

Application of information technologies in the process of researching the market and planning future offer of service enterprises

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Abstract - We are currently witnesses to a rapid development of "information society" and intensive implementation of highly sophisticated information technologies in many areas of people life and work. Because of the fact that the service sector in recent years experiencing expansive growth, information technologies can provide a huge contribution to the maintenance of this trend in the future as well as to adapting the services to the needs and desires of modern users. Small and medium enterprises are often present in a service sector and they intensively induce his further development. If one service enterprise wants to retain existing, attract potential and encourage undecided consumers he must focus all his power on the implementation of market research and planning the future offer. The aim of this paper is to emphasize the importance of taking the process of market research by using a "desk" analysis of secondary data in order to reduce the degree of exposure service enterprise to market risks. The purpose of this paper-work is reflected in the confirmation of the fact that the modern information technologies give support to accelerate the process of gathering, processing and analyzing before mentioned data that are easily accessible and available for immediate usage. Through concrete examples of implementation of the "desk" methods we will point to the significance of information systems as sources of secondary data as well as to their many advantages in analyzing the market environment, improving service quality and constituting individual offers of service enterprises.

I. INTRODUCTION

Intensive use of information technologies and their constant improvement produce many positive effects and led to major changes in the ways of doing business. All types of businesses both large and small are using information systems networks and internet technology to conduct more of their business electronically, achieving new levels of efficiency and competitiveness [1]. Today, it is hard to imagine that many complex and demanding business activities are performed without support of information systems. That is impossible in this moment. However, conflicting opinions are still presented and tell us about whether every business activity should be automated and whether it really always leads to positive and high-quality results. Exactly mentioned question is often asked when we talking about market research and process of collecting necessary data for begin a new or improve existing business process. The importance of

disposal relevant and credible data is fully expressed especially when we talk about service companies whose survival depends on understanding the needs and desires of current and potential customers, adequate design of services, quality of service implementation process as well as establishing and cherishing lasting relationships with consumer. Does the service company in the process of market research should rely on intensive use of information technology or by direct contact with consumers coming to the necessary information? That question has individual character. The nature and size of service companies will play a crucial role in finding the right answer. Motivated by the intensive development of the service sector in Serbia, the government implementing various measures to encourage SME to become the driving force of the service industry and thus contribute to accelerating economic development of Serbia. Currently in our country, SME provides jobs for almost 67% of employed workers, contributes to approximately 60% of the total gross value and about two-third of total turnover. In further work we will through a concrete example confirm the fact that small businesses can rely on the use of information technology in carrying out the process of market research for beginning business activities as well as in their future business. Proper use of Internet will enable access to many useful data that will serve the company for the implementation of high-quality market analysis, seeing the current and future trends, identify the characteristics of competitors and the needs and desires of service consumers. The Internet is certainly a disruptive technology that has eliminated geographical and location barriers [2]. Particularly, we will point out the advantages of small service companies which are realized by using the Internet as a secondary source and which are primarily manifested in reaching high-quality, easily accessible and multi-usable data.

II. THE ADVANTAGES OF USING SECONDARY DATA SOURCES IN SERVICE COMPANIES

For a long time we are witnesses of an intensive development of the service sector and its enormous contribution to gross domestic product of the world economy. A multitude of diverse and individualized consumer needs and a growing degree of specificity of their requirements are additional stimulants for the future rapid development of the service industry. The above-

mentioned events can be easily detected in the service market of our country where among participants appear many SME that by constant striving for improvement of their services and providing target consumers contribute to establishing sharper competitive relations. We have previously mentioned the positive contributions of SME to development of Serbian economy; however we can not neglect the presence of specific development problems in this area. Very slow payment of claims, difficult process of obtaining necessary permits, inadequate tax policy; various obstacles of an administrative nature are just some of the sources of discontent of numerous small entrepreneurs. As the main obstacles for the development of the SME in the domestic market emerging a lack of financial resources, lack of knowledge, lack of market and lack of adequate institutional infrastructure [3]. SME are often meeting with the problem of financial resources lack at the beginning of their business when it is necessary to implement the process of researching the target market and thus identify the current position and future actions of their competitors as well as key characteristics of potential service users. The solution of this problem is looming in the use of secondary data sources primarily because of their cost-effectiveness, speed and ease of finding target data. Secondary sources refer to data that already exist somewhere and that has been collected for another purpose, regardless of the exploration we conduct in this case [4]. In the case of small service company that want to appear on the target market and create appropriate offer of services, mentioned data sources provide quality, cost effective and reliable basis for the implementation of market analysis. Mostly, these companies choose to use external secondary sources and thereby come to a number of data that are out of the scope of the research activity holders. Access to the right data at the right time is particularly important for current operations as well as to increase the competitive advantage of companies because of making possible to do something better or faster than the competition [5]. A little service company his research activity will begin by searching the Internet, collecting, selecting and analyzing relevant data which are adequate for the nature of its service orientation and that will often be sufficient and suitable basis for entry into the target market and start business.

III. MARKET RESEARCH BY USING "DESK" METHOD FOR COLLECTING SECONDARY DATA

In order to reduce the uncertainty of future business and formulate high-quality, consumers adapted service offer, small service company before starting her business activities inevitably carrying out targeted market research. Each company operates in an environment that shaped by the impact of general economics, demography, social values and lifestyles, government laws and regulations, technological factors and, in a narrower sense, influences of industrial and competitive area in which it doing a business [6]. In this sense, for small companies, first of all, it is very difficult to enter and survive at the market in the since they must with theirs modest capabilities adapt to all the aforementioned influences and in the same time they must obey the required regulations. Due to the scarcity of financial resources mentioned companies are frequently decide to carry out a market analysis by using the „desk“

method and secondary data collected in this way are mostly sufficient for the recognize a level of competition, meet the key characteristics of potential consumers and formulate the initial service offers. Applying this method, small companies use pre-existing, easily accessible and available data which are created for certain other purposes but in the same time very useful for implementation of each individual market analysis. Most massive and most intensely used an external secondary data source is the Internet. More than 500 million people working in science, education, government and business use the Internet to exchange information or perform business transactions with other organizations around the globe [1]. The aforementioned trend is also present in Serbia and we confirm the researches of the Statistical Office of the Republic of Serbia which show us that during 2010 about 97% of active SME owned computers and used them in its usual business. The most intensive use of computers is recorded on the territory of Belgrade even 98.7%, then 98.3% in Vojvodina and in Central Serbia 96.5% of these companies. Especially important information relevant to our further analysis tells us that 96.8% of enterprises in Serbia in 2010 were owned internet connection and that is 2.3% more than in the previous year. In further work we will focus on the implementation of the market research process in service sector with support of external secondary data sources since only knowledge of the market and knowing your consumers as well as your competition creates the conditions for achieving results [7].

IV. IMPLEMENTATION OF MARKET RESEARCH PROCESS BY THE SERVICE COMPANY THAT OPERATE IN THE SME SECTOR

One small service company makes a decision about the selection of the target market by taking into consideration the intensity and direction of the impact of various factors. In current circumstances, owning your building or lease it under favorable conditions are powerful motives which lead the service company into a choosing the business location. Even though we accept above mentioned as a correct first step, anyway it is necessary to examine the justification of starting business on that location by research the market. We mentioned that the scarce financial resources and high costs of starting service activities are often a limiting factor for small companies and as a very convenient way to research the market imposes "desk" method of collecting and analyzing secondary data. The emergence of the Internet as the most important resource which makes possible collection of secondary information has contributed to lowering the cost of market research in the markets of developed economies as well in our market [8]. We will analyze the market of the Central Banat and municipality Zrenjanin, which with nearly 130 thousands inhabitants, favorable development characteristics and attractive location is very challenging market for service companies. We will take into consideration future entrepreneur who in order to start its service activities of renting wedding dresses carrying out the research of target market by using secondary data that are available by the Internet. Market is unpredictable and one of many purposes of looking at your market is to uncover opportunities and threats that

result in alternative strategies and ultimately to comparative advantage [9]. We will prove that in the case of small companies it is completely enough to carry out analyze of external secondary data without further analyze of primary data and we also point out the enormous benefits of the Internet and its versatility in business purposes.

Company looming a potential possibilities of a successful future business as well as achieve competitive advantage in the branch of renting wedding dresses because interest in this kind of service intensively grow as well needs, wishes and requirement of potential consumers are becoming more diverse. Also, to before mention should be add that centuries-old tradition of the Serbian people in organizing weddings and psychological characteristics of people in this region directly affect the emergence of the need for weddings dress. On the other hand, modern lifestyles and often the insufficiency of financial resources have caused that buying of weeding dress today become a short-term rental. To produce want-satisfying products and services, you must know what your customers wanted, where they can find what they want, and how to communicate to them that you are able to meet their needs and solve their problems [9]. By using „desk“ method of collection and analysis secondary data which are accessible through the web sites on Internet the company exploring hers competition and potential service users.

TABLE I. COMPETITORS ON THE TARGET MARKET

Basic information	Salon „Tina“	Salon „Sreća“	Salon „Vuletaš Tanja“	Salon „Bajolika“
Date of starting a business	19.06.2006	15.05.2007	01.05.2005	21.12.2007
Individual number	60201269	60658188	56845933	60984085
Tax number	104451852	104964975	100648918	105334891
Number of activity profile	1413	1413	7729	4778

<http://pretraga.apr.gov.rs>

We note that the competition is not so intense and a small number of participants are present, according to the market proportion, all of that leads us to the conclusion that potential possibilities for entry of new company at target market are presented. Also, direct competitors are providing these services relatively for short time so their tradition and experience can not be competitive advantages for them. Since 2005 onward, there has been a constant entry of companies in this market that might tempt us to conclude that the number of potential consumers as well as the demand for analyzed services was increased by the same intensity as company's entrances.

By the further analysis and application of „desk“ method we will come to the large number of reliable data that tell us about the characteristics of potential users of renting wedding dresses and we will also can conclude in which direction their possible behaviors will go. Assess the demographic, psychographic and other descriptive aspects of your customers, including age, income level and education [9]. Fundamentally, it is necessary to consider the age and sex structure of population on the

target market as well as to make their selection by age periods in which there are the biggest real possibilities for the marriage as direct causes of the need for renting a wedding dress.

TABLE II. THE ESTIMATION OF THE POPULATION BY SEX AND BELONGING TO DIFFERENT AGE GROUPS IN THE PERIOD SINCE 2002 BY 2010 ON THE TARGET MARKET

Age group Region	20 to 24	25 to 29	30 to 34	35 to 39	40 to 44
Central Banat					
Women	6035	5810	5923	5839	6602
Men	6744	6573	6783	6261	6808
Vojvodina					
Women	65079	67398	67274	63399	66240
Men	69143	71879	71383	65327	65953

<http://webzsu.stat.gov.rs>

Examination of consumer needs should be established from the standpoint of the character of needs as well as of their sensitivity to external influences [10]. Since the marriage occurs as a product of natural instincts we note that the presence of approximately equal number of male and female population in critical age periods there is a real possibility that the need for analyzed service will appeared and continue its upward trend in the future. It is clear that the potential direct consumers will be women but we can not exclude from further consideration members of the male population because they influence the probability of appearing needs for mentioned service. We will confirming before mentioned claims using data which coming next and we also prove that exactly at the presented age periods the largest number of male and female population getting married in our region.

TABLE III. THE NUMBER OF MARRIAGES CONCLUDED IN VOJVODINA IN 2010 ACCORDING TO THE AFFILIATION OF BRIDE AND GROOM TO CERTAIN AGE GROUP

Age group	VOJVODINA	
	Groom	Bride
20 to 24	1197	2434
25 to 29	3260	3241
30 to 34	2455	1585
35 to 39	924	560
40 to 44	416	281

<http://webzsu.stat.gov.rs>

The number of marriages concluded in the age periods which precede of follow the presented is not considered a relevant for this analysis because it is negligibly low. It is expected that key users of the service will be members of the female populations aged 20 to 35 years because of the largest intensity of marriage conclusions in that age period. Although we must not forget members of other age groups even though it is obvious that after mentioned years there is a significant reduction in the number of concluded marriages. Further analysis we will focus on the territory of the town Zrenjanin and the surrounding municipalities from which we expect arrival of potential consumers because they can not settle the need for analyzed services in their own place of residence.

TABLE IV. THE NUMBER OF CONCLUDED MARRIAGES ON THE TARGET MARKET AND SURROUNDING MUNICIPALITIES IN 2010

Region	Total number of concluded marriages	Number of concluded marriages on 1000 residents
Zrenjanin – town	572	4,59
Žitište	67	3,78
Nova Crnja	55	5,24
Novi Bečej	100	4,09
Sečanj	57	4,10
Central Banat	851	4,45
Vojvodina	9387	4,80

<http://webzsu.stat.gov.rs>

We mention that in previous years the number of concluded marriages in this area does not fluctuated significantly and because of gender and age composition of the population we expect that this trend will be continued in the future. In proportion to the size of municipality and number of residents we note that in each municipality approximately equal number of marriages was concluded and in this way we confirming the fact that Central Banat is a very challenging market for the analyzed company because about 9% of all marriages in Vojvodina are concluded exactly in this area. Considering the before mentioned circumstances as well as the number of entrepreneurs who provide the services of renting wedding dress in the Zrenjanin we can assume that there is a real possibility for expanding the market, entry of new competitors and their successful future business.

A very interesting fact that speaks about the growing trend of the phenomenon which early is not happened so frequently but otherwise can directly cause intensification of analyzed services as well as to encourage the company to enter the target market is the conclusion of the second, third or any subsequent marriage. It is indisputable fact that the largest numbers of concluded marriages are the first in a row for both spouses but certainly for the purposes of our research we can not neglect the other situations that happened especially in recent years. For example, during the previous year 1667 marriages that were concluded were the second in the row for at least one of the spouses and that makes almost 18% of all concluded marriages in Vojvodina. In the same period, brides as potential users of renting wedding dress service have concluded even 1134 „second“ and 136 „third“ or some subsequent marriage. When we compare these data with those of previous years we notice that the concluding of the second, third and some subsequent marriages growing intensively and that in the future we can expect a raise of the demand for service of renting wedding dress because of this phenomenon.

The crucial factor that directly affects the possibility of renting a wedding dress is the level of monthly income as well as the working engagement of the intending spouses. In almost 45% of all concluded marriages both spouses were actively performed their jobs and previously were employed.

TABLE V. AVERAGE NET INCOME PER EMPLOYEE AND WORKING INVOLVEMENT OF POPULATION ON THE TARGET MARKET AND SURROUNDING MUNICIPALITIES IN 2010

Region	Average net income per month expressed at Serbian currency	Total number of employees
Zrenjanin - town	34299	29095
Žitište	27744	2583
Nova Crnja	28186	1115
Novi Bečej	26586	3683
Sečanj	26562	2260
Central Banat	32358	38734
Vojvodina	33392	472441

<http://webzsu.stat.gov.rs>

For more detailed consideration of the present influential factor we need considerably more space because many studies show that for the purpose of organizing wedding future spouses using other sources of funding in addition to regular income. In order to increase the quality of market analysis as well as to additionally confirm validity of formed conclusions, our future work certainly can be expanded by taking into consideration the other factors such as the price of renting wedding service, cultural environment, attitudes and perceptions of people who lived at the target market, seasonal character of this service etc. but in that case we can move away from the basic purpose of our paper-work.

V. CONCLUSION

Merits for the intensive development of the service sector in Serbia certainly can be attributed to the SME because they are his driving force. In the future period it is expected that the state continues to inducing further development of SME as well as to encouraging competition in order to improve quality and innovativeness of the process of giving services. Small service company is often hesitant to make the decision on starting own business primarily because of the lack of financial resources on the one hand and the existence of the real need to research the target market on the other. An efficient way for solution of this problem we find in using secondary data sources and applying „desk“ method for collecting and analyzing data during the implementation of research process. SME in service sector of Serbia intensively exploit the many benefits which provide usage of information technologies, they also possess computers and use them in their usual business and have internet connection. In the specific case of small service company we have shown that the market research can be carried out successfully by using the Internet as one of the external secondary data sources. With this, perhaps the most massive media now, we have access to a variety of useful, relevant and usable data and in the same time we satisfy cost-effectiveness. The market analysis which is carried out helped us in reaching knowledge about the current situation in the target market, competition intensity, the characteristics of potential service users, trends in the movement of future demand and the basis for designing the most appropriate service offer. We also can noticed, on the basis of the presented characteristics of the target audience, the certain regularities as well as innovations in their behavior and made conclusion about the viability of

start a business and entry into the target market. Once again it was proven that information technology, particularly Internet, in addition to affect performance of usual, everyday activities of people it especially exerts influence on the change of current methods in doing business of economic subjects and entrepreneurs in the direction of their faster, better, more efficient and successful implementation.

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