inductive analysis of interviews.

Findings / results and conclusions

All FFs in the sample achieved more than 70% of moral reflection to measure Social Responsibility. The FFs performed best according to the variable C - customers [98%], good according to the variables E - employees [74%] and S - suppliers [76%], and slightly worse according to the variables P - partners [64%] and LC - local community [63%]. Together, the FFs in the survey accounted for 75% of total social responsibility, mainly at the expense of the high variable C. The entire sample of FFs had extremely high-quality products, good information about the offer and strong pre-and after-sales services. There is still room for the development of socially responsible business operations, especially in the LC segment. Slightly more they could involve the LC in promoting their business and their own brands. Greater involvement in the otherwise expensive infrastructure projects of LC is also possible. Based on the findings of our research we can say that FFs understand social responsibility as a moral obligation.

Research limitations / implications

An important limitation of the research is that the results can't be generalized to any population of companies, as they are limited to smaller FFs in Slovenia (12) and the sample covers 5 statistical regions out of 12. The research focused on a moral obligation of FFs to act socially responsible to ensure the satisfaction of all stakeholders of the company, by translating their demands into their satisfaction. The research did not go into a discussion of what the demands of the stakeholders actually are, nor whether their satisfaction is really guaranteed. It was only assumed that this was the case - given the need for longevity.

Practical and/or social implications

The findings of the research are useful for family entrepreneurs and other stakeholders, as well for future economic policy. Application of social responsibility in FFs contributes to promotion of LCs, to higher ecological awareness, safety of their employees, employment of skilled professionals and building good and stable relationships with suppliers.

Originality / value

This paper presents a valuable contribution to the theory of the firm (social responsibility) and entrepreneurship theory; therefore, the results could be used for a further scientific research as also for practical implications.

- 1. Antončič, B., Auer Antončič, J., Juričič, D. (2015). *Družinsko podjetništvo: značilnosti v Sloveniji*. Ljubljana: EY.
- 2. McIntosh, M, Leipziger, D., Jones, K. L., Coleman, G. (1998). *Corporate Citizenship*. Norfolk: Guilford and King's Lynn, Biddles.
- Vadnjal, J. (2018). Družinska podjetja. Ravne na Koroškem: Portal Centra za družinsko podjetništvo, OZS – Obrtno-podjetniška zbornica Slovenije. Available at: https://www.druzinskopodjetnistvo.si/clanki/druzinska-podjetja-5a995fccbebe220a0cafa522 [Accessed: 24.4.20 20].
- 4. Yin, K.R. (2003). Case Study Research, Design and Methods. 3rd ed. Los Angeles: Sage Publications.

53 Digital Skills and Competences of Vulnerable Groups - the Perspective of Slovenian Supporting Labour Market Institutions

Anita Maček* | Rasto Ovin** | Marko Divjak*** | Živa Veingerl Čič****

Purpose

The purpose of the paper is to identify gaps in digital competences of vulnerable groups from the perspective of supporting institutions in the Slovenian labor market. Primary research was done within the labur market supporting institutions in Slovenia in order to identify existing needs, supporting measures and good practices related to digital competencies of vulnerable groups in integrating into the labor market. In this paper needs and gaps in digital competences of vulnerable groups will be presented. Matrix of digital competences needs as one of the results of the primary researc will serve as a starting point for developing a model with measures that can increase the employability of vulnerable groups in the labor market.

Keywords digital competence; vulnerable groups; employability; labor market.

Introduction and literature review

Digital technologies are used in many sectors such as healthcare, education, transport, retail, energy, automatics, logistics, teaching and the information and communications technology industry. Therefore, the demand for information and communications technology specialists is growing fast. According to European Commission (2017a) 9 out of 10 jobs in the future will require digital skills. At the same time, 169 million Europeans between 16 and 74 years – 44% – do not have basic digital skills (European Commission, 2017a).

The lack of digital competencies in integrating into the labor market is a major obstacle to the further process of technological modernization of companies and thus the economic development of the country. Further, digital illiteracy is also an obstacle to economic growth, employment, and individual development (Digital Slovenia 2020 - Strategy for the Development of the Information Society until 2020).

The European Commission has found that two-fifths of the EU workforce lacks digital competences (European Union, 2017). It should be emphasized that digitalisation has a major impact on socially vulnerable groups such as the long-term unemployed, the young unemployed, individuals with a low level of education and the elderly. To improve

^{*} Assoc. Prof. Dr., DOBA Business School Maribor, Slovenia, and FH – JOANNEUM Graz, Austria, anita.macek@net.doba.si

^{**} Prof. Dr., DOBA Business School Maribor, Slovenia, rasto.ovin@doba.si

^{***} Assist. Prof. Dr., DOBA Business School Maribor, Slovenia, marko.divjak@doba.si

^{****} Assist. Prof. Dr., DOBA Business School Maribor, Slovenia, ziva.veingerl-cic@doba.si

this situation, the development of digital skills for the EU workforce is essential. Reducing the mismatch between available skills and the needs for the digital transformation of the economy has been a key priority at EU level over the last decade (European Union, 2017).

The difference between the use and need for digital competences widens the digital divide or gap, indicating that people with certain demographic and socio-economic characteristics are at a disadvantage compared to accessing and using the Internet compared to other groups (van Deursen and Helsper, 2015; Delello and McWhorter, 2017). In fact, the constant development of ICT brings with it the need for people to acquire ever higher levels of digital literacy in order to maintain their sense of inclusion. Digital literacy is a set of skills related to the use of ICT that must be developed by each individual in order to function in the digital society (Friemel, 2016). Thus, we can say that digital competence is a fundamental element of the development of every individual, as it enables his integration into today's society in a more participatory way. A study by Oxford University (European Commission, 2017b) highlighted two important effects that digital development has on the labor market. First, growing wage inequalities between skilled and unskilled workers. Second, almost all European labor markets have experienced job polarization, indicating the disappearance of the routine work of low-skilled workers.

Research shows that active labor market policies are increasingly diverse, and their effectiveness depends on a tailored approach to individual needs. Among active labor market policies, job search assistance and training programs are the most effective measures, the former helping jobseekers finding and maintaining employment, and the latter by improving the skills of vulnerable target groups (European Commission, 2017b).

Design / methodology / approach

The analysis of support institutions in Slovenia was made on the basis of in-depth interviews conducted with a representative in a sample of selected support institutions in Slovenia. Authors wanted to gain an in-depth understanding of the research problem with the answers. The questions were open-ended and followed a certain previous framework and schedule. After the interviews, aithors prepared transcripts, coded the data accordingly and processed them accordingly. The end result of the qualitative analysis was a report with guidelines for improvement and suggestions for further research.

Findings / results and conclusions

In the framework of qualitative research, it was found that there is a large gap in digital competences of vulnerable groups. 53 % Slovenian people between 16 and 74 years do not have basic digital skills. Some support institutions have taken certain measures in connection with achieving the standard of digital competence, but there is no systematic work with the mentioned target groups and reducing the lack of digital competences. Therefore, authors made proposals for improving the situation and

reducing the vulnerability of vulnerable groups and increasing the possibility of their employment in the labor market.

Research limitations / implications

Limitation of research represents a limited number of interviews carried out in the supporting institutions. Generally, measures taken in order to raise the employability are mainly focused on the whole population and rarely on the vulnerable groups, therefore more research and measures should be done also for vulnerable groups.

Practical and/or social implications

Practical and social implications of the paper can bee seen from the result of the analysis that will show the needs and gaps in digital competences of vulnerable groups in the Slovenian labour market.

Originality / value

Originality of the paper lies in the primary research that was done in order to get the insight into needs and gaps in digital skills of vulnerable groups.

- 1. Delello, R., McWhorter, R. (2017). Reducing the Digital Divide: Connecting Older Adults to iPad Technology. *Journal of Applied Gerontology*, 36(1), 3-28.
- European Commission. (2016). A new skills agenda for Europe: Working together to strengthen human capital, employability, and competitiveness. Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions. Available at: https://ec.europa.eu/transparency/regdoc/rep/1/2016/EN/1-2016-381-EN-F1-1.PDF [Accessed: 8. 5. 2020].
- European Commission. (2017a). The digital skills gap in Europe [online]. Available at: https://ec.europa.eu/digital-single-market/en/news/digital-skills-gap-europe [Accessed: 6. 5. 2020].
- European Commission. (2017b). The digital skills and jobs coalition [online]. Available at: https://ec.europa.eu/digital-single-market/en/digital-skills-jobscoalition [Accessed: 6. 5. 2020].
- 5. Friemel, T. (2016). The digital divide has grown old: Determinants of a digital divide among seniors. *New media and society*, 18(2), 313–331.
- 6. Hernandez, K., Roberts, T. (2018). *Leaving no one behind in a digital world. K4D Emerging Issues Report*. Brighton: Institute for Development Studies.
- ILO. (2010). A skilled workforce for strong, sustainable and balanced growth: A G20 training strategy. Geneva: International Labour Organization. Available at: https://www.oecd.org/g20/summits/toronto/G20-Skills-Strategy.pdf [Accessed: 10. 5. 2020].
- 8. Lyons, A.C., Kass-Hanna, J. (2019). Financial inclusion, financial literacy and economically vulnerable populations in the Middle East and North Africa. *Emerging Markets Finance and Trade*, pp. 1-40.
- 9. O'Mara, B., Harris, A. (2016). Intercultural crossings in a digital age: ICT pathways with migrant and refugee-background youth. *Race Ethnicity and Education*, 19(3), 639-658.
- Taylor, E. (2017). Bridging the digital divide: Infrastructure, skills and women's empowerment. G20 Insights. Available at: https://www.g20-

insights.org/wpcontent/uploads/2017/03/Bridging-the-Digital-Divide.pdf [Accessed: 6. 5. 2020].

- United Nations. (2012). Bridging the digital divide by reaching out to vulnerable populations. In United Nations E-Government Survey 2012: E-Government for the People. New York, NY: United Nations Department of Economic and Social Affairs. Available at: https://publicadministration.un.org/egovkb/enus/Reports/UN-E-Government-Survey-2012 [Accessed: 10. 5. 2020].
- United Nations. (2014). Bridging the digital divide. In United Nations EGovernment Survey 2018: E-Government for the Future We Want. New York, NY: United Nations Department of Economic and Social Affairs. Available at: https://publicadministration.un.org/egovkb/enus/Reports/UN-E-GovernmentSurvey-2014 [Accessed: 10. 5. 2020].
- The World Bank. (2016). World Development Report 2016: Digital dividends. Washington, D.C.: The World Bank. Available at: http://www.worldbank.org/en/publication/wdr2016 [Accessed: 10. 5. 2020].
- 14. van Deursen, A.J.A.M., Helsper, E.J. (2015). A nuanced understanding of internet use and non-use amongst older adults. *European Journal of Communication*, 30(2), 171-187.

THE FUTURE OF GLOBAL BUSINESS AND MARKETING: HOW WILL SMART COMPANIES DEAL WITH CHALLENGES AND OPPORTUNITIES?



Prešernova ulica 1, 2000 Maribor telefon: 02 228 38 90 fakulteta.doba.si fakulteta@doba.si