

## ON-LINE MARKETING-COMMUNICATION IN HUNGARY

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### **Abstract**

*From the total domestic advertisement cake the internet has a steadily growing slice. The reasons of turning towards the on-line communication we can look for in the change of the consumer habits and the development of the technical side.*

*Due to the media noise consumers become indifferent, the development of digital technology breaking up the media consumption habits, these trends required new solutions from the marketers, to form more creative, more attractive advertisements, that the desired information can be sent to the consumers efficiently.*

*The application of guerrilla marketing may be a good solution because of his unusual penetrating force and his cost-efficiency. Nowadays this method is relative rarely used on the Hungarian market.*

*The guerrilla marketing has many important and well-separable methods. This study emphasizes only the on-line forms from these. The electronic way provides distinguish solution for the structured circulation of information, this way can be good solution for the buzz marketing being built on the spread of the gossips, so for the internet spreading viral marketing.*

*To the dissemination of the gossips, buzz the social networks seem distinguished ground. The rule of the social networks in Hungary demonstrate the fact, that there are two social sites can be found between the four most popular web pages.*

*The composition of the users of the different social networks can be various based on the distribution of the demographic characteristics, so we can select the social sites with the best composition of users coincides with the specification of consumers belonging to the target group of our campaign mostly. So we can select that or those social site(s) which can be the most adequate places for our viral campaign. Following this, the success of course depends on how much we can arise the target group's interest.*

**Keywords:** on-line communication, guerrilla marketing, viral marketing, social sites.

**JEL classification:** M37

## 1. INTRODUCTION

### ADVERTISEMENT COSTS DISTRIBUTION BETWEEN TRADITIONAL VS. ON-LINE MEDIA

From the total domestic advertisement cake the internet has a steadily growing slice. However, it is not allowed to forget about, that the internet medium system – suitable for the efficient and measurable marketing communication - exists since only some years. So it is necessary to count with certain departure acceleration – this acceleration well observable from the advertisers' on-line spending increasing from year to year.

So far the manufacturers of the fast moving consumer goods carefully treat the on-line communication devices. Based on the domestic list-price advertisement spending database of Kantar Media, in the first 11 months of 2010, the spending of the food industry sector - which counting as a big traditionally advertiser - amounted to nearly 12 % of the total advertising market. Compare with this, the proportion on the on-line market, does not attain the 3,5 percentages, so the advertisement spending of the participants of this industry is shifted towards the other media types rather than on-line forms.

Opposite to this, advertisement spending of other heavy advertiser industries, such as the financial and insurance sectors, amounted to nearly 10 % of the total advertising market, while this proportion was more than double on the internet market. Or in the telecommunication sector this pair of proportion was 8 % and 13,5%. [Gricz, 2011,]

Nowadays, the on-line mediums offer at least 70 % reach to the most frequently targeted commercial groups, and its devices suitable for image- and response-type campaigns equally. It is important to notice that consumers spend 20-30 percents of their media consumption time in on-line forms.

## 2. WHAT KIND OF FACTORS ACCELERATES THE MOVE TOWARDS THE ON-LINE COMMUNICATION?

The reasons we can find in the change of the consumer habits and in development of technology equally.

### 2.1. *Changes in the side of consumers*

Examine the consumer's side, it is important fact the development in the proportion of the on-line media consumption. On the other hand, considerable change inductor is the rise of the advertisement noise, which result a total indifference opposite to the advertisements in consumers. This is the so called wallpaper-effect. As we can't see difference between the patterns of the wallpaper, we can see only the united colour, we can perceive the huge amount of advertisement messages as an united mass, without it could induce any reaction. [Sas – Kaizer, 2008,]

The consumer reaction opposite to the huge amount of advertisements is the blindness, which can be instinctive or conscious:

Ad-banner-placard blindness is passive, instinctive.

Ad avoider- blocking: active, conscious.

[Béres, without year]

## *2.2. The changes in the technical side – How can we get here?*

### **What was the web 1.0?**

The period of web 1.0 is between 1994 and 2004. The classical web sites was static, the on-line edition was a dream. The advertisement made by banners, exchange link can achieved by banner exchanges. This was the time of the first browser war, when the browsers start to digress from the standards, and the web sites only made by the geeks, who can grasp the magic science of HTML. [Web 3.0, 2008]

### **What does it mean web 2.0?**

This term came into the public consciousness after the first conference of O'Reilly Media Web 2.0. Web 2.0 is a term describing the trend in the use of World Wide Web technology and web design that aims to enhance creativity, information sharing, and, most notably, collaboration among users. These concepts have led to the development and evolution of web-based communities and hosted services, such as social-networking sites, wikis, blogs, and folksonomies.

2.0 might also be referred to as the second iteration of the operating system of the Internet. In this version, social software enabled the masses to publish information to the platform, search helped to provide access to and sorting of all of this information, and data portability (via XML based web services) has enabled us to use the information in a variety of ways, most prominently by mashing up the information with other emerging web technologies. [Web 3.0, 2008]

### **And we are not far from web 3.0!**

The web 3.0 means anywhere and anytime we can administer our business, we can download the entertaining contents and we can take a part in the social networks' life via quick, reliable and safe networks. The difference between the mobile and the wired contact will disappear. This projects it ahead, that the digital universe is multiplied tenfold expectedly until 2015. [SG.hu, 2008]

According to Sramana Mitra - his own statement tries to approach the topic from entrepreneurial point of view: After the web studied to think in Community, will learn to serve content in Context, be able to Vertical Search, and the internet services and portals be able to Personalization based on the contexts. [longhand.hu, 2007]

Thus, the conclusion is:  $\text{Web 3.0} = (4C + P + VS)$ .

(Commerce + Content + Community + Context + Personalization + Vertical Search)

Based on this model, the most popular effort of web 2.0 is the Community, which producing companies like MySpace, Facebook, and our iwiw.

## **3. POSSIBILITIES IN THE ON-LINE COMMUNICATION**

Into the media noise consumers become indifferent, due to the digitalization breaking up media consumption, the wallpaper effect and the new trends like that the early mentioned consumer generated content, require new solutions from the marketers, and enforce them to create more creative and more attractive advertisements, that the desired information can be sent to the consumers efficiently.

The guerrilla marketing – according to book of Jay Conrad Levinson, published in 1984- the marketing of the small enterprises, so it require unusually creativity and good idea beside low costs. Shortly: as bigger appearance as it possible beside the lowest costs. [www.sikermarketing.hu/gerillamarketing.html]

Nowadays guerrilla marketing means: ingenious, cost effectiveness, shtick, eye-magnet, extraordinary, usually thought-provoking and viral. [[www.guerilla-marketing.hu](http://www.guerilla-marketing.hu)]

Beside the unusually penetrating force, the main advantage of guerrilla is the relative low reputation and low usage in the Hungarian market, which help the guerrilla to exceed from the traditional communication methods of the competitors. So it can be very cost-efficient communication method. [[www.guerilla-marketing.hu](http://www.guerilla-marketing.hu)]

The guerrilla marketing has many important and well-separable methods. This study-according to the title - emphasizes only the on-line forms from these. The electronic way provides distinguish solution for the structured circulation of information, this way can be good solution for the buzz marketing being built on the spread of the gossips, for the internet spreading virus marketing.

The Word of mouth means when a consumer gives information to another. The main point of this activity is to generate a wave of conversation in our target group. For long time the policy was the main user of this type of communication. Its essence is the businesslike utilisation of the function system of the human contacts and the human nature.

Focusing on the target group, the bigger groups of consumers it is achieved with use of the electronic communicational channels (primarily the internet) many times. Its success depends on its stimulating, surprising or entertaining messages strongly. Due to its methods can be much cheaper than the traditional marketing, and the group of the advertisement avoiding consumers efficiently available with it. The opponents say, that the essence of the guerrilla marketing is the provocative attention rising, this aim just can be reached by violate norms often. There are many synonyms of this term, for example: buzz marketing, cascading style, centrifugal marketing, exponential marketing, and wildfire. [<http://hu.wikipedia.org/wiki/Gerillamarketing>; Sas – Kaizer 2008]

The viral marketing is, buzz with internet velocity, which makes possible the communication to the Internet society on cheap, fast and very efficient way. The viral marketing breaks with the traditional communicational methodologies, and sends the advertisement message to the consumers on a very different manner, than the traditional media. The viral marketer starts the message that gets into the communicational hubs through different channels. The message infects the on-line medium continuously. [<http://www.vermis.hu/online-gerilla-marketing/>]

The on-line channels can be:

- Interpersonal communication channels: e-mail, sms, mms, Bluetooth
- Virus films collector sites: YouTube, Indavideo, Videa
- P2P (peer-to-peer) file-sharing and -downloading application communities: DC-hubs, torrent society (Endless Skyline, Majomparade.com...),
- E-mail newsletters
- Social sites (IWIW, Facebook, Hotdog.hu). [Sas – Kaizer 2008]

Hungary is an interesting place in terms of the marketing communication trends, because in west-Europe the new vocational knacks, devices leak mostly from the business sphere into the political communication, till in Hungary the trend which can be observed happens reversely often: the political marketing communication affects the commercial one. In Hungary the viral marketing made debut in 2002 by political choices, with the occasion of that campaign had serious information circulate role of the SMSs and e-mails spreading in the human networks, which were started from above. The viral marketing got even bigger role in the political campaign in 2006: net flash games moved it the fantasy of the ones with

a more playful mood, funny, and erotic content pictures expanded online, while SMS-s infected us onto vote activating. [Kaizer – Cseh – Varga without year]

In 2007 the Nielsen made a research to study the consumers' confidence for mediums in Hungary, compare to the global trends. Based on the results of this research the Hungarian respondents are confident about the mouth propaganda mostly, the confidential order was newspaper, radio and TV in the case of the traditional advertisings - emerged from the research.

*Table no. 1 The rate of internet users trust in the advertisements appearing in the different mediums. Percent of the respondents.*

Medium	Hungarians	European means	Global means
Mouth propaganda	68	73	78
Journal	48	53	63
Opinions of other consumers arrived in e-mail	66	59	61
Websites of brands	61	49	60
TV	43	45	56
Magazines	41	46	56
Radio	45	45	54
Ordered online newsletter	61	48	49
Nielsen market researcher			

*Source: [Kreatív Online 2007]*

This research of Nielsen expanded on the on-line advertisings too. The confidential order in this case was: information received in an e-mail from other consumers, followed by neck and neck the online newsletters and the brands homepages.

The survey was prepared in 46 other countries yet, it turned out that the Hungary overall picture somewhat differs from the global trends. The global average agrees with the Hungarian that the consumers considered the mouth advertisement the most reliable one in it - although Hungarians trust less in it, than the respondents in Europe or worldwide - this result supports the grounds of buzz marketing at home.

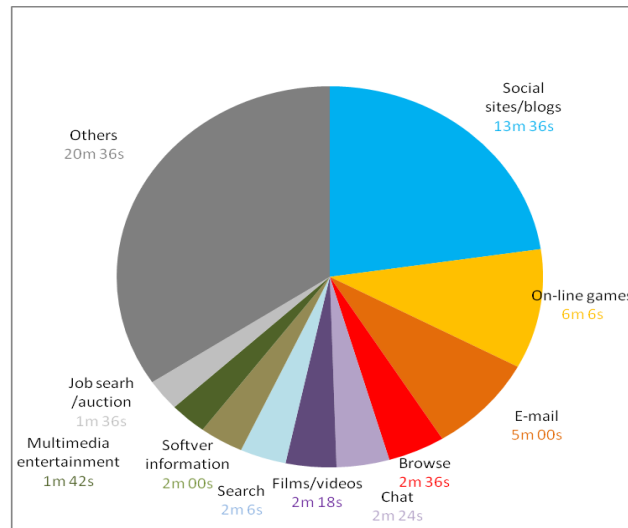
The buzz requires financial expenditure too, however it is possible to bring a campaign out from much less money, compare to the costs of the traditional devices. According to the geek of the British memetic and word-of-mouth, Paul Marsden, the opinion leaders are the key to the success. They starts to popularize a product of theirs free will, because they find funny the message attached to it, or they are experts or creators of the brand.

According to a British research, the firm who can reach 5 percent of consumers, can rise its income with 1 percent, in case of positive message it is possible to realize 10-30 percent income arise. [<http://www.mfor.hu/cikkek/24863.html>, 2006]

To the dissemination of the gossips, rumour, buzz the social sites seems distinguished ground. We can register a pseudo-person (or product), then we start to build up contacts, to send e-mails to the acquaintances, to send links from sites, pictures, videos. It can be efficient to use of blogs paid by the firm, when the blogger writes because of the firm's commission. These blogs are the so called fake blogs.

[[www.sikermarketing.hu/gerillamarketing.html](http://www.sikermarketing.hu/gerillamarketing.html)]

According to the research of the American Nielsen, the application of social sites and blogs become elemental for the business sphere, because the users spend increasingly more time on these websites versus the other services. According to their study based on observation of 200 thousands overseas inhabitants, the users connecting on internet, spending the 22, 7 % of their time on the social sites, which is an outstanding rate compare to the other mediums. Set against the time which the users spend with read/write of e-mails is only 8,3 % and browse on portals is only 4,4 % of their web time.



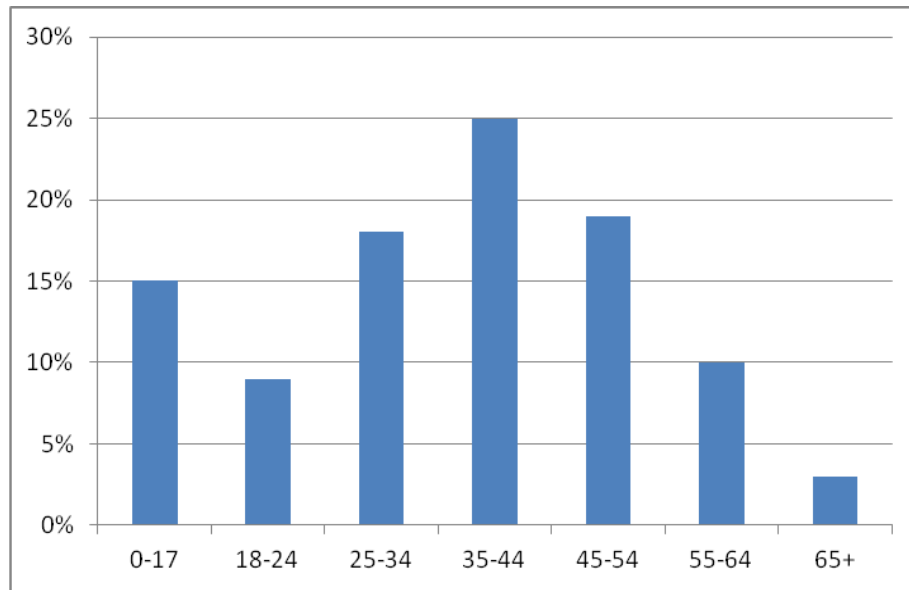
Source: [Molnár 2010]

**Figure no. 1 Distribution of the time of the American users spend on web onto a clock projected**

Between the four most popular sites in Hungary there are two social sites which data demonstrates the rule of social networks in the case of Hungarian users. [Czégényi, 2010,]

The determining question of marketing communication, who can we reach through the selected mediums, in case of this study it is important to discover who are the users of the social sites.

The next chart shows the average age distribution of American users for 19 different social network sites (Facebook, LinkedIn, MySpace, Twitter, Slashdot, Reddit, Digg, Delicious, StumbleUpon, FriendFeed, Last.fm, Friendster, LiveJournal, Hi5, Tagged, Ning, Xanga, Classmates.com, Bebo), based on the information of Google's Ad Planner service.



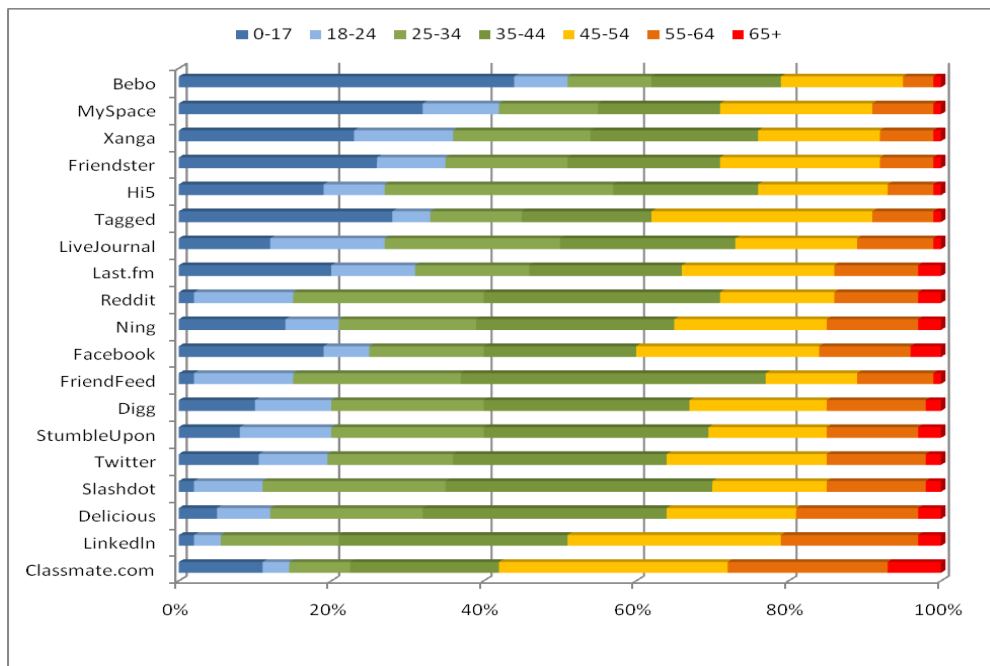
Source: [<http://royal.pingdom.com/2010/02/16/study-ages-of-social-network-users/>, 2010]

**Figure no. 2 The average age distribution of users of the social network sites (USA)**

Figure no. 2. shows the dominance of the 35-44 years old users in the sphere of social mediums, this age group constitutes the quarter of whole amount of users. This is the age group, whose members were twenties in the middle of the 90's, when the web became worldwide in fact.

There can be significant difference between the social networks in respect of the average age distribution. On Fig. 3. you can examine the age distribution for each of the 19 social network sites. The list has been sorted by the average user age per site, with the "youngest" site showing at the top and the "oldest" at the bottom.

The rate of users older than 35 years is 64 % in the case of Twitter and 61 % in the case of Facebook. Both are very popular among the Hungarian users.

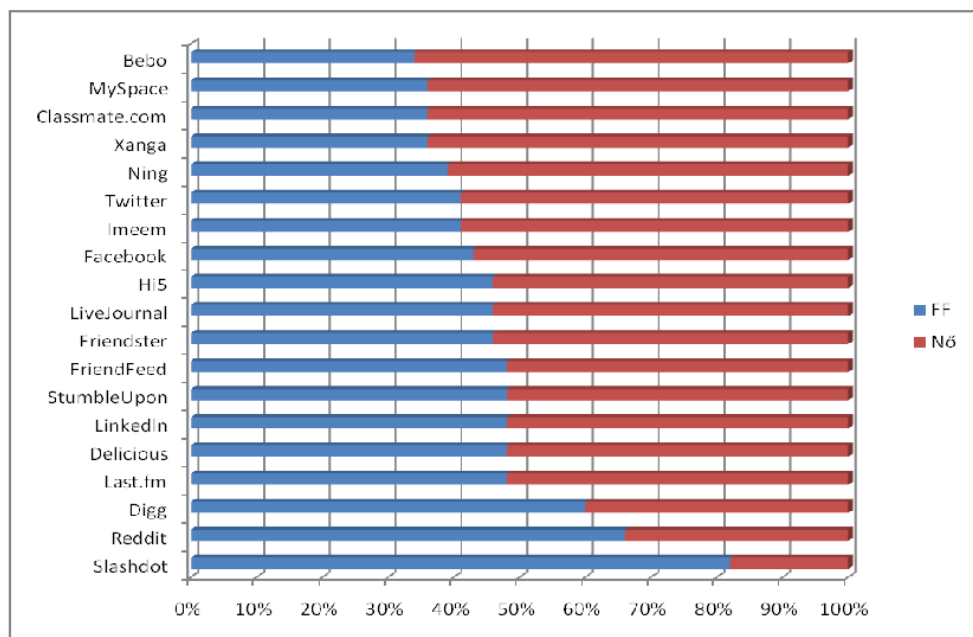


Source: [<http://royal.pingdom.com/2010/02/16/study-ages-of-social-network-users/>]

**Figure no. 3 Age distribution on social network sites**

Based on the Google's Ad Planner service, we can see the gender distribution of American users of social networks. All of the sites have more females than males, but only three sites, as the chart X. shows. Twitter and Facebook – as I said earlier these are popular in Hungary too - have almost the same male-female ratio; Twitter with 59% female users and Facebook with 57%.





Source: [<http://royal.pingdom.com/2009/11/27/study-males-vs-females-in-social-networks/>]

**Figure no. 4 Males vs. females on social network sites**

Compare with the Hungarian data: The number of Hungarian Facebook users soon will reach the 3 millions. Similar to the American gender distribution, there are a little bit more females between Hungarian users. The rate of the registered females is 52 %, as same as the rate of the total Hungarian population. [<http://b4press.hu/nouralom-a-facebookon>, 2011,]

Data of other countries:

- Indonesia: 35,174 million users, the rate of females is 41 %
  - United Kingdom: 29,187 million users the rate of females is 52 %
  - Turkey: 26,416 million users, the rate of females is 36 %
  - Philippines: 22,651 million users, the rate of females is 52 %.
- [<http://b4press.hu/nouralom-a-facebookon>, 2011,]

Examining the Hungarian users it turned out, that the social sites infiltrate our everyday life: the 71 percent of the internet users are between 18-64 years registered member for at least a similar portal, although, only 51 percent of them visit these sites at least with monthly regularity - as it cleared from the common research of the KutatóCentrum and the MASMI Hungary Piackutató Intézet in 2008. In Hungary the most active users get out of the younger age group: the 63 percent of users between 18-29 years enter at least once a month onto a social site. It is not surprising, that the single ones visit the similar websites more densely, nearly two third of them checks their profile at least with monthly regularity, while only 45 percent of the ones living in the partnership. [Sakkom Interaktív 2010]

According to statistical data in 2008, four Hungarian and three foreigner sites – namely: iWiW, myVIP, Barátikör, HotDog, and a Hi5, MySpace and Facebook - showed the next demographic distributions of Hungarian users.

Except the MySpace (and myVIP) the women are in majority on all sites, and they are represented themselves with a bit taller proportion, than inside the total internet users population. The Facebook and the Hi5 are the most feminim sites, the women's proportion is over then 60 percent in the case of both sites.

*Table no. 2 Demographic distribution of Hungarian users on several social sites*

Social sites	Gender		Age groups				
	Male	Female	15-24	25-34	35-44	45-54	55+
Baratikor.com	44,63	55,37	53,46	20,68	14,27	8,95	2,63
Facebook.com	38,60	61,40	54,77	26,01	8,20	7,71	3,31
Hi5.com	38,91	61,09	51,98	21,12	11,40	11,32	4,18
Hotdog.hu	42,63	57,37	46,64	19,88	16,92	11,80	4,75
Iwiw.hu	47,52	52,48	34,96	29,22	18,76	12,14	4,93
Myspace.com	52,85	47,15	56,60	24,61	10,02	4,65	4,13
Myvip.com	49,84	50,16	47,57	21,97	19,32	8,50	2,64
Internet users	49,37	50,63	33,01	2663	17,93	13,81	8,62

*Source: [Rabbitblog.hu, 2008]*

Interesting, that in America primarily the age group between 35-44 years are represented on the social sites, while 3 years before cca. the half of the Hungarian users were between 15-24 years. But only the iwiw. „Almost everybody” use the iwiw, which cause that the age distribution of iwiw users very similar to (almost the same with) the age distribution of the total internet user population (of course the elder age group is represented in a somewhat smaller proportion, than in the total audience's case). The youngest sites are the MySpace and the Facebook.

According to the age distribution the students of primary schools and high schools above represented inside the visitors of the social sites. But, there are two exceptions, Facebook and iwiw, where the qualification distribution of the users is very similar to characteristic of the whole internet user population.

The users live in the capital represented over only in the case of Facebook and MySpace. The myVip, Barátikör and Hi5 are fancier between the provincial users. The rate of users live in parishes was the tallest on the Barátikör, myVip and HotDog. [<http://www.rabbitblog.hu/2008/10/02/a-kozossegi-halok-kozonsege/>, 2008]

Following the launch of the campaign the on-line viral marketing leaves alone its message with the consumers. This means, that after the launch the viral marketers have no possibility to drive or control the campaign, the spread is depend mainly on the recipients of the advertise message.

#### 4. CONCLUSION

The statistics of users of social sites presented here show, that we can select the social networks with users best overlap the target group of our campaign, so we can expedient choose the social sites on which mostly worthy to start a viral campaign. Following this the success depends on how much we can arouse the target group's interest.

The viral marketing films have containing strong creative elements. It can be funny, humorous, shocking, disgusting, or even injurious, it must be established, because the weakly conception, or the classical advertisement style means the end of the viral marketing campaign. The spread of a film without a roaring concept stops after the launch of the campaign already. [<http://hu.wikipedia.org/wiki/V%C3%ADrusmarketing>]

Because of the rapid development of the digital technological solutions, and its effects onto the consumers' life (privacy, spare time, shopping, work, stb.), the viral marketing noise becomes stronger and stronger, and therefore it becomes increasingly heavier to exceed from the mass. But for the next few years this method may offer an efficient alternative compare to the increasingly more fruitless traditional advertising media.

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