

SIZE AND FIELD OF ACTIVITY INFLUENCE ON WEB SITES FUNCTIONALITY FOR ROMANIAN COMPANIES

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Abstract: The internet became an important part of the company's informational system. In order to take advantage on the Internet's interactive nature, a lot of companies have created their own websites. Companies use the website for numerous applications: to promote themselves, online shopping, and communication with targeted clients. This study reveals the fact that the company's size and field of activity have influence on website's functionality and interactivity. Small companies use the website to successfully compete corporations which do not have yet necessary stimulants to fully exploit the internet capacities.

Keywords: websites, informational system, company's promotion, market studies, on line selling, targeted audience communication

1. The Web's role in companies' activity

From the moment of its penetration in Europe, the Internet knew an extremely high extension. Businessmen don't hold loose to this phenomenon. They started utilize the Internet not only as an extremely effective communication mean but also as a distribution channel for more diversified goods and services.

Electronic means are used wider for advertising, and selling products and services all over the world.

Using the Internet, companies offer their products together with information regarding utility, quality, advantages, content or components, prices, terms and conditions regarding delivery and payment conditions. Buyers can order the desired products to the most competitive companies.

Internet technologies and applications have developed faster than anyone could imagine opening new ways for communication, cooperation and coordination between producers, consumers and suppliers.

The Internet has created new business opportunities, facilitating the access at the consumers' level, thus contributing to the increase of the competition. In the new competitive climate businessmen took interest in using the Internet for a better market approach and an increased marketing efficiency. And this is due to the fact that the Internet represents not only a new technology but offers marketing new ways for products and services offered by the companies. The Internet modifies not only the business market and its nature, but also the relationship between them.

A lot of companies have created web pages to present their services and products offer both on local and national or international level.

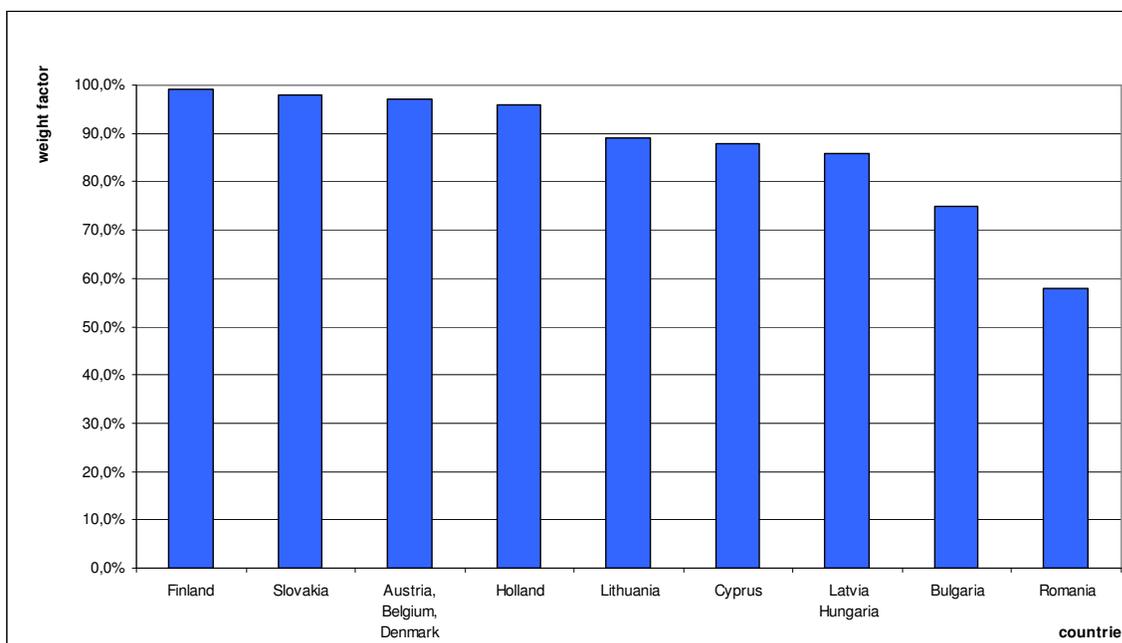
1.1 The Internet in Romania

The Internet entered Europe in 1993. But its adoption was made in time differently across the continent. The first countries interested on the Internet were the northern countries, the southern part being interested later.

According to the European Bureau of Statistics[1] in Romania the weight factor of the companies having Internet access is 58%, which positions our country on the last place in the European Union, at a significant distance behind others.

Firs places are occupied By Finland (99%), Slovakia (98%), Austria, Belgium, Denmark(97%) and Holland(96%).

On the last places are situated Romania (58%), Bulgaria (75%), Latvia and Hungary (86%), Cyprus (88%), and Lithuania (89%).



The weight factor of the companies having Internet access

2. The integration of the Internet in the company's informational system

The Internet becomes an important element of the enterprise informational system. A company's Internet connection offers the possibility of relevant information acquiring about the environment in which the company activates, about the market and the competitors. Collected information are stored in company's databases, processed, analyzed and used for efficient decision making processes, allowing thus quick and correct matching to the environment conditions which permanently changes.

The Internet has changed the functionality and the orientation of the companies' information system. Whereas the traditional informational system was mainly focused on the information internal storage and flow, the Internet had the effect of dynamically connecting the company with the external world. The functionality emphasis of information system has changed from providing the managers with relevant and timely information for decision-making, to integrating the company into the external information environment.

A lot of companies have created their own web site to exploit the interactive facilities of the Internet. Web sites are used mainly:

1. For company promotion:
 - Presents general information of the company. Under competitors' pressure, companies rush to create their own web sites.
 - Offers a large variety of information about company, gathered in an online brochure in which information considered useful for clients are presented. Therefore informational value of the site for its visitor isn't that great.
 - Visitors' center – contains relevant information for the visitors having grater informational value for them. These kind of sites are the most expensive regarding the maintenance but significantly contributes to the brand's top position.
 - Brand consolidation
2. For online selling:

- Contains the products and technical descriptions catalogue for each catalogue's position. Data Base Management System (DBMS) is used to manage the information. DBMS's role is to store and manipulate data, offering data access facilities.
 - Contains, along with the product catalogue, facilities for the clients' online orders, through e-mail or interactive forms
 - Contains facilities for the online orders and payments.
3. For market studies
 4. For communication with target consumers.

A company which has the aim to fully exploits its web site functionality has to integrate it in its informational system. Thus, the web site will represent:

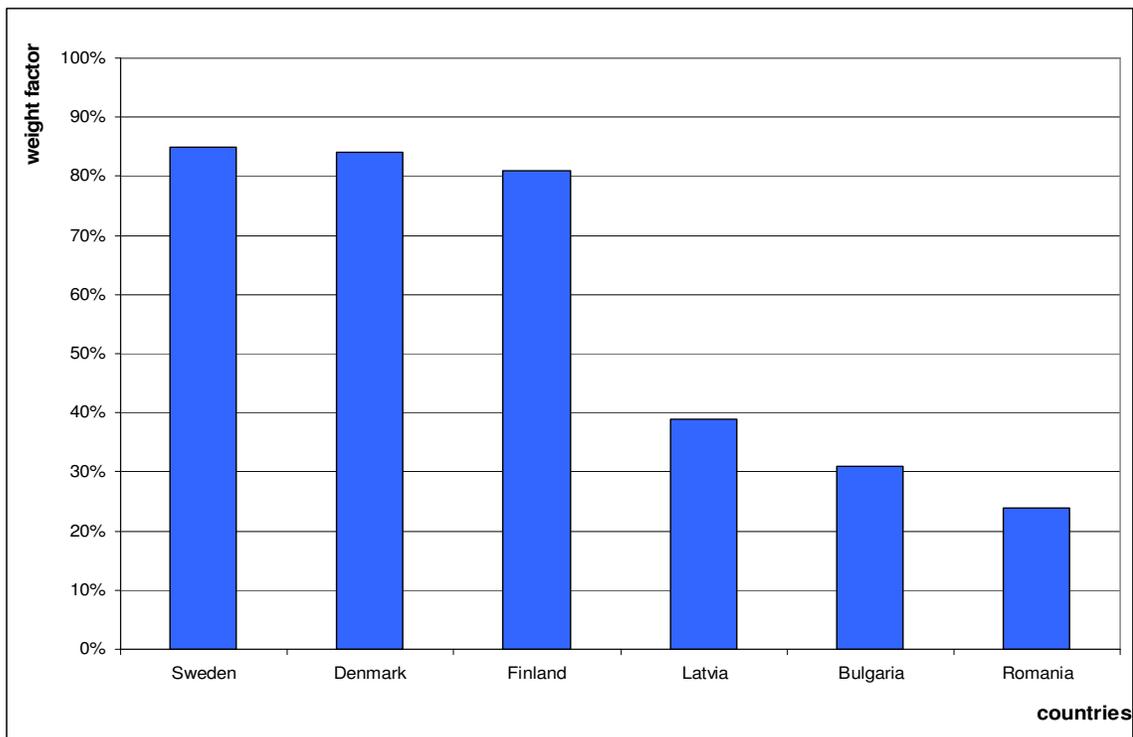
- An interface between the corporate information system and online customers
- A promotional tool
- A communication channel between online customers and the company
- A market studying tool.

Web site integration in the company's informational system causes complex reorganization of the informational system, on both operational and structural level. Also, the company's marketing and communication strategies must be integrated with the online marketing strategy.

2.1 Web sites in Romania

According to the European Bureau of Statistics[1] in Romania the weight factor of the companies having their own web site is 24%, which positions our country on the last place in the European Union.

On the first places are situated Sweden, Denmark and Finland. At the end one can find Romania, Bulgaria and Latvia.



The weight factor of the companies possessing their own web site

3. Data analysis and interpretation

The research lays on two hypotheses:

- Web site functionality is influenced by the company dimension
- Web site functionality is influenced by the company's field of activity

In order to collect primary data related with the mentioned research hypothesis, 600 questionnaires have been sent by e-mail to randomly selected Romanian companies. 283 of these questionnaires were returned, but only 279 of them were properly completed, and could be used for data analysis, thus resulting a response rate of 46,5%.

The questions were grouped as follows:

1. Questions related to the company's size.
 6. The companies were structured as follows:
 - Small companies – up to 50 employees
 - Medium-sized companies – between 51 and 500 employees
 - Large companies – with more than 500 employees.
2. Questions related to the company's field of activity
 7. The companies were structured in three fields of activity as follows:
 - Manufacturing
 - Services
 - Other activities
3. Questions related to the interactive features of the web site.
4. Questions related to the aim of the web site use, thus identifying the following four directions:
 - Company's promotion
 - Market studies
 - On line selling
 - targeted audience communication

Among responding companies 111 are small companies, 92 are medium-sized companies and 72 are large companies.

Collected data showed that:

- Large companies uses web sites for self promotion and communication with targeted audience
- Middle and small-sized companies uses web sites for market studies and online sells.

Results are synthesized in the table below:

| The aim of web site use / Company's size | N | Company's promotion | Market studies | On line sell | Targeted audience communication |
|--|---|---------------------|----------------|--------------|---------------------------------|
| small companies | | 83 | 92 | 97 | 49 |
| | % | 72,17 | 80 | 84,34 | 42,6 |
| medium-sized companies | | 65 | 73 | 75 | 44 |
| | % | 70,65 | 79,34 | 81,52 | 47,82 |
| large companies | | 72 | 26 | 16 | 67 |
| | % | 100 | 36,11 | 22,22 | 93,05 |

It can be noticed that company's size has an important influence on company's capacity on targeted audience communication (the greater the company, the better on line communication strategy). This result can be interpreted in the way that although the Internet provides a level plain field for companies of different sizes and organizational structures, in the case of marketing communication, additional resources and expertise can determine a difference in selecting and targeting the high priority audiences.

Among the companies that have returned the questionnaires 87 have manufacturing as the field of activity, 157 are service-oriented companies (many of them have an Internet related field of activity) and 35 activate in other fields.

Collected data showed that:

- Companies having manufacturing as the field of activity use web sites for self promoting and communication with targeted audience
- Companies providing services use web sites for promotion, market studies an online selling.

Results are synthesized in the table below:

| The aim of web site use / Company's field of activity | N | Company's promotion | Market studies | On line sell | Targeted audience communication |
|---|---|---------------------|----------------|--------------|---------------------------------|
| manufacturing | % | 87 100 | 45 51,72 | 43 49,42 | 86 98,85 |
| services | % | 120 76,43 | 117 74,52 | 118 75,15 | 69 43,94 |
| other activities | % | 13 37,14 | 19 54,28 | 27 77,14 | 5 14,28 |

Regarding the web sites interactivity collected data showed that:

1. the corporate web site of the small companies has more interactive features than the web site of medium-sized or large companies. The Internet can be used creatively by these companies to reach and communicate with their targeted audiences, with low costs and effort.
2. the service-providing companies implement web sites with higher levels of interactivity (e-mail, discussion forums, online membership form) in comparison with manufacturing companies. However, in terms of their relationship with the IT technology the differences are small, although the Internet-related companies have, overall, a more interactive web site.
3. the IT-related companies do have the necessary expertise and motivation to intensively use the corporate web site. They often provide specialized services over the Internet, which requires a fully functional and highly interactive web site

4. Conclusions

Current research accentuates the fact that the company's dimension and field of activity influences some aspects regarding the web sites functionality and interactivity

Small business companies use the web sites to successfully compete large companies which have not yet the necessary stimulants for a fully functional exploit of the Internet's facilities

Despite the slow development of the online market in our country in comparison with other UE countries, the Internet system is already integrated with the informational system of some companies, allowing a cost-effective collection of market information, and communication with target audiences.

The corporate web site is successfully used by the majority of respondent companies to promote the company and its activity, and, in a smaller measure, to sell online products and/or services.

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