

# Effectiveness of Social Media Marketing in the Georgian Consumer Market

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**Abstract.** In today's digital world, traditional marketing is increasingly being integrated with high technology and Internet resources. The digitalization of global and local markets has put on the agenda an overview of practical marketing mechanisms and the search for new approaches. Traditional marketing communication tools and channels such as advertising, direct marketing, promotion, personal selling, catalogs, etc. They are gradually integrated with Internet marketing trends and are used more or less in a comprehensive manner.

This article discusses the Social Media Marketing development stages, the key platforms, the tools used, and their impact on the consumer market. As with traditional marketing, the effectiveness of social media marketing is determined by the nature of consumer markets and their awareness of a particular marketing event. The article also discusses marketing trends used in the Georgian consumer market and customer reviews in the same market.

**Keyword:** Marketing, Internet Marketing, SMM.

## 1. Introduction

The development of high technology in the modern world, including the global availability of the Internet, has completely changed the world agenda. The dimension of markets has changed in the digital world, leading to the need to change strategies to influence them. Companies have moved to the digital market in parallel in order to maintain competitiveness and stay up to the horizon of consumers.

The consumption of Internet resources has increased dramatically: 59.9% of the world's population and 96% of the European population use the Internet. The same trend is observed when using social networks, only 53% of the world's population are users of social networks. Of course, the growth in the volume of the digital market has not gone unnoticed by today's marketers, who have been able to quickly respond to current events. Intensive customer engagement and timely response from companies have fueled the further development and improvement of social media marketing used by large companies in a variety of ways.

"Using the Internet, Companies save their time and money. The marketing activities of many modern organizations are associated with the widespread use of the Internet. They create their own website, organize promotions, contests on the Internet, have representations in various social networks, communicate with users and get their opinion. The Internet is becoming more and more attractive for modern organizations as an effective means of public relations".([1], pp. 1). "In Georgia, as well as in the whole world, the future belongs only to those companies that will adapt to the changing economic environment." ([1], pp. 1)

That is why it is especially interesting how effective the use of digital marketing in Georgia is, in particular social media marketing, as well as customer feedback, which is especially important in the process of developing marketing strategies. The relevance of the topic led to the choice of the topic of the article and the study.

## **2. Theoretical and practical aspects of the development of marketing in social networks**

Leveraging marketing efforts in today's business is an essential component. In the classical sense, "marketing is the process by which individuals and groups create what they want and need, creating value and sharing it with others" ([2], pp. 5). However, marketing has undergone an evolution that has led to changes in strategies and tools to keep up with current trends. E-commerce is on the agenda of global and national consumer markets, which is a game changer in the marketplace. Modern companies have come to agree that the Internet and modern technologies that are creating a new digital market have the greatest potential.

Social networking is a technology that simplifies relationships between people / social groups through the use of a variety of information and data. ([3], pp. 2) Thus, we can say that any combination of media that facilitates communication between people is a social network. The fact of any kind of feedback can be seen as the foundation of social media marketing, such as the heavy use of the telegraph in the 18th century. Well-known sociologist Émile Durkheim, believed that social networking began when people started using phones and radios.<sup>3</sup>

Despite the de facto beginnings of social media, we are becoming more and more curious about how modern social media was created and how it is integrated into the marketing mix. as is well known, in 1969, the US Advanced Research Projects Agency (ARPA) created the Internet, later called

"ARPHANET", the creation of an analogue of the Internet allowed the US government to exchange short text messages, which was considered a step forward. ([3], pp. 3)

Social networks were further developed in the 1970s, when the first chat box "MUD" was created in the virtual world, users downloaded and wrote relevant texts on this platform, then appeared BBS, which placed user ads on the Internet, all these platforms are a prerequisite for creating a new global network. Global public platforms such as WELL, Genie, Listserv and IRC were created in the 80s.

### **5P Concept**

The marketing mix is the product strategy, distribution, promotion and pricing policy, which is carried out to ensure the production and exchange of products in the target markets. The development of high technology and the Internet has led to the integration of the 4P complex with Internet resources, at the same time it has added a 5th **P factor** - People, as the involvement of people in the Internet increases, which leads to the interests and attention of potential customers. This not only ensures the implementation of the appropriate strategies, but also influences the effectiveness of other 4P factors.

When discussing the elements of the marketing complex in the context of Internet marketing, each of them appears in a modified form. **The product** is presented in the Internet space with additional features, various parameters, taking into account the interests of potential customers, which makes the offered product and service as highly personalized as possible. The results of the survey in our study show that 65.4% of Georgian consumers often find the desired company / product / service in the form of advertising on social networks, and 33.2% rarely, but only 1.5% of respondents have never met such an advertisement. In the case of **Price**, it has become easier to segment customers and identify potential customers, as consumers themselves observe the prices offered by the company through various catalogs and online shops. There is a specific tendency for price policy openness in the Georgian market, as many companies do not provide consumers with mass prices for products /services. According to results of our survey, 82.9% of respondents confirm this trend and note that companies often ask them to write to them in person, only 8.3% of respondents state that the price of products is directly stated, while 4.4% did not notice a similar trend. There are many reasons for this tendency: The first is that the selling company is afraid of price dumping from competitors, the second reason is that the cost of products is directly proportional to the dollar / euro exchange rate, which does not allow setting a fixed price, and the third reason is the company's attempt to make the customer

relationship as loyal and personalized as possible through direct communication, furthermore, the interest shown by the buyer in the case of a personalized subscription indicates a high likelihood that the buyer will want to purchase the product, which of course allows the seller to better convince the buyer during the purchasing process. However, companies should definitely assess the risks of using such a communication strategy, as it can lead to negative attitudes from some users.

**Place** has become a secondary factor in the Internet space, because for the consumer it is important not where his desired product is located, but at what time it will be delivered. This circumstance made the company think about the development and improvement of the quality of logistics services in order to timely and quickly deliver products to customers. However, a link to the location of the company (office / commercial / administrative building) is necessary in the SEO optimization process, since the placement of contact information on web portals is necessary for page ranking. According to our survey, 41.5% of respondents believe that the location of a shop, in the case of online shopping often affects the delivery time, which they attach importance to, and 29.8% believe that the location always matters, while only 28.3% of respondents believes that the location of the company does not matter if you purchase online.

The process of product **Promotion** through internet has been relatively simplified due to the availability of optimal means of communication. Product promotion with the help of online platforms has become relatively easy, as the online resource allows marketers to present their product in a variety of ways: Catalogs, online advertisements and various visual effects make the product / service more attractive. This trend is evident in the daily life of Georgian consumers. In our survey, respondents to the question: "Do you find on the Internet advertisements for the products you just searched for on various platforms?" This fact is confirmed. 62% of respondents say that they often encounter such advertising, 27.3% say that they rarely, although they realize, only 9.8% say that they have not observed such a trend, 1% of respondents have not encountered such advertising.

**People** have become an essential element of the marketing mix as the rest of the elements depend on it and they will not be able to perfect the marketing formula without people. People include all people who are directly or indirectly involved in the production and promotion of a product / service. In people we might consider two sides, on the one hand hired people who design and produce products, conduct marketing research and identify customer demand, produce products and services, care about their quality and availability, promote them. On the other hand, people who buy products indirectly and directly value the service, the quality of the product, the price. These people willingly

or unwillingly influence the image of the company, the promotion of their products, as well as the formation of the brand. Any kind of feedback provided by them contributes to or, conversely, damages the formation of the company's image.

### **Social Media Marketing platforms and their tools**

According to a study by DataReportal.com, the media portal of the world digital statistics, the most popular social media platforms in the world are: Facebook, YouTube, Fb Messenger, Instagram, LinkedIn, Twitter. Consider some of them:

**Facebook** is a social network founded in 2004 by Mark Zuckerberg, Eduardo Caverin, Dustin Moskowitz and Chris Hugo. Today, Facebook has more than a billion users worldwide. Consumer activism has activated marketers and advertising agencies to take advantage of this wide audience. Originally Facebook was a social media support network, today it is a powerful platform for implementing a digital marketing strategy. Facebook has many ways for brands and organizations to connect with potential customers. These methods include: business pages (the ability to create an online directory); Advertising; Forward messages; Direct sales. Such marketing efforts are especially beneficial for small businesses. Facebook allows you to create and distribute the content you want, and brands also have the ability to have two-way conversations with users in real time. Facebook's search functionality has been greatly enhanced to enable marketers to better research the market. Since demographic and psychographic information about consumers is collected on the mentioned social platform, digital marketers can use the so-called "Targeting" or marketing efforts to the target segment. In addition, a message posted on Facebook is accompanied by a conversion ("Conversion" is the same action that a user performs in an online transaction provided for by an online advertising campaign, as a result of which the company receives financial or any other benefits" ([4], pp. 41)

Thus, Facebook represents the most popular marketing choice used by global brands and other small business representatives. It offers companies an audience of 2 billion and a large number of audience, making it a universal way to raise brand awareness. Affordable analytics, useful business tools, a diverse and diverse advertising space have all made Facebook the number one social media marketing platform.

**YouTube** Video Content Replacement Website, created on February 14, 2005 by Steve Chen, Chad Hurley, and Jawed Karim. Their original idea was to get users to upload amateur and home videos. YouTube is available for individuals and companies, they can create a completely free account, carry out their own branding and create the desired content in any field. Users (here: viewers)

subscribe to various channels, with the result that they receive messages from companies, news and, most importantly, updated advertising content. It was with the help of YouTube that blogs, video blogs were created, which are updated monthly, weekly and even daily. Today, blogging has become a new profession, allowing the blogger to actively express their own attitudes, views and experiences towards brands. This strategy is used in social media marketing and is called Influencer marketing. This is widely used on the Youtube platform. For example, Unboxing videos where an influential / famous person opens the packaging of a particular brand of products and shows it to the audience. This technique is used in the fields of technology, fashion and beauty. We often see the use of this type of marketing in the social media space of Georgia, there is, for example, Tako Sazina, who runs his own video blog on various cosmetics, such as PSP, Miniso, Morebeauty, Alix Avien, GPS and others. Products of brands that are tailored to the Georgian audience.

Youtube social media marketing is considered in two aspects: the first is paid advertising promoting a certain brand of video content, which accordingly increases the number of users, and the second is the brand channel, which allows the company to perform content and audience analytics and perform various functions. YouTube offers companies different options for advertising. For example, the "video promotion" function, the "fan search" function, etc. Content marketing strategy is used in the presence of a brand channel. Brand content should not be exaggerated by advertising, but should convey the core values of the brand. Many brands use the YouTube channel to introduce new products.

**Instagram** is a social network that users upload photos and videos to. It was created by Kevin Systrom in 2010. His main goal was to create another social network where users could publish whatever they like. Thus, Instagram was not only a social network, but also content that matched the interests and character of each user. That's the inspiration for the authors was the famous whiskey maker Bourbon, named after the original author of the platform. We can assume that due to such a specific niche and different approach, Instagram has become a popular social network for months, on the first day Instagram had 25 thousand users. [5]

Thus, Instagram is a popular mobile platform that should definitely be considered in the marketing strategy of a company that wants to communicate with customers.

**Twitter** is the most popular microblogging. it is a platform on which users can make short text statements (approximately 140 characters) that anyone can view. Just like on Instagram, Twitter companies can categorize their messages. This tool is also useful for promoting company forums, conferences, B2B meetings, brand or product presentation and other events. Twitter has become an

important marketing tool for many government organizations, brands and companies. Many brands use it successfully in customer service, market research and customer feedback. The efficiency of the platform is first and foremost the best way to disseminate information.

Thus, Twitter is considered to be a powerful marketing tool of brands and various companies with high authority, having two-way communication systems. This platform provides wide access to the customer and raises his awareness.

**LinkedIn** is a professional social network that brings together 740 million users from 55 million companies in 200 countries.

Thus, from a marketing point of view, LinkedIn is an excellent tool for raising company awareness, attracting targeted audiences and building partnerships. It offers marketers a wide range of advertising tools: advertised content; Advertising email that is delivered to the target audience in the form of personal messages as well as text ads that are placed on the LinkedIn platform.

### **3. Effectiveness of using social media marketing in the Georgian consumer market**

The Georgian digital market is just taking off, which is indicated by the activation of companies operating in the Georgian market on social networks and various platforms. This is important for these companies to gain a competitive advantage, as the number of Georgian users on social media platforms is growing daily. Due to the urgency of the topic, it became important to determine the level of involvement and interaction of Georgian consumers on social media platforms, and the effectiveness of marketing measures implemented through the same channels.

The study used an empirical method, in particular a general electronic consumer survey. The survey included 205 respondents. A total of 205 respondents were interviewed. Including 141 females (69.8%) and 61 (30.2%) males. 45.6% (94) of the respondents were under 18-24 years old, 36.4% (74) were under 25-34 years old, and the relatively older generation under 35-44 was 8.7% (18), 45-60 Under the age of 4.9% (10), as for the age group of 14-17 years, adults, of which 9 people participated in the survey, which was 4.4% of respondents.

Most visited websites in Georgia: *Google, YouTube, ITv.ge, Adjaranet.com, Facebook, Wikipedia, Yahoo, Ok.ru, Myauto.ge, Adjarabet.com*. Data analysis *datareportal.com* shows the following trend in Georgia, where the population mainly uses search engines, as well as information portals and social networks, as well as various platforms for replacing video content and gambling

portal. In addition to Facebook, Instagram is also a popular social network in Georgia, which according to 2021 data has 1.21 million Georgian users. As for the results of our survey, their analysis shows a similar trend: To determine the level of social media use, respondents were asked if they use social media. The survey showed that 98.5% of respondents use social networks, and 1.5% do not.

In the process of determining the rates of use of social networks by users in Georgia, it was also important to identify the main platforms that they use mainly. Thus, the most popular and used social networks in Georgia among the respondents are: Facebook - 98.5% (202), YouTube - 81% (166), Instagram - 77.6% (159), Pinterest - 37.6% (77), LinkedIn - 28.8% (59), TikTok - 25.4% (52), Twitter - 10.2% (21) and others. \*Respondents had the opportunity to choose multiple answers. The resulting percentage distribution is over 100.

Based on the goals of users using social networks, marketers will be able to guess their area of interest, the behaviors of existing and potential users on the social network, and formulate the right communication strategy with them. According to our survey, the motives of the respondents are diverse, their goals in social networks are mainly limited to: communication, education, news and shopping. The percentage of motives for use is as follows: Social networks in Georgia are mainly used for communication - 94.1% (193); Understand the news - 81.5% (167); Education - 64.9% (133); 28.3% for purchases (58); Business for management - 31.7% (65), etc.

The frequency of use of social networks indicates the intensity of the impact of these platforms on the user himself, as 53.9% (111) of respondents use social networks on a daily basis, and 44.2% (91) use them every hour. Only 0.5% of respondents never use social networks. This result once again confirms the view that social networks are part of the daily life of Georgian consumers, which indicates the need to develop new channels and strategies for direct communication with them.

In order to assess the impact of social media marketing efforts on consumers, respondents answered questions such as: "Does the presence of a company / brand in the social network affect your purchasing process?" Mostly positive results are observed in this regard, which indicates that the existence of a brand or company in social networks is important for consumers in the Georgian market. For 84.5% of the respondents, the existence of a company / brand in social networks is important, while for 12.6% it is not.

Often users use social media information posted by companies and their representatives, this may be different types of marketing information. For this purpose, it was important to determine whether Georgian consumers trust the information posted on the social network and how much they



use it in the purchase process. 49% of respondents say that they often rely on information received on the social network, which has a great impact on the purchasing process, 7.8% always rely, and 41.3% rarely, but still rely on the information spread on these platforms, and only 1.9% never Relies on similar information. Thus, it can be noted that most of the users follow any information spread on social networks and use it in the purchase process. This proves that marketers must post the kind of information that will play a crucial role in the customer buying process. Thus, it can be noted that most of the users follow any information spread on social networks and use it in the purchase process. This proves that marketers must post the kind of information that will play a crucial role in the customer buying process.

Word Of Mouth is quite well established in the Georgian market, as the Georgian society likes to share this or that experience in both negative and positive aspects. Word Of Mouth is one of the forms of marketing effort in which users themselves mention the name of the company or its products and share their experience with other potential customers. It can be said that traditional advertising is often irritating for consumers in the Georgian market and they are always skeptical about discounts, promotions or various offers, but not when a friend or family member offers them the same discount. 68% of respondents interviewed during the survey confirm that the opinion of users posted on a social network is important to them, which further influences the decision to purchase. 28.2% say they rarely act, and 3.9% say they never acted in accordance with someone else's opinion about the process on social media. That is why companies operating in the Georgian market must be able to respond in a timely and correct manner with negative or even positive feedback from the customer on the social network.

Proper use of communication channels is crucial in the implementation of the strategies developed by the marketer. No less noteworthy are the channels through which consumers receive information on the Georgian market from various companies. 92.7% of respondents say they get information about products and promotions offered by companies, mainly from social networks. 48.8% (100) even from family members or friends, which also confirms Word Of Mouth statistics. 24.9% say they receive marketing messages through outdoor advertising, and 24.9% (51) are still from the seller. \* Respondents had the opportunity to choose several answers, resulting in a percentage distribution of over 100.

Since consumers in the Georgian market receive marketing messages through social networks, we were interested in what kind of information their companies provide. According to the survey

results, users mainly get information: Discounts, promotions - 87.3%, as well as information about new products / services - 73.2%, general information about products / services - 64.4%, information about other customers' experience - 59%, only 24.5% Social media is a source of inspiration.

We were interested in whether Georgian potential users considered social networks as one of the most powerful tools of communication. The majority of respondents (90.8%) believe that social media is a powerful tool for marketing communication, only 4.4% are skeptical about this tool of communication.

The high level of customer interaction indicates the effectiveness of the marketing measures used through this platform. This part of our survey assesses the frequency and quality of customer engagement, which companies are frequently interacted with and converted to, and how they behave on social media platforms.

The constant presence of the company in the eyes of the customers is one of the tasks of the marketer. In this regard, the involvement of consumers is also important, how much they are interested in the activity of companies on social media platforms. 68% of respondents follow companies represented in the Georgian market on social networks, while 28.2% rarely, although they have done so, and only 3.9% never follow.

Many companies operating in the Georgian market use social media to promote their products or brands, but not all of them are intensive and often forgotten by consumers. That is why it was important to identify the companies that operate in the Georgian market and at the same time remember the potential buyer through social media channels. Survey of respondents reveals that among the companies operating in the Georgian consumer market, social media marketing tools are used by companies such as: technic shop (Zoommer, Elite Electronics, Alta, Technolab.) Banks (TBC, Bank of Georgia), delivery service (Glovo, Volt. ..) and other brands such as PSP, Altersox, Meama, Gorgia, AgroHub, Sandomi, Herbalife, Whistler, Tegeta Motors, Miniso, Nabeghlavi, etc.

As already mentioned, customer engagement and direct sharing of the experience gained by them affects the company's position, its brand and sales volume. It was important to find out how intensively Georgian consumers do this. Direct participation of surveyed users in order to share their experiences on social networks, most of the respondents here say that they rarely share (63.6%) - 131, after sharing a positive or negative experience with the company, and never share ( 24.3%)) - 50.

Using social media marketing strategies to motivate consumers to buy this or that product becomes part of the agenda of consumers and companies. Often, companies use these platforms to

inform customers about current promotions and various marketing offers. To determine the respondents' attitude towards this process, they answered whether it is useful information which they found out through the social network to have a discount or other offer in the store? 75% of respondents used discounts and promotions posted on social networks, 19.4% rarely, and 3.9% never.

Companies often choose inappropriate and incorrect channels when communicating with customers. As part of the study, it was important to determine whether social networks were the best channel for direct communication with users. Thus, 79.6% of respondents believe that social networking is the best way for companies to communicate with them as a customer.

## **Conclusion**

Social media marketing is the best tool for modern companies to be competitive and communicate directly with the target segment, which is confirmed by the analysis of international scientific papers. The research in this article also convinced us of the need to use social media marketing to run a successful marketing strategy.

Thus, social media marketing is the future of marketing, which is an unconditional means of gaining companies' competitiveness. That is why the involvement of Georgian companies in social media networks ensures their awareness, visibility and the formation of the desired image. Consequently, companies need to track social media rankings and use these channels in their customer relationship process. Therefore, the involvement of large and small business companies operating in the Georgian market in the social media space should be strengthened and appropriate integrated marketing strategies should be developed.

The process of digitalization has led to the integration of traditional marketing with the Internet, which has led to the emergence of modern marketing trends such as digital marketing, in particular social media marketing. This process has created modern marketing concepts that are more dramatically reflected in real-time consumer behavior, as evidenced by a qualitative study conducted as part of a study. In parallel with the integration with these processes, companies operating in the Georgian market should make consumers aware, in particular, to increase the awareness of Georgian consumers about the types of social media marketing and their tools.

The level of influence of Word of Mouth in the digital market is increasing, which necessitates the attention of marketers and the regulation of this process. This is also confirmed by our research,

which showed that the majority of consumers take into account the information spread on social media during the procurement process, which is an important fact for marketers working in the Georgian market, because consumers' opinions must always be understood. Therefore, it is recommended to fully monitor social networks and respond adequately to positive or negative recommendations, which will ensure successful marketing management.

The process of global 'internetization', of course, also affected Georgia, which changed the agenda of existing markets and their users. The results of the qualitative research once again confirmed that social networks are part of the daily life of Georgian consumers, which indicates the need to develop new channels and strategies for direct communication with them. Our qualitative research also showed the most popular social media outlets in Georgia among consumers, the process of interaction with them and the level of impact of social media outlets as marketing communication channels on the same users. Therefore, companies operating in the Georgian market should develop marketing strategies that will be integrated with the social platforms that are most often used by Georgian consumers.

In the global markets, there is a significant increase in the role of social media marketing, which is due to the expansion of the audience of the same platforms and the growth of their ratings. Therefore, companies focus in this direction and pay more attention to customer interaction and the effectiveness of the measures taken by them. As for the usability of social media marketing tools by companies operating in the Georgian market, based on the survey results, we can say that various companies operating in the Georgian market are actively using social media to promote the company or its products. The results of the research show that these types of marketing tools are used by electrical equipment stores, banks, delivery services, etc. In order to develop the market and move companies forward, it is important to increase their involvement in social media platforms and develop social media marketing strategies tailored to the Georgian market.

Thus, based on the analysis of the research results, it is confirmed that social media marketing influences consumer behavior in the Georgian consumer market.

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