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INFLUENCE OF SOCIAL COMMUNICATIONS ON CHANGES IN MARKETING CONCEPT

Mikhail Voronov (a)*, Victor Chasovskikh (b)
*Corresponding author

(a) Department of Information Technologies of Ural State Forest Engineering University, Sibirsky trakt St., 37, Yekaterinburg, 620100, Russia, mstrk@yandex.ru
(b) Department of Management of Ural State Forest Engineering University, Sibirsky trakt St., 37, Yekaterinburg, 620100, Russia, u2007u@ya.ru

Abstract

In the article the influence of social communications on marketing concepts changing in the context of globalization development is considered. Using a combination of historical and socio-cultural approaches, the development of social communications was compared with the changing in marketing concepts. In order to trace the changes of social communications caused by the globalization, two globalization models were built (one for the period from the late 1980s to the end of 2000's and one to describe the current situation). It has been revealed, that a marketing concept, considered at a certain period as the basic one, is conditioned by the audience coverage, by its efficiency, and by the means of interaction that social communications and current global integration processes are capable to provide. Developing new, more effective social communications provides new opportunities for marketing activities and leads to the change of the basic marketing concept. Also, the main features of the most contemporary marketing concept "marketing 3.0" and of the business concept "Enterprise 2.0" which appeared due to the development of information technology and the new social communications (created through Web 2.0 technology) are presented. The positive and negative aspects of the concept "marketing 3.0" in the context of globalization development are shown.

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Keywords: Social communications , marketing 3.0, globalization, web 2.0, information society.

1. Introduction

Nowadays, globalization is a most significant process, which radically changes the world political, economic and cultural structure and results in the integration and standardization of economic, political and legal processes, in the unification of culture. The negative influence of globalization is presented by the fact that the nuances and features of different cultures and some of their specific types of activity disappear with the course time (sometimes precipitously), or are modified and simplified in favor of mass culture; they simply appear from mass attention and become lost with the change of generations. At the same time, globalization trends intensify interpersonal and mass communication, as they form a subject area, which is common to all people of different nationalities, cultures and activities.

2. Problem Statement

It is known that communication has been systematically studied since antiquity (Littlejohn & Foss, 2011). The theoretical basis of social communication, as a means of influencing the minds and morals of people, was formed in the Age of Enlightenment in the 17-18th centuries (Adam'yanz, 2009). At that time, the main aim of social communication was the development of human spiritual and creative potentials, and since then, despite the failure of Enlightenment ideas, which have not changed public consciousness for the better (Adam'yanz, 2009), social communications have invariably been accompanying human activities, mutating due to technological progress and constantly gaining new, more and more diverse forms and means. The efficiency of mass communications was studied in (Lasswell, 1948; Weiss, 1969; Schramm & Roberts, 1971; Williams, Rice, & Rogers, 1988; Wilson & Sherrell, 1993; Preiss, Gayle, Burrell, Allen, & Bryant, 2006; Neuman & Guggenheim, 2011 and others). The influence of various media and communications on mass behavior is studied in (Rogers, 1986; Webster, 1989; Wilson & Sherrell, 1993; Williams, Strover, & Grant, 1994; Shanahan & Morgan, 1999; de Vreese & Boomgaarden, 2006; Hoffman, Glynn, Huge, Sietman, & Thomson, 2007; Rahman & Saeed, 2013 and others). However, the influence of social communications transformations, caused by globalization processes, on the development of marketing concepts key principles was not considered in literature.

3. Research Questions

Do social communications influence marketing concepts? How deep is the influence? What are the positive and negative aspects of the influence?

4. Purpose of the Study

Thus, the purpose of this study is to consider the social communications impact on changes in marketing concepts in the context of globalization, using a combination of historical and socio-cultural approaches; to find out the positive and negative aspects of this impact.

5. Research Methods

The system approach and a combination of historical and socio-cultural approaches were used within the work on this study.

6. Findings

In the Middle Ages, the achievements in the fields of science and art gained in the framework of a certain ethnos basically belonged to this ethnos, and other nationalities only partially adopted those achievements, mostly as a result of the conquest. But beginning from the New Ages, the situation changed. Due to the intensification of interstate relations, the achievements in science and art become the values of any part of the civilized world, which is capable of perceiving them.

On the base of the achievements that had become the world heritage, there were created the technologies, furthering the development of civilization, leading to more stable economic condition, and, perhaps, to a more comfortable way of living, however, taking more time and labor. And in course of time, this process has been gathering momentum. By the beginning of the 20th century, the notion of "mass" was only being formed and social communications were considered exclusively as a means to inform society. At that time, mass production was at its origins, and the main aim of business was to create and sell as much of the product as possible, not always of high quality, in order to reduce the unit cost of production, and, accordingly, to maximize profit (Kotler, Kartajaya, & Setiawan, 2010). Marketing used to be considered as a means for adapting product characteristics to mass needs (more often physiological ones), for creating such modifications of product that would be most actively met in the market, and for standardizing the product and sales. This approach, which implies concentration on the product and orientation to the mass consumer, was called "marketing 1.0" (Kotler et al., 2010). The core of this concept was constituted by the marketing mix 4p.

The process of globalization influence on ethnic cultures for the period from the late 1980s to the end of the 2000s can be represented by the following scheme (Figure 1).
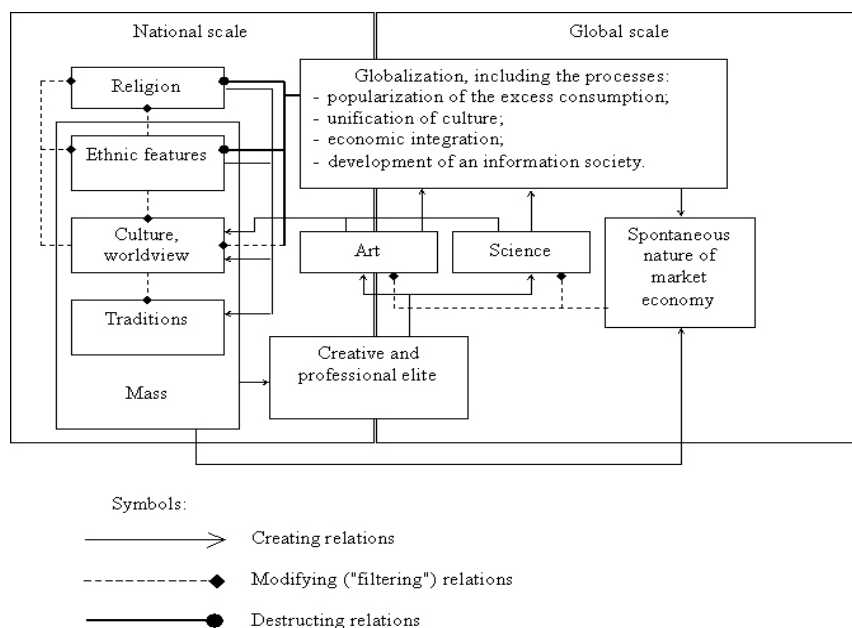

Figure 01. Globalization influence on ethnic cultures

Religion and ethnic features of an ethnos or a nation form its traditions, and, along with the achievements in the field of art and science, form their worldview and culture (Fig. 1 – "creating relation" from ethnic features and religion to culture, worldview and traditions). In turn, the culture and worldview of a nation impose a certain imprint on the perception of religion, and force to revise certain ethnic or national features (Fig. 1 - "modifying relation" from culture and worldview to ethnic features and religion). At this stage, the intellectual and creative elite stands out among the mass (Fig. 1 - "creating relation" from the mass to the creative and professional elite). The creative elite gives impetus to the development of science and art (Fig. 1 - "creating relation" from the creative and professional elite to science and art). Under the influence of the market economy on the background of globalization (Fig. 1 - "creating" relation from globalization to market economy), science and art are forced to change in order not to remain "out of work" (Fig. 1 - "modifying" relation from the spontaneous nature of market economy to science and art). At this period (from the late 1980's to the end of 2000's), mass social communications were actively studied (Rogers, 1986; Williams et al., 1988; Webster, 1989; Wilson & Sherrell, 1993; Williams et al., 1994; Shanahan & Morgan, 1999; Scheufele, 2002; O'Keefe, 2003; Preiss et al., 2006; Hoffman et al., 2007; Rahman & Saeed, 2013; and many others). And as a result, the mechanisms for influence and social manipulation of masses, for the imposition of certain stereotypes and opinions and the suppression of others opinions have been revealed. Eventually, only those fields of science and art are being developed that are either expected to contribute to the creation of such products that are capable to attract mass interest and to achieve commercial success, making profit for its creators, or expected to be important for their creators in terms of providing conceptual or ideological management (for example, traditional electric power and fuel, as well as pop art are much more intensively developed then alternative energy and academic classical music). A necessary condition for mass production as well as for the promotion of ideas to the masses is the availability of capital and technology. Providing capital and technology for the creation of certain desirable products and ideas, and ignoring undesirable ones, give possibilities to direct the general course for the development of science and art. Capital and technology allow their owners to use all the achievements of science and art and to make public only those that correspond to their interests (Fig. 1 - "modifying" relation from the spontaneous nature of market economy to science and art).

Possessing economic instruments for influencing the creative and professional elite and using social communications as a means for informational influence on the masses, allow manipulating human communities regardless of their nationalities.

The majority of produced products (including intellectual ones) are designed for the mass consumer. In order to promote such products through social communications, certain patterns of behavior are cultivated into the communities, and the certain images, the conforming to which is shown off looking good for individuals, are imposed. From daily human behavior, the most common features, which are representative for people of all nationalities, are snatched out. Using the instincts and needs (often physiological ones) that are common for most people as motivators, marketers create the generalized images and the patterns of behavior that are positively perceived by the majority, and therefore evoking a desire to follow them and inducing to make certain actions. It makes possible to control the masses through information tools. Masses attention is focused on consumption and search for those behaviors

which can help to increase consumption, and is shifted out of national identity issues, religious and worldview aspects. An ordinary consumer applies the most of time and efforts for achieving a certain consumption level and for mastering the patterns of behavior which are inherent in this consumption level, therefore there is no time left for him to study worldview problems. Such problems just get out of his interest. The described process results in the gradual destruction of religions, ethnic and national features and different cultures (Fig. 1 - "destructing" relation from globalization to religion and ethnic features), and affects the masses worldview and their cultural level (Fig. 1 - "modifying" relation from globalization to culture, worldview).

Those fields of science and art that do not serve the commercial interests, i.e. belong to pure science and art, or affect any national features and interests, still continue to form mass worldview and culture (Fig. 1 - "creating" relation from science and art to culture, worldview). But in view of the fact that their presentation in the central media is severely limited or excluded, the number of individuals who have access to such scientific fields and pieces of art, and who are able to comprehend and use them, decreases in course of time. National features and traditions are gradually disappearing, and over time, the global ideology is replacing national cultures.

Globalization processes (including unification of culture, economic integration, etc. – fig. 1) largely arise from the development of information technology, and consequently, social communications. Within the period from the late 1980s to the end of the 2000s, the key mass social communication were the Internet, television, radio, live communication, advertising, books, press. Also, at this period the Internet has been improved and the new information technologies as well as the new technologies for promotion and propaganda, which allows embracing society on a global scale, have been developed. As a result, the main marketing concept changed.

Having learnt to create quite quality products during the period of "marketing 1.0", producers faced the necessity to compete for consumers. The development of information and production technologies gave opportunities to consumers to be selective in products consumption, and to buy those products, which correspond most of all to their preferences. Thus, the marketing turned out to be focused on the consumer. In a competitive environment, producers were forced to move away from the concept of creating a single (or mass) product for all and to distinguish groups of the consumers, which have the similar preferences, adapting the products for each of the group. This approach is known as "marketing 2.0" (Kotler et al., 2010). The core of this concept was constituted by the marketing mix 7p.

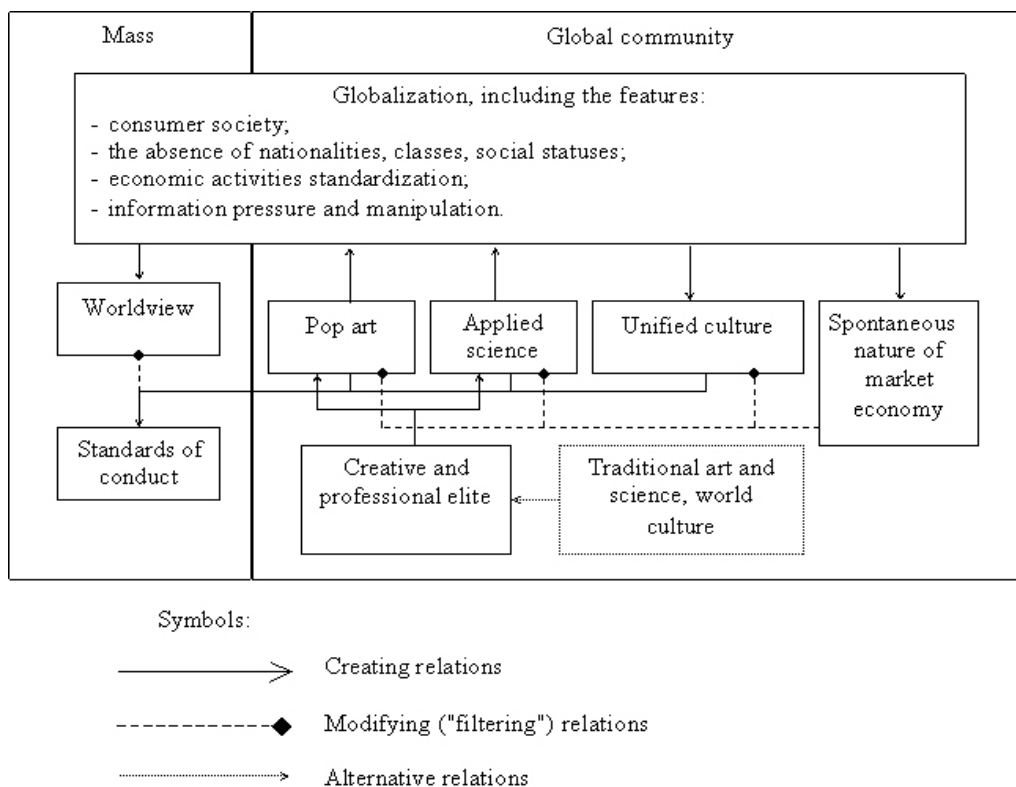The emerging global social system can be represented by the scheme (Figure 2).

Figure 02. Completion of globalization, development of global information society and economy

The new society lacks national and ethnic features (Fig. 2). The creative elite, having been separated from the mass, which no longer has national and territorial features, under the conditions of market economy "filtering" impact (Fig. 2 - "modifying" relation from the market economy to pop art, applied science, unified culture), continues to work in the field of science (generally developing applied science – Fig. 2 - "creating" relation from the creative elite to applied science) and art (which is mainly adapted to masses, i.e. pop art – Fig. 2 - "creating" relation from the creative and professional elite to pop art). The role of religion, culture and art is replaced by the consumer society ideology, which becomes the basis of the masses worldview owing to information pressure (Fig. 2 - "creating" relation from globalization to worldview).

The pop art, which is replacing traditional art, the applied science achievements in the context of popularization of consumption and the new social system, and impersonal unified culture (accompanied by images and behavioral patterns) form the standards of conduct and complement the masses worldview (Fig. 2 - "modifying" relation from pop art, applied science, unified culture to worldview). Due to the increasing cost for quality education, and as a consequence, the poor information receptivity of masses and their limited access to the information, that is necessary for management, research and other significant activities, the connection between the masses and the elite is being lost. It is already impossible to trace their direct interaction; i.e. one can no longer assert that the masses establish the elite. Being separated from the masses, the creative and professional elite becomes isolated into a separate class and is forced to provide its reproduction in-house.

Depending on the direction of the further civilization development, there are two alternative options for ensuring access to information for the elite: 1) ensuring access to the whole information, including the main world achievements in science, culture and art (Fig. 2 - "alternative" relation from

traditional art and science, world culture to the creative and professional elite - in this case, the elite would be able to develop basic sciences and academic art); 2) ensuring access only to the part of information, which is necessary for the applied sciences development and for the creation of pop art objects (in this case, the elite would not be able to develop basic science and art).

Nowadays, the integration of IT-technologies, television and other traditional means of communication is taking place. The new opportunities for concentration and distribution of information are being created. The electronic commerce with the self-service technology is appearing. Such technologies as Supply Chain Management (SCM), Online CRM and Virtual Enterprise are being actively developed. The life cycle electronic support for enterprises and their products has been created.

Information role itself is changing. This change was most succinctly described by the postulate "the idea that information can be stored in a changing world without an overwhelming depreciation in its value is false" (Wiener, 1989, p. 120). Indeed, information is not objective. It is an assessment of the facts occurring in the external environment in the context of a scientific paradigm or a certain attitude of an individual to the considered object; it is one's assumption about the structure and properties of the world around one and its components. Accordingly, the value of information cannot be constant; it changes depending on a paradigm, a purpose of its use, etc. Thus, for example, less attention has been paid to classical mechanics since the theory of relativity was developed. And nowadays, in turn, due to the experimental results that refute the postulate about the absence of velocities exceeding the light speed, the value of the relativity theory decreases. All that means that the importance of information as a strategic resource providing a competitive advantage is decreasing and communications (first of all, social communications) are becoming the most vital strategic resource.

Today, the most popular social communications are presented in the Internet (Chasovskikh & Voronov, 2013): blog, short message service (Twitter), social network (Facebook, etc.), distributed computing software (Nasa-SETI, etc.), web-service wiki, videos and images warehouse (YouTube, Flickr, etc.). All the listed types of social communications are created through the new technology Web 2.0. This technology has made possible to apply the new concepts and business strategies, which allow creating competitive advantages due to low-cost business structures. The technology Web 2.0 provides new opportunities for the design, production and distribution of products and services while significantly reducing the cooperation costs. Enterprises find new ideas and innovations, using global networks. The involvement of human resources into their networking projects allows significantly reducing the total costs and solving complex tasks. Thus, the new type of enterprises appears. Distinguished as an open enterprise with a network structure, global and oriented for the integration of knowledge workers, it was called "Enterprise 2.0" (Chasovskikh & Voronov, 2013).

Such transformations of social communications cannot but change the marketing concept. The new types of social communications, in conjunction with the concept "Enterprise 2.0", make it possible to engage large-scale human intellectual resources into marketing activities almost for free, thereby taking into account the diversity of opinions about the properties which a particular product or service should have. The key change in the marketing concept is the attention to absolutely all ideas and opinions regarding the product being developed. Emotional involving as many consumers as possible, both while developing the product and at its consumption, the intention to "touch consumers at a higher level"

(Kotler et al., 2010, p.5) has become the main marketing purpose. Now, marketers through the social communications associate products consumption to people's hopes that the world would change for the better by asserting that the creation and consumption of a certain product contribute to solving global social and environmental problems (for example, by asserting that the consumption of cosmetics made from the raw ingredients, which were purchased on the base of "support community fair trade" (The Body Shop, 2017) would help to eliminate social injustice problem). This new concept was called "marketing 3.0" and its components are (Kotler et al., 2010):

▪ Collaborative marketing (i.e. collaboration of producers and consumers) means engaging consumers in the development of products.

▪ Cultural marketing means attention to the social and cultural problems (such as social injustice, care of the environment, tolerant attitude to animals, protection of human rights, etc.).

▪ Spiritual marketing means creative approach to products development, creation of the intangible values in the product, which allow satisfying creative and spiritual needs, providing impressions, emotions and meanings that affect the spirit of a person.

The core of this concept is constituted by model 3i: brand identity, brand integrity, and brand image (Kotler et al., 2010). Here we should note that unified culture is a prerequisite for collaborative and spiritual marketing. In the absence of unified culture due to cultural and ethnic features, the consumers from different societies would distinguish different, sometimes contradictory properties and scopes of application in the same product, and marketers would have to apply "separate collaborative marketing", creating different product modifications for different ethnic communities. It would contradict the idea of globalization. Thus, one can assert that the replacement of national and ethnic cultures by a unified culture is a necessary condition for the implementation of the concept "marketing 3.0" in globalization context.

A necessary condition for the cultural marketing is openness and transparency of enterprises activities. On the one hand, this condition is provided by the use of the new social communications (created through Web 2.0 technology) that allow developing interactive multi-user systems, capable to display the information about all actions made within the system to every system user. On the other hand, the active use of modern communication technologies by companies cannot guarantee the correct and full presentation of information about their activities. Some aspects of companies' activities that do not fit into the context of solving a particular social problem, or even exacerbating the problem, for example, damaging the environment, can be hidden. Thus, KFC omitted the fact that it contributed to the destruction of rain forests in Indonesia, being a buyer of raw materials from Asia Pulp & Paper for producing the packages containing more than 50% of mixed tropical wood fiber (Efstathiou & Patton, 2012). Also, some brands (Nike, Victoria's secret and others) conceal the use of toxic chemicals, harmful to health and polluting rivers in Asia, where most of their products are manufactured (Manning, 2016).

7. Conclusion

Thus, having considered the development of social communications and marketing concepts in the globalization context, one can identify several regularities of their interaction.

A marketing concept, considered at a certain period as the basic one, is conditioned by the audience coverage, by its efficiency and by the means of interaction that social communications (the most frequently used at this period) and current global integration processes are capable to provide. Developing new, more effective social communications provides new opportunities for marketing activities and leads to the change of the basic marketing concept. Globalization, apparently being an irreversible process, is accompanied by deformations of ethnic features and cultures and by the isolation of the masses which possess a single unified culture and are governed by the consumption ideology. If the elite do not have cultural "recharge", it will risk becoming incapable of developing fundamental sciences and academic art.

Globalization includes economic activities standardization and the formation of the unified information society, which, in turn, develops social communications. The new social communications, developed through Web 2.0 technology, create the conditions for developing the fundamentally new approach to concentration and organization of individuals' intellectual resources, and as a consequence promote the development of the concept "marketing 3.0". The question "Is this process positive or negative?" is ambiguous. It depends on for whom. If one considers the ruling elite, the answer is rather affirmative – this process is going to simplify the social management to a certain extent. If one considers humanity as a whole, without division into classes, the positive influence is not so obvious because the described process stimulates an ever-widening gap between the masses and the elite, isolated economically and informationally. One will consider the positive and negative aspects of the concept "marketing 3.0" concerning the humanity as a whole. The positive aspects are:

▪ Producers' responsibility increases. In any case, in order to ensure the products competitiveness, producers are forced to adapt to the concept "marketing 3.0" and to its components - collaborative, cultural and spiritual marketing. Thus, the producers' responsibility towards society, environment and spiritual values increases.

▪ Integrating the efforts of various social groups, producers, and scientists contributes to solving important social problems. The new way of organizing based on the concept "marketing 3.0" provides the following advantages:

o development of new products in accordance with the visions and opinions of various consumer groups;

o rapid identification of the problems that arise in the use of products;

o discovering the new scopes of application for the products use;

o low-cost involvement of a large number of different consumers and their intellectual potentials to marketing research through the new social communications developed by Web 2.0 technology;

o increase in computing power due to low-cost involvement of consumers' personal computers to solve complex problems through distributed computing software;

o due to the last two advantages - reducing costs for marketing researches.

▪ The emergence of "cultural brands" (Kotler et al., 2010), i.e. the companies that see their mission in solving social, environmental and cultural problems. The profit is not the main aim for such companies, but is considered as the result of target audience recognition.

The negative aspects are:

▪ The risk of manipulating public opinion and the masses. Predictability of masses behavior under the conditions of a unified culture and the masses dependence on obtained information and on information technologies make it possible to manage the masses indirectly.

▪ Globalization makes open economics, but not politics. Having obtained a mechanism of influencing the politicians, it becomes possible to carry out ideological and conceptual management.

▪ "Cultural brands" do not actually solve social and cultural problems, but only mitigate their effects; not eliminating the reasons, they struggle with the consequences.

▪ "Appearance" implies that the world is changing for the better due to the actions of companies. Having brought the activities into line with the formal principles of "marketing 3.0" (collaborative, cultural and spiritual marketing) and having improved the image in correspondence with the model 3i, some companies often use high social, cultural and spiritual values as a cover for further enriching and expanding their influence. As a result, consumers may have the illusion that the world is changing for the better while the real situation is the opposite.

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