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PRESENCE OF INTERNET MARKETING AND ITS INFLUENCE OF BUSINESS SUCCESS OF COMPANIES IN BOSNIA AND HERZEGOVINA

Ahmet Sinanagić¹ , Beriz Čivić² , Alma Muratović³ 

ABSTRACT

The paper briefly highlights the importance of the internet for business operations of modern companies and the possibilities for its integration with traditional marketing activities. The research problem reported in the paper is the identification of presence of internet marketing and its influence on business success of companies in Bosnia and Herzegovina (BiH). The application of the internet in marketing in BiH has still been insufficiently studied. Hence, the research may be more significant as it can serve as a motive for further research in this field. The research aims presented in the paper are the following: 1) to establish whether marketing strategies in companies in BiH include the application of the internet in their preparation and realization; 2) to identify the most frequent purposes for which companies in BiH use the internet; 3) to establish the level of integration of the internet and traditional marketing activities in companies in BiH; 4) to examine whether the level of integration of the internet and traditional marketing activities affects companies' business success. The research results showed that the companies with a high level of integration of the internet and traditional marketing activities have on average better indicators of business success.

Keywords: internet marketing, marketing strategy, business success

JEL: M31, L86, M39

1. INTRODUCTION

The internet has provided companies with the access to the global market that is constantly active and available while development of telecommunication infrastructure expanded the market to the unimaginable proportions. The fact that the internet opened the market for all participants resulted in a rapid growth in supply and the growth of competition that fights for customer attention in an increasingly turbulent environment. This consequently brought the necessity for holistic management of marketing activities for all the elements of the marketing mix.

The importance of the internet for the marketing of a company is still largely defined by the nature of products or services the company offers and the behavior of its target audience when purchases are made. The companies whose products are not suitable for online sale, generally pay less attention to the internet. However, dramatic changes in the way the media have been consumed over the past decade made the internet important for all categories of products, including those not convenient for online sale as it increases awareness of the products, brand building and customer relationship management.

Company's efforts to inform customers as well as to present, promote and sell its products and service via the internet, led to the creation of the term digital or internet marketing (Kotler & Keller 2008, p. 493). Many authors in contemporary literature use similar definitions of digital marketing. Some see the term as encompassing the application of the internet and related digital technologies in

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conjunction with traditional communications aimed to achieve marketing objectives (Chaffey, Ellis-Chadwick, Johnston & Mayer 2006, p. 8). Others define it as any marketing activity that is conducted through the use of internet technologies and respecting three main principles: immediacy, personalization, and relevance (Trengove, Malczyk & Beneke 2011, p. 4).

For a company to reach the full benefit of online marketing, it is extremely important to integrate online promotional techniques and traditional marketing techniques and the media as that enables the acquisition of new customers and improves the relations with the existing ones. The role of internet marketing in support to traditional marketing is evident from the definition of marketing by *Chartered Institute of Marketing* which defines it as the management process responsible for identifying, anticipating and satisfying customer requirements profitably (The Chartered Institute of Marketing 2017, p. 2). This definition clearly indicates that the focus is on customer but at the same time, it points to the need to cooperate with other business functions in a company so as to create value and make profit.

The aim of this paper is to examine whether the application of the internet in business activities affects the success of the companies in Bosnia and Herzegovina (BiH) or whether and to what extent that application is conditioned by the level of integration of the internet with traditional marketing activities, particularly in the segment of sale and promotion. Company's business success is measured by the amount of annual income and market share.

2. LITERATURE OVERVIEW

2.1. Importance of internet marketing in promotion of company's business success

Whether we talk about small emerging companies, medium sized companies wishing to expand their business activities, or large companies, building online market presence is an imperative, not only for development and success but also for sustainable business in the 21st century. Depending on the type of company's industry and its long-term goals,

the need and dynamics on appearance in the online market environment are defined.

There are many industries whose values cannot be practically consumed by the internet. However, there is a significant number of activities prior to the delivery of the values as well as post-sale services that can be contracted or delivered this way. Trengove Jones et al. state that the market and competitors are already online, web users expect more conveniences and information, and internet marketing ensures numerous advantages when compared to traditional marketing in terms of cost acceptability and more precise targeting (Trengove, Malczyk & Beneke 2011, p. 13). Kotler and Keller emphasize the importance of the internet from the aspect of wider geographical reach, better internal and external communication, adjustment of offer and customer services, improvement of logistics, etc. (Kotler & Keller 2008, p. 17).

One of the main reasons for the popularity of the internet is the convenience and ease of usage. These same characteristics are mapped onto internet marketing as it opens the possibility to access new markets for all the actors of business process, with significantly lower costs. Importers as well as end customers are able to order goods from abroad from the comfort of their homes. Modern technology systems enable the following of delivery of goods from the point of seller to the point of destination postal service of customer. When it comes to digital products such as software, music, electronic literature, etc., customer is able to order, pay and download ready-to-use product in just a matter of minutes. And finally, all this can be done anytime, day or night.

Creating a successful strategy of internet marketing is not a simple task and it demands that the company management make decisions regarding a series of sensitive issues, essentially important for future business. These issues are related to the most important goals of internet marketing that can be observed in five Ss: sell - grow sales, serve - add value (give customers extra benefits), speak - get closer to customers, save - save costs, and sizzle - extend the brand online (Chaffey, Ellis-Chadwick, Johnston & Mayer 2006, p. 15). Yannopoulos emphasizes the impact of the

internet on formulating marketing strategy through the influence on product and brand strategy, pricing strategy, distribution strategy, and promotion strategy (Yannopoulos 2011, p. 3). These advantages of internet marketing give only an indicative view of the benefits realized by the application of digital technology in the implementation of traditional marketing tactics.

One of the key trends of modern internet marketing is communication with customers. It is quite certain that the future of social marketing as well as marketing in general, lies in the cooperation between companies and customers. Companies with the vision of successful future make communication with their customers and transform them into creators of their products and services. Moraes brings 11 tips on how to improve communication strategy of a brand, emphasizing quality, relevance, and authenticity (Moraes 2015, p. 9).

2.2. Key aspects of internet marketing implementation in companies' business operations

Since internet marketing is perceived as the extension of traditional marketing, their fields overlap. Hence, internet marketing can be implemented into all significant business activities such as market research, sales, promotion, purchase, stock management, customer relations management, *etc.*

Integration of internet and sales is made through the so-called e-commerce, realized in several different models such as: business-to-consumer (B2C), business-to-business (B2B), consumer-to-consumer (C2C), peer-to-peer (P2P) and mobile commerce (Tamiliarasi & Elamathi 2017, p. 34). E-commerce is on the rise year after year. Laudon and Traver explain this by its characteristics that provide customers with a set of advantages evident in ubiquity, global reach, universal standards, information richness, two-way communication, personalization, and social technologies (Laudon & Traver 2014, p. 13).

Apart from numerous advantages for customers, it is important to mention that the potential of e-commerce for further development is evident in the benefits it provides to

companies. They are manifested in lower costs of mediation, time savings, improved contacts with customers by eliminating mediation, increased incomes and access to new markets, increased productivity (especially in the service sector), lower use of business assets, *etc.* (Bjelić 2012, p. 93-94).

Integration of the internet with the traditional marketing activities is most advanced in the sphere of promotion, especially advertising. Online advertising is a long-term strategy that enables control, efficiency, creation of large user data bases, and access to a better kind of customers (Costello 2017, p. 4). Parera gives ten tips on how to reach better results in internet advertising, such as to focus on quality and visual elements, define goals and types of advertising, utilize a good call to action, and measure absolutely everything (Parera 2017, p. 7). Social media play an extremely important role in internet marketing as they can be used for social networks, media sharing, discussion forums, bookmarking and content curation networks, consumer review networks, blogging, shopping, *etc.* (Foreman 2017, p. 2).

Marketers increasingly use multiple online channels to reach customers, starting from e-mails, social networks (Facebook, Instagram), advertisements on browsers, advertisements on mobile devices, to marketing on embedded media. Forrester Research reports that for example, the largest number of customers who were shopping online was under the influence of some type of marketing on the web as well as that almost half online sales were under the influence of multiple marketing efforts on the web (Forrester Research 2011, p. 18).

The transfer of the market to online environment created the term electronic customer relation management (e-CRM), which marks the symbiosis of traditional CRM and a wide spectrum of modern internet technologies. The focus of e-CRM is on personalization and technologies of direct marketing in selling and providing specialized services to small market segments (Tavana, Bakiyan, Farjam, Karami & Ostovari 2013, p. 687).

Internet marketing also carries with it certain restrictions that a company should pay attention to when it comes to operating a business in an online environment, such as: taxes, payment gateways, copyrights, delivery restrictions, age restrictions, business insurance, licenses and permits, and compliance with a card payment system (Ferenzi 2017, p. 1). The aim of the company is to alleviate, through the website, consumer concerns about leaks, unauthorized collection or misuse of their personal information, to promote trust and facilitate the building of positive relationships with consumers, while increasing market share and profits (Lauer & Deng 2007, p. 323). The potential of the internet is also evidenced by the fact that in 2012, \$ 145 billion (of which \$ 48 billion was generated through eBay) was addressed through PayPal, with 132 million active registered users participating in the transfer (Laudon & Traver 2014, p. 304).

Finally, there is the possibility to implement the internet in supply chain management (SCM). Pulevska-Ivanovska and Kaleshovska state numerous reasons that led to the transition of SCM to electronic SCM (e-SCM), including the need for additional reduction in the costs as well as improvements in the processes, digitalization of the internal functions in companies, the need for lower inventory levels, *etc.* (Pulevska-Ivanovska & Kaleshovska 2013, p. 316).

3. RESEARCH METHODOLOGY

The research problem refers to the presence of internet marketing in the companies in BiH and the impact of the internet on business success of these companies. There has been little research in BiH dealing with the application of the internet in integral marketing processes, which adds significance to this research that can serve as a motive for further studies in this field. The research goals are: 1) to establish whether marketing strategies in companies in BiH include the application of the internet in their preparation and realization; 2) to identify the most frequent purposes for which companies in BiH use the internet; 3) to establish the level of integration of the internet and traditional marketing activities in companies in BiH; 4) to examine whether the level of integration of

the internet and traditional marketing activities affects companies' business success. The research hypothesis has been postulated as follows: The level of integration of the internet and traditional marketing activities significantly determines business success of the companies in BiH. This means that the companies with a higher level of integration of the internet and traditional marketing activities have more business success than the companies with a lower level of such integration.

The data were collected by a survey method, using a questionnaire. The respondents were the members of the management from a sample of Top 100 most successful companies operating on the territory of BiH. The survey was conducted in 2018.

4. RESULT ANALYSIS AND DISCUSSION

4.1. Presence of a systemic approach to the application of the internet in managing marketing among respondents

Marketing strategy as a planned decision that specifies the ways to realize the set marketing goals needs to enable the company to act rationally and timely to the events and changes in domestic and international markets. Successful marketing strategy needs to be formed in writing and focused on the protection of the acquired market share and its increase through fully satisfying customer needs, working on emphasizing key values, strengthening the brand, and abandoning the programs without the potential to become profitable. When it comes to the companies in BiH, the research results showed that 63.33% of the surveyed companies have a formally adopted marketing strategy (Table 4.1). This means that somewhat more than one third of the companies in BiH do not have a clearly defined course of action in the realization of the set marketing goals. The question is to what extent such companies can be successful in realizing their marketing goals, as their marketing activities are more based on an *ad hoc* approach than a planned and systemic approach.

Table 4.4. *Presence of formally adopted marketing strategy in the company and inclusion of the internet application*

Elements	There are formally adopted marketing strategies in the company	Marketing strategy includes the application of the internet in business activities	
		Yes	No
Yes	63.33%	53.33%	10.00%
No	36.67%	-	-
Total	100.00%	-	-

Source: Authors' research

Information technologies are nowadays an integral part of every successful company and they find their application in different spheres of business activities, including marketing. The application of these technologies in traditional marketing has the purpose to increase the quality of delivering the value to customers, while providing benefits to the company and its stakeholders. Modern marketing strategy is expected to include digital (internet) marketing as well. The research investigated the extent to which the companies in BiH succeeded in integrating technology and marketing strategy. The results showed that out of 63.33% of the companies with the formally adopted strategy 53.33% include and analyze the application of the internet in business and marketing (Table 4.1). This means that just over a half of the companies in BiH recognize the real importance and potential of information technologies in the realization of marketing and business goals.

The measure to which the companies are dedicated to the implementation of the marketing concept is evident in their organizational structure or the existence of a special organizational unit (department or sector) that deals with planning and realizing marketing activities. By investigating and analyzing the companies in BiH, we came to the conclusion that 60.00% of them have a special organized service whose task is to plan and implement the activities related to marketing, while 30.00% of the companies do not have organizational units that deal with marketing. The remaining 10.00% of the companies realize their marketing activities within some other departments, mainly the sales ones.

At the beginning of the 21st century, numerous social media were developed. In the last ten years they have suddenly expanded and are nowadays seen as an integral part of internet marketing. Their success lies in the fact that they are available to the grassroots and enable everybody to create, share, and promote the content. Marketing on social media provides the possibility for efficient promotion of products and services at a lower cost. No wonder that social media are an integral part of marketing strategy of many world companies. Analyzing whether the companies in BiH have a planned strategy of behavior and action on social media, we found out that this is the case for 56.67% of the surveyed companies. The remaining 43.33% of the companies do not have a planned strategy of appearance on social media although this does not mean that they do not use them to a certain extent for the realization of their marketing and business goals.

4.2. Integration of the internet with traditional marketing activities among the respondents

Since the assumption of successful implementation of internet marketing lies in its integration with traditional marketing activities, we examined to what extent they mutually spread when it comes to the companies in BiH. Figure 4.1 shows the level of integration of the internet and its five key activities with traditional marketing (observed on a scale from 1 "no integration" to 5 "full integration"). It is evident that internet marketing in the companies in BiH is mostly integrated with promotion, since 76.67% of the respondents rated this criteria with 4 and 5. CRM takes the

second place for the level of its integration with the internet as 56.76% of the respondents rated this criteria with 4 and 5. Less than 50% of the respondents opted for the highest values for the level of integration of other activities of traditional marketing and the internet. The lowest integration was registered for stock management which was rated with 4 and 5 by only 16.67% of the respondents while 26.67% of the respondents gave the lowest rates to the integration of this activity and the internet.

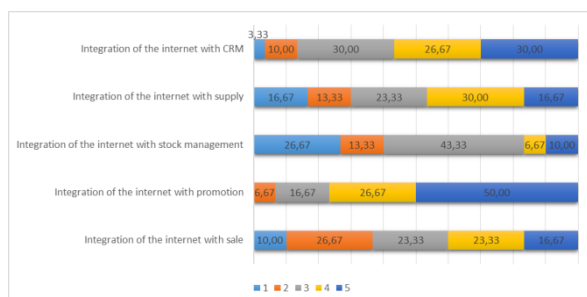


Figure 4.1 Assessment of the level of integration of the internet with traditional marketing activities

Source: Authors' research

As seen above, the respondents were given a task to rate, on a 1-5 scale, the importance of the application of the internet in the realization of individual marketing activities (1-extremely low importance; 5-extremely high importance). Figure 4.2 shows that the importance of these activities corresponds largely to their integration with internet marketing. It is then not surprising that the largest number of the respondents assessed the application of the internet in promotion as the most important aspect of its implementation, whereby as many as 63.33% of the respondents opted for the highest values. More than 50% of the respondents rated with 4 and 5 the importance of the application of the internet in CRM and sales. According to the research results, the lowest importance of the application of the internet is in stock management, with only

26.67% of the respondents opting for 4 and 5, while 23.33% of the surveyed companies gave this element minimum importance.

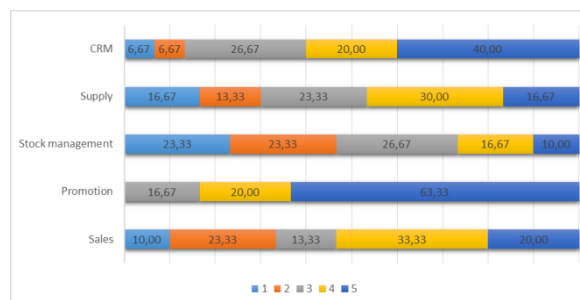


Figure 4.2 Assessment of importance of the application of the internet in individual marketing activities

Source: Authors' research

Analyzing the goals of presence of BiH companies on the internet, we came to the results (Figure 4.3) showing that as many as 70% of the respondents stated increased sale as the goal of their presence on the internet. This corresponds to the importance assigned by certain companies to this element of their presence online but it is not proportional to the integration of sales with the internet. This actually means that a large number of these companies, even though not directly selling their products online, use the internet for the realization of the activities that would improve their sales through traditional channels. This is also contributed by the fact that 63.33% of the surveyed companies use the internet with the aim to achieve additional opportunities for developing their businesses and that 60% of the surveyed companies have the goal to introduce their brand to the customers better. An equal number, 53.33% believe that online presence is important for the improvement of e-CRM and time savings. The lowest number of the companies (30%) see the internet as an opportunity for cost reduction.

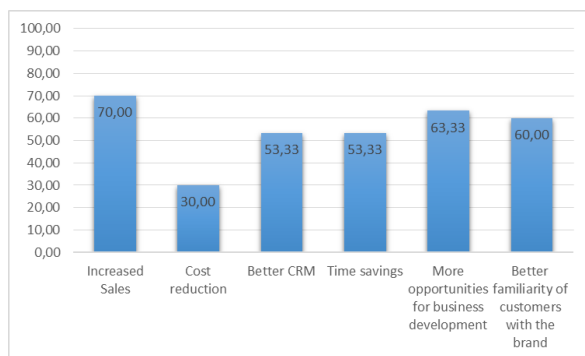


Figure 4.3 Goals of online presence

Source: Authors' research

In accordance to the defined goals on online presence, every company carries certain marketing activities, whether through its website or social media. Attempting to identify the activities carried out by BiH companies through these channels, we grouped them into seven categories (Figure 4.4). The largest number of BiH companies use the internet in order to present their products and services, whereby 93.33% of them use their own website while 80% of them also use social media.

The second most important activity is to build company's image, whereby 80% of the companies use their website while 70% of the companies use social media. Social media have primacy in planning and realizing promotional activities as 80% of the companies use them for planning and promotion while 60% of the companies use websites for these purposes. A significant number of BiH companies has recognized the potential of the internet in terms of informing the public on the new details regarding business activities, and websites (73.33%) and social media (70%) are almost equally used for this purpose. It is rather surprising that just over a half of the surveyed companies use social media as an instrument to improve their relation with customers (56.67%), while only

46.67% of the companies use their websites for this purpose.

The lowest number of BiH companies use the internet to sell their products and services online and to research the market. Although a significant number of them stated increased sales as one of the primary goals of their online presence, only 40% of them actually sell directly online through their websites and 33.33% of them sell via social media. Market research is the least present marketing activity online for BiH companies as only 36.67% of the companies use social media and 30% of the companies use their websites to conduct this activity.

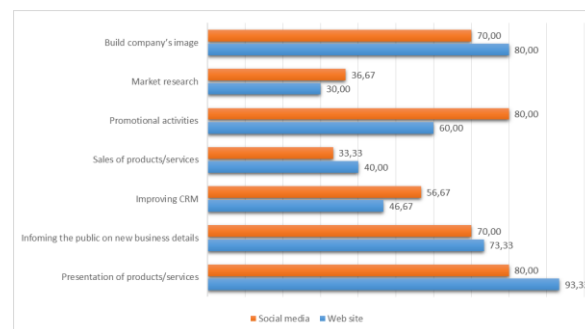


Figure 4.4 Realization of marketing activities online (in %)

Source: Authors' research

Apart from these activities, social media provide many other opportunities for improving business. One of potentially most powerful tools of internet marketing are viral campaigns that function on a word-of-mouth principle. For a viral campaign to be successful, message needs to be appealing and "catchy" so that users are motivated to share it. It can be in a form of a message, video recording, picture, poem, etc., and is most often spread via social media networks or e-mail. In order to find out to what measure this form of internet marketing exists in BiH, we asked domestic companies if they ever conducted viral marketing campaign online. The research results showed that 43.33% of the surveyed companies used this form of campaign while the

remaining 56.67% of them did not include viral marketing into their internet marketing strategies.

4.3. Analysis of impact of certain aspects of online marketing on respondents' business success

In order to examine the effect of application of certain aspects of internet marketing on BiH companies' business success, we compared

can be seen in Table 4.2 (results of t-test), the indicator of an independent variable (internet marketing) is the presence of a formally adopted marketing strategy in a company, with the modalities "yes" and "no", while the indicator of a dependent variable (business success) is the total annual income.

According to the results of the analysis given in Table 4.2 (see columns of *Sig.* in section

Table 4.2. *Impact of existence of formally adopted marketing strategy on total annual income in the period 2013-2017 (T-test)*

		Levene's Test for Equality of Variances		T-test for Equality of Means						
		F	Sig.	t	df	Sig. (2-tailed)	Mean Difference	Std. Error Difference	95% Confidence Interval of the Difference	
									Lower	Upper
Total annual income in 2013	Equal variances assumed	3,680	,067	1,309	24	,203	64263403,73000	49094780,12477	-37063242,35295	165590049,81295
	Equal variances not assumed			1,965	17,86	,065	64263403,73000	32698965,17637	-4470622,41813	132997429,87813
Total annual income in 2014	Equal variances assumed	4,045	,056	1,369	24	,184	65799975,52917	48074521,29331	-33420959,81904	165020910,87737
	Equal variances not assumed			2,055	17,87	,055	65799975,52917	32021873,54844	-1509084,48750	133109035,54584
Total annual income in 2015	Equal variances assumed	3,119	,090	1,341	24	,192	62971012,69083	46954271,77243	-33937841,28256	159879866,66423
	Equal variances not assumed			2,009	18,07	,060	62971012,69083	31350573,67281	-2875395,54009	128817420,92176
Total annual income in 2016	Equal variances assumed	3,933	,059	1,419	24	,169	64755943,40528	45622700,88874	-29404683,33657	158916570,14713
	Equal variances not assumed			2,124	18,13	,048	64755943,40528	30486558,67315	741173,61390	128770713,19665
Total annual income in 2017	Equal variances assumed	4,605	,042	1,550	25	,134	64391098,40056	41544461,14388	-21171320,97862	149953517,77974
	Equal variances not assumed			2,185	18,16	,042	64391098,40056	29470579,22742	2515713,61583	126266483,18528

Source: Authors' research

individual variables of these two constructs (internet marketing and business success). As "Levene's Test for Equality of Variances and *Sig.* in section "T-test for Equality of Means"),

it has been concluded that there is no statistically significant difference in the total annual income in four out of five observed years (2013-2016) between the companies that have a formally adopted marketing strategy and companies that do not have it. A statistically significant difference between the observed variables exists only for the year 2017.

respondents and their market share, we used the analysis of variance (ANOVA). The results of this analysis are presented in Table 4.3.

After conducting Leven test and determining that there are assumptions for the analysis of variance, the results presented in Table 4.3 (column *Sig.* <0.05 for 2013, 2014, 2015 and 2017) lead to the conclusion that there is a significant influence of internet marketing

Table 4.3. *Impact of presence of internet marketing within marketing strategy on market share in the period 2013-2017 (Anova test)*

		Sum of Squares	df	Mean Square	F	Sig.
Market share in 2013	Between Groups	1364,987	4	182,493	3,563	,029
	Within Groups	2918,376	37	116,735		
	Total	4283,363	41			
Market share in 2014	Between Groups	1453,908	4	226,954	4,037	,039
	Within Groups	3089,408	37	123,576		
	Total	4543,316	41			
Market share in 2015	Between Groups	1549,900	4	274,950	4,112	,042
	Within Groups	3254,945	37	130,198		
	Total	4804,845	41			
Market share in 2016	Between Groups	1644,193	4	322,096	2,439	,108
	Within Groups	3302,097	37	132,084		
	Total	4946,289	41			
Market share in 2017	Between Groups	1898,579	4	449,290	4,412	,048
	Within Groups	3423,963	37	131,691		
	Total	5322,543	41			

Source: Authors' research

The following aspect of the impact we investigated refers to the relationship between the presence of internet implementation within marketing strategy and the indicators of business success, in this case market share. We grouped the companies into three categories, whereby the first category covers the companies with a formally adopted marketing strategy that includes the application of internet marketing. The second category covers the companies with a formally adopted marketing strategy that does not include the application of internet marketing. The third category refers to the companies without a formally adopted marketing strategy. To determine the persistence of a statistically significant difference between the observed groups of the

representation within marketing strategies of the respondents for their market share for four out of five years observed. The exception is the year 2016, for which there was no statistically significant difference in market share between the observed groups of respondents.

While investigating the impact that individual aspects of the application of internet marketing have on business success, we examined the impact that the integration of the internet and traditional marketing activities has on business success. The first activity of traditional marketing that we analyzed is sales, with market share as the

indicator of business success. The results of this analysis are presented in Table 4.4.

As the value of $Sig.<0.05$ (Table 4.4) was calculated for all the observed years, assuming the previously fulfilled assumptions for the analysis of variance, we conclude that the level of integration of the internet with sales has a statistically significant influence on market share for all the observed years (2013-2017).

Table 4.5 shows the results of the analysis of impact of internet integration level with promotion on market share. The results of Anova show that for all the observed years there is a statistically significant influence of the level of internet integration with promotion on market share of the respondents.

The results of this research confirm those of the previous studies (Trenrove Jones, Malczyk & Beneke), because integrating internet with promotion within marketing strategy allows companies to improve the targeting of customers, which results in a better market position. This research confirmed that the level of internet integration with promotion has a significant impact on market share of the respondents (Table 4.5). According to the research of Chaffey *et al.*, who have proven that internet marketing contributes to improving a range of market performance, the results of this research also confirm the existence of a positive significant effect of internet marketing within marketing strategy on market share of the respondents (Table 4.3 and 4.4).

Table 4.4. *Impact of level of internet integration with sales on market share in the period 2013-2017 (Anova test)*

		Sum of Squares	df	Mean Square	F	Sig.
Market share in 2013	Between Groups	2070,525	4	517,631	5,060	,002
	Within Groups	3785,240	37	102,304		
	Total	5855,764	41			
Market share in 2014	Between Groups	2276,350	4	569,088	5,297	,002
	Within Groups	3975,435	37	107,444		
	Total	6251,785	41			
Market share in 2015	Between Groups	2295,691	4	573,923	4,879	,003
	Within Groups	4352,059	37	117,623		
	Total	6647,750	41			
Market share in 2016	Between Groups	2327,980	4	581,995	4,864	,003
	Within Groups	4427,421	37	119,660		
	Total	6755,401	41			
Market share in 2017	Between Groups	2997,543	4	749,386	6,247	,001
	Within Groups	4678,784	39	119,969		
	Total	7676,327	43			

Source: Authors' research

Table 4.5. *Impact of level of internet integration with promotion on market share in the period 2013-2017 (Anova test)*

		Sum of Squares	df	Mean Square	F	Sig.
Market share in 2013	Between Groups	1922,988	3	640,996	6,194	,002
	Within Groups	3932,776	38	103,494		
	Total	5855,764	41			
Market share in 2014	Between Groups	2030,761	3	676,920	6,094	,002
	Within Groups	4221,024	38	111,080		
	Total	6251,785	41			
Market share in 2015	Between Groups	2313,382	3	771,127	6,761	,001
	Within Groups	4334,368	38	114,062		
	Total	6647,750	41			
Market share in 2016	Between Groups	2364,360	3	788,120	6,820	,001
	Within Groups	4391,041	38	115,554		
	Total	6755,401	41			
Market share in 2017	Between Groups	2891,726	3	963,909	8,058	,000
	Within Groups	4784,601	40	119,615		
	Total	7676,327	43			

Source: Authors' research

5. CONCLUSION

Summary of findings

Internet marketing is the fastest growing and most creative segment of today's marketing. As the world becomes more connected, it is vitally important for marketers to keep pace with the development and trends so as to be able to reach new customers who are increasingly rational and aware of their options and choices. Technology changes intensively, products and services evolve and adapt to online environment, web constantly grows and develops, which is why keeping up with modern trends is increasingly harder.

Marketing via the internet stands as a huge opportunity for all business actors. On the one hand, customers are given a much wider selection of products, services, and prices from different suppliers, which at the same time increases their readiness to purchase. On the other hand, companies get opportunities to conquer new markets, offer new products and services, and participate in market competition with much stronger competitors

and improve their business results. Employees of such companies are given the chance to develop new skills and the possibility to use the internet in order to improve company's competitiveness.

The following research goals have been accomplished:

- It has been established that two thirds of BiH companies have a written, formally designed marketing strategy and that for 50% of the respondents marketing strategy includes the application of the internet in preparation and realization of marketing activities. The research results showed that 63.33% of BiH companies have a written form of marketing strategy, out of which the application of the internet in marketing is present in 53.33%.
- The goals of presence of BiH companies on the internet have been defined. The following goals have been identified as most important: increased sales (70.00%), higher chances to develop business (63.33%), and better

familiarity of customers with the brand. Also, the most represented activities in the realization of the set goals have been identified as follows: product presentation, promotional activities, and building company's image by means of the activities realized through company's website or social media.

- The level has been defined of the integration of the internet with the activities of traditional marketing in BiH companies. The highest integration of the internet with traditional marketing activities has been realized in the domain of promotion and a high level of integration is also present in the domain of CRM. The lowest integration has been achieved in the domain of stock management.
- The research results point to the fact that the level of integration of the internet with traditional marketing activities has an impact on company's business success. As the research showed, the companies whose marketing strategy includes the application of the internet that reached the highest level of its integration with traditional marketing activities experience better indicators of success when compared to the companies with low levels of integration.

Therefore, the research hypothesis has been confirmed that the companies with a higher level of integration of the internet and traditional marketing activities have more business success than the companies with a lower level of such integration.

Managerial implications

The research results may be useful to marketing managers as this research on the example of BiH companies confirms the past theoretical scientific knowledge on the im-

portance of the internet for the improvement of business. The research results show that BiH companies with a higher level of integration of the internet with traditional marketing activities achieve better business results. This can serve as a sufficient motive for marketing managers of BiH companies to intensify the application of the internet in their business activities. In addition, the research results show in which segments of marketing such integration gives the best results. These segments are primarily promotion, sales, and CRM.

Research limitations

Apart from the fact that the research results give a series of useful input for the companies that want to improve their business by the application of the internet in marketing, certain limitations of this research need to be presented as well. These limitations are primarily evident in the fact that the research observed the impact of internet marketing on a limited set of indicators of company's business success (market share, the amount of income). The limitation is also evident in the fact that the level of integration of the internet with traditional marketing activities was observed through the views and opinions of managers of BiH companies.

Recommendation for further research

Future research should examine the impact of application of individual aspects of internet marketing on a higher number of indicators of company's success. In addition, a new research might analyze the efficiency of individual activities of internet marketing and their contribution to the total efficiency and the efficiency of marketing operations. New research should objectivize the assessment of the integration of the internet with individual traditional marketing activities, which is important for the understanding of a complete impact of the internet on the success of marketing as well as the entire business

operations of companies. Also, it would be interesting to examine the impact of the application of internet marketing on success in the realization of marketing activities in individual industries.

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