DIGITAL-MARKETING AS A MODERN TOOL FOR PROMOTION OF GOODS AND SERVICES IN SOCIAL NETWORKS

Abstract. The article substantiates the expediency of using digital marketing to promote goods and services in social networks. The results of the analysis reflect the important role of digital marketing as the main tool in promoting goods and services on social networks, building loyalty and consumer confidence. The significance of external factors (the region where the goods (services) were entered; the level of economic development of the country; the quality of Internet coverage; Internet access for all segments of the population; the age of the audience, etc.) in choosing a marketing strategy through digital marketing. The difference between digital marketing and Internet marketing is given and it is determined that the concept of «digital marketing» is a broader concept and in addition to Internet marketing includes advertising and promotion through digital technologies. Based on the research of scientists, the concept of «digital marketing» is generalized and it is proposed to consider it as a means of promoting goods (services, brand, product) through the use of digital technologies to meet consumer needs. Based on the results of the study, proposals were made to determine the feasibility of using digital marketing to promote various types of goods (services) in various social networks using an integrated indicator of the applicability factor. The stages of building a digital marketing strategy are proposed. The expediency of conducting a preliminary marketing audit is determined, based on analytical data obtained through various services that act as digital marketing tools.

In the context of the growing popularity of online shopping, there is also a large-scale competition between online stores. Therefore, in order to be customer-oriented and have its own loyal audience, the business must take into account the personal preferences of potential consumers who may become customers of the online store and / or brand.
**Keywords:** digital marketing; social networks, eWOM, social media marketing, goods and services.

**JEL Classification** K10

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**DIGITAL-MARKETING ЯК СУЧАСНИЙ ІНСТРУМЕНТ ПРОСУВАННЯ ТОВАРИВ І ПОСЛУГ У СОЦІАЛЬНИХ МЕРЕЖАХ**

**Анотація.** Обґрунтовано доцільність використання digital-маркетингу для просування товарів і послуг у соціальних мережах. Результати проведенного аналізу відображають ваговий рівень та вплив на різноманітних факторах (регіон, на який впливають товари (послуги)) і рівень економічного розвитку країни, якаїсть інфраструктури мережі, доступність до інтернету всіх верств населення, які аудиторії та ін. у виборі маркетингової стратегії просування товарів (послуг) за допомогою digital-маркетингу. Наведено відмінності digital-маркетингу інтернет-маркетингу і визначено, що поняття «digital-маркетинг» є ширшим поняттям і крім інтернет-маркетингу, включає рекламу і просування за допомогою цифрових технологій. На основі досліджень науковці узагальнено поняття «digital-маркетинг» і запропоновано його розглядати як засіб просування товарів (послуг, брендів, продукту) за допомогою використання цифрових технологій з метою задоволення потреб споживачів. На підставі результатів виконаного дослідження сформовано пропозиції щодо визначення доцільності застосування digital-маркетингу для просування різноманітних видів товарів (послуг) у різних соціальних мережах за допомогою інтеграційного показника фактору застосованості. Запропоновано етапи побудови стратегії цифрового маркетингу. Визначено доцільність проведення попереднього маркетингового аудиту, спираючись на аналітичні дані, отримані
Consumer reviews are a weighty part of social media and testify to the problems of information quality, reliability, and usefulness. The study of Ismagilova E. indicates that reviews on the Internet can lead to changes in consumer attitudes towards the brand and their purchasing behavior, which ultimately affects the performance of the company [6]. In addition, research on the impact of social media marketing on the development of e-sales, in developing countries, where the prevalence of social media marketing is lower compared to developed countries, is interesting [7]. Also important is the research legacy of Lallement et al., 2019, on the study of issues related to reputation and its impact on consumer search behavior [8].

Tran and Strutton [9] and Kulkarni et al. [10] have devoted their research to the issue of improving consumer engagement and customer experience by studying e-servicscape [9] and the impact of viral advertising. Research has shown that e-servicscape has a positive effect on consumer trust, which in turn affects eWOM intentions and customer loyalty [9].

Research Srivastava A. et. al. studies how recommendation systems affect the development of marketing strategies to provide personalized recommendations to each individual user, given the existence among users of products (services) «gray sheep», i.e., stand out among the main audience of consumers, and their removal from the system can help improve the overall effectiveness of recommendation systems based on collaborative filtering [11]. Nisar T. M. et. al. studied how different types of eWOM affect the reputation of the firm (information diversity, valence), which affects revenue growth and is an indicator of company performance [12]. Sokolova K. and Kefi H. studied the influence of bloggers in social networks on consumers’ intention to purchase a product (service) [13].
In their study Jacobson J. et. al. introduced the new concept of «marketing comfort» as comfort for the individual through the use of public information in social media for targeted advertising, customer relations, and opinion research. It is about the fact that even though people assess their risks from disclosing personalized information on social media pages, they are still willing to compromise privacy because they also benefit from the use of social media. The key here is for marketers to mitigate consumers’ concerns so that they do not lose confidence in marketers’ digital practices) [14]. Johnson C. D. et. al. investigated flow in the context of the mobile interface, that is, this state of «lostness» in an activity that occurs when an individual’s skills match the challenge level of the task [15]. However, despite the significant amount of scientific work, the question of using digital marketing to promote products (services) in social networks requires further study, given the rapid development of demands of users of social networks.

The aim of the article is to substantiate the theoretical and practical provisions of the use of digital marketing in social networks as a modern tool to promote products (services). Despite the existing layer of scientific research, in today’s realities, these issues are still relevant. To achieve the objectives, we used such methods of general scientific knowledge as analysis, synthesis, systematization, grouping, synthesis and formalization, the method of logical comparison and analytic-synthetic processing of information, methods of scientific abstraction, methods of systematic and functional approach, which allowed.

**Study results.** The number of social media users is constantly growing. About 6 platforms have more than 1 billion monthly active users, while the remaining 17 platforms have more than 300 million. At the same time, the global user is now, on average, present in more than 8 different social channels. In turn, about 45% of Internet users worldwide turn to social networks at least once a month, looking for information about products or services they are thinking of purchasing [16]. However, on average, 27.5% consider social networking sites as a source of purchasing information. It should be noted that among the younger age groups the rate of using social networks to find products to purchase is significantly higher. For example, Internet users of Generation Z start their brand research on social networks rather than search engines, which is 53.2%, while those aged 25 to 34 resort to this in 48.2% of cases [16]. Pandemic, quarantine, and quarantine restrictions play a key role in this process starting in 2020. The majority of companies who previously did not have social media pages in order to be able to continue their activities during the lockdown have not just entered digital, but in most cases, solidly moved their business to social media. In addition, e-commerce business requires fewer financial resources to start and further develop, which will increase the number of new entrepreneurs and expand opportunities to scale the business in Ukraine and abroad.

This indicates that in social networks there is an imbalance between the supply of goods (services) and the demand for them. That is, social networks do not yet dominate among the means of searching for goods (services), but recently they have been rapidly gaining popularity. Therefore, it is advisable for marketers to work towards expanding the audience of social network users who will use social networks to search for goods and services necessary for their own consumption. In the era of total digitalization, such tasks face the main trend of the modern market promotion of goods and services — digital marketing.

At the same time, the presence of a significant number of scientific works has not solved the problem of defining the interpretation of the concept of «digital marketing». Table shows the existing approaches to defining the concept of «digital marketing».

| **Tab.** | Shows the existing approaches to defining the concept of «digital marketing».

**Summarizing the existing scientific thought can be concluded that digital marketing — is a means to promote products (services, brand, product) through the use of digital technologies to meet the needs of consumers.**

It should be noted that digital marketing (digital marketing) is a broader concept than Internet marketing and includes in addition to Internet marketing (SEO promotion of the site, context, webinars, etc., that is, all the channels that are available to the user only on the Internet) advertising and promotion through digital technologies. In the modern digital technology and the Internet are changing demands of society, social trends, business needs. This leads to the need to revise the marketing tools, the application of which ensures the achievement of the marketing strategy.
### Approaches to defining the concept of «digital marketing»

<table>
<thead>
<tr>
<th>Author</th>
<th>Definition of digital marketing</th>
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<tbody>
<tr>
<td>Oklander M. A., Romanenko O. O. [17]</td>
<td>a type of marketing activity that, through digital channels, allows for targeted interaction with target market segments in virtual and real environments.</td>
</tr>
<tr>
<td>Marchuk O. O. [18]</td>
<td>a comprehensive approach to promoting the company, its products in the digital environment, as well as reaching offline consumers.</td>
</tr>
<tr>
<td>Illiashenko S. M., Ivanova T. Ie. [19]</td>
<td>a type of marketing activity that involves communicating with the audience through digital channels to solve business problems.</td>
</tr>
<tr>
<td>Dave Chaffey [20]</td>
<td>a set of tools to achieve marketing goals in digital channels.</td>
</tr>
<tr>
<td>Rajshree Satdive [21]</td>
<td>is a broad technology used for marketing, information about products and services, reaching viewers, and converting them into customers.</td>
</tr>
<tr>
<td>Ruban V. V. [22]</td>
<td>a modern means of enterprise communication with the market through digital promotion channels for the purpose of effective interaction with potential or real consumers in virtual and real environments.</td>
</tr>
<tr>
<td>Poliakh S. S. [23]</td>
<td>Philosophy, strategy, and tactics of business, based on an integrated system of organization of creation and sale of goods and services, focused on meeting the needs of specific customers and profit based on all possible forms of digital channels, communication networks, including GSM, GPS, GPRS, Bluetooth, Wi-Fi, and the Internet.</td>
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Digital marketing tools represent the full range of the latest technologies used by marketers on the Internet and other digital channels to implement a company’s marketing strategy and stimulate business development in general, which will maintain brand image and respond to changes in customer attitudes; support the launch of a new brand or product in the market, as well as accompanying brand development in the future; increase brand awareness in the market and thus increase market share; encourage breeding Digital marketing tools act as website search engine optimization, content marketing, social media marketing (SMM), pay-per-click (PPC) advertising, email marketing, contextual advertising (remarketing, retargeting), blogging, video marketing, event marketing (event marketing), software, Mar-tech, etc. [24; 25]. Viral marketing can be considered as an aggressive tool of digital marketing. One of the main achievements of digitalization is the emergence of Web 2.0 tools, which are used to promote brands and products. Thus, representatives of Generation Z trust the information transmitted via the Internet and social networks. At the same time, their final decision to buy is strongly influenced by promotions [26].

Research by Kristina T., and Sugiarto C. shows that social media marketing and electronic word of mouth (eWOM) have a positive result and a significant trust effect and finally have a positive effect on the consumer’s intention to purchase a product (service). The final decision of the consumer to purchase or not to purchase a product (service), based on the information obtained in the social network through eWOM, is influenced by the format of the information because the decision begins with interest and then comes the purchase [27].

The Internet marketing and advertising segment are growing both in the consumer sector, as evidenced by the appearance of new online stores every day and in the B2B marketplace. In 2021, a characteristic feature of the B2B market is the realization that customers are no longer satisfied with the B2B status quo, they want a more personalized approach built on their own experience.

Thus, the B2B market in Europe has vividly responded to the changes in society in recent years. In particular, the most visited B2B online stores in Estonia are Kaup24, On24, Hansapost, 1a, and Shoppa. At the same time, more than 50% of Estonian citizens use international online platforms like Alibaba, AliExpress for online retail shopping. Estonia has the highest internet penetration rate in Europe (97% in 2020) and significantly exceeds Ukraine’s rate of 63% [28].

Ukraine has the lowest level of spending per person on e-commerce per year $104, which is explained by low per capita income and low purchasing power. Today the share of e-commerce in GDP in Ukraine is 2.6%. The high level of e-GDP in the Czech Republic is 3.7%, and the lowest in Latvia is 1.1% (Fig. 1).
Fig. 1. The volume of the e-commerce market and its growth rate in Ukraine and Eastern Europe

*Source:* compiled and calculated according to [27—29].

The Ukrainian e-commerce market had the highest growth rate (41%) and the lowest e-cost per person per year ($104) in 2020 compared to its closest neighbors (*Fig. 2*). The low level of spending per person per year on e-commerce by low per capita income and low purchasing power.

Fig. 2. Expenditures per person on e-commerce and the level of e-GDP in Ukraine and Eastern Europe

*Source:* compiled and calculated according to [27—29].

Advertising in social networks (SMM) is one of the most common means of promoting the goods (services) of an online store. It is used by 35.3% of marketers. According to Ascend2’s 2020 Digital marketing strategies study, social media promotion is one of the top three most effective digital marketing tactics, along with search engine optimization (SEO) and blog posts [27].

To promote the brand and increase sales, digital communications are constantly improving existing options for advertising in social networks. These include videos (short promos, «stories», live streams, and YouTube channels; popular among generations «X» and «Z»), native ads, «smart ads» (adapting to potential customers).
It should be noted that the territory of the use of digital marketing is rapidly expanding, which requires the involvement of more specialists.

Fig. 3 and 4 show the state of the effectiveness of different channels of digital marketing in social networks and identify a list of popular social networks in Ukraine.

![Diagram of digital marketing channels effectiveness](image1)

**Fig. 3. The effectiveness of using different channels of digital marketing in social networks**

*Source:* compiled and calculated according to [27—29].

![Image of popular social networks in Ukraine](image2)

**Fig. 4. Popular social networks in Ukraine**

*Source:* compiled and calculated according to [27—29].

At the same time, data from marketing reports show that people’s behavior and preferences vary significantly from region to region. That is why the tactic of implementation of digital marketing by firms in 2020 involves outsourcing part of the work to specialists. The effectiveness of this strategy is 71%, while the implementation of digital marketing only by professionals of the company is effective at 18%. However, it is not expedient to outsource the entire process, because the effectiveness of such a strategy is only 11% [29]. At the same time, in Ukraine, there is a low practice of using digital marketing tools to promote products and services. The problems of digital marketing in Ukraine are prescribed in the «Economic Strategy of Ukraine 2030 — a country with a developed digital economy». In particular, it defines the weak role of the state in the development of digital trends, the lack of qualified specialists at enterprises, the high cost of implementing a digital marketing system [30].
A significant problem in the application of digital marketing is the need to optimize business pages for mobile devices. After all, most users visit social networks using cell phones. The quality of Internet coverage is extremely important here. After all, there is a big difference between 3G and 5G, and countries that have already activated 5G networks are already seeing significant benefits in terms of mobile data speed. Faster connections mean that people can access Internet commerce anywhere in the world, particularly when they are on the go. In addition, while many platforms are popular with users around the world, the ways in which these platforms are used often differ from region to region. For these reasons, you need to invest time to understand the nuances of your particular audience.

We suggest the following steps build a digital marketing strategy.

1. Study the potential market online. Before entering new online markets, you need to conduct market research to see if your business has the potential to succeed. Market research will determine your sales potential and how much competition currently exists and is expected in the future.

2. Competitive Research. Even if you’re not entering a new market, you need to keep track of what your competitors are offering customers, both in terms of their products and services and how they reach customers. Sometimes your competitors are a valuable source of new ideas. You need to know what they do, how they do it, and what it brings them.

3. Pre-Audit. This involves answering the question, «Who do I want to attract?», «Why might they use social media?», «What platform would be most relevant to motivate them?», «How can I use these channels to get the results I want?».

We propose to determine the feasibility of digital-marketing to promote different types of goods (services) in various social networks by means of an integral indicator of the applicability factor based on expert assessments, using a conventional scale from 0 to 100, where 0 indicates that the social network is completely unsuitable for positioning specific goods (services), and 100 - the social network fully satisfies marketers to promote products (services) by a number of characteristics: the purpose of the social network, the age of the audience of the social network, the specifics of the products (services). So, for example, the promotion of medical products using SMM on Pinterest will not bring any results (neither expand the audience nor increase sales), instead of using Facebook and YouTube for this purpose will bring the expected results, because these social networks cover the audience who may be interested in this product.

When conducting a preliminary audit, it is advisable to rely on analytical data obtained with the help of various services that act as digital marketing tools. Such services include Minter.io (applicable to Instagram, Facebook; analysis of hashtags, user engagement, opportunities for collaboration with Influencers, etc.), Smartmetrics (applicable to Instagram; a collection of a maximum amount of data on account statistics, analysis of hashtags, etc.), BuzzoSum, SproutSoca, SocialBakers (more suitable for promoting goods and services on international markets; opportunities for cooperation with Influencers; competitor monitoring; statistics on reposts, likes, saves, reactions; most popular publications), Fanpage karma, Popsters (applicable to Facebook; detailed analysis of competitor accounts), Livedune (applicable to all social networks; auto search settings, baseline history, etc.), BrandMention (monitoring reviews of products (services), Hootsuite (customer support), trendHERO (applicable to Instagram; search and check bloggers, etc.).

Conclusions. Social media can significantly contribute to e-commerce by demonstrating brand positioning, increasing audience loyalty, communicating with customers, and working with their feedback. Consumer feedback is a powerful tool in managing the process of promoting products and services on social media.

While medium-sized businesses can use them to generate a significant number of direct sales, particularly through Instagram and Facebook, large businesses can use them to stand out from the competition and develop a powerful brand.

Література


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