

Article

Are Social Networks Sufficiently Used in Companies? Case Study in the Czech Republic

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Abstract: Social media use is currently on the rise and companies find it useful for communicating with their customers or business associates. This paper aims to analyze perceived benefits and the use of social networks in Czech companies in relation to certain specifics of the company. A questionnaire survey was done in cooperation with the Regional Economic Chamber of Hradec Kralove region and a return rate of 2% was achieved. The Chi-square test and the Mann-Whitney test was used to understand the strength of the intensity of dependence of the basis of model coefficients. It was discovered that 55% of the companies surveyed use social networks, while 80% of companies regard them as an important part of business. Significant differences in the use of social networks were found based on the industries in which firms do their business. Industrial companies do not use social networks, compared to 72% of companies doing business in services who use social networks. It was also found that companies with more than 200 customers use social networks the most. Overall, the use of social networks in the Czech companies is low. The fact that only 52% of respondents analyze their efforts on social networks is especially startling. This results in unfulfilled organizational potential, which is more significant especially when compared with the results of foreign studies where the social networks are used by up to 96%.

Keywords: social networking sites; trends; survey; companies; Czech Republic

1. Introduction

Today, more than ever before, in order to attain profit and keep up with competition, companies have to adapt very quickly and learn how to use modern technologies [1,2]. Social media usage is currently on the rise and serves as a source of communication between companies and their customers or business associates [3–7]. According to an extensive social media marketing industry report by Michael A. Stelzner (2014) [8], 97% of 2887 marketers used social media to market their businesses. Social media generally refers to web-based and mobile applications that allow individuals and organizations to create, engage, and share new user-generated or existing content in digital environments through multi-way communication [9]. Social network sites can be defined as web-based service pages that allow individuals to construct a public or semi-public profile within a bounded system, articulate a list of other users with whom they share a connection, and view as well as traverse their list of connections and those made by others within the system [10,11].

A major benefit of using social media in enterprise marketing is an increase in the number of new customers and clients a firm is able to get. It also helps customers to better understand a company's brand and enhances the quality of communication and collaboration between employees and its client base (Agents for sure, 2013) [12]. These benefits are also confirmed by Ab Hamid [13] who

elaborated on the concepts of social media, social media marketing and other aspects, such as the growth, benefits, role and relevance of social media in marketing, as well as social media marketing strategies. Odhiambo [14] explored whether social media is more effective than traditional media from a brand management perspective. His results confirm higher effectiveness of social media than traditional advertising channels. A detailed study was also conducted by Guesalaga [15], who empirically tried to understand the effectiveness of social media as a marketing tool and the extent to which social media helps consumers in deciding what to buy. Bashar [16] examined the relationships between social media use, trust and customer retention.

A study among Spanish hospitality firms by Palacios-Marqués et al. [17] confirmed that the relationship between online social networks and innovation capacity is significant. Parveen et al. [18] performed a study in Malaysia and discovered that social media can notably help organizations reduce costs, improve customer service and enhance information accessibility. To achieve this, companies use the option of paid advertising, where the main advantage is the ability to target a select group of users. Targeting is possible by defining the e-mail addresses, phone numbers or the ID's of application users. Another option is to specify certain attributes that users publish on their profiles. The target may be age, gender, geographic location, language, interests, etc. [19], while at the same time there are a number of programs that can merge the management of multiple social accounts into one easy tool. Users of these tools will gain new opportunities such as scheduling post-publishing, publishing the same content on multiple profiles, evaluating the success of all social accounts or sorting communication with customers.

VentureBeat conducted a study that examined which tools are most commonly employed to manage social networks in the world. The study was divided by the authors into three categories according to the size of the company. The study found large corporations use tools such as Oracle, Sprinklr and Komfo, while mid-sized companies prefer Sendible, Meshfire and mostly Oktopost. Tools used by smaller businesses include Hootsuite, Heshfire and Sendible. Other common responses from the managers included TweetDeck, Buffer, SocialFlow, Spredfast and Crowdboost [20]. Statista.com affirms that the world's most widely used social networking site at the moment is Facebook, which has 1720 million active users. This is followed by the chat platform WhatsApp and Facebook Messenger (both have approximately 1000 million active users). QQ, WeChat, and Qzone are a trio of the most common networks used almost exclusively by Asian users.

In terms of the number of active accounts on social networks, the top three places belong to non-European countries such as Singapore (66% of the population), Hong Kong (64%) and Argentina (60%). Other active accounts are in Great Britain (59%) and USA (58%). The data in Figure 2 is expressed in percentage and is related to the population of active social network users in each country.

In the Czech Republic, Facebook and LinkedIn emerged as the most popular social networks amongst organizations. As of January 2013, 15% of domestic Czech firms had their own social network accounts. Significantly fewer enterprises also ran corporate blogs (e.g., Twitter was used by 4% of companies in January 2013) or web sites allowing multimedia content sharing (e.g., YouTube was used by 6%). Only a fraction of businesses (4%) employed an online encyclopedia based on knowledge and information sharing. The main reasons given by companies for using social media in January 2013 included an improvement of the company's image, marketing products or acquiring customer feedback. Czech businesses relatively lack in terms of these indicators when compared to companies in other EU countries [21]. Therefore, the aim of this paper is to analyze the ongoing use of social networks by Czech businesses as a function related to certain specificities of the companies. It specifies the benefits that companies see and expect in using social networking, and the approach to managing their online profiles. The research questions are as follows:

- What is the current use of social networks in Czech companies in relation to certain specifics of the company?
- What are the benefits that companies see and expect in using social networking, and the approach to managing profiles by companies?

2. Theoretical Background

2.1. The Concept of Social Networking Sites

As described by [22], Social Networking Sites (SNS) are web-based services that enable individuals or businesses to build a public or semi-public profile within their system and share information related to common interests. What makes social network sites unique is not that they allow people to meet strangers, but that they allow users to articulate their social networks and make them visible. These meetings are often between “latent ties” that share some of the connections offline. Participants do not necessarily seek to meet new people on many of the large SNSs; instead, they communicate primarily with people who are already part of their extended social network [23]. SNSs backbone consists of visible profiles displaying an articulated list of friends who are also system users. Profiles are unique pages where you can “establish yourself”. An individual is asked to fill out forms containing a series of questions that generate the profile after joining an SNS [24]. A profile typically includes descriptors like age, location, interests, a section “about me”, and a photo upload. Users are encouraged to identify others in the system with whom they have a relationship after joining a social network site [25]. These relationships offer distinct features and differ by using different labels such as “Friends”, “Contacts” and “Fans”. SNSs use two kinds of confirmation for friendship. One is sometimes labelled as “Fans” or “Followers” and displays one-directional ties, although many sites also call these “Friends”. The other is a bi-directional confirmation where the friendship needs to be agreed upon by both sides. A key component of SNSs is the public display of connections [23]. The list of friends contains links to the profile of each friend, allowing viewers to cross the graph of the network by clicking through the lists of friends. Most SNSs also provide users with a mechanism to leave messages on the profiles of their friends [10]. Usually this feature involves leaving “comments”. Furthermore, SNSs often have a webmail-like private messaging feature which allows for private communication.

2.2. Applications of SNSs

With the growing popularity of social networking applications, the first and what can be described as foremost of emerging trends in social network sites is defined as the concepts of “real time” and “location based” information sharing. Users can create or contribute real-time content and then broadcast it by uploading it to the SNS platform [26]. Twitter was the site to set the trend for “real-time” services where users can communicate their real-time activities and actions to the world. Facebook took the mantle and followed suit with their “Live feed” where the activities of users are streamed immediately as they occur [27]. Subsequently, and in contrast, while Twitter focuses on words, Clixtr, another real-time service, focuses on group photo sharing where users can update their photo streams during an event with photos. Friends and nearby users can contribute their own photos and comments to this stream of events, thereby contributing to the “real-time” aspect of uploading photos and comments [28]. Foursquare garnered popularity in the location-based social networking space, allowing users to “check-in” to the places they frequent at the time. Gowalla is another such service that works much like Foursquare, leveraging GPS in phones to create a location-based user experience [29]. Clixtr is also a location-based social networking site, though in real-time space, since user-created events are automatically geotagged and users can view nearby events via the Clixtr iPhone app [24].

Businesses use social networking sites in social communities to share scientific knowledge exchanges [30]. Social networking allow groups to expand their knowledge base and share ideas, and without these new ways of communicating ideas social networks could become “isolated and irrelevant” [27]. Companies have found in the same vein that social networking sites like Facebook and Twitter are great ways to build their brand image [31]. Five major uses for business and social media are common: creating brand awareness, an online reputation management tool, recruiting, learning about new technologies and competitors, and as a lead gene tool for intercepting potential prospects [14]. These companies can drive traffic to their own online sites while encouraging their consumers and customers to discuss how products or services can be improved or changed [32].

3. Methods

3.1. Data Collection

The main method adopted for this study was a questionnaire survey among companies in the Czech Republic. The survey was conducted in two phases. First, a pilot study to verify the feasibility and clarity of the questionnaire among 17 selected companies was realized in February 2016. The pilot survey was administered to 1400 companies, and 41 responses were generated. In March, suggestions for questionnaire improvement were incorporated based on the feedback from respondents. The research and main data collection was conducted by a team of researchers from the Faculty of Informatics and Management, University of Hradec Kralove, under the auspices of Regional Chamber of Economy Hradec Kralove, between March 28th and April 8th 2016. The questionnaire was sent to 5000 companies via e-mail, which included a link to the questionnaire. The average length of completion of the questionnaire was 7 min and 25 s, and a total of 106 responses (completed questionnaires) were received. The return of the survey was therefore 2.1%. This was perceived to be very small by the research team, hence, a second round of questionnaire distribution was embarked upon. In December 2019, the research endeavour was repeated with updated data. Eighty-seven new questionnaires were returned. The new results are used to discuss the evolution of social network usage over time. In the framework of the new questionnaire survey, we contacted directly the companies from the previous survey who already filled in the questionnaire and left an email or other contact. The questionnaire was sent electronically and completed on the website directly by the company. The structure of the questionnaire was exactly the same as the original. Although the sample size was low, nevertheless, based on the recommendation of Barlett, Kotrlik and Higgins [33], a population of 5000 at alpha value of 0.03 (alpha; 0.03, t ; 1.65 for continuous data) will require a sample size of 83 respondents. Therefore, the sample size used for this study was considered adequate.

3.2. Sample Size

The sample of respondents correspond to the distribution of companies by size in the Czech Republic. In terms of branch structure in the CZ NACE (Nomenclature statistique des activités économiques dans la Communauté européenne), there are more companies from the manufacturing industry and less companies from wholesale and retail (CSO, 2016). Companies sampled within this study were mostly distributed across professional, scientific, and technical lines. Table 1 shows the specific distribution of the respondents.

3.3. Design

The questionnaire included 29 analytical and substantive questions divided into three groups. For 21 questions, the respondents could select only one option and at eight questions they could select more options. The questionnaire had three main sections which the separate questions related to: the characteristics of the respondents, marketing on social networks and the use of different types of social networks and the management of company profiles. The characteristics of respondents included, for example, the number of employees, turnover and industry. In marketing questions, attention was focused on the attitude of the importance of social networks, the time devoted to their activity and the expected benefits of social networks for companies. In the last area, we discovered what social networks companies actually use, what investments they invest to act on them and how many contacts and forms they have there. During the analysis, information concerning the characteristics of respondents was interconnected and interdependencies were identified. Due to comparability, the questionnaire was inspired by Stelzner [34] foreign research which was conducted in 2014 and its participants came from the United States, Great Britain, Canada, Australia and India, and worked with the replies of 3700 businesses and companies.

3.4. Statistical Analysis

The Chi-square test and the Mann-Whitney test were used for the processing of statistical dependencies. The strength of the dependence intensity was determined on the basis of model coefficients. All data were processed and analyzed in statistical software from IBM (IBM Statistics).

4. Analysis of the Use of Social Networking Sites among Companies in the Czech Republic

4.1. Characteristics of Respondents

Overall, 106 companies responded, with most responses coming from the manufacturing industry (21%). The next most common sectors were the wholesale/retail trades and repairs/maintenance (13.1%), followed by construction (11.2%). Most respondents consisted of micro-enterprises, according to the European commission definition [35], whose number of employees were less than 10 (48 companies, 45.2%). Then there were small (29 and 27.3%) and medium-sized enterprises (21 and 19.8%). Large enterprises were those who had a number of employees greater than 250 (8 and 7.5%). Most of the participating companies were focused on the relations between companies (B2B), which do not contain the end consumers (60.3%). Companies focused on end consumers (B2C) were represented by 16.9% of enterprises. None of the companies surveyed were a B2G company. (Table 1).

Table 1. Description of companies according industry field, turnover, number of employees and customers.

Field:	Micro-Enterprise							
	N	(%)						
Manufacturing industry	22	20.75						
Wholesale and retail trade, repairs and maintenance	14	13.1						
Construction	12	11.2						
Other industries	59	55.1						
Total amount	106	100%						
	B2B		B2C		Without an answer		Total amount	
	N = 64	(60.3%)	N = 18	(16.9%)	N = 24	(22.6%)	N = 106	
	N	%	N	%	N	%	N	%
Number of employees								
1–10	27	42.2	7	38.9	14	56	48	45.4
11–49	14	21.9	9	50	6	24	29	27.3
50–250	15	23.4	2	11.1	4	16	21	19.8
Over 250	8	12.5	X	X	1	4	8	7.5
Number of customers								
Less than 20	11	17.2	4	22.2	3	12	18	16.8
21–50	19	29.7	3	16.7	3	12	24	23.4
51–200	14	21.9	2	11.1	7	28	23	21.5
Over 200	20	31.2	9	50	12	48	41	38.3
Annual turnover								
Less than 2 million EURO	41	64.1	11	61.1	18	72	70	65.4
2 million–10 million EURO	8	12.5	5	27.8	5	20	17	16.8
10 million–50 million EURO	11	17.2	1	5.6	1	4	13	12.1
Over 50 million EURO	4	6.2	1	5.6	1	4	6	5.6

4.2. Marketing on Social Networking Sites

Fifty-five percent of the companies surveyed used social networks, while 80% of the companies regarded them as being an important part of business. Eleven percent of the companies did not regard them as important, and 9% stated that they could not assess their importance. According to the time spent using social networks, most companies fell into the category of 14 years (total of 64%). Eight

percent of the companies started to use social networks within the last year. Twenty-five percent of the companies rank among long-term users, i.e., longer than four years. A total of 63% of companies reported they devote 1–5 h per week to the management of social networks and 19% devote 6–10 h, while 18% devote more than 10 h. None of the companies spent more than 20 h a week for their social networks.

One of the main questions referred to how social networks contributed to marketing from the perspective of Czech companies. Each respondent could check any number of answers. In this case, the results are shown in Figure 1.

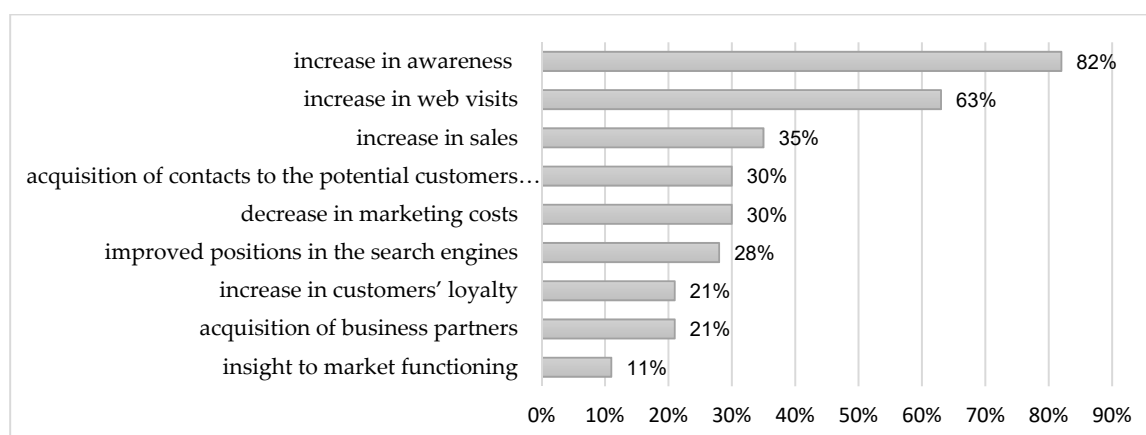


Figure 1. Contribution of social networks from the perspective of Czech companies.

According to the Figure 1 above, 82% of all respondents (out of 106) believed that social network marketing increased website visits by 63%, sales by 36%, fostered acquisition of contacts to the potential customers by 30%, as well as improved positions in the search engines by 28%, decreased marketing costs by 30%, motivated customer loyalty by 1%, encouraged acquisition of business partners by 21% and facilitated insight into market function by 11%.

Our own repeated survey on a sample of 87 companies in 2019 is fully in line with the trends described in the previous survey. Figure 2 summarizes the influence of social media marketing on awareness, which increased by 75%. Similarly, web visits also increased by 68%, sales by 39%, and fostering acquisition of contacts to potential customers increased by 64%. In contrast, the need for marketing costs decreased by 25%. Social media marketing also fostered improved positions in the search engines by 41%, motivated an increase in customer loyalty by 21%, fostered an acquisition of business partners by 17%, and facilitated insight into market function by 12%.

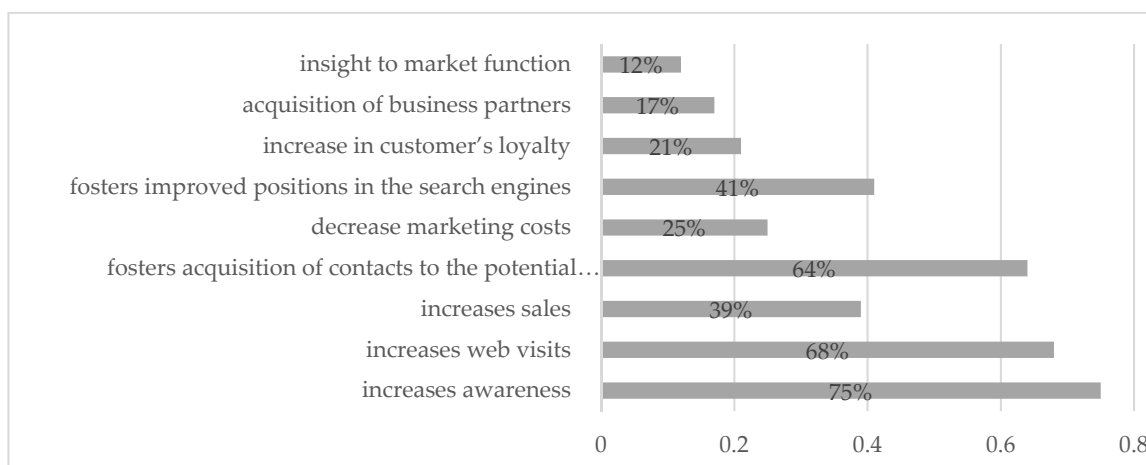


Figure 2. Contribution of social networks from the perspective of Czech companies.

4.3. Use of Different Types of Social Networking Sites and the Management of Company Profiles

The most widely used social network among companies was clearly Facebook (93%). Then, with a big margin to second place came YouTube (50%), followed by LinkedIn (38%), Twitter (25%) and Google+ (13%); other social networks were only used sporadically, “a surprising fact, particularly in the case of Instagram,” which was used by only 5% of companies.

Facebook was also the most important social network for the companies—indicated by 75% of companies. As for the future use of different social networks, in most cases the companies did not intend to change anything. However, the major networks that the company would like to use more in the future included mainly Facebook (63%). Interestingly, there was a large use of corporate blogs (45%) and YouTube (44%). The majority of companies used Facebook (77%) for paid advertising. Second place belongs to YouTube, which was used by 15% of companies for paid advertising. Regarding the tools to manage multiple social networks and coordination of content, the vast majority of companies (96%) did not use any such program. Only 2% of companies used ZoomSphere and 2% used Hootsuite. The survey also investigated whether companies were able to somehow measure the return on investment (ROI) of social networks. Only 29% of respondents were able to measure their ROI. The rest were either not able to do so or were unable to assess the ability of measurable return on investment. Fifty-two percent of respondents were concerned with analyzing the activity on social networks, while 43% of companies left their activity without analysis. Fifty-five percent of respondents believed that they do effective Facebook marketing, 79% of respondents believed that social media helped raise the awareness of their business and 41% of respondents were convinced that social media helped them to increase sales. More than half of respondents (58%) stated that using social media increased their website traffic. Regarding the style of administration of corporate profiles on social media, 84% of respondents sorted out the administration themselves and 16% used outsourcing. Companies that used outsourcing on social media presentation did so primarily in the area of monitoring (63%) and design/development (63%). Only 38% used outsourcing also for content creation. Eighty-eight percent of the respondents relied on the author’s written content in the content creation, 50% used graphical authoring content (infographics, images, memes) and 36% used authoring video content. Shared third party content was used only by 27% of respondents. Copyright comprehension of the content was also of utmost importance as 61% of respondents had copyright on their content, but in the future more companies want to use more visual and video content (55%, 63%). Regarding the funds that businesses spent on the administration of corporate profiles on social media, 89% of respondents invested less than 370 EUR monthly, 5% of respondents invested between 370–1100 EUR per month, 4% invested between 1800–3700 EUR per month and no company invested more than 3700 EUR (Figure 3).

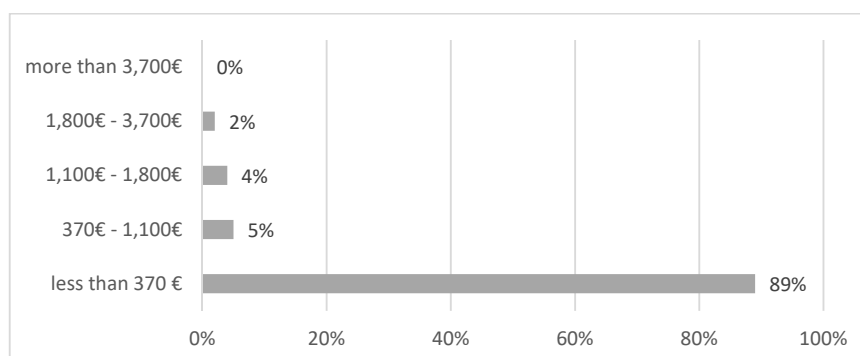


Figure 3. Monthly administrative investment on social networks by Czech companies.

In 42% of cases of the respondents the owner of the company was in charge of marketing, while in another 39% the marketing role was played by one or more of the employee(s) or the marketing department (13%). In addition to social media, the most frequently used marketing tool for the respondents was e-mail (87%), followed by printed ads (63%), search engine optimization (45%),

sponsorships (36%) and press releases (33%). Consequently, the utmost importance was attached to e-mail advertising. It was the most important marketing tool for 24% of the respondents, with the same percentage also pointing to print advertising.

4.4. Other Dependencies

For better specification of the behaviour of companies on social networks, the linkage between business, size of turnover and number of customers of the company was specified and compared to the use of the types of social networks in relation to the perceived benefits of social networks. The observed phenomena included the attitude towards the use of social networks across disciplines (Table 2). Out of the 17 possible industry variants, the data were merged into two categories, namely industry (construction, agriculture, transportation and warehousing, technical activities, etc.) and services (education, administrative activities, healthcare, etc.). As noted in the Table 2, 72% of companies in the industry sector did not use social networks. Conversely, in the area of services, almost 72% of companies used social networks for promotion. Here we can see the mean intensity of the dependency in the use of social network by the market in which the company operates. Another area of investigation was whether the growing number of customers implies that the company more often uses communication via social networks with customers. The resulting statistics are shown in Table 2. It was apparent that in the category of companies that had fewer than 20 customers, 21–50 customers and 51–200 customers, there were no significant differences and the relative frequencies of the use of social networks ranged up to 50%. A significant difference occurred in the category of companies with more than 200 customers. In this group, over 73% of companies used social networks. The test result then points out a moderate correlation between the number of customers and use or failure to use social networks. The latest statistic, which is shown in Table 2, is the impact of turnover on presenting the company on a social network. In this case there were two categories, i.e., businesses that have a turnover of less than 2 million EUR and businesses that have a higher turnover. Among the groups there were no statistically significant differences. The difference between the relative frequencies across the groups was less than 10% due to the fact that in a company which had a turnover of less than 2 million EUR, the relative frequency of the use of social networks was around 57%. In the second category it was 49%.

Table 2. Use of SNSs according to specific indicators.

Hypotheses		Uses Social Network (%)	Does Not Use Social Network (%)	Prob Level	Conclude H1 at 5% Significance?
H1: Using Social Networks Depends on the Business Field					
N= 100	industry	27.8	72.2	<0.001 *	YES
	service	71.9	28.1		
H1: Using Social Networks Depends on the Number of Customers with Which it Communicates					
N= 106	Less than 20 customers	41.2	58.8	0.023 **	YES
	21–50 customers	40	60		
	51–200 customers	47.8	52.2		
	Over 200 customers	73.2	26.8		
H1: Using Social Networks Depends on the Company's Turnover					
N= 106	Less than 2 million EURO	56.5	43.5	0.438	NO
	Over 2 million EURO	48.6	51.4		

* Chi test; ** Mann-Whitney test.

Now the question arises on how companies perceive the contribution of social networks, whether it in any way reflects the economic indicators such as increased sales, or whether social networks have helped to improve the position of companies in the market, e.g., by the acquisition of new customers. How the companies perceived the use of social networks is shown in Tables 3 and 4.

Table 3 shows the view of individual indicators based on the size of a company. The companies are divided into the categories of micro-enterprises (according to the definition of a micro-enterprise (EC, 2016)) and others. Between the two categories there were no significant differences found, except the claim that social networks have helped companies gain new business partners, whereas the relative frequencies in micro-enterprises were significantly higher by more than 25%. An even greater statistical difference was found in the following statement: “Social networks have provided us with insight into the functioning of the market”, where the difference is greater than 44%. The number of selected responses does not differ significantly among the two groups.

Table 3. Perception of the impact of SNSs.

	Total	Micro-Enterprise	Other	P
Social networks have helped us to increase sales	40.40% N = 52	47.10% N = 17	37.10% N = 35	0.389
Social networks have helped raise awareness about our company	79.20% N = 53	82.40% N = 17	77.80% N = 36	Unable to determine ^a
Social networks have helped us gain new business partners	35.80% N = 53	52.90% N = 17	27.80% N = 36	0.018
Social networks have helped us make contacts with potential customers	39.60% N = 53	58.80% N = 17	30.60% N = 36	0.105
Social networks have helped us to reduce marketing costs	47.20% N = 53	52.90% N = 17	44.40% N = 36	0.175
Social networks have helped us to improve the position in search engines	34% N = 53	29.40% N = 17	36.10% N = 36	0.601
Social networks have helped us to increase website traffic	57.40% N = 54	58.80% N = 17	56.70% N = 37	Unable to determine
Social networks have provided us with insight into the functioning of the market	29.40% N = 51	58.80% N = 17	14.70% N = 34	0.002
Social networks have helped us increase customer loyalty	38.90% N = 54	47% N = 17	35.10% N = 37	0.472
Number of selected answers	3.67 ± 2.83 * N = 58	4.61 ± 3.09 * N = 18	3.25 ± 2.64 * N = 40	0.116 ^b

* Std. Deviation; ^a the basic requirements for the use of the test have not been met; ^b Mann-Whitney test (H1: Diff <> 0; Accept H₀).

The evaluation of the positive effects of social networks can also be viewed depending on how long the individual companies use marketing on social networks. Categories in this case are the companies that have used social networks for less than two years and companies that have used social networks for a longer period of time. As can be seen from Table 4, in this case there were no statistically significant differences, and therefore it cannot be stated that the opinion of companies varies with varying lengths of time using social networks.

Table 4. Perception of the impact of social networks depending on the time of use.

	Uses Social Network			P
	Total	Less than 2 Years	More than 2 Years	
Social networks have helped us to increase sales	42% N = 50	41.20% N = 17	42.42% N = 33	0.812
Social networks have helped raise awareness about our company	82.40% N = 51	100% N = 16	74.30% N = 35	Unable to determine ^a
Social networks have helped us gain new business partners	37.30% N = 51	23.40% N = 17	41.20% N = 34	0.715
Social networks have helped us make contacts with potential customers	41.20% N = 51	58.80% N = 17	32.40% N = 34	0.146
Social networks have helped us reduce marketing costs	49% N = 51	52.90% N = 17	47% N = 34	0.923
Social networks have helped us to improve the position in search engines	35.30% N = 51	35.30% N = 17	35.30% N = 34	0.602
Social networks have helped us to increase website traffic	59.60% N = 52	58.80% N = 17	60% N = 35	Unable to determine ^a
Social networks have provided us with insight into the functioning of the market	30.60% N = 49	35.30% N = 17	28.10% N = 32	0.425
Social networks have helped us to increase customer loyalty	40.40% N = 52	41.20% N = 17	40% N = 35	0.649
Number of selected answers	3.8 ± 2.79 * N = 56	4.2 ± 2.67 * N = 18	3.6 ± 2.86 * N = 38	0.386 ^b

* Std. Deviation; ^a the basic requirements for the use of the test have not been met; ^b Mann-Whitney test (H1: Diff <> 0; Accept H₀).

5. Discussion

Fifty-five percent of the companies surveyed use social networks, while 80% of companies consider them an important part of business. A total of 63% of companies reported that they devote 1–5 h on the administration of social networks. The most widely used social network between companies is clearly Facebook (93%), followed by YouTube (50%), LinkedIn (38%), Twitter (25%) and Google+ (13%). In terms of the ability to measure the return on investment, only 29% of them dedicate time, energy and resources to this area. The rest are unable to assess the ROI measuring ability. Fifty-two percent of respondents were concerned with analyzing their activities on social networks, 43% of companies left their activities without analysis. In terms of company size, there was a significant difference in the use of social networks, with large companies clearly leading, i.e., they use social networks up to 73%. Large companies, unlike others, agree that social networks have provided them with insight into the workings of the market. In terms of time of use of the networks, there were no statistically significant differences between the companies in the evaluation of the benefits and results. Based on the statistical analysis, there were significant differences revealed in the use of social networks based on the industry sectors in which the companies do their business. Seventy-two percent of industrial companies do not use social networks, conversely, 72% of the companies doing business in services use social networks. This finding is not surprising since social networks usually have a wider use in the B2C business. Industry-oriented companies seem to primarily use other marketing channels. Conversely, there were no significant differences found in the use of social networks depending on the size of the company by number of customers, although companies with more than 200 customers used social networks the most.

Significant statistical differences were also not observed in the use of social networks based on the companies' turnover. We also investigated the differences in the use of social networks depending on whether a company falls or does not fall into the category of a micro-enterprise; except for two cases, there were no significant differences. However, a much higher percentage of micro-enterprises stated that social networks have helped them obtain new business partners and provided them with

a better insight into the workings of the market, while some companies did not feel that the benefit was so pronounced. This may also be what Kietzmann [36] described as the bittersweet experience of “electronic word of mouth”. Social networks seem to allow micro-enterprises to reach many potential customers for low spending for whose addressing they would normally have to spend significant funds (billboards, TV ads). Depending on the time using social networks, there were also no statistically significant differences, and therefore it cannot be said that the opinion of companies differed with varying lengths of time using social networks. These trends are in support of the study of Qu et al. [37], who claimed that online social activities has implications for “e-tailers” (electronic retailing) business performance. It also confirms the study of Saxena and Khanna [38] asserting that business performance and sales can be enhanced through social networking sites advertising.

In December 2019, the authors also carried out another questionnaire survey in order to find out whether the situation in the Czech corporate environment has significantly changed.

Reports from public surveys, which are focused on partial problems (often mainly to find out what types of social networks companies use) point to the fact that the use of social networks is slightly increasing, but the Czech Republic still lags behind the European average. The 2017 survey shows that social network usage is growing every year. Nevertheless, the Czech Republic, along with Slovakia, Hungary, Bulgaria and Romania, ranks at the end of the European Union statistical hierarchy in terms of social network use. Social networks designed to share multimedia content, of which YouTube is probably the best known, are used by 11% of Czech companies. Blogs and blogging platforms such as Twitter are used by only 6% of Czech companies [21]. A survey from 2018 states that companies still do not know how to comprehensively, systematically grasp employees’ involvement in corporate communication. Despite the fact that almost 80% of employees are on social networks every day, companies cannot use social networks. Sixty-nine percent of the Czech internet population have profiles on at least three social networks and spend 2.5 h per day on them, on average. In 2019, Ipsos’ survey confirmed that small and medium-sized businesses mostly use Facebook (75%), Instagram (30%), LinkedIn (28%), YouTube (20%) and Twitter (11%). Social networks are increasingly employed, with one fifth of the companies surveyed stating that employees directly manage the company’s Facebook presence (Sykora, Kacer, 2019).

These findings are consistent with the results of our own research in both 2016 and 2019. Although some changes have been identified in our findings, trends remain the same. Those aspects of change include consolidating their position in search engines and as more emphasis is placed on this, more companies expect social networks to increase brand awareness of contacts. In terms of the types of social networks, the use of Facebook is rather receding, although it is still the preferred social network. At the same time, companies (as the results of 2019 have also shown) realize the need to invest in social network marketing. Overall, the use of social networks better permeates business practice and approaches the trends of the consecrated European countries and the US. In contrast, the situation in the US, UK, Canada, Australia and India as asserted by Stelzner [8] draws attention to the overall more active and progressive corporate behaviour. Ninety-six percent of cases use social networks, 72% of the companies devote time, energy and human resources to the analysis of the activities on social networks, and 31% of foreign companies are dedicated to the administration of social profiles for more than 15 h a week. However, an area in which the Czech companies are at a similar level as their non-Czech counterparts is the use of Facebook, the time devoted to marketing on social networks and their content type. The most widely used networking tool for both Czech and non-Czech companies is Facebook, which is primarily used to increase company awareness and to encourage traffic on their websites. Non-Czech companies also use social networks in order to increase the loyalty of their customers and gain insight into the workings of the market. The big difference is regarding Twitter, LinkedIn and Google+, which are much more intensive outside Czech. Non-Czech firms use social networks more, they can better integrate them into their marketing activities, and are able to analyze them better by measure their return ability more effectively. On the contrary, the similarities between Czech and non-Czech firms is in the content. Content is mostly comprised of custom written text,

which is complemented by custom visuals. Another study in Great Britain addressed the gap in content by focusing on B2B small and medium enterprises (SMEs) and their social networking practices. These results are quite similar to the findings in the Czech Republic. One can assume that due to the low results in employing social networks during the reference year, only 4% of firms plan to increase their spending on SNS in the subsequent year. However, the survey indicates that over a quarter of B2B SMEs in the UK are currently using SNS to achieve their marketing objectives. This corroborates the works of Michaelidou et al. and Stelzner [8,39] who highlighted the role of the internet and social networking sites as effective marketing strategies.

In the current study, there were three major limitations. First, the data was collected through convenience sampling. Although this sampling method offers time benefits, it may be biased and may not represent the entire population. The study was conducted using only Czech firms; while these results may not seem generalizable beyond this context, there are indicators that they may not differ from what could be obtained in other climates. The survey also relied on self-reporting based on the perceptions of the respondents, which may not have been reported accurately.

Based on the findings of the study, several additional studies could be developed. First, the study could be replicated in a different country to determine whether the results at the present testing site were typical or not of the general population of respondents in the study area. Further analysis could be performed to determine the effects of Facebook on achievement of marketing objectives by firms. Future research could also seek to determine whether the effectiveness of social networking sites in fostering marketing objectives varies based on different industries.

6. Conclusions

In terms of use of social networks, Czech firms lag far behind the European average. The fact that only 52% of respondents analyze their efforts on the social networks is especially startling. If companies invest in social networks they should be interested to a much larger extent in how well they are doing, if they acquire new customers and if it is not just a wasted investment. Unfulfilled potential is more significant, especially when compared with the results of non-Czech studies where the social networks are used by up to 96% of companies, with most of them interested in the analysis and also devoting more time and care to how they fare with the use of these networks.

This article exposes the current weakness of Czech firms in harnessing the possible benefits of social networks to gain competitive advantage in their business in comparison to other business markets within the EU specifically and the world as a whole. It points to aspects of acquiring more customers through internet-based advertorials which are relevant for the marketing of products and services in today's technological age. For the journal, the current article will add to the pool of research in the area of social media marketing awareness and bring reasons for a paradigm shift from traditional ads to what is obtainable in the 21st century. The study creates a better understanding, especially on how social media can impact business growth for firms in Czech Republic which are yet to fully appreciate this emerging business platforms. This article is, however, flawed on the ground that even though a comparative theoretical framework has been done, the empirical parts only look at the activities of Czech firms. Nevertheless, it remains a step forward in the direction of positive use of technological development in business.

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