# Aspects of interrelationship between culture and language in the context of second/foreign language acquisition

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#### Abstract

Effective communication as a part of second/foreign language acquisition in today's international, globalized world brings the issue of understanding interrelationship between language and culture and its influence on second/foreign language acquisition. Considering tolerance within today's European multiculturalism as one of the most valuable tools in peaceful coexistence of various cultures, intercultural understanding opens the door to the whole world in the way of knowing and communicating with other cultures. Therefore, multicultural education, as a factor affecting second language teaching and learning process, should be taken into consideration.

Key words Intercultural Communication, Language, Culture, Second/foreign language acquisition

#### 1. ASPECTS OF INTERCULTURAL COMMUNICATION

In the last decade the importance of intercultural communication as an integrative part of second/foreign language acquisition increased, especially within European multicultural society. "Applied linguists and language teachers have become increasingly aware that a second or foreign language can rarely be learned or taught without addressing the culture of the community in which it is spoken. A second language learner's understanding of a second culture is fundamentally affected by his or her culturally-defined world view, beliefs, and presuppositions. These beliefs and presuppositions have important pedagogical implications and need to be considered in second language teaching and learning." (Hinkel, 1999, p. 2).

Understanding of thought, language and culture as three aspects of communication brings the issue of their hierarchy within the discourse. "The extent to which language, culture, and thought have influenced one another, and which is the dominant aspect of communication, have been matters of controversy for three quarters of a century, the influence of the work of Boas, Sapir, Whorf, Hoijer, at al. is seen in the amount of both speculation and careful research that has ensued." (Valdes, 1986, p. 1).

#### 1.1 What is culture?

To understand what intercultural communication represents, it is useful to define culture as a term. There were many attempts to define culture for various purposes. L. Kroeber and C. Kluckhorn write in their book that the efforts to define a culture have been taking place in science since centuries (Kroeber, A.L.; Kluckhorn, C, 1952) (In: Mistrík et al. 1999). According to them the first scientific definition of a term culture appeared already in 1871 in the work of E. B. Tylor. It is understandable that the definition of the term culture varies within the history according to the purposes of its definition. E. Mistrík (1999) mentions existence more than 200 argumented definitions of culture. From the historical point of view he divides definitions of culture in five main groups and each of them comes out from the principles related to the conception of human being. Mistrik's definition of culture within multicultural education concept is inspired by Claude Lévi-Strauss's work La pensée sauvage (1996) (In: Mistrík et al, 1999) where he writes about the creative activity in art (painting) as about a dialogue with a model, a material or a user according to the direction of an artist's effort aimed at the integration of an network as a certain structure and in each of the types of arts he sees all three aspects present where they differ only according to the emphasis given on one of them (Lévi-Strauss 1996, 44-46). Mistrík (1999) consequently defines culture as a system of three aspects which exist only together where a cognitive aspect "concentrates, contains, processes and transmits information about the world", a sign system "contains the objectivised ideas and information in signs, instructions, records, symbols, norms, ciphers," and an active system in a sense that "all above mentioned parts of culture would not function of they were not involved in the activity of the concrete society and they even would not arise without their involvement in the activity. Contents and the way of their processing are thus formed by culture with regard to their user, i.e. with regard to their use in life of the existing generations and in life of future generations" (Mistrík et al, 1999).

As described above, the definitions of culture can vary according to the purpose of the definition. Within the concept of intercultural communication as a part of second language acquisition we prefer to use simplified definitions of culture represented by the Moerman's definition of culture: "Culture is a set - perhaps a system - of principles of interpretation, together with the products of that system" (Moerman, 1988). Within his definition, culture can be understood as a subjective concept of ideas, beliefs and assumptions through which the other people acting and behaviour could be interpreted. Focussing on cultural differences Craig Storti (1999) defines culture as "the shared assumptions, values, and beliefs of a group of people which result in characteristic behaviours". He believes that "cultural differences, on the ways in which a person from one culture thinks and behaves differently from a person from another" and that "it is these differences, after all, which cause most of the confusion, frustration, sometimes even hostility that occur when people from different cultures interact with each other" (Storti, 1999, p. 5).

Consequently, second/foreign language learner should become aware of the coexistence of different concepts within multicultural environment. Knowledge and understanding of unlimited numbers of different cultures is impossible. To simplify the classification of different cultures coexisting within Europe and the world, we found it useful to define horizontal and vertical stratification of culture. Within vertical stratification we can distinguish various cultural groups in a society prevailingly speaking the same language. For the intercommunication of various cultural groups with the same nationality we prefer to use a term cross-cultural communication. For the purpose of the intercultural communication aspect in second language acquisition we concentrate on the differences in cultures within horizontal stratification where we classify a culture group as a nation. Intercultural communication is preferred as a term for the communication among cultures groups within the concept of horizontal stratification.

#### 1.2 Culture and Language

Before introducing the aspects of intercultural communication it is useful to define process of communication.

Ted Slater in his essay "A Definition and Model for Communication" (Slater) notes that from the etymological point of view, "communication" is related to word "communion" and "community". The origin of the word comes from the Latin "communicare" - "to make common" (Weekley, 1967, p.338). DeVito (1986) formulates his definition for communication as "the process or act of transmitting a message from a sender to a receiver, through a channel and with the interference of noise" (DeVito, 1986, p.61). Paraphrasing DeVito's definition of communication, intercultural communication could be seen as the process or act of transmitting a message from a sender from one cultural group to a receiver from another cultural group, through a channel and with the interference of noise. Assuming that misunderstandings related to language barrier are minimized when considering that intercultural communication is realized between the groups within earlier mentioned horizontal culture stratification, cultural misinterpretations may lead into negative feelings and confusion and are often perceived as personal rather than cultural.

The increasing interest in the interrelationship between culture and language has been obtainable in the last few decades in a field of applied linguistics but understanding of the interdependence of culture and language has its development. Hinkel (1999, p.2) introduces a few studies to be considered as a contribution to an understanding of the relationship between culture and language. She mentions Franz Boas who studied the structure of Amer-indian languages in 1911 and who noted that relationships among thought and language as the means of communication is very complex. "His work, especially his Handbook of American Indian Language inspired and influenced many researches who concentrated their research on relation of language and culture." (Hinkel, 1999, p.3) Then she introduces Edward Sapir who in the 1920s explained that a language and the culture of its speakers cannot be analyzed separately. "He described language as a way to describe and represent human experience and understanding of the world (Sapir, [1921], 1961) and considers language as a referential framework of expression" (Hinkel, 1999, p. 3). Then she compares Saphir with Whorf: "Whorf (1956) who notes the thought processes that separated Amerindian worldviews and beliefs from those of Europeans in terms of their definitions of time, space, and natural phenomena." (Hinkel, 1999, p. 3). Then she concludes that the study of culture has become the challenge for anthropologist, culture as the way of life of people and also sociolinguistics analyses the social relations in a group, the frames of behaviour within a group from the point of view of socialization processes. Hinkel mentions also the anthropological approach: "Geertz in his book *The Interpretation of Cultures*, (1973) concludes that language and its uses within a group are in a centre of social anthropologists as they are a relevant part of human behaviour that represents symbolic action resulting from the social structure and interactions within the group. He also explains that behaviour is a part of culture and determines how language is used to express meaning" (Hinkel, 1999, p. 3). Based on the analyses of language and its use, through access to cultural frameworks, the concept of world perceived by members of different cultural groups could be understood by socio- anthropologist. Culture theory, based on researches within social anthropology is further investigated by sociolinguists describing the close interrelation between language and culture.

As for the current perspectives in applied linguistics of the last two decades, several researchers extended the thinking about the relation of language and culture in language teaching. Kramsch (1993, p. 8) mentions Halliday considering grammar as "a theory of human experience and text the linguistic form of social interaction". She also sees a different approach of Quasthoff and Blum-Kulka, House and Kasper who "have explored the cultural dimensions of speech acts a discourse pragmatics". Kramsch

(1993, p. 8) further notes Keller's and Muller-Jacquier's examination of stereotypes and self- and other-perceptions and also Byram's reassessment of the cultural studies role in foreign language education. Kramsch (1993, p. 9) also introduces perspectives in applied linguistics in United Stated mentioning "Nostrand and Kramsch are reevaluating the notion of cultural authenticity, while Valdes gives a fresh look at the 'cultural gap' in language teaching" (Kramsch, 1993, p. 9). The interelation between culture and laguage has become the interests of many researchers approaching this idea from different points of view. This subject "brings together research in anthropology and social cognition, as well as second language learning, acquisition, and teaching. The authors take the position that multidisciplinary studies on culture carried out in various domains of applied linguistics, sociolinguistics, interaction and pragmatics, and rhetoric and writing can inform second and foreign language learning and teaching. Conversely, the environments in which languages are learned and taught often serve as research grounds where the impact of culture can be investigated" (Hinkel, 1999, p. 2).

#### 2. CONCLUSION

Through studies and researches of a few decades linguists and many second/foreign language teachers understand intercultural communication as an inseparable part of effective communication in second/foreign language which consequently brings the issue of intercultural understanding. Second/foreign language learning containing training in intercultural communication potentially means more effective communication in second/foreign language with members of a target language cultural group. Teachers and students should be aware of the fact that describing the features of any cultural layer of group means a number of generalizations. It is known that any generalizations can contain unfair and not accurate statements about the individuals as members of a group. And as Craig Storti notes, "cultural generalizations can help to understand how people from certain cultural group *may* act and behave in situation and not necessarily how they *will* behave" (Storti, 1999, p. 3).

Students are not always aware of the power of consciously using the knowledge about specific cultural features when communication with a member of a different culture group which may cause misunderstandings in communication. Skilled second/foreign language teacher should be the one who could help.

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# Informatics education according to the latest trends and ICT development

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#### Abstract

Applications of knowledge and technologies, especially in the field of Informatics, are critical for success in all areas of human activity, including economic and business spheres. Development and the efficiency of investments into mentioned area depend strongly on users, their motivation, interest and proper education. Presented paper reflects the fact that all of Europe's citizens need to be educated in both digital literacy and informatics and describe the importance of proper informatics education. As we work at the Faculty of Economics Technical University of Košice we are dealing with an innovative manner of informatics education of young managers. In the paper we present results of our research in the field of secondary school graduates informatics education, we also describe our experience in teaching and discuss reasons for the knowledge body and methods which had been implemented into the subject Informatics II at our faculty. We consider knowledge, the implementation of ICT and innovations to be the key factors that can ensure economic growth for individuals, companies even for whole countries.

**Key words** Informatics education, development of informatics, new trends,

#### 1. INTRODUCTION

To develop a new knowledge society in Europe it is necessary to equip young people in a better way for the labour market, improve all levels of education and training. According to Council conclusions concerning the role of education and training in the implementation of the 'Europe 2020' strategy: Education and training have a fundamental role to play in achieving the 'Europe 2020' objectives of smart, sustainable and inclusive growth, notably by equipping citizens with the skills and competences which the European economy and European society need in order to remain competitive and innovative, but also by helping to promote social cohesion and inclusion. Higher education institutions should be encouraged to improve the quality and relevance of the courses they offer [1].

These days education and training are considered to be investments for states/nations, entrepreneurs and individuals. The educating system cannot just reflect current knowledge but it also has to anticipate the development from the view of contents and quality. An important process is to introduce the achieved knowledge into the real life. The development of human's capital together with social capital is a key factor for building an inclusive, sustainable economic environment [2].

The only thing that is certain in today's world is a permanent change. For a successful existence in this turbulent environment it is very important to learn how to cope with both changes and the quickly transforming world. If anyone wants to compete on the market nowadays, amongst so fast growing competition, the ratio of their change has to be higher than the ratio of changes in the environment around them. A good position can only be the result of a quick adaptation to current needs and trends [3].

#### 2. IMPORTANCE OF INFORMATICS EDUCATION

Informatics, the science behind IT, may be the most important key to the future economic success in Europe. Crucial to that success is the availability of superb informatics education throughout Europe. Guaranteeing and improving this quality is of paramount concern to the informatics community [4].

In this new "digital world", information is available almost anywhere at almost any time, computer power is ubiquitous, communication of vast amounts of information is almost instantaneous, and storage capacities seem infinite. But these powerful capabilities only benefit those who have learned to use them effectively. Any citizen of a modern country needs the skills to use IT and its devices intelligently. These skills, the modern complement to traditional language literacy in language (reading and writing) and basic mathematics, are called digital literacy. Many modern primary and secondary school curricula have started to include digital literacy elements, teaching students to be comfortable with the basic tools of the digital world. The complementary reports describe digital literacy programs in various countries. Digital literacy should indeed be a required part of the education of all Europeans. Digital literacy education, when implemented properly, includes both teaching the technical mastery of digital tools and the rules for using them effectively, safely and ethically. Unfortunately, these rules are not always prominently included in existing programs, even though they are essential to ensure that students learn to use digital resources properly. Digital literacy education must emphasize not only the "what" but also the "how", as well as concepts of right and wrong [5].

Governments and the public all too often satisfy themselves that teaching digital literacy is enough to prepare the citizenry for the "Information Society" that Europe has decided to become. It is not. Digital literacy is a practical skill, not a scientific topic or an adequate intellectual preparation for the challenges of a digital world. For a nation or a group of nations to compete in the race for technology innovation, the general population must in addition to digital literacy understand the basics of the underlying discipline, informatics. On the road to an information society, informatics plays the same enabling role as mathematics and physics in previous industrial revolutions. That is why, according to [5]:

- All of Europe's citizens need to be educated in both digital literacy and informatics.
- Digital literacy covers fluency with computer tools and the Internet.
- Informatics covers the science behind information technology (IT). Informatics is a distinct science, characterized by its own concepts, methods, body of knowledge and open issues. It has emerged, in a role similar to that of mathematics, as a cross-discipline field underlying today's scientific, engineering and economic progress.
- Informatics is a major enabler of technology innovation, the principal resource for Europe's drive to become an information society, and the key to the future of Europe's economy.
- European countries are making good progress in including digital literacy in the curriculum. The teaching of this topic should emphasize the proper use of IT resources and cover matters of ethics such as privacy and plagiarism.
- Informatics education, unlike digital literacy education, is sorely lacking in most European countries. The situation has paradoxically worsened since the 70s and 80s.
- Not offering appropriate informatics education means that Europe is harming its new generation of citizens, educationally and economically.

Unless Europe takes resolute steps to change that situation, it will turn into a mere consumer of
information technology and miss its goal of being a major player.

#### 3. FACTS ABOUT THE REAL STATE OF INFORMATCS EDUCATION

Since the academic year 2003/2004 we have continuously been surveying extent and content of our first grade students' informatics education. Before entering our faculty, these students mostly attended grammar schools or economic high schools. We use a questionnaire administrated in the first semester on the first seminars of subject Informatics I and we search for the real state of compulsory informatics education and students' information competencies. The questionnaire contains except the closed items (with possibility to choose answer "yes" or "no") also open items concerning information systems (IS), type of IS, life cycle of IS, modelling, working with IS and satisfaction with their informatics education. For us it is very important to know the entrance conditions to set properly the next university informatics education.

The total number of our respondents over the presented period 2003 – 2013 was 1755 graduates of secondary schools. There were 1532 – 87 % grammar school graduates and 223 – 13 % business and other school graduates, mainly from the region of Eastern Slovakia, Faculty of Economics first-year students

In this paper we present at first the evaluation of the answers "How many compulsory lessons have you had in your secondary school in particular years?" In Figure 1 we can see average number of the compulsory lessons/classes (one lesson is 45 minutes) of informatics on secondary school in period from 2003 to 2013. The former state was 2 lessons of informatics in the first year with the possibility to divide it into next years. This changed in 2012 to 1 lesson in the first, second and third year while the schools still have the possibility to organize it differently. The schools crate their own education programs where they can still add lessons of informatics. Despite this change we still consider the amount of informatics education insufficient these days.

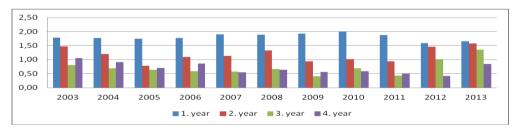


Figure 1. An average number of informatics compulsory lessons on secondary schools in particular years

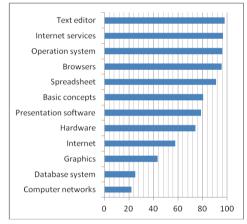
We also search for the real content of compulsory informatics education. Students answered this question: "Did you work/deal with next applications, programs and concepts?" In Figure 2 we present the average percentage content of informatics education and competencies of secondary school graduates.

As we can see in Figure 2 in the fields of working with text editor, operating systems, using internet services and search machines there are nearly 100 % respondents familiar with these areas. In the field of working with spreadsheet program and software for presentation also in the fields of informatics elementary terms, basics of hardware and architecture of computer, internet protocols programming

languages the percentage is decreasing, in spite of the fact that these fields are a part of compulsory informatics curriculum

The ability to communicate via computer network also belongs to information competencies. It means using internet services and understanding the basic rules of internet communication. Figure 2 also presents the percentage of the students, who used internet services such as email, www, ICQ and Skype. As we can see almost all secondary school students worked with and used internet services despite of that it is surprising that the number of students who are familiar with basic rules how the Internet works – internet protocols, DNS, etc. is very low.

As we can see the worst situation is in the area of working with IS. The evaluation of the students answers shows that in average less than 20 % of the students had/presented experience with IS and less than 1 % specified working with modelling as a method of simplifying and recognition of real objects. Less than 10 % of students recognized the types of IS and less than 1 % recognized the other terms. Despite the fact the knowledge of IS has been introduced to the teaching plans of obligatory secondary school subject, despite the penetration of the Internet and ICT into every aspect of life - we daily use various IS - libraries, enterprises, offices, entertainment, despite the effort to integrate ICT and computer science into the education.



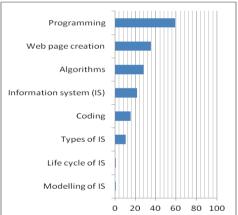


Figure 2. Content of informatics education and competencies of secondary school graduates in average percentage of presented period

We can conclude from students' answers that secondary school education in the field of informatics/computer science is strictly focused on using different application packages (like MS Office) and work on the Internet. These are parts of digital literacy but it is necessary for students to understand science behind – informatics principles. As we can see only 60 % of secondary schools graduates were familiar with programming despite the fact that it is compulsory part of curriculum. Algorithmic approach, using of knowledge for creating "something new" and interdisciplinary relations are often missing. There is a lack of understanding of basic terms of IS and modelling, regardless of the fact, that they work with IS and modelling in some way every day.

From the year 2008 we also asked students "Are you satisfied with the level and quality of your informatics education in your secondary school?" Students' answers were divided into three categories:

satisfied, partly satisfied and unsatisfied. Figure 3 presents evaluation of students' responses in average percentage in particular years.

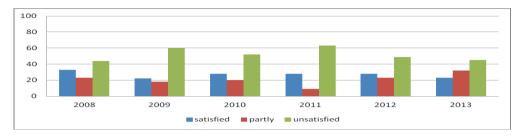


Figure 3. Respondents' view on the adequacy of informatics teaching at their secondary schools

This was an open question. We evaluated it by qualitative analysis of the texts. According to the responses we can conclude that the key factor influencing the level and quality of informatics education is the teacher, his personality and approach and competencies. As we can see in Figure 3, satisfaction from the students' view is stagnating in spite of informatization of all aspects of life and education, in spite of teachers' further education, in spite of projects to increase their ICT competencies. The proportion of unsatisfied answers decreased a little over the years but it still near 50%.

#### 4. INTEGRATION OF NEW TRENDS INTO THE INFORMATICS EDUCATION

To improve students' shortcomings and to set adequate quality of university informatics education we permanently study the accessible sources of literature, the latest knowledge and the trend in the field of informatics. As we work at faculty of economics, especially information management, business process modelling and IS implementation and integration is for us very important. We also use resources such as the experience of experts from the area of theory of teaching, contents of foreign universities curricula, content for educating experts in the field of "business informatics" and software engineering, etc. We naturally use our own experience as participants of various projects, our knowledge and skills as researchers and teachers.

From our annual detail analysis of knowledge level of the students, considering all the mentioned aspects we have decided for a concept of education in two parallel planes. Considering big differences in ICT knowledge/skills of secondary school graduates it was necessary to keep the classic procedure in teaching the subject Informatics I in a structure very similar to ECDL. This seems to be vital for further correct understanding of possible work in the frame of enterprise informatics.

In the subject Informatics II we included a part called Business informatics and Information Systems. In this second parallel plane the key theme is management of IS in the relation with modelling of the business processes. Here we try to innovate the content and introduce the newest trends to our students. We started from the basic theoretical concepts in the Theory of Systems and modelling in general, business processes modelling using ARIS and UML. By solving practical problems as a students' term projects, students become familiar with the features helping them to work with a lot of available information and create various financial models, as we can find in [6].

To find out "what is new" in the informatics world we use analyses, researches and predictions of Gartner. Gartner, Inc. (NYSE: IT) is the world's leading information technology research and advisory company. It delivers the technology-related insight necessary for all to make the right decisions, every

day. Gartner was founded in 1979, is headquartered in Stamford, Connecticut, USA, and has 6,600 associates, including more than 1,500 research analysts and consultants, and clients in 85 countries.

Figure 4 presents one of the most important analysis of Gartner – Gartner's Hype Cycles for Emerging Technologies. The Hype Cycle for Emerging Technologies report is the longest-running annual Hype Cycle, providing a cross-industry perspective on the technologies and trends that business strategists, chief innovation officers, R&D leaders, entrepreneurs, global market developers and emerging technology teams should consider in developing emerging-technology portfolios [7].

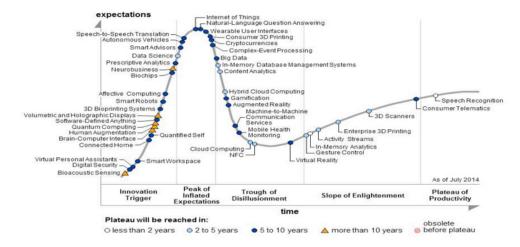


Figure 4. Hype Cycles for Emerging Technologies, source Gartner, August 2014, [7]

Nowadays the central theme is digital business. As enterprises embark on the journey to become digital businesses, they will think about technologies that are considered to be emerging today. Understanding where the enterprise is on this journey and where it needs to go will not only determine the amount of change expected for the enterprise, but also map out which combination of technologies support its progression, said Hung LeHong, vice president and Gartner fellow. Enterprises should use the Hype Cycle to identify which technologies are emerging and use the concept of digital business transformation to identify which business trends may result [7].

It is necessary to set out on the journey to become digital businesses, identifying and employing the right technologies at the right time will be critical. Gartner analysts highlighted the top 10 strategic technology trends. We consider also facts in Figure 4 and we conclude from [7] and [8] that it is necessary for our students to be familiar with following newest fields of informatics knowledge:

- Data science, processing Big Data, online analytics, cost effective open data, citizen managed data;
- Cloud computing and technology, hybrid IT, Internet of things, cross domain interoperability;
- BPM business process management and modelling, case management;
- Mobile technologies, personal mobile workplace, mobile citizen engagement;

Digital business represents a more extreme revolution than previous technology-driven changes. Gartner predicts that a lack of digital business competence will cause 25 % of businesses to lose competitive ranking by 2017 and identified following Six Key Steps to Build a Successful Digital Business in [9]:

• Create the right mindset and shared understanding. Digital business is not just about expanding the use of technology. Digital business leaders must think about technology in a fundamentally

different way than in the past. It is not an enabler to be applied to what the business wants to do but a source of innovation and opportunity for what the business could do. This more proactive model focuses on creative disruption and new business models to gain competitive advantage.

- Put the right leaders in place. The fast-moving digital world is exposing gaps in digital leadership, especially with regard to front office disciplines (those related to the customer experience) and head-office disciplines (those related to enterprise strategy). Three types of digital business leader have emerged to fill these leadership gaps: the digital strategist, the digital marketing leader and the digital business unit leader.
- Launch a digital business centre of excellence. Create a digital business centre of excellence (COE) to provide input, advice and opportunities for the collaborative formation of a digital strategy and the collaborative advice, innovations and capabilities needed for execution.
- Formulate a digital strategy to respond to opportunities and threats. Once the necessity of a
  digital strategy has been established, the following five elements must be addressed: new digitally
  enabled business models, the product and service portfolio, information as an asset, technology
  content, media and channels.
- Find, develop and acquire digital business skills and roles. Digital business combines the
  expertise, skills and roles found not just in IT, but across the enterprise. Digital business is not an IT
  program but an enterprise mindset. While digital business has roots in digital technology, it is
  ultimately about business.
- Create new digital business capabilities. With the expectation that digital business expertise will spread around businesses within two or three years, but the acknowledgment by many that their workforce is unprepared and inadequate, organizations will need to explore the kind of disciplines needed to drive digital business initiatives. Traditional recruitment practices will not suffice. Instead, organizations should consider launching boot camps and other learning programs about digital business across all areas of the business.

Gartner also identified fifteen skills critical to success with business process management in [10]. Figure 5 presents them in a short form. They can be grouped into three types of critical competency: transformational, operational and technical. It is another important view in our new manner of education.

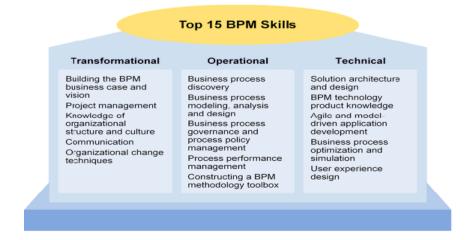


Figure 5. Top 15 Business Process Management Skills, source Gartner, February 2014, [10]

#### 5. CONCLUSION

As well as in the economic sphere also in the school environment it is necessary to count with a minimal stability and certainty. To be familiar with the newest trends in the informatics field and implementations, the ability to work with information and its transformation into knowledge we consider very important, as we can read also in [11]. Based on secondary school informatics education, in order to prepare our graduates for new economic environment and labour market requirements, we decided to include new manner of education into basic informatics course. Except for the traditional content and methods of teaching, as lectures and practices, we use also e-learning, learning-by-doing and project method [12]. Using these modern methods of teaching and learning we try to develop students' logical and critical thinking, we want to support creativity and ability to solve problems by own.

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# Management education: focusing on intercultural aspects

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#### Abstract

Problem of a current education is still relatively significant attention devoted to theoretical knowledge. Practice and students themselves call for more practical experience. Some subjects/courses provide more space for the use of creative teaching methods and experiential learning (enabling students to learn through experience/by doing). One of these courses is Intercultural management and Corporate Culture. This article presents current knowledge and researches in teaching intercultural respectively cross-cultural issues (e.g. management and communication) as well as personal experience (as a teacher/lecturer of three "intercultural" subjects/courses at the Faculty of Management, University of Presov, namely: Intercultural Management and Corporate Culture, Intercultural Communication in Tourism, and Cross-cultural Management on the Erasmus program) with teaching this issues.

Key words Education, intercultural, cross-cultural, management, learning

#### 1. Introduction

The effects of globalization are changing requirements for management education. The key question is whether the current education of managers is effective and appropriately adjusted. Since the globalized world put people from different culture background to a larger number of interactions and closer contact, the attention in this article is given to teaching of intercultural management which should lead to the development of intercultural competence of students – future workforce and (perhaps) managers.

Very important in educational process is educational/learning experience and motivation. Understanding students' motivation is the key to enhancement of the students' experience, performance and success. It seems that grades are not the only motivator for students; there is a number of other factors, e.g. perceived value of assignment or points in relation to total course grade points that determine the extent of effort students expend for a particular subject/course (project or exam). Teachers should use methods and teaching practices that motivate students and encourage them to do well in a class. Very important for student motivation is also comfortable and safe classroom environment (Azriel et. al, 2005).

#### 2. Traditional versus creative and experiential teaching/learning strategies

A very important issue in education is to motivate student to learn and actively participate in learning. In this context, facilitating effective experiential learning activities could be a very is a useful and

effective educational form. Through experiential learning the concepts are "formed and modified by experience" (Kolb, 1984, in Pillay&James, 2013). "Experiential learning is also referred to as learning through action, learning by doing, learning through experience, and learning through discovery and exploration" (http://www.niu.edu/facdev/resources/guide/strategies/experiential learning.pdf).

Experiential learning emphasises the learner's perspective, which is crucial to the experiential learning concept. The word "experiential" means that learning and development are achieved through personally determined experience and involvement, rather than on received teaching or training, typically in group, by observation, listening, study of theory or some other transfer of skills or knowledge. The major advantage of experiential learning is that it represents a powerful way to address individual growth and potential, produces positive emotional effects - confidence, self-esteem, and a sense of personal value and purpose (www.businessballs.com). Experiential education is often contrasted with didactic education, in which the teacher's role is to "give" information/knowledge to student and to prescribe study/learning exercises which have "information/knowledge transmission" as the main goal (Neill, 2005). Achieving learning objectives through experiential methodologies equip students with abilities, knowledge and greater awareness of certain real-world phenomena (Kolb and Kolb, 2005; Kayes, 2002; Kolb, 1984; Yamazaki and Kayes, 2004, in Pillay&James, 2013, p. 9).

Experiential learning is also possible to use when creating or developing intercultural competence of students. This form of teaching/learning is - according Pillay and James (2013) - very effective in developing intercultural competence i.e. in making greater awareness of cross-cultural differences and better understanding of behaviour when working with people from different cultures. "The growing emphasis on experiential approaches may be attributed to the ever increasing mobility of people across borders" (Ng et al., 2009, in Pillay&James, 2013, p. 9). In relation to this topic, Szkudlarek et al. (2013) state that the teaching of cross-cultural competence seems to be especially demanding. In recognizing the need to help people develop cross-cultural skills we are also realizing that our pedagogies do not match the complexity of this task. "There is some evidence that a combination of lecture and experiential methods is particularly effective (Bhawuk, 1998; Gannon & Poon, 1997; Mendenhall et al., 2004, in Fischer, 2011, p. 798), as they balance the objective of training (involving cognition, affect and behaviour) and involvement of participants" (Brislin, 1989, in Fischer, 2011, p. 798). Mary Yoko Brannen in her interview (in Szkudlarek et al., 2013) also argues in favour of experiential teaching methods in teaching intercultural management. She claims that she always start with experiential exercises, because through them the students have an automatic reaction and expectations about how behaviour shifts.

"Traditional methods emphasize direct transmission of knowledge and maintain these processes through inflexible structures which limit the engagement of learners in innovation, discovery and mental growth. Problem-solving and inquiry oriented approaches on the other hand, offer opportunities for exploring and discovering complexities, involving learners with the process of learning, and enhancing internal motivation. It is through such processes that the practice of creative learning and teaching can be established and maintained" (Hosseini, 2011).

"Creative learning affects all dimensions of teaching and learning and supports the development of new ways thinking, acting and being". For transformation of the traditional teaching procedures a comprehensive change is required, while the main principles of this change are as follows:

- 1. Providing the university students with the motivation;
- 2. Emphasizing learners' involvements in teaching;
- 3. Attending the practical and functional strategies in teaching;
- 4. Considering the collective learning in teaching;
- 5. Encouraging the research and attending the research in the education;
- 6. Providing the opportunity for thinking, analyzing, criticizing, and solving the problem;

7. Offering opportunity for creative thinking (Hosseini, 2011, p. 1810).

#### 3. Intercultural/cross-cultural education as a part of management education

Globalization, internationalism and workforce diversity increases the contacts and interactions among people from different national, cultural or religious backgrounds. According Joy and Poonamallee (2013) cross-cultural aspects began to feature in management education more than three decades ago, while the original purpose of cross-cultural teaching was to sensitize managers of multinational corporations to foreign cultures, and equip them with skills to successfully interact with people from cultures other than their own. The world has changed drastically, now more people have frequent interactions with colleagues located in other countries and more people work culturally heterogeneous workplaces.

"Cross-cultural management has been one of the most practice-oriented areas in management. The curricula and pedagogy are usually aimed at imparting knowledge and skills that can be applied in practice". The courses cover basic conceptualizations of culture and explore its impact on different interpersonal processes (such as communication, negotiation, conflict resolution, teamwork, etc.) or human resource management practices. "Self-assessment of cross-cultural skills and experiential exercises for skill development also often feature in pedagogy" (Joy & Poonamallee, 2013, p. 403). "In order the teaching of cross-cultural management to inexperienced students to be really effective, teachers can not rely entirely on textbook based lectures and a formal examination" (Orpen, 2003, p. 81). Teaching of cross-cultural management should move from a focus on the content to a focus on the learning process: from cognitive knowledge, toward cognitive experience and transformation (Szkudlarek et al., 2013).

"The goal of intercultural training is to prepare individuals to deal effectively with cultural differences" (Fischer, 2011, p. 768). There are various different training approaches. One distinction is based on the fact how great is participant involvement (high, medium or low), another classification focuses on the intervention and objectives (is to change cognitions, affect or behaviour) Brislin, 1989, in Fischer, 2011). One of the most common methods is the lecture (student "passive") method, in which participants are lectured passively on some specific culture-related topic. This approach has some positives - cost-effectiveness of lectures, the non-threatening nature, the possibility to transmit large amounts of information in short time and the high acceptability by participants (Fowler & Blohm, 2004, in Fischer, 2011). On the other side, the passive nature and the lack of active engagement/involvement with the topic might hinder its effectiveness (Bhawuk & Brislin, 2000, in Fischer, 2011). And this is the main reason for the application of experiential and activating forms learning on the Intercultural Management and Corporate Culture (IM&CC) course.

Experience shows that cross-cultural management is easier to teach to undergraduate students, than to older managers (who have worked overseas and had received experience with people from different cultures). Their lack of foreign experience makes it more likely that such students will be open minded about other cultures (Orpen, 2003). My personal experience is that students are ethnocentric, have garbled information as well as many prejudice and stereotypes regarding other cultures. In this context, the indisputable importance of intercultural education lies in the fact that it helps to "break down" many cultural prejudices and stereotypes and develop intercultural competence (including intercultural communication competence).

Orpen (2003) based on several years of experience have found it useful to get his students to make presentations to the remainder of the class on selected countries. Author emphasizes that this strategy to work well, the presentations need to be carefully integrated into the rest of the course. Author's experience has been that students prefer to concentrate, in each presentation, on a particular country of

their choice (one that really interests them and which they feel has significance of some kind). Often is a country with which they have some familiarity, for example they have visited it or have contacts there.

This form of learning i.e. using presentation is (together with other forms) also applied on the courses Intercultural Management and Corporate Culture (on the Master's degree program), Intercultural Communication in Tourism (on the Bachelor's degree program), and Cross-cultural Management (on the Erasmus program). A different strategy is applied on the Erasmus program (due to the diversity of "cultures" in the group) where students present their own culture and are looking for similarities and differences with other cultures, which members (representatives) are in the study group. In the first two subjects - with respect to their mono-cultural composition - in becoming familiar with different cultures are used the presentation on the specifics of cultures of selected country (containing the general characteristics of the culture: customs, traditions, greetings, communication including taboo topics, religion, food (national as well as prohibited), business meetings - planning, execution, rituals such as business cards exchange, dressing etc.)

Part of the quality of education improvement is a feedback in the form of a questionnaire survey. With regard to the above-mentioned subjects, there are two feedback possibilities. The first one is the students' online survey (anonymous questionnaire feedback) through academic information system in which students express their opinion generally on the study programme (curriculum) and/or on the individual subject/course (more precisely, it is focused on the teacher/lecture and his/her abilities and characteristics). Another form of feedback is (own) questionnaire survey, which is conducted directly in lessons on the last week of the semester. This survey was conducted in the academic year 2014/2015. We will focus on two questions from the questionnaire concerning the methods and forms of teaching on IM&CC course, namely:

- 1. appropriateness of teaching methods used on IM&CC course.
- 2. appropriateness of learning about different countries and their cultures through presentations.

#### 4. Methodology

The primary data were collected through survey in the form of self-coined and self-administered questionnaires. Research sample consists of students of Faculty of Management, University of Prešov enrolled in a two-year (full-time study) master's degree program and attending a IM&CC course (which is included in the first year of study). This course is designed for both full-time and part-time students, but only full-time students have seminars on which they prepared presentation on different cultures. That is why our attention was focused on the full-time students while the entire group of full-time students who attend the course were surveyed. From the total number of 127 students, 124 of them participated in the survey (98% of the population). The questionnaire items were scaled on five-point Likert scale (1 - strongly agree, 2 - agree, 3 - neutral, 4 - disagree, 5 - strongly disagree) on which respondents expressed agreement with the (positively formulated) statements/sentences.

#### 5. Research findings and conclusions

In the first statement: "Teaching methods used on the IM&CC course are appropriate" the average of responses of 1.63 and median of 2 indicate an agreement with the statement. Following chart illustrate relative frequency of answers to the question of the appropriateness of teaching methods used on IM&CC course.

Appropriateness of teaching methods used on IM&CC course

disagree 2% strongly agree 1%

strongly agree 48%

Figure 1 Appropriateness of teaching methods

In the second statement: "I consider presentation an appropriate form of learning about different countries/culture" were the results even better, because the average of responses of 1.35 (a median of 1) indicate high agreement with the statement. Chart in Figure 2 illustrate relative size of answers to the question of the appropriateness of learning about different countries and their cultures through presentations.

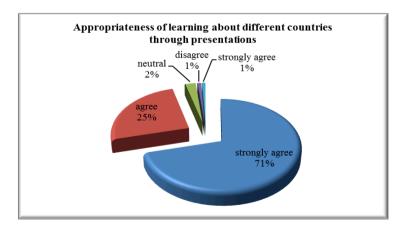


Figure 2 Appropriateness of presentations in learning about different cultures

It can be concluded that the way of teaching (teaching and learning methods) on the IM&CC course and within this framework the use of presentations for the purpose of familiarizing students with other cultures - is positively perceived by students themselves. My several year personal experience in teaching this subject shows that students in order to prepare perfect presentations are extremely creative and inventive. In study groups is often possible to see a sort of natural "contest" about who prepare better and more interesting presentation. I think that this form of "competition" is a form of motivation which activates students' potential.

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### New Marketing Opportunities on the Web

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**Abstract** The new opportunities of web marketing emerge with evolution of the web 2.0. Various specific forms of new web such as social networks, virtual worlds, blogs etc. are being used for marketing communication purposes. Current trends in online marketing utilizing the forms of web 2.0 are identified and the outline and upcoming trends in this area are revealed. The potential of marketing communications targeting and obtaining feedback from potential customers by simple efficient method is demonstrated on real examples. Forming new large size groups of customers reachable by these new opportunities of web marketing is pointed out and briefly overviewed.

**Key words** web marketing, web 2.0, social media, virtual world, mail advertising

#### 1. THE NEW WEB

The web is a media that emerged slightly over twenty years ago, but recorded fast development into very important communication channel. Professionals started to use new terms of web 2.0 in recent years to point out emerging new forms of the web connected mainly with user generated content. Furthermore the web became the most suitable channel for marketing communication for multiple important groups of potential customers. In addition, new web brings unique new forms of marketing communication.

#### 1.1 The term of web

Today is the web a working tool for huge number of economic subjects in the world economy. Web is a relatively young medium, since the initial web design conceived by Tim Berners-Lee and Robert Cailliau during the course of the CERN (European Center for Nuclear Research) in 1990. The concept of the Web (Berners-Lee, Cailliau 1990) was defined as a network of hypertext documents (called websites), viewable through a software (browser) and built on a client – server architecture of Internet. Their aim was to enable scientists (cooperating on research tasks of CERN worldwide) fast and efficient communication and sharing of information in electronic form. As recently reported Berners-Lee, the web has never been so widespread and successful, if it would not be open, ownerless and free. Therefore, Berners-Lee fought that the web would not protected by a patent from its beginnings. Today, thanks to the fact it consists of billions of different websites

The term web 2.0 in the sense of the second version of web (DiNucci, 1999) is for the first time used by DiNucci, which states: "The Web as we know it, which plays into the browser window with still images

is only a seed of web that comes. The first signs of Web 2.0 are emerging and we are beginning to see how the seed can develop. Web will not be understood as screens full of text and graphics but as a transport mechanism that allows interactivity and we will meet him on the computer screen, on television, on the dashboards of cars, in mobile phones, handheld devices and maybe also microwave ovens. As shown today reality, this prediction was fulfilled, and in some respects was overcome. Web is fragmenting through the widespread use of portable devices that allow connection to it (Knorr 2003). The term web 2.0 reappears later with the process when the web is becoming a universal integration platform based on standards.

The concept of web 2.0 gets to awareness of wider public in 2004 due to action of the first conference dedicated to this concept in San Francisco, USA. At this conference, O'Reilly and Batelle (2004) outlined their site definition of the web as a platform where software applications are web-based, not the desktop-based. Add that unique change in the functioning of the site is that users formed web content (in the form of ideas, texts, videos, or pictures) could be shackled and used to create value. Web 2.0 in addition to traditional sites is thus formed also by web communities (Agarwal 2009), web services and applications, social networks, so-called wiki pages, blogs, therefore its content is largely made up by users themselves.,

Experts in this field also predict further development of the web. According Keen (2008) the return of experts and authorities to the web starts alongside with diversion of users' confidence in user generated web content, which is the cornerstone of web 2.0. Hempel (2009) considered the next evolutionary step in the commercialization of web 2.0 services (such as social networks, blogs, etc.) is a profitable web 2.0 business model. O'Reilly (2005) adds that the use of typical aspects of Web 2.0 for marketing purposes and to build relationships with customers respectively becomes obvious.

#### 2. OPPORTUNITIES OF MARKETING ON WEB 2.0

Web recorded the rapid increase in its popularity and traffic since its beginnings and it so has become an interesting medium for marketing. Primary forms were unaddressed advertising banners and videos on various websites with high traffic. The effectiveness of these funds is relatively low (Javorský 2007) because even the less experienced web user can easily filter out advertising in so called pop-up windows and or skip playing of video advertising. However, even in Slovak conditions revenues from online advertising were increasing very significantly in recent years (Bačík, Fedorko 2014) with exemption of crisis year of 2009.

In recent years contextual advertising appeared with the development of search engines (Google, Bing, Yahoo, etc.) based on search results related to the subject and keywords searched, and charged sponsored links on search results are placed prominently. However, the more experienced users might be less likely to click on a sponsored link in search engines unless it does not match precisely their searched area. Furthermore some online users might use advertising blocking software to block the most of online forms of advertising. Already in 2004 was the internet for big companies like Nike and American Express regular part of advertising expenses. Also the travel agencies in the United States has sold a fifth of their tours online. At that time contextual advertising in search engines became more popular and banners ceased to be modern (Štefko et al. 2013). Contextual advertising sales of market leaders (companies Google and Yahoo at the time) reached billions of dollars.

Marketing professionals began to talk about the crisis of classic media, which has faced the future of decreasing readership and advertising revenue. At the same time grew fast internet penetration, usability of web browsers and users' skills. Online marketing has had to change if it wanted to remain in sight of consumers. Banners and sponsored links on search engines started to lose their position of primary web marketing tools. However, users did not become automatically immune to these forms of advertising.

They are still among the major forms of online marketing. Now however banners have a less violent and unobtrusive form and bring more fun (such as a short interactive game). During this period so called web 2.0 began to spread. It is represented by sites such as YouTube, Facebook, Twitter, Instagram or Flickr, where content is created by the visitors themselves. These parts of new web are called social media. Numbers of unique users are growing at great pace, reaching hundreds of millions or even billions. This of course leads to the use of all forms of web 2.0 for advertising and wider marketing purposes.

#### 2.1 Social networks

Social networks are probably the most popular term related to web 2.0 (Mistrík, 2010). Marketing experts consider social networks the most interesting opportunity for online marketing purposes at these days. Typical representatives of social networking sites are Facebook, Twitter, LinkedIn or Google+. Social networks represent place where millions people are reachable. In Slovakia is a typical representative of this category is azet.sk, who holds the top positions of the Slovak sites traffic. Social networking appeals primarily young people, for whom a profile on Facebook already commonplace. Furthermore middle-aged users also joined the trend and use at least one social network. The number of users of Facebook as the largest social network surpassed 1.3 billion users, representing an enormous marketing potential.

There are commonly used classical forms of web advertising at social networks, such as banner ads and pop-up advertisements. Important aspect, however, is that users often provide operators of social network information about their preferences, interests and express their sympathy actively. Analysis of this information can be tremendously valuable to marketers, so that they can target the marketing campaigns and promotional tools directly for the individual for both classic commerce and e-commerce marketing purposes (Bačík, Fedorko 2014). In the entire group of users, the desired segments can be identified as the visitors fill their virtual profiles with basic information, interests and preferences voluntarily. Then identified individuals are easy and cheap to reach by targeted advertising message, e-mail, offer and the like.

Finally, via social networks companies present themselves and their products. Social network users and companies' customers may become fans (or even opponents) and also actively comment on posts and messages. This allows not only addressing targeted groups of potential customers, but also building relationships with the customers and general public and obtaining feedback. And this is not applicable only in commercial area, but it may also be usable in election campaigns, volunteering, third sector activities and many others. Example might be 2014 presidential elections in Slovakia where all the major relevant candidates communicates with potential voters and through social networks and tried to reach by their campaign, especially the younger generation present on the social networks. Social networks became regular and very important tool of online marketing.

#### 2.2 Blogs

One of the basic forms on web 2.0 is blog. It is a classic text page sometimes with graphic elements where its creators (bloggers) publish their views, thoughts and attitudes. Blog is most often emplaced along with blog pages of other authors on the website intended for production and dissemination of blogging. The most popular blogging sites worldwide are Blogger, Tumblr, WordPress or Medium. In Slovak conditions blogs tend to be the sub-pages of web portals significant print media (SME, TREND, Pravda). An important option of a blog is direct feedback from readers, who may respond to a specific post on the blog of the author. While considering company's public relations, the author of the blog should be representative of a firm and his blogging brings great opportunities for obtaining immediate reactions of potential customers for new products, services, upcoming changes and a like. In Slovakia, for example VÚB bank (retail banking number 2) used this form of public relations, when its CEO

blogged about actual topics of local retail banking. Besides the amount of negative and positive responses, he received also constructive criticisms that could be directly used in making of products and communicating with customers. Responses to blogs are obviously valuable information for the company and an important tool for marketing and image building and customer relations.

Such corporate blogs in the world are already a standard form of communication with clients. On the other hand, there is a risk of deliberate inappropriate presentation and communication. For example, when Microsoft wanted to impress the online community in 2009, it created a fake blog, where false stories of bloggers who came to Microsoft from a competitor company Apple and of course favored their new employer. However, it was found that it is so-called flog (fake blog), it provoked strong wave of negative reactions by Internet users and significantly damaged the Microsoft's image. Today, Microsoft operates a blog platform that lets people participate in solving software problems and get valuable feedback. Moreover, a corporate blog is a face of a company, which communicates with the public. Important is the openness of communication, because readers in discussions generally detect even the darkest side of the company. Therefore, when making corporate blog, company should determine in advance which topics will be discussed. Corporate blog should not be used only for advertising of products or the brand without feedback, because it certainly discourages visitors from another site visit. Companies with successful blogs understand and write about topics rather close corporate culture or field of activity.

Blogs are technologically cheapest way for reaching modern consumers, but not the easiest. If corporate blog is to be meaningful, must be regularly supplied with interesting texts and responses to reader comments. The disadvantage of the blog, at least at first glance, is relatively weak traffic. According to the study of PR company Edelman (Javorský, 2007) reads blogs 23 percent of Europeans and 27 percent of Americans, while in Japan, South Korea and China have become mainstream media already. Blogs and social networks commonly called social media experienced enormous growths in recent years. Following table shows estimated monthly active users of selected social media in years from 2006 to 2014 to illustrate this trend.

Table 1 Social media monthly active users

Year	Facebook	Twitter	LinkedIn	WordPress	Tumblr	Google+
2006	12 000 000	1 000	8 000 000	600 000	0	0
2007	50 000 000	750 000	15 000 000	2 000 000	170 000	0
2008	100 000 000	5 000 000	33 000 000	4 300 000	1 000 000	0
2009	350 000 000	15 000 000	50 000 000	8 000 000	2 000 000	0
2010	600 000 000	80 000 000	75 000 000	11 100 000	7 000 000	0
2011	800 000 000	145 000 000	135 000 000	50 000 000	38 000 000	90 000 000
2012	1 000 000 000	182 000 000	200 000 000	60 830 000	86 800 000	150 000 000
2013	1 150 000 000	221 000 000	255 000 000	74 000 000	156 000 000	260 000 000
2014	1 300 000 000	255 000 000	313 000 000	85 000 000	230 000 000	343 000 000

Source: Own processing according to Statista, 2014

In Slovakia, even the most read blogs have up to 10 thousand readers per week. In comparison with print media (in hundreds of thousands) it is small number, but still interesting group in terms of marketing communication. However, according to the agency Edelman the readership of blogs is higher among the so-called influencers i.e. people who actively participate in the media or political life. The expected trend

in this area is the confluence of blogs to social networks due to their more traffic in combination with the advantage of greater scope and value of the blog. The blogs (alongside with social networks) have become online version of "World of Mouth", which represents the spread of oral reports from person to person and is in terms of the credibility and effectiveness unmatched by any advertising message. The best-known example of modern-day World of Mouth marketing is a Gmail e-mail service Google. At the introduction of Google gave email accounts to the small number of key people who had also possibility to invite others. It has become a prestigious to have a Gmail mailbox in early months after introduction.

#### 2.3 Advanced webmail advertising

Google further improved usage of Gmail for marketing and advertising in recent year, when introduced promotional messages in webmail that seem as the newest mail and are at the top of all unread emails. Also other major companies providing webmail service have adopted this form of advertising (e.g. Outlook.com by Microsoft). This advertising is very different from promotional email spamming as long as it can be targeted for interests of email account owner. Interests of mail owner are evaluated according to user's previous searches by search engines. These promotional messages have subject displayed, which shortly describes offer inside whole message. If email user is interested in particular message, he or she can open it a store it like normal email or just read it. Such emails are perceived by users as less intrusive than advertising spam emails. They are more targeted to the user needs and interests and they do not spend any space in email box (unless saved for later reading).

#### 2.4 Virtual worlds

Virtual worlds can be considered as a special version of social networking, being also a meeting place, but communication in a special way by moving them in a graphical environment not only in the framework of the web. The most famous virtual world is probably Second Life. Currently around one million residents "live" their virtual lives, while are having fun, buying virtual goods and services, sell the local currency. Furthermore, they are influenced by advertising of many commercial firms. Companies like Sun Microsystems, IBM, Sony, Dell and AOL have invested relatively large amounts (up to millions of USD) to the developing of their interactive settlements in Second Life, some of which exactly reproduce the real ones. Local users in Second Life can try and buy virtual Adidas sneakers or test a new Mercedes. Another basic opportunity to reach virtual world citizens is to post an advertising slogan, for example, to chat, which is commonly used by hundreds to thousands of users simultaneously.

Alongside with Second Life exist multiple and sometimes even more popular virtual worlds based on game principles where artificial conflict is incorporated. Very popular around the world are massively multiplayer online role playing games. However in these virtual worlds marketing is usually restricted to only the company creating a particular game or virtual world respectively. Still the virtual world becomes another communication channel to present the image of the company, where virtual advertising and testing of a particular product.

#### 3. CONCLUSION

The new web, called the web 2.0, brings revolutionary opportunities of marketing communication. Although, there are still plenty of reasons to stick with the old marketing methods, it is indisputable, that potential of web 2.0 communication channels with vast numbers of potential customers is enormous. Specific forms of new web such are being used for marketing purposes in increasing extent. Social networks allow reaching vast numbers of users with targeted advertising and self-promotion of companies. They also allow collecting valuable feedback. Corporate blogs may be good opportunity for propagation of company's attitudes, public relations and getting feedback on planned steps. Advanced webmail advertising brings targeted non-intrusive commercial emails and reduces spam. Virtual worlds

represent alternative space, where many forms of new advertising may be used innovatively. All these new forms of web marketing are on the rise of usage worldwide.

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# Online Marketing Campaign Proposal for the SmartWings Company

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#### Abstract

Various online marketing tools are put into practice by major companies and are also gaining importance among the marketing strategies that are nowadays being used by airlines. This document provides a brief analysis of airline online strategies provides correct approaches that the air carrier should take in order to become competent online and outlines an optimized online strategy for the Czech low-cost airline SmartWings.

**Key words** Airline marketing, online marketing, SmartWings, online campaign setup

#### 1. INTRODUCTION

For a long time one of the characteristics of the commercial aviation sector was its strict regulatory frame. The regulations applied to this sector can be distinguished into two different domains: to a safety regulation and to a commercial regulation. As the sector started to evolve the commercial regulation was dominant, on the other hand the regulatory frame regarding the safety was insignificant. The strict commercial rules provided only a minimal space for any airline product marketing.

Since the start of the liberalization packages first in the US, afterwards also in Europe, major changes regarding the commercial regulating policies have occurred allowing the sector to liberalize and to provide space for the first airline marketing tactics.

Nowadays for aviation in general very strict safety regulatory frame is typical, on the other however the sector can be characterized as the one that is opened to any marketing experiments. In fact the commercial aviation overall seems to be one of the top business fields where marketing ideas are continuously being enhanced and taken to the next level.

This paper is aimed at airline online marketing. As this topic is very wide, in order to provide general and overall understanding, it is therefore divided into the following sections that all represents findings and results that have been made during the extensive research:

- Model of airline marketing strategy
- Online marketing tools that are put into practice by most of the airlines
- Identification of keys that all lead to airlines online success
- Banner advertising strategies that airlines typically use to market their services to the Czech online audience
- · Optimized online marketing campaign proposal for the SmartWings company

#### 2. MODEL OF AIRLINE MARKETING STRATEGY

The diagram presented in the figure 1 represents general model of airline marketing. All the components and all the relations shown above represents a general strategy that can be seen within any airline. Apart from the market research, the market segmentation and the business strategy itself, one other factor highly influences the definite shape of the airline product. For airlines it is important to make a precise difference between customer, consumer and influencer in order to design a product satisfying their needs.

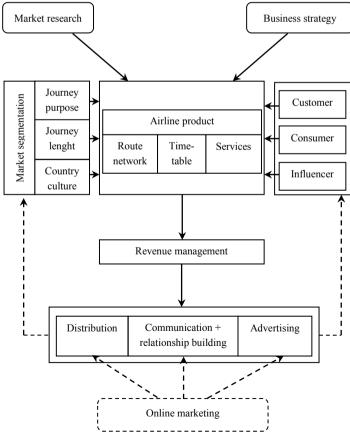


Figure 1 The diagram of airline marketing strategy

The diagram also shows where online marketing can be found and with what marketing phases it interferes.

#### 3. ONLINE MARKETING TOOL USED BY AIRLINE

Various online marketing tools put by air carriers into practice have been identified. Nowadays a wide variety of online tools exists that can companies take advantage of, however as far as the current situation in the airline sector goes, it has been found that only major airlines use all of them at the same time. The most common ones are short listed below.

#### Social networks

Airline's active presence on social networks is crucial today. Social networks are by most of the air carriers used for brand and relationship building, others go further and use this medium to provide a quick customer support. As the frustration with a product or service can be vented and spread by the customer in an instant, it is important for airlines to tackle this problem at the place where it occurs.

#### **PPC** advertising

PPC (Pay-per-click) advertising model is the most frequently used performance-based marketing method and should be part of any airline marketing strategy that is executed in order to drive direct sales.

The PPC model has several advantages. The three primary advantages are:

- The advertiser (airline) pays for real website visitors
- Advanced targeting options
- The possibility to monitor, to analyze and to adjust the online campaign in real time

#### Affiliate marketing

Affiliate marketing is another type of performance-based marketing in which a business rewards its affiliates for each visitor or customer brought by the affiliate's own marketing efforts. By implementing this marketing model airlines benefit from having fixed marketing costs that do not rise with an increasing number of sales and flight bookings.

Commissions (percentage from the actual booking amount) that affiliate partners receive differ a lot. For example British Airways pays 0,25%, on the other hand air carriers such as Etihad, Qatar or Turkish Airlines pay 2,00% (both percentages mentioned above apply on shorthaul flights, the percentage for longhaul flights is usually higher).

#### 4. KEYS TO AIRLINE ONLINE SUCCESS

#### Online branding

Online branding is the key success factor especially for legacy airlines as a traveler may be tempted to choose a low cost carrier in such a competitive price environment, which commercial aviation sector surely is.

It is important for airlines to build their brands to shape and maintain their position in the market and to help customers to value loyalty over price.

Currently the strongest airline brand is the brand of Emirates that is valued to 5,48 billion USD. Part of such a success has been achieved by ongoing offline and online Emirates campaign "Hello Tomorrow" that has been initiated by the company in April 2012.

#### Unique selling propositions

Another crucial factor is to create and communicate unique selling propositions. Distinguishing itself from other air carriers and publishing quality information online that are transparent and accessible by anyone results in more loyal customer base.

Unique services and unique selling propositions are created when airlines:

- Associate themselves with customer's point of view
- Research the motivation behind customer's behaviour
- Discover the real reasons why travellers choose them instead of their competitors

#### CRM and online booking integration

Online marketing experience should be shaped in a way so website visitors and potential customers see specific destination promotions based on their personal desire. Such a system can be achieved be personalizing the airline's website based on the specific user account that a visitor logs into.

Loyalty and CRM (Customer Relationship Management) tools such as FFPs (Frequent Flyer Programs) should be linked with the basic user accounts in order to deliver other relevant information into the decision process so more relevant destinations are showed.

#### Website visitor tracking

Active visitor tracking by a special piece of data called "cookie" also allows airlines to execute behavioral marketing and to show more relevant services and destinations even to those visitors who are not logged in.

#### **Focus on non-price attributes**

Even though the price remains the top decision factor for many travelers, airline's online marketing behavior should not only rely on the price attribute. Importance of other factors cannot be neglected and in case the company possesses any of them, they should be clearly communicated.

Some examples of non-price attributes are: in-flight comfort, enhanced FFP, reputation for punctuality or excellent safety reputation.

#### 5. FINDINGS SUMMARY FROM THE AIRLINE'S BANNER RESEARCH

Research of banner ads that airlines have recently used for promotions of their services to the Czech online audience has been executed. The research was focused not only on primary Czech carriers (Czech Airlines and SmartWings) but also several other airlines where identified for their active approach to the Czech online environment. For example German Lufthansa, similarly to Czech Airlines, executes several online banner campaigns throughout the year and it therefore positions itself on the second place in terms of the amount invested to this kind of promotion.

From the research three key findings have outcome and have later been taken into account during the process of online campaign setup.

- Airline's banner advertising is clearly reasonable as it is frequently used both by smaller low cost carriers and by bigger legacy carriers. Such companies with specialized marketing departments would not maintain these campaigns in case they would not deliver results. Banner ads are suitable especially for brand building and therefore they do not only generate a direct traffic (website visitors) that is measurable, they also generate partially indirect traffic that cannot be evaluated and analysed.
- In the Czech online environment both local and abroad air carriers most frequently publish their banners ads within the online networks of Seznam and Mafra companies.
- No single specific approach to banner design in terms of their concept and colour have been identified. For most airlines however as they operate flights from/to Prague Airport a standard

practice of placing the airport's logo to the banners has been observed (i.e. ČSA, SmartWings, WizzAir, EasyJet, Swiss).

### 6. RESULTS - OPTIMIZED ONLINE MARKETING CAMPAIGN PROPOSAL FOR THE SMARTWINGS COMPANY

SmartWings company operates most of the flights during a summer season when it offers direct flights from Prague to more than 45 Mediterranean destinations. It therefore, shortly before the summer season begins, executes promotion of these destinations throughout multiple marketing channels.

The online campaign for 2014 should fulfil the following campaign objectives:

- Destination promotion directly resulting in increasing number of sales and in lowering available free seat capacity
  - Concentrate specifically on the newly serviced destinations: Sevilla (SVQ), Pula (PUY) and Funchal (FNC)
  - Promote other destinations located in the geographically same regions where the newly serviced destinations are. Example: Croatia region = Pula + Split (SPU) and Dubrovnik (DBV).
- Brand building

Numerous information inputs were considered while designing the online campaign proposal. Most of the inputs came from SmartWings itself, others resulted from the previously carried out researches (banner ads research that have been commented above and the research focused on public perception of online marketing).

The final verbal massages specified in the proposed marketing materials have been composed from these predefined lines:

- New destinations: Funchal, Pula, Sevilla
- Croatia: Pula, Dubrovnik, Split
- Spain: Sevilla, Malaga, Mallorca
- Cheap flights
- From Prague to 45 destinations
- From Prague with Czech SmartWings
- · Ouickly and comfortably to Croatia
- Summer on the beach
- Book now
- Click on www.smartwings.com and fly

The proposed online banner campaign that has been designed to suit SmartWings needs consists of different banner formats as specified in Table I.

Table 1 Mediaplan – format specification

Tubic T Michigan Torritat Specification						
Ad Format	Emplacement	Type	Format	Technical specification	Total display number	
1	Idnes	Branding	Branding Static		7,5 mil.	
2	Seznam	Homepage	Static	467x120px	2,0 mil.	
3	Email	Skyscraper	Static	160x600px	6,0 mil.	
4	Novinky	Skyscraper	Dynami c	300x600px	1,0 mil.	
5	Stream	Video	Video	-	0,4 mil.	
6	Novinky	Product cover	Static	300x600px	1,0 mil.	

		i abie 2 i	vieurapiai	n – camp	aign uine	table	
Ad	Week # of 2014						Total
	20.	21.	22.	24.	25.	26.	display number
1	2,5 mil	2,5 mil	2,5 mil				7,5 mil
2			0,5 mil	0,5 mil	0,5 mil	0,5 mil	2,0 mil
3			1,5 mil	1,5 mil	1,5 mil	1,5 mil	6,0 mil
4				0,5 mil		0,5 mil	1,0 mil
5			0,1 mil	0,1 mil	0,1 mil	0,1 mil	0,4 mil
6			0,5 mil		0,5 mil		1,0 mil.

Table 2 Mediaplan – campaign timetable

Two new ad formats were introduced in this campaign proposal, the ad format #1 (iDnes Branding) and the ad format #6 (Product cover). These have never been part of the SmartWings online campaign before and were chosen to better and quicker accomplish the campaign goals.

iDnes Branding that will be displayed for three weeks on the Czech biggest online news server highly supports the SmartWings brand and also can easily drive sales as it provides a lot of space for the marketing massage.

On the other hand the product cover was specifically chosen to help drive even more sales as it is not a classic banner format. Its advantage is rather a direct display and a direct promotion of products along with their prices for which they are actually at the moment available.

Banner previews are attached below. The design of banner #5 was not part of this campaign proposal. All the designed banners are static even though the ad format #4 allows dynamically changing advertisements. Based on the previously executed public perception research, in which 57% of respondents stated that they are bothered by animated banner formats and therefore they are likely to choose not to click on them, it was decided that no animated concept will be part of this online campaign suggestion.



Banner #1: idnes Branding preview

Figure 1 SW banner 2014 – iDnes Branding preview

Banner #2: Seznam Homepage preview



Figure 2 SW banner 2014 – Seznam Homepage preview

#### Banner #3: Email Skyscraper preview



**Figure 3** SW banner 2014 – Email Skyscraper preview

#### Banner #4: Novinky Skyscraper preview



**Figure 4** SW banner 2014 – Novinky Skyscraper preview



Banner #5: Novinky Product Cover preview

Figure 5 SW banner 2014 – Novinky Product Cover preview

#### 7. CONCLUSIONS

The purpose of this paper has been to deliver an overview of airline online marketing, its current trends and tactics. Several key factors have been identified that are at the current market situation crucial to adapt before any online success can be expected to arrive.

It is vital for airline brands to familiarize themselves with different online marketing tools in order to start taken advantage of them. Many air carries and many companies in general might be unsure about the positive effects that these tools can deliver.

Some airlines might not have a sufficient budget to allocate to these promotional tools, especially at the current market situation when operational costs need to be cut down in order to generate a light profit. However not all online tools are expensive and at the same time can become a favorable part of airline marketing mix. For example providing a customer support directly through social media is gaining more and more importance. This way the airline brand is becoming more transparent as all customer issues are being answered publically and consequently the brand is becoming more valuable to the customer.

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### Tax and contribution burden of Slovakia in context of EU countries

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#### Abstract

The aim of ongoing tax and customs administration reform in Slovakia is to increase the efficiency of financial administration and to simplificate processes associated with tax and contribution obligations. The reform is implemented since 2008 through UNITAS program, which is regular inspect by National Audit Office (NAO). The aim of the article is to analyze tax and contribution burden using the variable Tax quota II and to assess position of Slovakia in the EU in terms of paying mandatory contributions. Comparison of Slovakia with other EU countries is based on Paying Taxes study published annually by PricewaterhouseCoopers in collaboration with World Bank.

**Key words** Tax, contribution, burden, EU, Paying taxes study

#### 1. INTRODUCTION

Slovak Ministry of Finance prepared the UNITAS program within tax and customs administration reform. Its plan was the unification of taxes, customs and insurance contributions. Basic objectives of UNITAS are as follows:

- Through the reform of tax and customs administration, build an efficient and customer-oriented tax
  and customs administration system capable take tasks associated with a single collection of taxes,
  customs and insurance in the future.
- 2. Through the unification of tax, customs and social security contributions collection, create an effective system covering all tax and contribution obligations.
- 3. Meet the objectives of Competitiveness Strategy of Slovakia by building effective e-government environment, internally and externally integrated and providing a wide range of services to the public.
- 4. Simplify and clarify the processes related to tax and contribution obligations for taxpayers, thereby reduce the burden of bureaucracy for citizens and businesses.

The article is focused on the fourth objective of program UNITAS – tax and contribution burden in Slovakia, which is examined by the variable Tax quota II and in view of Slovakia's position among other countries, according to Paying Taxes study.

#### 2. TAX QUOTA II

Tax and contribution burden can be evaluated by the variable Tax quota II by ESA 95 methodology. It expresses the share of paid taxes and mandatory contributions to social security and health insurance on gross domestic product. In fact, it is the share of gross domestic product, which is distributed through the government budget.

Tax quota II compares each year actual amounts of collected taxes and contributions for social and health insurance to GDP. High values of the indicator indicate greater tax and contribution burden, but in general, low Tax quota II does not automatically mean low taxes.

According to Eurostat methodology Tax quota II is defined as a share of taxes according to ESA 95 classification to gross domestic product, including compulsory contributions for social security and health insurance

Basic formula for Tax quota II is following (NAO 2013):

$$X = \frac{D2 + D5 + D91 + D611 + D612 - D995}{GDP}$$

- X Tax quota II according to ESA 95 methodology
- **D2** Taxes on production and imports are compulsory payments collected from import of goods and services, employment, ownership or use of land, buildings or other assets used in production. These taxes are paid regardless of whether profits were made. D2 includes for example Value added tax, excise duties and import duties.
- **D5** Current taxes on income and assets and some periodic taxes expect income and assets taxes. D5 includes for example personal income tax, corporate income tax and withholding taxes.
- **D91** Taxes on capital gains, taxes collected irregularly or infrequently on the value of assets or net assets owned by entity as a result of inheritance, gifts or other transfers. D91 includes for example inheritance tax, gift tax.
- **D611** Social contributions, including the value of additional contributions paid on income and property belonging to insurance contract holders to obtain the individuals and feedback to insurance companies as addition to other contributions.

Group D611 consists from three types of payments:

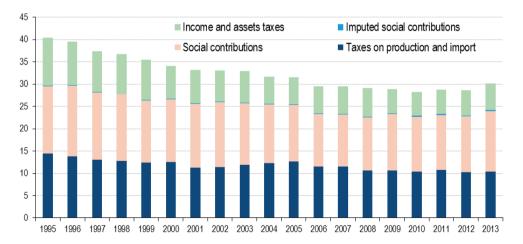
- 1) actual social contributions paid by employers to social security funds, insurance companies or other pension funds to provide social benefits to their employees;
- 2) actual social contributions by employees and self-employed workers, paid by employees to social security systems or private systems for their own benefit on their own account;
- 3) actual social contributions by non-employed persons.
- **D612** Imputed social contributions paid to social security and health insurance represented by amounts that are required to pay by employers in the event of sickness, maternity, accident, redundancy or work incapacity. For example money paid through the social fund created by employer during first 10 days of sick leave of the employee.

**D955** – Capital transfers, other than investment grants and capital taxes, which represent the redistribution of saving or assets between different sectors or subsectors of economy or outland.

This definition of the indicator has several deficiencies, especially (NAO 2013):

- the indicator does not provide information about the distribution of tax burden, respectively tax burden on individuals.
- it does not provide comprehensive information on the tax structure, such as tax bases, range of
  exemptions, tax-free amounts, special regimes, etc.,
- it does not precisely define taxes and mandatory contributions for example in context of mutual payments of some public entities,
- used gross domestic product contains from indirect taxes, as well as from added value of public administration.

The variable Tax quota II provides, despite restrictions, comprehensive information about the size of tax and contribution burden. It is the one of basic indicators that allows international comparison, because comparison of selected taxes does not have too much explanatory power in view of different tax structure in different tax systems. (NAO 2013)



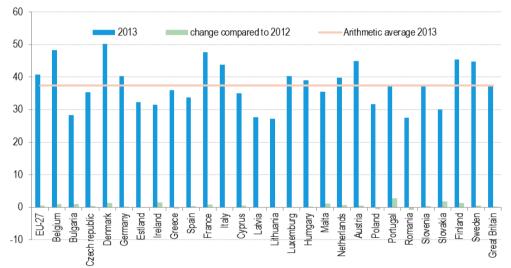
**Graph 1** Tax quota II (including EU institutions<sup>1</sup>) in Slovak republic

Source: Ministry of Finance, Tax indicators, 23.7.2014

Graph 1 shows the evolution of tax quota II in the period from 1995 to 2013. There are four kinds of levies – taxes on income and assets, imputed social contributions, social security contributions and taxes on production and imports. In 1995, the tax quota II in Slovakia has been the highest, at level 40.4% of GDP, while taxes on income and assets were at level 10.8% of GDP, social charges 15% of GDP and taxes on production and imports 14.5 % of GDP. Imputed social contributions accrued over the whole period of only 0.1 to 0.2% of GDP. The downward trend, which can be seen until 2010, was reflected in all kinds of contributions. In 2010 the tax quota II was at level 28.3% of GDP, compared to 1995 it

<sup>&</sup>lt;sup>1</sup> Tax quota, including the EU institutions, takes into account the total tax revenue that the state collects.

decreased by 12.1 percentage points. Taxes on income and assets were at level 5.4% of GDP, social security contributions at 12.3% of GDP and taxes on production and imports at 10.4% of GDP. After 2010 we can see slight increase in all levies and in the last year of the period, Tax quota II was at 30.1% of GDP. Throughout the reporting period the income and assets tax has been the highest in 1995 and lowest in 2010 at 5.4% of GDP. Social security contributions have been highest in 1996 at 15.9% of GDP and lowest in 2007 at 11.7% of GDP. Taxes on production and imports have reached the highest value in 1995, the lowest in 2012 at 10.2% of GDP.



Graph 2 Tax quota II (without EU institutions<sup>2</sup>) in Slovak republic in 2013

Source: Ministry of Finance, Tax indicators, 23.7.2014

Compared to other EU countries Slovakia is characterized by low levels of tax and contribution burden. Graph 2 shows that in 2013 Slovakia had Tax quota II at the level 30.1% of GDP, while the average value of Tax quota II for EU-27 was 40.8% of GDP. That is of 10.7 percentage points lower in compare to the average of Member States. The highest Tax quota II had Denmark – 50.2% of GDP. On the other hand the lowest level in 2013 was in Lithuania – 27.2% of GDP.

# 3. PAYING TAXES STUDY

PricewaterhouseCoopers in collaboration with World Bank annually publishes a Paying Taxes study. The study provides data about 189 tax systems of countries around the world, as well as data about their tax reforms. The study allows comparing tax systems with each other and helps governments improve business environment.

Paying Taxes study assesses tax systems from the perspective of entrepreneurs paying direct taxes and mandatory contributions. It monitors costs associated with payment of taxes and administrative burden of such obligations.

<sup>&</sup>lt;sup>2</sup> Tax quota, including the EU institutions, takes into account the total tax revenue that the state collects.

The objectives of the study are to:

- provide data which can be compared between economies on a like for like basis,
- facilitate the benchmarking of tax systems within relevant economic and geographical groupings, which can provide an opportunity to learn from peer group economies,
- enable an in-depth analysis of the results which can be used to help identify good practices and possible reforms, and
- generate robust data on tax systems around the world, including how they have changed, which can be used to inform the development of good tax policy.

In the view of NAO the disadvantage of Paying Taxes study is that it does not cover all costs induced by taxation and contributions. Also it is not sufficient representative sample, because of representation only one scenario within the selected medium-sized undertakings.

On the other hand, the Paying Taxes study allows comparing status and development of tax and contribution burden in wide international scale. It also allows examining level of reforms, including reorganization, streamline administrative processes, modernization of payment systems, etc. For this reason NAO decided to use this methodology to assess the effectiveness of implementation tax, customs and insurance contributions unification through the UNITAS program. (NAO 2013)

The indicator of ease by paying taxes and mandatory contributions published by Paying Taxes study reflects the ranking of evaluated countries. I tis an arithmetical average of three sub-indicators (NAO 2013, Paying Taxes 2014):

- 1. total number of tax payments and mandatory contributions for a year indicator,
- 2. number of hours needed to meet tax and contribution obligations for a year indicator,
- 3. indicator of overall tax rate that reflects all paid taxes and mandatory contributions.

Table 1 shows the ranking of EU countries among 189 countries in the world in terms of ease in paying taxes and contributions according to Paying Taxes studies. Countries are classified by ranking in 2013. First place means the simplest payment of taxes and mandatory contributions and the end of ranking means the worst payment system. In 2013 Slovakia was ranked at 100th place, within EU it was the 26th position. Compared to 2010, this position represents an improvement of 29 places. According to partial indicators for 2011 the improvement is related to the fact that:

- Number of taxes and mandatory contributions payments decreased in average from 11 to 20 payments.
- The time taken to meet tax obligations was decreased of 24 hours to 207 hours.
- The overall tax and contributions rate was reduced, i.e. the share of taxes and insurance contributions on gross profit decreased of 0.9% to 47, 9%.

Within the V4, Slovakia had in 2010, the worst ranking. In 2011, Slovakia's position has improved significantly and Slovakia had the best ranking within V4. In 2013 ended Slovakia behind Poland and Hungary, whose position was improved, in case of Poland by 26 places, and in case of Hungary by 36 places compared to 2012. The largest shift in position among all countries has achieved Romania from 154. place in 2010 to 52. place in 2013. This change occurred due to reduction in number of mandatory payments from 113 in 2010 to 14 in 2013.

Table 1 Ranking of EU countries in overall assessment of ease in paying taxes

Country	Ranking				
	2010	2011	2012	2013	
Ireland	5	6	6	6	
Denmark	15	13	12	12	
Great Britain	18	16	14	16	
Luxemburg	14	14	15	20	
Finland	21	23	21	21	
Netherlands	34	29	28	23	
Lithuania	57	60	56	44	
Malta	-	27	27	26	
Estland	47	50	32	28	
Sweden	44	38	41	35	
Croatia	46	42	34	36	
Slovenia	83	63	54	42	
Latvia	62	52	49	24	
Cyprus	37	31	33	50	
Romania	154	136	134	52	
Greece	79	56	53	59	
Portugal	74	77	81	64	
Germany	86	72	89	68	
Austria	78	77	79	72	
Spain	40	34	67	76	
Belgium	73	75	76	81	
Poland	127	114	113	87	
Hungary	114	118	124	88	
Bulgaria	84	91	81	89	
France	55	53	52	95	
Slovakia	129	100	102	100	
Czech republic	117	120	122	119	
Italy	133	131	138	141	

Source: processed according to Paying Taxes studies 2012, 2013, 2014 and 2015

# 4. CONCLUSION

Tax and contribution burden was quantified by the variable Tax quota II. That indicator reflects the proportion of all taxes and mandatory contributions to GDP. We studied four types of levies – taxes on income and assets, imputed social contributions, social security contributions and taxes on production and imports. During the period 1995 – 2013 reached Tax quota II in Slovakia the lowest level in 2010 – approximately 28.3% of GDP. Compared to other EU countries Slovakia is characterized by low level of tax and contribution burden.

The ease of paying taxes and mandatory contributions annually monitors Paying Taxes study, which follows up the total number of tax payments and mandatory contributions per year, the number of hours required for performance of these duties and a percentage of total tax rates. According to that study in 2013 Slovakia has ranked on 100th place, among EU countries it has been 26th position.

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# Taxonomies and their role in the aviation Safety Management Systems

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### Abstract

The paper focuses on the taxonomies widely applied in the aviation industry. Beside the general view on the subject, article brings a description and mutual aspects identification of the presented taxonomies. Purpose, adequate comprehension and taxonomy application, together with the identification of the subjects to whom the taxonomy are dedicated were considered as the essential facts in taxonomy description. The human factor was recognised as a critical element in aviation and in that matter, several taxonomies specialised exclusively on that issue were mentioned. The new trends in the taxonomy development, their implementation in the particular systems together with benefits they could bring to the particular processes represent the important aspects of modern approach to the issue. The paper places emphasis on the common taxonomy, development supported by ICAO, and other hazard taxonomies.

Keywords: Taxonomy, safety management system, events, hazards, occurrences

## 1. INTRODUCTION

As a complex and dynamic industry, aviation in all its aspects faces different safety issues. Their recognition, adequate solving or prevention represent the number one objective, allowing proper and safe system functioning. In today's world, especially in the high-risk industry branches, approach to safety considerably changed. The modern view on the issue involves systematic approach to the problem, its proper management and risk mitigation. Therefore, existence of the efficient safety management system (SMS) is a must.

In that matter, aviation is not an exception. Establishment and functioning of the SMS within aviation organisation is recommended by International Civil Aviation Organisation (ICAO). By issuing a document regarding SMS, ICAO is trying to help in SMS implementation and comprehension of its advantages and safety or economic benefits that such system could bring (ICAO SMM Doc.9859, 2013). That is primarily possible thanks to the way the SMS treats safety and regulates concerned personnel' attitude towards it

Such system is oriented on on-time risk identification, safety assurance and safety promotion. Besides that, efficient SMS should include safety culture, a concept allowing personnel to report their errors without any consequences, except those errors made wilfully or due to negligence (Stolzer, 2011). This concept as a primer goal, tries to encourage personnel in occurrences reporting, which is besides mandatory reporting a vital element in improvement of organisation safety management and risk mitigation efficiency.

At this point, necessity for adequate reporting is clearly visible, therefore, organisations enabling reporting and evaluating collected information should establish comprehensive and efficient system, which will provide valuable information concerning particular event, occurrence, etc. This process requires a list of well-described and organised events, representing a possible description of the reported situation. An instrument used for this purpose is called taxonomy.

Taxonomy is a tool representing a structured selection of the different phrases or terms. Each of these should be well and undoubtedly described and arranged. Important aspect is a proper classification and relationships between stated terms. In some taxonomies, these are divided into several levels, where levels differ from each other in depth of the term description.

Taxonomies are developed according to the needs of the system into which are supposed to be implemented. Naturally, taxonomies are not meant to be used as a fixed list, but modified in a way that is most convenient for the system in the given circumstances. Due to their characteristics, taxonomies are widely applied in different branches like biology, technical sciences, medicine etc.

#### 2. TAXONOMIES IN USE

Several taxonomies found their application in the aviation industry. The typical representatives of the events taxonomies are ICAO ADREP and HEIDI. These are complex and detailed taxonomies used by industry experts in the process of event description and categorization. Standardization Workgroup of the Safety Management International Group (SMICG) introduced another one, called SMICG hazard taxonomy, which was further developed by Civil Aviation Safety Team/ICAO Common taxonomy Team (SMICG, 2013).

Another group of taxonomies could be the one consisting of those primary oriented on the human factor and its relations to specified events and errors. Such taxonomies are HFACS, CHIRP, or TEM taxonomy.

## ICAO ADREP

Accident/Incident Data Reporting Program (ICAO, ADREP 2000 Taxonomy) taxonomy, designed by ICAO represents an instrument used for safety related events description and classification. ADREP taxonomy is a detailed and complex structure of phrases or terms (or attributes) closely describing possible situation or subjects involved.

ADREP consists of several taxonomies such as: Aircraft Categories, Entities and attributes, Aviation Operation, Descriptive factors, Events, Events phases, Occurrence category, Occurrence classes, Organisations/Persons, etc.

From the event categorisation point of view, the interesting one is the list named ADREP Events. ADREP Events taxonomy brings a detailed list of events divided into several categories according to the concerned organisation. There are seven basic categories of ADREP Events containing "aggregated" events (incidents, accidents) which are further divided into other category levels that describe particular event in more detail.

These basic categories are:

- Aircraft/system/component related events
- · Operations of the aircraft related event
- Consequential events
- Air Navigation Services related events
- Aerodrome and ground aids related events
- Civil Aviation Authority/administration related event
- Events related to the non-compliance with regulations

In Europe, system used for mandatory incident reporting is known as ECCAIRS (European Coordination Centre for Aviation Incident Reporting System). ADREP represents the taxonomy on which the system ECCAIRS is based.

# HEIDI

HEIDI or Harmonisation of European Incident Definitions Initiatives for ATM is a taxonomy designed by European Organisation for the Safety of Air Navigation (EUROCONTROL). The taxonomy represents structured list of terms chosen to be suitable and adequate for use within all area of its application. HEIDI tool is publicly available document containing seven sheets:

- Background
- Event Types
- Descriptive Factors
- Explanatory Factors
- · Classification Scheme
- Safety Recommendations
- Glossary

HEIDI taxonomy is in line with EUROCONTROL Safety Regulatory Requirements or more precisely ESARR 2 – Reporting and Assessment of Safety Occurrences in ATM. HEIDI taxonomy is recognised as a useful supporting tool enabling better and more harmonised approach to reporting process, which is not a case with alone ESARR 2 as such.

# SMICG/CICTT Hazard Taxonomy

The Safety Management International Group (SMICG) is an international organisation actively encouraging a development of the hazard taxonomy with the potential to be used throughout the aviation industry. Taxonomy distinguishes four types of mutually related hazards, the technical, human, organisational and environmental hazards (SMICG, 2013). Each of these is applicable on the different aviation entities interested or involved in the safety issues and risk mitigation process. Here, it is primarily meant ATM, Maintenance, Airports, etc.

The important aspects in this case are internal relations between stated hazard groups and their dependence on each other. This involves necessity for the approach to the problem, which does not exclude, in contrary it strongly supports finding a contributors or root causes that lead to the failure or accident realisation. This process combines or more precisely searches for potential hazards from each of the defined categories in order to reach correct comprehension of the analysed event. Detected hazard defined in any category does not exclude hazards from the other categories, in other words it tries to find potential causes of event by deeper analysis and determination of the events chain (SMICG, 2013).

#### CHIRP

Confidential Human Factors Incident Reporting Programme (CHIRP) is an incident reporting system active in the Great Britain. It was designed as a system enabling voluntary event reporting to the interested entities in the aviation industry (Beaubien, Baker, 2002). Even though its name states that focus is placed on the Human Factor issues, available sources give different opinions on the subject (Beaubien, Baker, 2002). Generally speaking, there are not sufficient information regarding the internal programme functioning and the process of reports categorisation and analysing. As well as other systems, CHIRP has its cons too, of which the biggest one could be inability for causal chain reporting.

## **ASRS Anomaly Code**

Together with the HFACS and TEM taxonomy, ASRS Anomaly Code taxonomy belongs to the group of those based on the Human Factor related issues. Aviation Safety Reporting System (ASRS) Anomaly Code is an instrument used on reports collected within ASRS. Anomaly Code was used during report analysis where according to the occurrence details, reports were marked with appropriate code related to the different issues (Beaubien, Baker, 2002). ASRS as such had its flaws, primarily due to unsatisfactory terms determination and distinction. Another reason why it did not find its way to the application in the standard FAA Aviation Safety Action Program (ASAP) reporting form was its inappropriateness for direct use by the crew.

## **TEM Taxonomy**

Threats and Errors Management (TEM) taxonomy was developed by the group of experts from the industry, primarily safety experts and crewmembers, all with the many years of experiences. The main idea was to create a new taxonomy, which would be, in terms of used terminology, more "user friendly" or easily comprehendible by person using it. In contrary to other known taxonomies this one is suitable and directly usable by captains for events reporting needs.

Similarly to the previous two, TEM taxonomy is also the one oriented on the human factor issues. The whole concept of TEM is based on finding the possible threats that could have negative impact on the human factor in the respective system. It assumes that active threats could lead to the increase of personnel errors made during activities performance. The concept is based on on-time threats detection,

proper reaction training for the crew and adequate measures application leading to the decrease of the experienced impacts (Stolzer, 2011; ICAO TEM, 2005).

In comparison to ADREP, TEM taxonomy is simpler and more concise. The reason for that lays in the necessity to be as understandable and usable as possible. It should help the crew to perform reporting in a more effective way, thus providing higher quality information used in the incidents or accidents analysis.

## **HFACS**

The Human Factor Analysis and Classification System (HFACS) represents a system developed with the primer goal to support accident analysing process by finding a role of the human factor element and causes directly related to it, which later on could have an impact on the accident realisation (Wiegmann, Shappell, 2001). HFACS includes four failure levels. Each of these four is further divided into few lower levels or categories/sub-categories. One of these is Unsafe Acts consisting of Errors and Violations categories further divided into their own sub-categories. Besides theses ones, there are also Organisational Influences, Unsafe Supervisions and Precondition for Unsafe Acts failure levels. Similarly to the ICAO ADREP, CHIRP or ASRS Anomaly Code, HFACS due to its structure and characteristics is not absolutely suitable and convenient for initial reporting.

#### 3. TAXONOMY DESIGN AND COMPARISON

As it was presented in the previous chapters, taxonomies are designed according to the respective system requirements. Therefore, there is not a general or standard procedure, which must be followed in taxonomy design. As mentioned in the chapter concerning TEM taxonomy, they are primarily developed according to the gained experiences. The experts engaged on the taxonomy development are those actively involved in the reporting or analysing processes.

The main reason for such approach in taxonomy design is a desire for achieving a higher level of the taxonomy quality, which will enable effective provision of relevant and valuable data concerning reported events. Logically, this state could be reached in case that reporting system and appropriate training are set in a way convenient for personnel actively involved in the processes.

In that matter, interesting research subject were relationships and mutual characteristics between taxonomies. According to the available facts, the biggest difference between those mention is their ability and characteristic enabling active use by different persons performing different activities. Typical example is ADREP taxonomy, which is due to complexity of the structure and the way of the events categorisation unsuitable for initial reporting. The same applies to the ASRS Anomaly Code. On other side, efforts are made in development of the taxonomies that could be convenient for those submitting event reports, e.g. crewmembers.

Another aspect is a purpose or subject to whom the taxonomies are dedicated. Taxonomy HEIDI was designed for the ATM expert use. Nowadays, there is an effort leading to the final coordination and its implementation into ADREP taxonomy.

## 4. DEVELOPMENT OF THE COMMON TAXONOMIES

In order to reach a global approach and establish mutual understanding of the safety issues same efforts were made and are still in place. Activities in this direction were primarily performed by Commercial Aviation Safety Team/ICAO Common Taxonomy Team (CICTT). From the early 2000', the goal was to establish the new globally applicable common taxonomies that would enable a unification of the view on

the safety related issues. In practical terms, it represents the steps leading to the creation of the mutual taxonomy that would be used and comprehended equally and in a similar way. This way, no matter who or where performs an analysis, reached results could become a globally valuable and their sharing among interested or involved subject could be significantly improved.

Some results in this direction were already achieved. In the last decade ADREP taxonomy was subject of change and that practice did not change to this date. CICTT developed several taxonomies of which the one called 'Occurrence Category' was adopted and added to the ADREP taxonomy. Other CICTT taxonomies are expected to be added to ADREP in the future (Stephens, 2008). Such process requires time and resources, firstly due to a complexity of the modification process and secondly due to adoption period required for proper system functioning. Global approach to the safety issues requires enhanced connectivity, coordination and collaboration between available and currently used systems. From the practical point of view, the current direction of the common taxonomy development clearly shows an effort for reaching a desired interconnection and establishment of the common strategy to the issue solving process.

#### 5. CONCLUSION

Generally speaking, taxonomies with all their features represent unavoidable instrument in the process of categorization and description of i.e. events, states, etc., within respective systems. Their main purpose is to enable the analyst or person how is submitting a report to perform activities in a way that could result in a provision and evaluation of the valuable and meaningful data. Taxonomies as such, are not self-sufficient. They are supporting tool in e.g. reporting systems enabling better understanding, definition and categorisation of the reported subjects.

Aviation as an industry branch where safety is a paramount priority uses taxonomies widely. In the case of complex taxonomies, categorisation of the aviation safety related issues sometimes requires more effort and engagement of the system experts. Besides that, taxonomies are often designed in a way that prevents their wide use among all subjects involved. This is to be considered as the biggest flaw and the main reason for some taxonomy not to be used.

It is quite visible that effort in making convenient taxonomies dedicated to particular entities as well as development of universal taxonomy has been made. This is only the positive evidence that approach to the safety as a whole is constantly changing, or more precisely, developing in a way that could show the path to the required or expected results.

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# The importance of marketing activities in terms of Internet search engines

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#### Abstract

The aim of the article is to describe specific aspects of Search Engine Marketing as an important tool of marketing communication. In assessing the direction of the issue the article summarizes the theoretical background issues of the Search Engine Marketing, Pay Per Click and Search Engine Optimization. It also focuses on the Internet advertising market on a global scale as well as in Slovak market, describes the current state of spending on this form of promotion. Our aim is also to evaluate and demonstrate the possibilities that this form of promotion can bring to regional governments while pointing out the pitfalls of the issue.

Key words Search Engine Marketing, Pay Per Click, Search Engine Optimization, Google

#### 1. INTRODUCTION

The reason why advertising spending in traditional media is in recent years on decline is obvious - the rapid development of the online environment offers Internet marketers new and more effective means of marketing campaigns performance measurement. Currently, one of the most active forms of e-marketing is the Search Engine Marketing that combines tools like Pay Per Click, which can be described as a paid form of Internet advertising that charges for real user visit to the web. Then there is the Search Engine Optimization (SEO). The aim of this tool is through a modification of the very structure of websites and appropriately processed content to get the top placement in search results in on-line search engines. As the decisive criteria for the success of SEO are not disclosed, it is a constantly evolving and dynamic field of knowledge which in today's super competitive environment plays an important role.

## 2. THEORETICAL BASIS

The very concept of Search Engine Marketing (SEM) is one of the components of e-marketing. This online advertising tool is an effective form of promotion and increases targeted traffic to web sites in relation to the target groups, or in any other variables. Based on experience with SEM, it is possible to distinguish its two basic components: Pay Per Click (PPC) advertising and Search Engine Optimization (SEO). Mitchell (2012) in this regard states that the functioning of this type of advertising is based on a simple system: a search engine provides in addition to natural results also advertising that relate to the keyword search. This kind of advertising is called searching advertising. In contrast to the search network there is also the content

network with ad serving within it. Its essence is to display ads to users when browsing websites where advertising is associated with a given page content. However, the advertiser pays nothing for ad delivery. He pays only when a user clicks on the displayed ad. It could be said that the advertiser pays for its visitor and not only for the delivered ad.

Rozhoň (2009) states that the effectiveness of online advertising is decreasing thanks to the competition. This situation is mainly due to advertising price increase and an increasing number of advertising spaces in one place (ie Internet users are increasingly resistant to ads). In addressing this situation came PPC advertising. The acronym PPC (Pay Per Click) stands for advertising, in which an advertiser pays only for the customer that visits the target website. This type of advertising is displayed only to people who are looking for information via search engines or when viewing content related to the subject matter. PPC is currently the most used method in online advertising and also an effective online tool designed to promote products and services to consumers (Parker 2013).

According to Dorčák - Pollák (2010) PPC ad belongs to contextual advertising category. This form of Internet advertising is a targeted and effective way of promotion on the Internet. Its targeting works based on analyzing search terms in the Internet search engines and content sites. The authors add that with the advent of PPC advertising an important turn in the perception of online advertising has occurred. Until the arrival of this form of Internet advertising efficiency of ads declined steadily. This situation was mainly caused by increased advertising prices as well as by increased number of advertising space in one place, resulting in Internet users' resistance to Internet advertising. According to Janouch (2010) the benefits of PPC contextual advertising could be summarized as follows: an advertiser pays only for visitors, very precise targeting, a high level of control over managed campaigns, easy to evaluate.

We agree with Broža et al. (2011), who states that in times of crisis, this approach can also help the smaller companies that lack the resources to pay highly expensive advertising campaigns. Practical examples show us that many of them do not trigger a crisis management until it's too late. Janouch (2010) provides an interesting opinion according to which PPC advertising is a useful tool that can be effectively used for brand building - branding. The author emphasizes that the real impact of this form of advertising is extremely difficult to measure. The presence of this form of advertising in search engines can strongly promote awareness of a particular brand. This ultimately contributes to its sales regardless of the degree of traffic these ads trigger.

In relation to the concept of SEO (Search Engine Optimization) Horňáková (2011) states that these are activities aimed at optimizing web presentations in order to achieve the best position in the search results when you type a particular keyword. If the web presentation is well optimized, a link to the particular company can appear not only on the first page of search results but, more importantly, at the forefront, and thus secure more traffic and, ultimately, the revenues. We agree with Horňáková (2010), that the very basis for web presentation optimization is a key word. A keyword is the most significant word that specifies company's business. For example, the key word for the window manufacturer is a "window". Not only declension is important, but also word clusters and phrases. Simply, it is important to think as a customer. On the other hand, Charley (2011) defines SEO as a technical discipline that serves to improve the position of web presence in the search results.

Janouch (2011) in the context of comparison with the benefits of SEO emphasizes the characteristics of PPC advertising:

- launching PPC advertising is fast and results can be seen already in a few hours,
- advertisers pay only for clicks,
- PPC ads user is in control of a maximum daily expenses,
- in PPC advertising the user can choose any keyword, even those that website does not contain,

- users can continuously and at any time modify PPC campaign and improve its performance,
- PPC advertising requires no changes to your website,
- webpage with SEO optimization has stable and long-term positions in search results,
- in terms of SEO performance is more effective than PPC advertising,
- users tend to trust natural results than the paid links.

## 3. THE CURRENT STATE OF THE PROBLEM

As important as expenditures are also platforms that act as links between the advertiser and target groups. Based on the analysis of Khalid (2012), Karmasnack (2014) conducted in the US, Google dominates as the most popular search engine. Google also dominates the global search market with a share of 86.3%, followed by Bing with a share of 7.3%. Based on the site traffic ranking within the Slovak Internet (Alexa 2014), we can say that it is also dominated by Goocle: Google.sk scores the 1st place, Google.com is in the 3rd place and Zoznam.sk is in 7th place. The top thirty of the most visited search engine also features Yahoo. The search engine Bing from Microsoft was in the 106th place.

TOTAL	1HY 2012	2HY 2012	1HY 2013	2HY 2013	1HY 2014
Display	10,173,132	11,157,056	11,299,503	12,307,572	16,321,168
Classifieds & Directories	5,973,885	6,473,098	6,995,732	8,810,599	8,867,993
Paid-for search	9,623,946	10,608,028	12,102,073	13,084,454	9,838,180
Other	1,014,654	998,995	554,357	679,952	726,500
Total	26,785,616	29,237,177	30,951,665	34,882,578	35,753,842

Table 1 Expenditures on online advertising in SR

Source: IAB Slovakia, 2014

When looking at the domestic market, the trend copies the trend of rising expenditures in online Internet environment. The company IAB Slovakia (2014), based on their analysis, estimates the volume of online advertising in the first half of 2014 at EUR 35,753,842, which is an increase compared to the first half of 2013 by 15.5%. A closer look at paid advertising in the Internet search engines indicates a decrease in expenses in this segment (Table 1). From the empirical point of view paid advertising in the search engines (Paid for search) amounted in the first half of 2013 to EUR 12,102,073 and in the first half of 2014 it was EUR 9,838,180 representing a 18.7% decrease. This fact can be considered as significant, and decreased expenditures can be justified by the possible shift of funds to the Display segment which in the comparable period grew by 44,44%

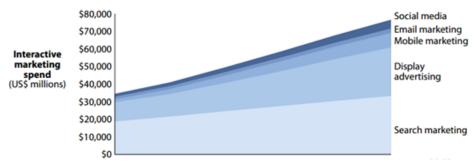


Figure 1 Expenditures on online advertising in the US

Source: Forrester, 2014

The evidence that the online environment and the promotion in the environment of online searching are not unknown for marketers can be found in the annually increasing SEM (Search Engine Optimization) marketing expenses. In the last years we follow the growing trend of expenses in this area, which is also confirmed by the forecasts for this category of expenditure. This statement is confirmed by the results of the analysis by Forrester Research Interactive Marketing Forecasts (2014), which in June 2014 published its results dealing with the issue of online marketing tools use in the United States market. Based on this analysis the estimated expense for 2014 amounted to \$58 billion, as compared to the same period of 2013 which represents an increase in spending in this segment by 18%.

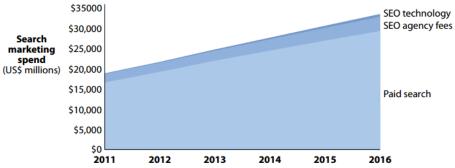


Figure 2 Expense for Search marketing in the US

Source: Forrester, 2014

Estimated share on the total marketing budget was in this respect set at 12%. As reported in Figure 1 SEM / Search marketing dominates the group of evaluated online marketing tools. When looking into the future, namely the outlook for 2016, the projected increase in spending in this segment is compared to 2014 at 9.5%. A closer look at SEM / Search marketing within the Forrester Research Interactive Marketing Forecasts analyzes (2014) points out to the fact that paid advertising in the Internet search engines is a major component of expenditures. In particular, the share of paid advertising in this segment in 2013 amounted to 88.56%. A comparable proportion is expected for 2014 with 88%, which is, however, associated with an increase in expenditure in this sector by 11.50%. Looking ahead to 2016 the spending is expected to increase by 34% when compared to 2013.

## 4. CONCLUSION

Marketing activities in the Internet search engines now account for a significant part of marketing strategies on foreign as well as domestic online market proven by huge amounts of investments. We dare to say that the issue of SEM and its principal components of SEO and Paid Search dominated by PPC advertising is an integral part of Internet marketing and one of the most effective forms of marketing communication.

On the other hand, this issue can be considered a relatively young area of knowledge that hand in hand with technological development of online environment provides online marketers undeniable advantages over traditional forms of promotion. It should be emphasized that the ever growing volume of information in any form of media content will require new approaches in searching, such as currently popular social networks whose marketing potential need not to be stressed. Targeting possibilities and contextual character of PPC represent a crucial characteristic which allows it to be broadly applicable.

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