



Research Article

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The power of social media in Albanian businesses

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Abstract

The orientation of society towards the so-called “digital age” has had a significant impact on social life and at the same time on economic life. This impact has been accompanied by the constant change of social behavior, orienting society towards a new approach to information technology. ICT and the Internet have helped to eliminate geographical, time and cost barriers, making life more dynamic. The increase in the number of Internet and social media users has affected the restructuring of the relationship between these users, their relationship with businesses, the way of doing business, the way of education, job search, employment, entertainment, etc. The growing popularity of social networks has made it possible to create a new economic environment based on collaboration and communication. Nowadays, social networks have become the most important communication channels. Everywhere in Albania, social networks are used to communicate with acquaintances, to set up business, to communicate with customers and for many other reasons. Social media has come a long way from connecting people only to playing a crucial role in all businesses. People moved online, and they are very social. And brands have noticed the change, of course. Previously, the presence of a business was signed by a physical store and newspaper ad. But in the digital age, the business reputation lives and dies for its position on social media. Social media has the ability to drive buyers to a new product or a good deal. But not only that, social networks create a sense of community and involve people in a way of shopping.

Keywords: Social media, business, communication, marketing, digital age.

1. Introduction

The development and increasing use of technology is not enough. Companies and businesses are the vanguard of the latest news and not just the development of a presence of their own on larger platforms. They are using social media and combining it with their business processes and capabilities. They are using social access to better communicate with suppliers, business partners, their employees,

and above all with their customers. Social media has now become a trend that is followed by individuals, small businesses, large businesses as well as international corporations and this is an important reason for these businesses to explore social media promotional initiatives with a focus on creating a wider customer base as well as a growing number of loyal customers across businesses. Social media plays a significant role in modern marketing. It allows businesses to connect with their target audience, build brand awareness, and drive more sales. Social media platforms such as Facebook, Twitter, Instagram, and LinkedIn offer businesses a variety of tools to reach potential customers. These include ads, posts, videos, and stories. Social media is also a great way to get feedback from customers, which can help businesses improve their products and services. Additionally, social media can be used to create and maintain a community of brand advocates, which can help to boost word-of-mouth marketing. Overall, social media is a powerful tool that can help businesses to reach their target audience and achieve their marketing goals. The fact is that many people turn to social media to help them make a purchasing decision and that more and more people are buying something because they have seen it on a social media platform. In social e-commerce there is an excellent opportunity for businesses only if these businesses have chosen the right strategy, as social media has played and will play a critical role in the evolution of online shopping. Social media and e-commerce are becoming more and more confusing in our lives, but the opportunities for them to interact and strengthen each other are endless, given that the average person spends more and more time browsing social media.

The rapid growth of Internet use in general, but also by businesses in particular has led to an orientation of many processes of activity of these businesses towards social media. Social media introduces online communication tools with the help of which businesses interact and exchange information with their customers to promote the products and services they offer. If before, the presence of a business was meant by newspaper ads and a physical showcase, in today's digital age, the business reputation lives and dies for its position on social media. Right now, social media is used by brands as a way to advertise, increase their online presence and provide high quality customer service. In addition to the fact that social media is valued as an important tool to establish sustainable relationships with customers, social media has increasingly become an important marketing tool used by marketers of both small and medium-sized businesses and yes as well as corporations. Perception of marketing through social media is already one of the main methods. Flexibility and good management of a business's online presence has already become a necessity. The presence of business on social media is already a condition. This helps the business to be able to operate successfully in both the traditional and digital market. Social media has the power to bring a business towards communication in a formal and informal way. They are revolutionizing the way individuals interact with companies or "brands." Free marketing is one of the most important reasons that is orienting businesses towards social networks.

People have less and less time and are oriented towards using the internet and social

media in selecting and purchasing products or services. They are more likely to buy a product or service if someone else before them has used and valued it. Today, e-commerce is becoming more and more prevalent on social media, simply because an increasing percentage of people spend time there. Purchasing products and services through mobile applications has become commonplace and is a growing trend. Electronic commerce and social media are a perfect combination. It is definitely a game changer in all businesses. By making social media channels the main purpose of communication, companies can target a wider audience, thus making them the customer base. Companies and businesses can no longer exist without a website or blog. But in addition to websites and blogs, in recent years, there has been a rapid development of social media, companies and businesses began to enter and actively develop in social media. Companies and businesses have already realized that the sooner they go to any of the social media, take their position there, declare themselves through groups, public sites, business sites, etc., the larger the audience they have win. The same people who are on social media also go to stores or businesses, and this audience is the potential consumer of companies and businesses. Moreover, many people, especially young people, often do not use any other website other than social media. The most important feature of marketing through social media is that it does not require any kind of payment as it all takes place for free.

2. Literature review

Regarding the use of social media by businesses of different sizes, many studies have been carried out by authors from different countries, which evidence the positive impact that support in social media has brought as a new and quite powerful channel of communication with customers of different ages and different categories, as a result the theoretical references are numerous and extended in time.

Many of these studies highlight important aspects of improving customer relations in terms of creating sustainable customer relationships, reducing the costs of marketing expenses, improving the management of internal business processes, higher sustainability in relation to competitors, etc. Kunsman (2018), stated that "Social media plays an important part in the digital transformation of businesses". Social media today encompass a vast array of platforms with different purposes, features and target audiences (OECD, 2014). Social media has become a common tool and practice in the daily lives of people and businesses to create connections and interaction between them. It is an obvious fact now that since the creation of social media, more and more people and businesses have become their users.

Social Media, today, is among the 'best opportunities available' to a brand for connecting with prospective consumers. Social media is the medium to socialize. These new media win the trust of consumers by connecting with them at a deeper level (Neti, 2011) Social media is not only an effective means of communication, but also an important tool that has led to cultural changes and changes in the ways of doing business, marketing, managing business-customer and customer-customer

relationships, etc. More and more consumers are using social media to share with others their positive or negative experiences they may have had with businesses. Social media plays an important part in the company's decision-making process. Social media can bring positive changes into company, which will result in improving customer satisfaction, value creation, increase in sales, building relationships with customers, knowledge creation, improve the perception of corporate credibility, acquisition of new customers, and improve employment brand engagement. Using information collected from social media can help companies to have a set of reliable attributes that comprise social, economic and environmental aspects in their decision-making process (Tseng, 2017).

According to Janouch (2010) social media is constantly changing, both in the way it changes (increases) its content and by adding many functions. Marketers can use social media to directly determine what customers want, what their attitude is towards the brand or company, and what they complain about, etc."

During the research done on several sites such as Wikipedia, Investopedia, TechTarget, etc. there are a lot of definitions related to social media and social commerce, such as:

- The term social media refers to a computer-based technology that facilitates the sharing of ideas, thoughts, and information through virtual networks and communities;
- Social media refers to Web 2.0 internet-based interactive applications. These include user-generated content such as videos, comments, images, blogs, tagging, podcasts, microblogs and other digital data. It also describes a website or service where people connect and communicate, e.g. Facebook, Twitter, LinkedIn, etc;
- Social commerce refers to an e-commerce practice where consumers place orders for products or services directly through social media platforms like Instagram. It creates new opportunities for businesses to engage with their customers while increasing sales;

At the same time, many authors have focused on the use of social media by companies and businesses and have also described their perspective on social media. Charlesworth (2018) noted that: social media is about sharing, relationships and engaging in communities and networks. Therefore, it is reasonable to assume – accept, even – that social media marketing must also embrace these characteristics. It would seem that most organizations now use social media platforms as broadcast media for content to be pushed out to the general public – the reverse of the ethos of social media. According to Hartshorn (2010) social media is a new version of networking which individuals make use of it with the help of internet as a medium in the 21st century. It reaches large numbers of people all over the world without the limitation of distance. Hence, it has become a highly effective tool for businesses to communicate with customers. According to Kaplan & Haenlein (2010): "social media platforms can be defined as a network site which allows people to create personal information profile, connect with friends and colleagues to have access to each other's profiles. Today, everything is about social media. Some industry gurus claim that if you do not participate in Facebook, YouTube, and Second Life, you are not

part of cyberspace anymore. Social Media allow firms to engage in timely and direct end-consumer contact at relatively low cost and higher levels of efficiency than can be achieved with more traditional communication tools". Wallace (2015) noted that "The social media aspect exists because users are able to 'follow' other users, whose posts constantly appear on followers' computer screens or mobile devices. Followers can reply to posts or repeat them for the benefit of their own followers". On the other hand, companies and businesses are using social media as a very effective marketing tool, to target their customers, to take care of their customers so that they are satisfied with the products or services they buy, as well as to better market knowledge. Companies and businesses that seek to be competitive and improve their position, consider the use of social media and social marketing as an important element in this goal. According to Laudon & Traver (2021) companies of all shapes and sizes are now tapping into the power of social media for marketing and advertising to improve their bottom lines and enrich their relationships with their customers. As social media continues to become entrenched in the business and cultural landscape, an ecosystem of companies has sprung up around it to meet the growing demand. Forehand and Grier (2003) noted that "Social networks have become an important force in both business-to-consumer and business-to-business marketing". According to Icha & Agwu (2015) social media marketing can be the fastest and the best way to connect with companies' consumers if companies know how to use social media in a good way. Berner states that, social media can be viewed also as a tool-set of software which allows for the users to share information, interactant to create social groups. Marketing through social media is still in its early stages, and companies are experimenting in hopes of finding a winning formula. According to Laudon & Laudon (2018) businesses of all sizes are finding Facebook, Twitter, and other social media to be powerful tools for engaging customers, amplifying product messages, discovering trends and influencers, building brand awareness, and taking action on customer requests and recommendations. Half of all Twitter users recommend products in their tweets. An estimated 90 percent of customers are influenced by online reviews, and nearly half of U.S. social media users actively seek customer service through social media. As a result, marketing is now placing much more emphasis on customer satisfaction and customer service. Social media monitoring helps marketers and business owners understand more about likes, dislikes, and complaints concerning products, additional products or product modifications customers want, and how people are talking about a brand (positive or negative sentiment). According to Kaplan (2015) social media, is defined as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of user-generated content". According to Schneider (2017) many companies are now using technologies such as social media and mobile commerce to interact with customers, potential customers, and other stakeholders in new ways. Participating actively in social media sites such as Facebook and Twitter along with buying large amounts of advertising on those services has been the approach taken by most companies in attaining social media success. Companies see social media

and mobile technologies as just another advertising channel. Social media provide ways for companies to engage in two-way online communications that more closely resemble the high-trust personal contact mode of communication than the low-trust mass media mode. They also allow companies to achieve these benefits without incurring the high cost of traditional personal contact techniques. Customers are more connected to companies, which make them more knowledgeable about product selection and more powerful in buyer-seller relationships (Agnihotri, 2016). Kotler and Keller (2012) stated that "Social media allow consumers to become engaged with a brand at perhaps a deeper and broader level than ever before. Marketers should do everything they can to encourage willing consumers to engage productively. But as useful as they may be, social media can never become the sole source of marketing communications".

3. Methodology and data collection

This paper is based on an exploratory study. The purpose of this paper is to highlight the role that social media plays for businesses in Albania. The work is limited to using only some of the social media like Facebook and Instagram, which are even more usable by businesses or business people. The purpose of this paper is based on data collected from international or Albanian entities or agencies to present a situation in which is the use of social networks by businesses in Albania, how many of them have felt the effects of using social networks in their activity.

Despite the fact that the data presenting the situation in Albania have been obtained from state institutions which have used special methodologies for the collection of this data, taking into account the difficulties created as a result of the COVID-19 pandemic in their collection and processing, I think that they present a real situation. The data presented by INSTAT or AKEP are the result of surveys conducted by them with businesses operating in Albania. Data collection was made possible by the CAPI method, through face-to-face interviews with tablet interviewers.

Given that this survey procedure has been conducted with almost all businesses operating in Albania, the collected data present an almost complete situation in this aspect which we are analyzing.

4. Situation of social media use

Referring to the definitions related to social media which generally define social media as a technology based on computers and the Internet to enable the exchange of ideas, information and interaction through networks and virtual communities, it is necessary to present a statistical picture of use of technology, internet and social media globally and nationally.

It is a fact that the number of users of information technology, internet services as well as social media is constantly increasing every day. Developments in the field of ICT and the Internet have made it possible to change the way people interact with

each other. At the same time, it has brought a new way for businesses to interact with their customers, to provide products and services.

Regarding data globally, based on statistics the situation is as follows:

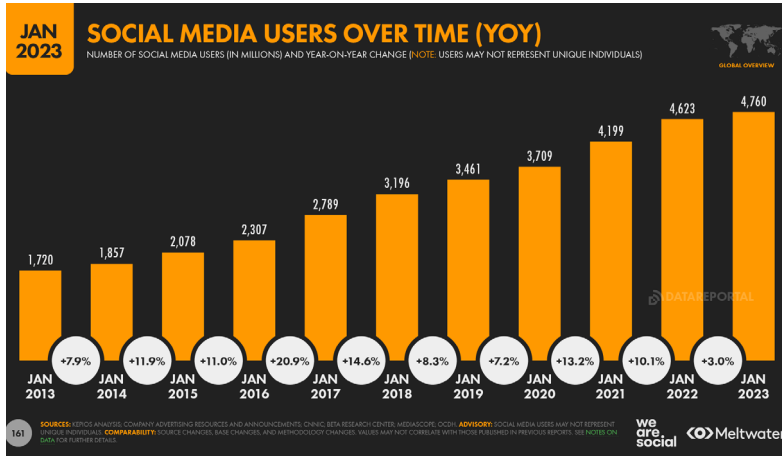


Figure 1: Social Media Users over time

(source: [Digital 2023: Global Overview Report — DataReportal – Global Digital Insights](#))

- The world’s population passed 8 billion on 15 November 2022, and has reached 8.01 billion at the start of 2023. Just over 57 percent of the world’s population now lives in urban areas;
- A total of 5.44 billion people used mobile phones in early 2023, equating to 68 percent of the total global population. Unique mobile users have increased by just over 3 percent during the past year, with 168 million new users over the past 12 months;
- There are 5.16 billion internet users in the world today, meaning that 64.4 percent of the world’s total population is now online. Data show that the global internet user total increased by 1.9 percent over the past 12 months, but delays in data reporting mean that actual growth will likely be higher than this figure suggests;
- There are now 4.76 billion social media users around the world, equating to just under 60 percent of the total global population. Social media user growth has slowed over recent months though, with this year’s net addition of 137 million new users equating to annual growth of just 3 percent;
- Referring to the data for 2022 published by the Electronic and Postal Communications Authority, the situation in Albania is presented as follows:
- In Albania, during 2022 there were 2.15 million of broadband internet users;
- The percentage of Albanian families that have access to the Internet is 96.5 percent, compared to 88.3 percent a year ago. 90.3 percent or 665,362 households have access to the Internet with a fixed broadband network (optical or cable network, ADSL, etc.), an indicator which has increased by about 12 percentage points. The

percentage of families with access to the Internet through a “mobile broadband” connection (4G/3G, tablet, etc.) is 99.2 percent, compared to 99.1 percent in 2021;

- During 2022 in Albania there were 2.8 million active mobile phone users;
- During 2022 in Albania there were 1.7 million social media users. The number of social media users from 2021 to 2022 had an increase of 200,000 users or an increase of 14 percent;
- The number of social media users in Albania during 2022 accounted for 64.6 percent of the total population;
- At the same time, the level of ICT and internet use has increased by businesses in Albania. Thus, for 2022 the following data result:
- Enterprises that have used ICT for business purposes during 2022, represent 99 percent of economic enterprises, from 98.5 percent in 2021;
- Of the enterprises that use ICT for business purposes in 2022, 99 percent of them have Internet access (ADSL, SDSL, VDSL, fiber optic - FTTP, cable technology) from 98.1 percent in 2021;
- The website was used by 53.3 percent of enterprises using computers with internet access from 45 percent that was used in 2021. In 2022, 94 percent of enterprises, the website was used for displaying product catalogs or their prices, 38.3 percent have used it to receive orders, reservations or online bookings;
- Use of social media such as: Facebook, Instagram, Pinterest, Twitter, YouTube, etc. refers to the enterprise use of applications based on Internet technology or communication platforms to connect, create and exchange content online, with customers, suppliers, or partners, outside or within the enterprise and it turns out that 77.5 percent of enterprises have used for reference on their social media profiles;
- The use of customer relationship management (CRM) software was used by 28 percent of enterprises during 2022 from 24.5 percent that resulted in 2021;
- In 2022, 13.8 percent of enterprises have sold products / services through websites, dedicated applications, e-commerce websites and applications used by various enterprises to trade products;

According to statistics, users according to social media in Albania are categorized according to the following graph, where the dominant part is occupied by Facebook users. Facebook remains the most widely used social media platform. According to Statcounter, social media today generates a large number of real-time customers who would never knock on your store in the real world. Every day there are more than 500 million posts on twitter, 4.5 billion likes on Facebook and over 95 million posts of photos and videos on Instagram.¹ Behind this work are thousands of customers who show what they like and what they think about the brand or businesses.

¹ Statcounter. (n.d.). Retrieved October 2023, from www.statcounter.com.

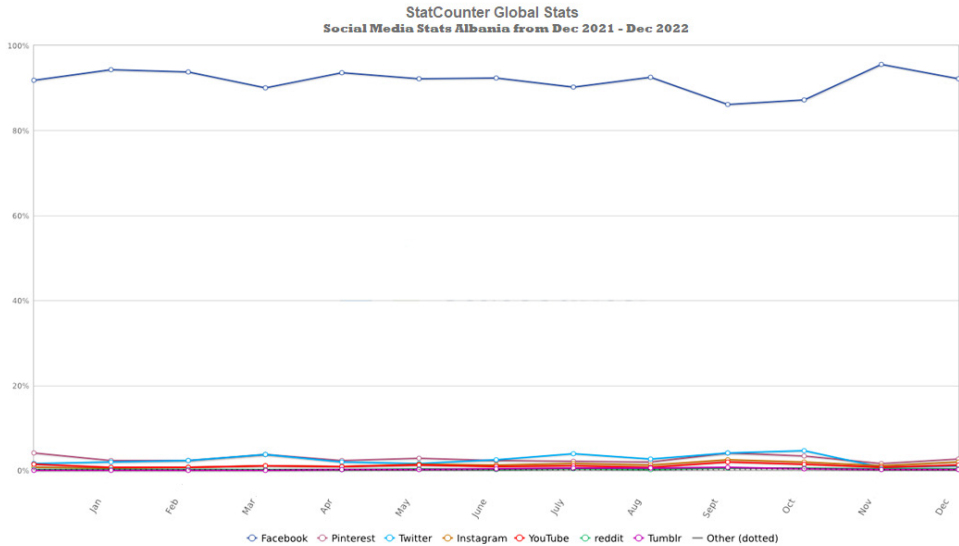


Figure 2: Social Media Stats for Albania (source: www.statcounter.com)

The Coronavirus disease (COVID-19) showed that tech-savvy businesses have not only survived, but have also created new advantages. Digital transformation is not perceived as a process that undermines work, but rather is seen as an effective tool that can be used by the company throughout its portfolio of processes, in consumer behavior analysis (to provide products and services that meet the needs of customers), customer growth, etc.

Albanian businesses are realizing the importance of using social media and the number of companies that have their presence on social media is constantly increasing. An important factor in this orientation of businesses towards the use of social media have been due to the effects of social distancing as a result of the Coronavirus disease (COVID-19). Businesses are using social media to better understand their audiences, to interact with their customers and suppliers, for promotions, to organize advertising campaigns, to create discussions about new products and services.

On the other hand, social marketing has allowed businesses to achieve benefits without having the high costs of traditional marketing techniques. Advertising on social networks is much cheaper than TV or print advertising.

Enterprises that have an active presence on social networks and that use it as a means of communication and marketing are convinced that their presence on social media has made it easier for customers to connect with these businesses. According to these ventures, this direct communication between business and client on social media is so effective that other forms of marketing can never reach it.

According to businesses that are active on social media, they also use social media to see what their competitors are doing, whether they are launching a new product or pursuing new strategies in order to overcome them.

Based on the collected data, it also turns out that there are businesses in Albania that stay away from social media because they think that social media is more for young people, it is for unemployed people, who have nothing to do or waste time. With this in mind, there are businesses that do not yet have websites or social media channels. Some of them say that there is no need for a website, as customers know their business and their product has a reputation. But these businesses do not realize that while they stay and think only about those customers who know them, other businesses thrive, and only because they do ads on Facebook, Instagram, etc. they manage to get their customers one by one. It will not take long and these businesses can go bankrupt. There are other businesses that have some online presence, but do not deal with them, leaving them passive, inactive for years. Practically, their static site will "be dead" after a while, if they do not find a way to attract clicks there, through the activation of integrated social media

5. Conclusions

This paper is based on an exploratory study. The work is limited to the use of only some of the social media such as Facebook, Instagram and YouTube, which are even more usable by businesses or people who do business in Albania. The findings in this paper provided some important insights regarding the situation of social media use by Albanian businesses. The continuous technological development and the increase in the use of the Internet by the population in Albania has also influenced the increase in the number of social media users, whether these users are individuals or businesses. The new reality created by the use of new technologies shows that social media is already an important channel for the exchange of information and the realization of marketing not only for customers of young ages but for all customers in general.

At the same time, the majority of businesses in Albania have understood the importance of using social media by them, so they have built their presence in various social media as an important tool in increasing connections with customers and partner businesses.

Businesses in Albania have benefited from the use of social media in support of their activity, evaluating it as a very important tool to carry out two-way communication with their customers and to find out what their customers want, to surpass the competition, to reduce costs, to better manage marketing operations and to improve their image as businesses.

The positive experience that has been witnessed by a large number of businesses reflects the great positive role played by the active use of social media in the field of business, in conducting marketing, in greater access to customers, in brand selection, etc. Now the flexibility and good management of the social media presence of a business has become a necessity. Business presence in the so-called "Big Three" (Facebook, Twitter, Google) has already become a necessity as it helps businesses to operate successfully in both the traditional and digital markets. On the other hand,

social media marketing has allowed businesses to achieve profits without the high costs of traditional marketing techniques since social media advertising is much cheaper than television or print advertising. Social media advertising is the biggest miracle businesses have at their fingertips. They can precisely target their buyers by age, gender, behaviors, interests, specific territories, etc. One of the biggest benefits of using social networks for businesses is that they bring clicks to the site. And that doesn't mean it just brings a few more clicks to the site, but it raises these business pages higher in Google.

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