Living in a Digital Age: SOCIAL ASPECTS

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Dean
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Editor in Chief:
Tanja Grmuša

Editors:
Tanja Grmuša
Sanja Rocco
Neven Šipić
Željka Zavišić

English proofreading:
Karla Katalinić

Cover design:
Shift Brand Design

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Marina Denić

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Keynote
Speakers
Abstract

In this presentation a practical look is taken at how the use of implant and electrode technology can be employed to create biological brains for robots, to enable human enhancement by creating Cyborgs and to diminish the effects of certain neural illnesses. In all cases the end result is to increase the range of abilities of the recipients. An indication is given of a number of areas in which such technology has already had a profound effect, a key element being the need for a clear interface linking a biological brain directly with computer technology. The emphasis is placed on experimental scientific studies that have been and are being undertaken and reported on. The area of focus is notably the need for a biological/technological connection, where a link is made directly with the cerebral cortex and/or nervous system. The presentation will consider the future in which robots have biological, or part-biological, brains and in which neural implants link the human nervous system bi-directionally with technology and the internet.

Kevin Warwick is Deputy Vice Chancellor (Research) at Coventry University, England. His main research areas are artificial intelligence, biomedical systems, robotics and cyborgs. Due to his research as a self-experimenter he is frequently referred to as the world’s first Cyborg. Kevin is a Chartered Engineer who has published over 600 research papers. His experiments into implant technology led to him being featured as the cover story on the US magazine, ‘Wired’. He achieved the world’s first direct electronic communication between two human nervous systems, the basis for thought communication. Another project extended human sensory input to include ultrasonics. He also linked his nervous system with the internet in order to control a robot hand directly from his neural signals, across the Atlantic Ocean. He has been awarded higher doctorates (DSc) by Imperial College and the Czech Academy of Sciences, Prague and a further 9 Honorary Doctorates.
Abstract

Smartphones & co with all their sensors, as well as touch and interaction possibilities open up massive new technical possibilities for creative and media agencies never seen before in any other advertising area. Technologies in producing ads such as HTML5 put it up to the next level empowering sheer unlimited opportunities of gamification and interactive involvement of the users. Mobile rich-media used in creative and relevant ways to address and interact with customers is reaching engagement rates and branding awareness never reached before. The presentation is giving insights into do’s & don’ts, creative examples and best practice cases of mobile marketing.

Gerhard Günther studied at Vienna University of Economics and Business as well as at the University of Illinois, USA, with a special focus on international marketing strategy. Gerhard is CEO and co-founder of Digitalsunray Media GmbH, a digital full-service creative- & media agency and specialist for technology innovations in the area of new, digital and mobile media. Digitalsunray Media, founded in 2007 in Vienna, offers creative concepts for mobilization, design and development for mobile browsing-portals, webapps and native apps, mobile marketing, campaign creation & media planning, strategic and operative consulting, as well as business development. Digitalsunray supports projects of media companies, mobile operators and international top brands from the initial idea to the go-to-market with a holistic project management and an agile user centered development process. Their own rich media mobile & cross platform advertising SDK and web framework ADvantage, as well as their mobile advertising network allows publishers, ad networks and agencies, as well as advertisers to monetize their goals via a smooth delivery of innovative rich-media-campaigns in their mobile/digital portal&apps-portfolio. More on www.digitalsunray.com.
DESIGN THINKING FOR SMALL AND MEDIUM ENTERPRISES IN THE DIGITAL AGE

Ricardo Altimira, PhD
IE Business School, Madrid, Spain

Abstract

Since the digital transformation of the 21st century has affected personal and business life requiring significant changes, companies need to adapt their 3 P’s: People/Processes/Platforms to profit from fast communication, infinite data access, 7x24 availability, virtual networks, etc. On the other hand, Design Thinking (DT) is a traditional architects’ and designers’ approach to decision making through group dynamics including participation of various functions of the customer, vendor and other stakeholders. The lecture will focus on the benefits of Design Thinking to support the change process in SME’s as well as improve relationships with customers and help organizations to develop digital skills in order to discover new ways of doing business and communicating with the market. The Design Thinking process will be presented, together with key success factors taken from over 100 workshops on a topic performed in various countries in order to motivate the audience to explore Design Thinking an easy-to-use management tool.

Ricardo Altimira is a multicultural lecturer and facilitator focused on creation and re-creation of business units using Design Thinking and Open Innovation. He has more than 25 years of experience in leading teams and companies in large corporations (IBM/GBG/Telefonica) and SME’s (HI-Consult/ACES-Europe/Effectia) and teaching in Top B-Schools in 12 countries. Ricardo has been a professor and lecturer at top business schools (Deusto Business School/Bocconi/IE Business School/UTS-Sydney/Sydney University/Fund Getulio Vargas/Javeriana University/Univ. South Carolina, US/VPSZ). He has received his PhD, magna cum laude, in Business Administration at the Technical University of Madrid (UPM), has postgraduate degrees from the IE Business School, Harvard University and New York University, and has completed Design Thinking Training at Sydney U-Lab and Stanford - HPI D- School. He was Director of M&A and Alliances, IBM America-Far East, Spain (1984-1998) and of Company Education at the I.E. Business School (E-learning and Knowledge Technologies (1999-2004). Due to his expertise, he has been a Board member of different fitness, sports and health companies from 2004 to date and has held over a 100 Design Thinking workshops. Prof. Altamira’s areas of interest are design thinking, innovation, entrepreneurship/eco-agriculture and sustainable energy.
MARKETING
Consumer Behaviour
TRUST AS THE MOST IMPORTANT FACTOR OF SUCCESSFUL ONLINE SALES

Željka Zavišić, PhD
Professor at Zagreb School of Business
Vice-Dean for Professional and Scientific Work, Mobility and International Relations
Ulica grada Vukovara 68, 10 000 Zagreb, Croatia
Tel: + 385 1 6310 871
E-mail: zeljka.zavisic@vpsz.hr

Trpimir Lovreković
Head of Marketing
Gavrilović d.o.o.
Gavrilovićev trg 1, 44 250 Petrinja, Croatia
E-mail: trpimir.lovrekovic@gavrilovic.hr

Abstract

Electronic transactions over the World Wide Web has become one of the key tools for today's market growth in all industries. The biggest challenge global brands and products are facing lies in creation of confidence among consumers, since fear and obstacles towards internet purchasing stem from the fact that customers buy items that cannot be seen, touched, nor felt.

The key element of a successful online business is consumer confidence. Trust also has a strong role in creating long-term relationships with customers that are developed during a series of transactions, so if the user experience is positive, confidence will surely stabilize, grow and encourage the creation of habits as well as enable growth of an online service.

The purpose of this paper is to show that confidence is the most important factor for a successful online sales. This research will try to detect factors that influence the development of trust in online final users and creation of their online shopping habit, as well as to describe the conceptual framework that categorizes elements of internal and external factors that influence creation of user confidence. Companies that operate in an online environment should focus their attention on creating a process of trust and ways of managing it, as well as to create and manage their relations with "the third parties".

Keywords: trust, online sales, consumers
Abstract

The 21st century is a global market of diversity where the imperative of postmodern consumers’ choice lies in their knowledge of products they purchase and their involvement when making purchase decisions. Taking into consideration the development and impact of modern media, development and influence of online shopping, abundance of offered products and services sold and distributed through new distribution channels, as well as freedom of choice that consumers in tourism have when selecting a product, it is necessary to acknowledge changes in ethnogenic preferences and the level of consumer involvement which have occurred as a result of technological development, new distribution channels and consumers’ desire to participate in creation of products. The aim of this research is to design an instrument measuring the scale of consumer involvement when making purchase decisions on the Internet and the level of knowledge that consumers have when choosing holiday destinations. The scale of involvement and the scale of knowledge will be tested on consumers of an integrated tourism product, as well as on a new way of experiencing and interpreting an integrated tourist product. This paper will also deal with key changes in modern communication on the global tourism market.

Keywords: integrated tourism product, postmodern consumer in tourism, modern technologies, postmodern consumer behaviour in tourism, consumer experience
Abstract

Consumer behaviour represents an important segment of not only marketing, but of economy in total as well. Consumer behaviour is the result of various and numerous factors, i.e. economic conditions, cultural environment, social environment and demographic, geographic, political and legal factors. The purpose of this paper is to find out whether there has been a change in the consumer behaviour due to the economic crisis in the Republic of Croatia. Furthermore, important questions have been raised, such as whether purchasing power has decreased due to the economic crisis, or are the prices of goods too high considering the the purchasers' income? Have they buyers become more price sensitive, and are they restraining themselves from spending? Are they prone to saving because of the fear of the uncertain future and can they fulfill their consumer wishes given their financial possibilities? Have they become more rational and is their spending driven by a goal and not an impulse? The research was conducted in September 2015 among a group of a hundred and fifty participants over 18 years of age in form of a questionnaire. The results of the survey have shown that there has been a change in the consumer behaviour due to the economic crisis in the Republic of Croatia. The purchasing power has been reduced due to the crisis, the prices of goods are too high compared to the income the consumers have, they have become more sensitive towards prices and are restraining themselves from buying. They cannot fulfill their consumer wishes given their financial possibilities and are more inclined towards saving. The consumers have become more rational. The hypotheses are confirmed by the results of the survey.

Keywords: consumer behaviour, economic crisis, buying power, consumer wishes, rational consumer
IMPACT OF SOCIAL NETWORKS ON CONSUMER BEHAVIOUR OF TEENAGERS

Boris Jurič, M. Econ.
Lecturer
University of Applied Sciences Vern'
Trg bana Josipa Jelačića 3, 10 000 Zagreb, Croatia
GSM: + 385 91 4825 917
E-mail: boris.juric@vern.hr

Dijana Vuković, M. Econ.
Lecturer
University of Applied Sciences Vern'
Trg bana Josipa Jelačića 3, 10 000 Zagreb, Croatia
GSM: + 385 91 3010 011
E-mail: di.vukovic@gmail.com

Branka Šuput, Prof.
Lecturer
University of Applied Sciences Vern'
Trg bana Josipa Jelačića 3, 10 000 Zagreb, Croatia

Abstract

In this century consumer behaviour has changed indisputably. The process of creating consumer perception, system of values, and attitude models have established new baselines that shape consumer society. In what way and to what extent have social networks contributed to this? Although social networks and social networking are not new concepts, i.e. social phenomena, nowadays they have taken on new forms due to the ever increasing use of computers and the Internet. As such concepts they have been transferred to the online environment, where with the help of social software and web pages – services, they enable children and teenagers to create online networks of friends and/or acquaintances. As children and teenagers are the fundamental carriers of such changes and the driving force of the future of the consumer society in the digital direction, the aim of this paper was to study teenagers – the most progressive group of youths. Facebook and Instagram as well as other online networks have become a new form of communication and socializing, and as such have introduced new patterns of consumer behaviour, especially at making purchase decisions.

Therefore, we have conducted the research on a random stratified sample of 200 respondents in order to find out how and to what extent do the social networks impact consumer behaviour of teenagers. An inductive and creative synthesis of data analysis has been used, highlighting the details and data specifics in order to reveal the pattern,
model, theme or the correlation between teenagers as consumers and social networks. The obtained results have shown that apart from the above-mentioned social phenomenon of modern teenage networking in its basic purpose of communicating, it also has a significant role in shaping a relatively new consumer.

Keywords: social network, consumer behaviour, teenagers, consumer attitudes, consumer value
IMPACT OF GLOBALIZATION ON THE PHENOMENON OF CONSUMER FEVER

Željka Zavišić, PhD
Zagreb School of Business Professor
Vice-Dean for Professional and Scientific Work, Mobility and International Relations
Zagreb School of Business
Ulica grada Vukovara 68, 10 000 Zagreb, Croatia
Tel: + 385 1 6310 871
E-mail: zeljka.zavisic@vpsz.hr

Štefaniija Briševac
Part-time student, Professional Undergraduate Study Program
of Marketing and Communication
Zagreb School of Business
Ulica grada Vukovara 68, 10 000 Zagreb, Croatia
GSM: +385 95 5500 505
E-mail: stefaniija.brisevac@gmail.com

Iva Stipančević
Part-time student, Professional Undergraduate Study Program
of Marketing and Communication
Zagreb School of Business
Ulica grada Vukovara 68, 10 000 Zagreb, Croatia
GSM: + 385 99 7246 090
E-mail: iva.stipa@gmail.com

Abstract

Consumer fever is a global phenomenon spreading at an unstoppable speed and influencing the behavior of consumers worldwide. This phenomenon has not bypassed Croatia, in which citizens despite a weakened purchasing power are very sensitive to the various forms of sales at prices lower than usual. We are becoming more and more a “hyper-consumption" society that accepts commercialization of the holiday season and are developing our own motives that bring us closer to consumer hedonism. This article deals with and researches the impact of global trends on very specific consumer behavior during the sales seasons, but also psychological, economic, social and marketing aspects that motivate consumers to purchase, often above their own needs and spending power. This paper also shows the results of the study on the subject conducted on consumers from the Zagreb area.

Keywords: globalization, phenomenon, consumers, consumer fever
Brands
and
Brand Management
BRAND AWARENESS AND EMOTIONAL INFLUENCE OF BRANDS AMONG STUDENTS IN CROATIA

Goran Luburić, M. Econ.
Vice Dean of Academic Affairs
Zagreb School of Business
Ulica grada Vukovara 68, 10 000 Zagreb, Croatia
GSM: + 385 91 444 5807
E-mail: goran.luburic@vpsz.hr

Krešimir Bartulović
Part-time student, Professional Specialist Graduate Study Program of Marketing and Communication
Zagreb School of Business
Zaharova 11, 10 000 Zagreb, Croatia
GSM: + 385 95 5208 152
E-mail: kresimirbartulovic00@gmail.com

Filip Subašić
Student, Professional Undergraduate Study Program of Marketing and Communication
Zagreb School of Business
Bagremova 14, 10 000 Zagreb, Croatia
GSM: + 385 92 3033 136
E-mail: filip.subasic@optinet.hr

Abstract

This paper is based on a primary survey of brand awareness and relations between brand emotions of people surveyed. The survey sample consists of students in Croatia (faculty, college and university students). Students are surveyed among all university regions in Croatia. Authors tend to explore how students perceive brands, especially those that first come to mind - awareness at all times. Brands are categorized in 5 categories: food industry, textile industry, cosmetic industry, tech industry and automotive industry. The first hypothesis is that foreign brands remain at the top of students’ awareness in more than 50% of surveyed students. The second hypothesis claims that there is no individual brand on the market that has top-of-mind awareness in more than 50% of surveyed students. Finally, research will determine which defined emotional state corresponds to the brands with the top-of-mind awareness among students, according to individual brands and brand categories.

Keywords: brand, brand awareness, brand power, students, Croatia, emotions
ANALYSIS OF DIGITAL MARKETING AND BRANDING FOR THE PURPOSE OF UNDERSTANDING THE CONSUMERS IN A DIGITAL AGE

Slađana Borić, MSc
University of Novi Sad
Technical Faculty „Mihajlo Pupin“, Zrenjanin
Đure Đakovića bb, 23 000 Zrenjanin, Serbia
E-mail: sladjana.boric@hotmail.com

Sanja Stanisavljev, MSc
Assistant
University of Novi Sad
Technical Faculty „Mihajlo Pupin“, Zrenjanin
Đure Đakovića bb, 23 000 Zrenjanin, Serbia
E-mail: sanja84stanisavljev@gmail.com

Abstract

In modern business environment, the only thing that does not change is the change itself; it is always present. The changes have brought us a new age – “a digital age” and this age has brought us some new challenges that seek to solve problems of organization in a new way. Globalization and technology are the leading actuators that have helped in creating a completely new level of fragility in global economy. The digital age, as far as branding is concerned, has brought many advantages to organizations and it can be an extremely valuable marketing tool, but only if the organizations manage to gain a positive relationship between the brand and consumers and if they have a proportional advantage in comparison to their opponents; because, on the other hand, apart from all advantages it brings us, the digital age can set up many traps. Branding is the process which helps organizations to differentiate their own offer from the offer of their opponents on the market. Modern market offers numerous similar goods and services and, in that kind of market it is crucial to be different. The success of branding on a market does not depend on what the marketing team thinks of it, but on what the potential consumers think of it. Today it is not good enough to have a top quality product, a reasonable price, or the best distributional network and top promotion; the most important is what an average consumer knows about the product and what he/she thinks of it. This paper explores the current situation on the global market and highlights some segments of business which are important in digital age for survival and success of an organization. It presents the current awareness of consumers and their way of thinking and acting. The purpose of this paper is to point out the conceptual frameworks of branding via internet, in order to show how these frameworks can help marketing planners to organize and integrate the
existing knowledge in development of successful strategies of branding on the internet. A real example of one of the leading global brands that succeeded to win the challenges of the digital age will be presented in this paper.

**Keywords:** digital age, digital marketing, branding, brand, consumers
Industrial Marketing
and
New Product Development
USE OF INDUSTRIAL MARKETING WITH THE AIM OF INCREASING COMPETITIVENESS OF ENTERPRISES

Zlatko Hodak, PhD
Director
AD Klaster
Jankomir 5, 10 000 Zagreb, Croatia
E-mail: info@adklaster.hr

Marina Hodak, MSc
Senior Advisor
Ministry of entrepreneurship and crafts
Ulica grada Vukovara 78, 10 000 Zagreb, Croatia
E-mail: marina.hodak@minpo.hr

Abstract

The aim of this study is to explore how the application of industrial marketing can affect the competitiveness of Croatian companies. In today's global economy, investment in R&D is among the fundamental prerequisites for increasing competitiveness of an enterprise, where it is crucial to determine to which areas of research the material and human resource should be focused on. Also, competition requires continuous investment in research and development in order to ensure continuous growth and development of the company, through an increase in competitiveness of the products and services. Industrial marketing collects the project ideas on the market and significantly contributes to a better investment in R&D. Small and medium enterprises (SMEs) typically do not have sufficient capacity that would allow them to ensure their investment in research and development. The European experiences show that the model of investment in R&D through innovation clusters by using EU funds can have a significant impact on survival and development of these companies. Hypotheses that will achieve these objectives are:

H1 Industrial marketing can significantly affect systematic investment in research and development
H2 Model of investment in R&D through innovation clusters represents a significant support to SMEs.

The study will use secondary surveys and following methods: descriptions, analyses and syntheses. On the grounds of the analysis, the key elements affecting an increase in enterprise competitiveness will be given.

Keywords: industrial marketing, research and development, innovation cluster
Digital Marketing and Social Media
DIGITAL MARKETING: DETECTION, PREVENTION AND CONSEQUENCES OF FRAUD AND ABUSES

Dražen Škrtić, PhD
Ministry of Interior of the Republic of Croatia
Karlovac PD, Office of Criminal Police
Trg hrvatskih redarstvenika 6, 47 000 Karlovac, Croatia
GSM: +385 91 75 23 284
Telefax: +385 4766 41 72
E-mail: drazen.skrtic@public.carnet.hr

Abstract

Digital marketing is a form of promotion via Internet with the purpose of presenting advertising messages to potential clients in each and all aspects of business. Potential clients use Internet during work, leisure and game thus giving advertisers the possibility of segmentation, monitoring, targeted approach to potential clients and current responses to the preferences and behavior of potential customers during daily use of the internet. The advertising industry uses new digital channels that replace traditional media and provide advertising opportunities unavailable in traditional media. The popularity of digital advertising technology is growing rapidly and creative digital advertising are becoming more widespread on the internet sites, search engines and mobile platforms. The growth of digital advertising industry, especially the profit from providing services of digital advertising attracts a large number of people who through fraud, malicious activity and abuse of sophisticated technology try to obtain a direct or indirect material benefit, by increasing the number of times an advertisement was shown or by making an advertisement less visible and accessible to potential clients. Fraud and abuse in digital advertising campaigns are almost impossible to completely avoid, but harmful consequences of fraud and abuse can be reduced to an acceptable level. The paper presents an innovative approach to detecting malicious activity, prevention and damage limitation as a result of fraud and abuse. The aim of the paper is to raise awareness of the threats that reduce the effectiveness of digital advertising campaigns, possible frauds and abuse during digital advertising campaigns and to present proposals and recommendations for prevention, detection and damage limitation.

Keywords: digital advertising, fraud, Digital Marketing
Abstract

With the emergence of social media brand management had to adapt to a new level of communication. Adjustment of the existing communication strategies to the digital media and the new ways of communicating towards the target groups that often use these media has become a particular challenge for managers. The research questions to be discussed in the paper are: which target group should a brand with a built image address on social networks when it comes to Croatian market and how can a good quality approach be defined? The way communities are created on social networks, sharing the same values as the brand itself, supporting it with content that users create themselves (user generated content) will also be examined. A virtual presence of a brand includes all its online communication as well as a manner of presentation, from designing the website to the tone of messages and resolving user queries. A good strategy for using social networks such as Facebook and Twitter, YouTube, blogs or forums is needed in order to create virtual presence of a brand. It is based on continuous content creation and interaction, a two-way communication with users. A literature review devoted to the subject will be analyzed and basic terms defined in the introduction. A case study of building a communication strategy of a Croatian brand on social networks will follow, with an analysis of key elements. Based on the case study analysis, conclusions will be carried out, as well as recommendations for further research.

Keywords: communication strategy, brand, digital media, social networks, content
ROLE OF DIGITAL MEDIA IN PROMOTING REHABILITATION CENTRES

Senka Zavišić
PhD candidate, Faculty of Philosophy, University of Zagreb
Ivana Lučića 3, 10 000 Zagreb, Croatia
E-mail: senkaza@gmail.com

Adam Mijatović
College of Applied Sciences "Lavoslav Ružička" in Vukovar
Županijska 50, 32 000 Vukovar, Croatia
E-mail: adam.mijatovic1@gmail.com

Antonio Rumora
College of Applied Sciences "Lavoslav Ružička" in Vukovar
Županijska 50, 32 000 Vukovar, Croatia
E-mail: anru.950@gmail.com

Abstract

Today's users of rehabilitation centres are increasingly seeking information via digital media about the services they are interested in. Electronic communication has permeated all the pores of society and become part of our daily routine. The reason for this method of seeking information is a two-way communication in real time, which gives safety to the user. This form of information commonly includes websites, social networks, blogs, chat and other services. Users are trying to be informed as well as possible, while service providers, in this case centres for rehabilitation, aim to promote their services in a best possible way. The aim of this research is to determine how and in what way do these centres use digital media to promote their services and how they try to compete outside Croatian borders in order to develop health tourism. The social aspect of the digitization of society will be explored as well, and conclusively it will be shown how much of the digital media potential in promoting the aforementioned centres has been exploited.

Keywords: rehabilitation centres, digital media, electronic communication, promotion
Innovation in Marketing Education
Abstract

Marketing represents one of the focus points of contemporary economic theory. It is characterized by interdisciplinarity and the need for epistemological holism. As such, it represents the current theory and philosophy of the market. Its complexity requires particularly sensitive and sensitized methodological approach. This study shows the real image of Croatian higher education. The authors believe that the current state of marketing in educational institutions requires at least a review and analysis, if not criticism. Course contents are not questionable - their order and scientific and educated outcomes are. The paper offers views, analyses and syntheses of the current situation. Proposals that the paper will try to give for the future do not bear the ambition of becoming an ultimate goal, but are rather directed towards creating motivation for any future discussion on this subject.

Keywords: Syllabus, curriculum, integrated marketing communication, marketing
PARTNERSHIP IN THE DEVELOPMENT OF MARKETING-ORIENTED VOCATIONAL SCHOOLS

Ondina Čižmek Vujnović, Univ. Spec. Econ.
Professor advisor for economic group of subjects
Vocational School of Economics (Druga ekonomska škola)
Dobojska 12, 10 000 Zagreb, Croatia
Tel: + 385 1 3097 196, + 385 1 3097 195
E-mail: ocizmek@yahoo.com

Mario Vučić, M. Econ, Univ. Spec. Econ.
Assistant to the Director of Adult Education
Agency for Vocational Education and Training and Adult Education
Radnička cesta 37b, 10 000 Zagreb, Croatia
Tel: + 385 1 6274 605
E-mail: mario.vucic@asoo.hr

Tihana Gerić, M.A.
Croatian language Professor
XV Gymnasium
Jordanovac 8, 10 000 Zagreb, Croatia
Tel: + 385 1 2302 255
E-mail: tihana.hodak@gmail.com

Abstract

A marketing-oriented vocational school bases its actions/activities on the needs and desires of its students, and all other participants interested in the achievement of educational goals. School, as an organization, strives to maintain relationships with its participants by ensuring best conditions for the development of creative human potential, in line with labor market needs. The complexity of occupational standards requires appropriate new competences so that the students, upon completion of their education, as educated people, can be competitive and employable in the labor market, and can acquire a faster upgrade (Education and Training) in vertical education. The focus on the student and the development of his/her competences requires many changes in the approach of designing and building relations with the internal and external participants of the school. Marketing-oriented vocational school aims to build long-term, counterpart relationships with external participants interested in a structured care when it comes to the quality of educational performance of schools. Accordingly, we get to ask what types of approach do vocational schools take in building and shaping relationships with external participants - are they based on an ad hoc approach or do schools conduct long-term activities systematically related to the marketing strategy of the school? For the purposes of this paper, using the method of case studies, we have explored practice
examples of schools that have used different kinds of approach in building and shaping relationships with external participants. The analysis of these kinds of approach points to the necessity of setting a basic criteria for determining the model of partnership in a marketing-oriented vocational school in the Republic of Croatia.

Keywords: marketing-oriented schools, school participants, partnership
COMMUNICATION
Corporate Communication and Reputation Management
CORPORATE COMMUNICATIONS AND IMAGE MANAGEMENT IN THE PUBLIC MEDIA INSTITUTION RADIO TELEVISION OF VOJVODINA

Miodrag Koprivica, PhD
Professor
Deputy General Director
of the Public Media Institution Radio-Television of Vojvodina
Professor at the Faculty of Law and Business Studies,
Dr. Lazar Vrkatić in Novi Sad
Ignjata Pavlasa 3, 21 000 Novi Sad, Serbia
Tel: +381 21 2101 644
E-mail: miodragkoprivica@hotmail.com

Sonja Kokotović, MsC
Coordinator in the cabinet of the General Director
of the Public Media Institution Radio-Television of Vojvodina
PhD student at the Faculty of Technical Sciences in Novi Sad
Ignjata Pavlasa 3, 21 000 Novi Sad, Serbia
Tel: +381 21 2101 644
E-mail: sonja.kokotovic.s@gmail.com

Abstract

If organization is said to be "the organism", then communication is the "bloodstream" of an organism. Corporate communication is a new discipline used in all business segments worldwide. Top management creates, defines and improves corporate reputation through corporate communications and image management it created. The image of a good and successful organization starts from within. The level of satisfaction and motivation of our employees is a measurable and constant process that can be influenced, e.g. how often and how you communicate with your employees, how you transmit important messages to them and point them towards achieving business goals. The basis of an effective functioning of the media along with the changes in the environment lies in a constant development of the management within the media companies, together with the corporate communication as a basic tool of this development. The management of the of the public broadcaster media company RTV is faced with the task of establishing a system of efficient management of technical and organizational innovations as well as innovations in design and delivery of media content, in a new (multi) media environment, with the aim of finding balance between market needs and the insatiable appetite of the public, changes in technology, media legislation and general social trends. Corporate communication includes all communication and information activities among the members of the organization, it is targeted and oriented towards success. This is why the image of an organization can be understood as a
reflection of its identity created by corporate communication between different publics - the internal and external ones.

**Keywords:** corporate communications, reputation, corporate identity, image, management
Crisis Communication

and

PR
Abstract

This research deals with crisis communication and social media, crisis communication as a separate communication skill and social media as a reality we are surrounded by today. The aim is to show how the crisis is affecting communication and how the crisis is presented by the media. What communication skills can we use to act in situations of crisis, how to soften them timely and how not to react with hasty statements or procedures that could deepen the crisis and make a solution more difficult. What is the role of the media and through which type of media does the crisis grow the fastest, and which group of people includes certain media. The question asked is why the communication media is in need to present the crisis to the public written in “capital letter”. Would the media, through a better communication to the public, display more realistically the situation of crisis or some of the crisis situations would not become a crisis situations at all, but just “a louder news”? What is the role of social media in transmitting crisis situations? The result of this research is to bring the crisis communication closer, to clarify it together with the social media, so that the latter, as the fastest medium for spreading news could present a crisis situation in an appropriate manner convey it to the public at the right time.

Keywords: communication, crisis, media, transfer, society.
Abstract

Public relations as a discipline of communication science is essential for a successful functioning of health institutions. The role of PR professionals in these institutions is indispensable for internal and external communication, management of events, presentations and finally in creating the image of an institution. Improving overall image of a certain health institution in the public contributes to long-term operational effectiveness. Since healthcare is an area people are sensitive about and can be labeled as "high-risk area" where valid, quick and accurate information is expected, it is clear that PR is extremely important here. A particularly interesting area is focused on the media, related to the assessment of speed and information accuracy in a crisis situation. This paper will determine, through research, whether health institutions fully recognize the importance of public relations, do they have PR professionals and in which way they communicate with the public. The features and benefits of the digital PR will be shown as well. Paper will also try to determine which sort of communication with the public would be the most effective in healthcare.

Keywords: public relations, PR (Public Relations) experts, healthcare institutions
MEDIA CREATE ANTI-ENTREPRENEURIAL CLIMATE IN THE BUSINESS SECTOR

Pave Ivić, PhD
University of Applied Sciences „Baltazar“, Study program in Biograd na Moru
Ulica Vladimira Novaka 23, 10 290 Zaprešić, Croatia
GSM: + 385 98 212 732
E-mail: ivic.pave@gmail.com

Abstract

In crisis situations it is necessary to manage the problem of businessmen in relation to the media, in order to achieve the business goal. Crisis situations in everyday business are common, and the question that arises in such situations, is how to communicate with the media. The media are powerful, logic of profit rules the media and information has become a merchandise. Contents are increasingly under pressure of commercialization, which is largely a result of new ownerships, interests and impact of advertising industry. The media have the power to create image of the world, but the subject which are mainly concerned differ from the topics that the general public sees as necessary, reasonable and decisive. Social issues or the "ordinary man's" businesses gradually disappear from the media. In an economic development of an enterprise, the media have the primary role, and the impact of the media on the business activity is crucial, particularly in creating a favorable business climate. Businessmen in Croatia have numerous problems, in terms of survival and development in these very troubled and uncertain market regions and times. This is why the media has a demanding task to maintain dignity and avoid sensationalism and actively participate in development of a business. Testing the impact of the media on a business activity, as well as on the general social development is not simple, since this it is a very dynamic economic category which quickly and clearly reflects all changes in business conditions and disorders of crisis communication.

Keywords: media, businessman, the market
Abstract

The basic questions this paper will try to answer are whether the principles of strategic management needs can be applied in political action and in which segments of the political process and to what extent a political process and its outcome can be managed by using strategic management as a set of sequential analyses and decisions that can increase the probability of - in this case a political party - choosing and applying a good strategy and the same model on which it is applied in the economic environment. The paper will give an example of parliamentary elections 2015 to offer the analysis of strategies that were applied by the three dominant political parties and independent lists by analyzing the elements of those strategies - major goals, plans, policies, programs and activities and patterns of behavior in interaction with the environment - with the aim of determining whether there is and how a political strategy is formulated, the extent to which it was implemented or adequately perceived by the public, and whether and to what extent the application of the strategic (political) management changed the outcome of the election results. A particular challenge analyzed in this paper was examining the possibilities of applying the concept of strategic management on the political campaign in the situation of modifying one or more main individual goals in the final stages of political campaigns (extremely variable parameter), in relation to the high dynamics of political competition. The methodology used for the preparation of this work includes a method of analysis and synthesis, and a description method. The expected result of this paper will manifest itself through the confirmation of purposes of strategic management concept application in political campaigns in the context of business success seen as a result of a superior strategy - then the application of strategic management can set high expectations for a desired political result as well.

Keywords: strategic management, political campaigns, parliamentary elections
Information Management
and
Media
ANALYSIS OF DIGITAL MARKETING IN CROATIAN INFORMATION TECHNOLOGY COMPANIES

Neven Balenović  
Mint IT Solutions d.o.o.  
Vladimira Varićaka 12, 10 000 Zagreb, Croatia  
E-mail: balenovic.neven@gmail.com

Sanja Balenović  
Mint IT Solutions d.o.o.  
Vladimira Varićaka 12, 10 000 Zagreb, Croatia  
E-mail: sanja.balenovic@gmail.com

Petra Bručić  
Dil-93 d.o.o.  
Raška 22B, 10 000 Zagreb, Croatia  
E-mail: petra.bruci@gmail.com

Abstract

The fundamental goal of this research was to establish how Internet communication platforms, particularly social media and social networks sites (LinkedIn, Facebook, YouTube etc.) are being used in relations with business partners, associates and customers by IT companies in the Republic of Croatia. This increasingly popular medium of presentation and two-way communication is nearly ubiquitous in today's world. Differentiations in digital marketing with respect to company type, size and generated revenue are analysed in this research. A random sample of a 100 IT companies in the Republic of Croatia was studied in order to determine which platforms for digital marketing are used and to provide a quantitative analysis of their social network profiles quality as well as the strength of their social media presence. The results show that IT companies in Croatia actively use conventional Internet advertising channels (Website and e-mail). On the other hand, in terms of using social media and social networks as Internet marketing platforms, there is some differentiation with respect to the company type and size. Given the nature of their business, communication norms and standards in the industry of information, communication technologies and global habits of potential users of their services, the results imply that Croatian IT companies have room for further development of their digital competencies and expansion of their use of the marketing potential offered by the new Internet based-media.

Keywords: IT Companies, Social media, Social networks, Digital competences, Digital marketing, Facebook, LinkedIn
IMPACT OF MODERN INFORMATION TECHNOLOGY ON HEALTH COMMUNICATION

Senka Zavišić  
PhD candidate, Faculty of Philosophy, University of Zagreb  
Ivana Lučića 3, 10 000 Zagreb, Croatia  
E-mail: senkaza@gmail.com

Irena Petrinec  
College of Applied Sciences „Lavoslav Ružička“ in Vukovar  
Županijska 50, 32 000 Vukovar, Croatia  
E-mail: irenajb.02@gmail.com

Antonio Baliban  
College of Applied Sciences „Lavoslav Ružička“ in Vukovar  
Županijska 50, 32 000 Vukovar, Croatia  
E-mail: balibanantonio@gmail.com

Abstract

Information systems are crucial for effective and efficient operations of health care organizations. They are based on successful communication, which points to the fact that the use of modern information technologies in health communication has become inevitable. There are different forms of communication with regard to the type of individual technologies, related to the communication of medical professionals with the citizens, and the communication between professionals and institutions in the health system. The result of this is a modified approach to communication with patients and inside the health system, resulting with a better connection between medical institutions and patients with professional staff. This change puts health, economic and IT profession in an equal organizational relationship, allowing more efficient operations and communication with patients, among professionals and institutions. The aim of this paper is to show that health communication has become more successful by using modern information technology, thus giving the medical institutions the opportunity to improve the quality of services provided. Also, this research will show how much the health sector recognized and in what way it exploited the potential of modern information technology.

Keywords: information technology, health system, communication
Future Internet
and
Future of Networks
FUTURE OF HUMAN IN A DIGITALLY MEDIATED WORLD

Nenad Vertovšek, PhD
University of Zadar, Department of Croatian and Slavic languages
Mihovila Pavlinovića 1, 23 000 Zadar, Croatia
GSM: + 385 91 337 7776
E-mail: nenad.vertovsek@gmail.com

Ivana Greguric, PhD
Lecturer, Head of Department of Communication
Zagreb School of Business
Ulica grada Vukovara 68, 10 000 Zagreb, Croatia
GSM: + 385 99 619 6035
E-mail: ivana.greguric@vpsz.hr

Višeslav Kirinić, B. Econ.
TPB Stratego d.o.o.
Tijardovićeva 10, 10 000 Zagreb, Croatia
GSM: + 385 91 3883 001
E-mail: viseslav.kirinic@tpbstratego.com

Abstract

The digital age, especially the prevailing tendency of the media mediation between the real and virtual calls for a new understanding of the human, especially in the aspects of individual and social life. Digitization and media mediation of real life urges the contemporary thought to travel into the very essence of dehumanization of man and his world. Our immersion in virtual reality, interconnection and networking of Internet users, will set new rules of ethics and moral principles of the community. New forms of social interaction will emerge between intensive supervision and influence on the masses, as well as between isolated individuals and users in virtual or real world. Social values we presently adduce will lose their ground, since virtual reality brings to life the disembodied wandering through endless space-time in which every individual can assume a variety of identities. Terms such as identity, reality, mediation or a man are still interpreted within the frame of the prevailing opinion that attributes them with particular meaning and is not ready to make concessions. A man is an ideological concept. Humanism is a convention. Contemporary discussions on current position of a man in the world focus precisely on the question of the possibilities of rethinking the human. It seems that the time has come to create a new glossary, because the human horizon is witnessing the emergence of new shapes and formations, the existence of which must be taken into consideration. Since they come to life in the digital world, we can call them digentities.
Digital communication and the upcoming digital culture could make an individual succumb to the illusion of personal fulfillment and change the perception of the intensity of alienation or the possibility of a new understanding of the real world. How to deal with these virtual worlds and how will they affect our real world? On the grounds of current philosophical and scientific research, is it possible to set up a horizon of those changes, brought about by digitization of human culture? Are we to face a new, on-line reality enhanced by holographic and 3D attributes, as we continue down the path of cyborgization and drone development? We believe that a broad consideration of the human and the establishment of appropriate ethical principles are crucial for the survival of a man as a human being.

**Keywords:** avatars, dehumanization, digital age, drones, Internet, cyborgization, networking, virtual reality, human, digentity
Abstract

Every upcoming century, even a decade is promoted as a period of changes, accelerated growth and materialization of technical, medical and scientific visions by the visionaries. All together, by clustering these visions under a common denominator of progress, with every period ended, chroniclers tirelessly and repeatedly conclude the scope and principles of changes, moving them almost sensationally up the ladder of human progress. Historically speaking, ever since the appearance of language 200,000 years BC up to the emergence of the digital media, each period has been fruitful in the context of evolution of the human mind. Yet, periods of changes that characterize them get shorter; starting from light footsteps, man has turned to running towards the future. How long can the human kind keep this pace? Does prosperity have its economical, social, political and psychological drivers, or are we travelling towards the future inertly, intuitively, without any plan?

Since a sci-fi writer Bruce Bethke has coined the amalgam „cyberpunk“ in the eighties of the last century, until today there have been numerous changes on the global scale. Political dominance, wars, economical crashes, but also developing awareness of sustainable development and charity actions have all been elements of the mentioned period. Initially, cyberpunk has been a niche of sci-fi genre, project for development of every slightly ambitious writer on the topic of the future and development of cyber organisms – a blend of human subjectivity and advanced technology. Soon it has outgrown literal boundaries and found its utilization in the film art, turning gradually and silently into metonymy that presumes the destiny of mankind. Cyberpunk in its essence reflects a dehumanized future of conglomerates' despotic rules and moments in which economic power has swallowed politics. Creating a global framework in which a
disempowered individual often reflects upon the nature of freedom and different righteous reality, cyberpunk offers a more pessimistic outlook of the possible future.

The media scene is ruled by those in power, predominantly by profit oriented companies unprone to altruism and ethics. The key actors are manipulation, dominance and egocentricity with an immense dystopian potential. The core of the act is change in social relationships. But what is initiating this change and who is in charge of implementing it? The pretentious director of this play, whoever it is, favors Machiavellian techniques of relationships. Conglomerates and transnational companies are agents of globalization, a multidimensional occurrence that is primarily political and social, encouraging changes of economic powers. Inhibited by media indoctrination, society can only follow the way defined by fences; the way to the sheepfold. Yet, is this apocalyptical prophecy founded? Are there choices and can they be chosen by those outside the milieu of the privileged? Along with the secondary research, the primary basis of this work will be a quantitative research executed using a deductive approach – an electronic survey covering questions aiming at the media predominantly but also at the economic and political perception of the respondents with regards to signs, potential and probability as described in the abstract of described direction of evolution of society.

**Keywords:** cyberpunk culture, social reality, globalization, conglomerates, media
CONVERGENCE AS A LINK BETWEEN INFORMATION AND COMMUNICATION TECHNOLOGIES THAT WILL LEAD TO CHANGES OF THE HUMAN SPECIES

Senita Makić, B. Econ.
MBA student, Cotrugli Business School
Kneza Trpimira 15, 40 000 Sisak, Croatia
Tel: + 385 44 538 171
E-mail: senita.makic@gmail.com

Oliver Hip, PhD
Professor
Zagreb School of Business
Ekonomski fakultet Požega
Osječka 33, 34 000 Požega, Croatia
Tel: + 385 34 273 717
E-mail: oliver.hip@po.t-com.hr

Abstract

The transformation of the communication media in the 21st century is an active process that will change the relationship between existing technologies and our planet. These changes will lead to mental, social and perhaps even physical changes of the human species. The technological convergence of the 21st century has already resulted in an increased digitization of the human race, so today we can talk about digitization of knowledge, business and our everyday lives. Scientists have already begun discussion on the digitization of the human mind and began with the scientific work that could result in the digitalization of the human brain. Certainly we can notice how today we are more dependent on data stored in the device memory or various devices rather than our own brains, and this knowledge is available at our fingertips. If we take into account a number of subjects that are discussed in this paper, we can say that the only question is how much is left before the technology begins to shift onto human body. If we take it to extremes, we are talking about "transmigration" of the human mind in the hard drives of different devices and the so called virtual reality. Therefore, the focus of this work will not only be the impact of technology on the 21st century, but also how technologies being developed today will change the human species and our planet. We will try to find an answer to the question what will happen when the development of technology happens to create a new kind of consciousness, a silicone awareness? What will happen with the reality as we know it?

Keywords: convergence, technology, transformation, the human species, silicone awareness
Media Literacy
Abstract

Nowadays we do not spend a day without the media, no matter if printed or electronic. The media are: television, radio, books, newspapers, magazines, and more recently the Internet and social networks. The subject of the research is children's media consumption. The aim of the research is to determine which media children consume the most, and to find the difference in the consumption of media between boys and girls. In this paper, based on the set subject and the objective, we have tried to prove that children spend the majority of their free time consuming media content, and that of all the media the children spend most of the their time on social networks. The difference in media consumption between boys and girls has been proved to exist. The sample consisted of 220 children in the age group of 7-14 years. The sample on which the survey was performed was obtained by calculating the percentage of children by grades and schools out of the total number of students.

Keywords: Media, Children, Internet
I IMPACT OF DELIBERATE CONSTRUCTEDNESS OF NEWS TITLES BY THE MAIN NEWS WEBSITES ON THE RECIPIENT'S PERCEPTION OF REALITY

Maja Kuzelj, M.A.
Student
Faculty of Humanities and Social Sciences
Ivana Lučića 3, 10 000 Zagreb, Croatia
GSM: + 385 98 767 475
E-mail: majakuzelj@hotmail.com

Abstract

The media are often described as the fourth branch of government obliged to report objectively and truthfully. However, the reality of the media today is somewhat different, and we could describe the yellow press as the fourth branch of government. This type of journalism, based on exaggeration, scandals, sensationalism and unprofessional news coverage is opposed to the social conscience and moral dignity. The modern media shapes the reality of people and influences all aspects of one's life, perception of reality included. Prior to the research upon which this work is based, it is necessary to clarify what the title of the article encompasses and determine the way it is constructed, and explain the process of human perception and its effects on shaping beliefs from a professional point of view. A significant role in the entire process of media perception, or in this case, the internet, i.e. news websites, is attributed to the concept of moral panic through which the observed topic is defined as a threat to the generally accepted values. Concern expressed by the media through a recognizable form of reporting about such events can cause a state of public anxiety. This raises the question to which measure are the mass media guilty of causing mass panic, and are they possibly and to what extent, the "victims" of this phenomenon, too. The empirical part of the work is preceded by a systematic layout of research questions and hypotheses. The information about the impact of article titles on the readers' perspective of what surrounds him was gathered by the method of analysis of content which includes titles of articles in news sections of the news portals jutarnji.hr, vecernji.hr and 24sata.hr. The research matrix, which encompasses the month of December 2015, had the objective of questioning the most common theme of titles of the main news on news websites, if the titles of such articles contain elements which can incite mass panic, is sensationalism present, is the tone of reporting positive or negative, does the title match the corresponding article, does the title cause creation of stereotypes in the recipients' subconscious, etc. The final goal of this work is to raise awareness of the impact of the 21st century's mass media, especially the internet, or more precisely, news websites have on perception and shaping of reality
within the subconscious of the message recipient. It is important to warn of the occurrence of moral panic as an inevitable byproduct of a sensationalist way of reporting, which is becoming ever more present and is launched by social forces which are above the individual, even above entire nations.

**Keywords:** title, news, news website, recipient, perception
Traditional Vs.
Contemporary Communication –
Challenges and Possibilities
THEATRE AND THE NEW MEDIA – HOW TO COMMUNICATE TO AN AUDIENCE (CHALLENGES AND OPPORTUNITIES)

Ana Lederer, PhD
Senior Scientific Associate of the Department for the History of Croatian Theatre
The Croatian Academy of Sciences and Arts
Zrinski trg 11, 10 000 Zagreb, Croatia
Tel: +385 1 48 95 111
E-mail: ledererana@gmail.com

Ana Fatović, MSc
Senior marketing adviser at the Croatian National Theatre Zagreb
Trg maršala Tita 15, 10 000 Zagreb, Croatia
Tel: + 385 1 4888 488

Abstract

This paper analyzes the meanings and the processes of new communication channels and technologies in the context of creating new ways of communicating to theatre audiences. Numerous ways of theoretical definitions regarding the particularity of theatre as a medium were taken into account, as well as definitions of technological development of communication channels while communicating with theatre audiences. Since the majority of the existing, traditional audience does not meet the challenges presented by the new methods of communication i.e. does not accept new communication trends, we have considered ways and opportunities to possibly change traditional methods of communication, studying whether they turned out to be helpful or not. The social media, blogs, music channels, e-mail lists, internet forums – as new ways of communicating to audiences and keeping them informed of theatre activities – has significantly changed the ways of how a theatre should communicate with its audience. There is a new element in Croatian theatre activities – a two-way communication – which involves exchanging different opinions and creating a possibility of a public discussion. Taking this into consideration the possibilities of understanding an audiences' opinions and needs may be a helpful factor in promotion of a theatre's activities, but there is also a number of challenges presented by this new sort of two-way communication, which theatrical marketing and PR services need to face. This paper also studies the two levels of virtual ways of informing the audience: the creation/production phase of a play and as its postproduction one. Unlike traditional methods of communicating to audiences, one of the threats that emerge from the two-way communication is the likelihood of manipulating audiences via the Internet. Moreover, a theatre itself can, by using new
communication channels manipulate its audience at an early stage of creating a play, as well as reviews can.

**Keywords:** theatre, communication channels, theatre audiences, two-way communication, public discussion, audience manipulation
COMMUNICATING SPECIAL EVENTS IN CULTURE

Goran Galić, M.A.
Deputy Editor in Chief of Vijenac at Matica hrvatska
Anićeva 10, 10 020 Zagreb, Croatia
GSM: + 385 97 790 9287
E-mail: ggalic.hrstud@gmail.com

Dorotea Milas, M.A.
PhD candidate, Department of Philosophy, Croatian Studies, University of Zagreb
Secretary to the Presidential Board of Matica hrvatska
Ulica Matice hrvatske 2, 10 000 Zagreb, Croatia
GSM: + 385 98 308 201
E-mail: dmilas@matica.hr

Abstract

In addition to the importance of culture in society in a spiritual and identity sense, European Union figures show that culture also plays an important role in the economy. Cultural and creative industries account for 4.5 percent of Europe's total GDP and constitute 3.8 percent of employees at the European level, which is more than 8.5 million jobs. Despite these indicators, recent communications research on media in Croatia shows that the Croatian mass media approach the topics in the field of culture in a very superficial and sensationalist manner, making it difficult for cultural organizations to reach their target publics. For this reason well-planned media relations are of great importance for cultural institutions. Even more so if one takes into account the fact that most recipients obtain information about events through the mass media. How much and what kind of media attention will a specific cultural event receive does not depend so much on the quality of the program, but rather on the ability and competence of media relations experts: when and how to send an announcement or press release, organize a press conference or use another public relations tool. Within the presented context, the authors analyze the features of media relations in cultural organizations on the examples of the Night of the Museums and Book Night case studies in Croatia. The successful use of public relations tools - press releases, press conferences, use of social networks, etc., and their effect on the "traditional" and "new" mass media are explored. Particular attention is paid to the analysis of the quality of media relations before, during and immediately after the events in order to determine in what way the public relations tools were used in order to achieve publicity and, indirectly, the desired result in the target public (turnout to the event).

Keywords: media relations, public relations, culture, publicity, PR event, reach (target publics)
SOCIAL NETWORKS AND EXECUTIVE AUTHORITIES IN THE REPUBLIC OF CROATIA

Tamara Horvat Klemen, PhD
Siget 18c, 10 020 Zagreb, Croatia
E-mail: thorvat@digured.hr

Renata Pekorari
Siget 18c, 10 020 Zagreb, Croatia
E-mail: renata.pekorari@digured.hr

Abstract

The paper starts from the hypothesis that the executive authorities in the Republic of Croatia have not sufficiently embraced social networking as a means of information dissemination and communication with citizens. It is assumed that the use of social networks, with the aim of creating a space of interaction between the state and citizens, has been introduced very slowly and sporadically. Also, it is assumed that information disclosure on websites of certain authorities will continue to be the main channel of communication and the use of social networks will, in the context of the executive authorities, remain sporadic. The central part of the paper consists of research results based on the analysis of the presence of the executive authorities on social networks in the period from 2005 to 2015. It was observed whether certain authorities have an open account on social networks, and how actively they publish new information, i.e., communicate with citizens.

The analysis of the presence of executive authorities on social networks in a 10 year period will show how and in what way they perceive social media as an important place for interconnecting and sharing information with the users. Based on the results, an attempt will be made to estimate the future trend of using social networks and to identify the possible reasons of the existing situation. Also, the study will provide an answer to the question whether the executive power follows the trends that can provide faster and higher quality communication with the interested public and its participation in policy-making.

Keywords: social networks, executive authorities, citizens, information, communication
TRADITIONAL AND MODERN COMMUNICATION OF THE PUBLIC MEDIA SERVICE "RADIO TELEVISION OF VOJvodina" - CHALLENGES AND OPPORTUNITIES OF NEW MEDIA

Miodrag Koprivica, PhD
Professor
Deputy General Director
of the Public Media Institution Radio-Television of Vojvodina
Professor at the Faculty of Law and Business Studies
Dr. Lazar Vrkatić in Novi Sad
Ignjata Pavlasa 3, 21 000 Novi Sad, Serbia
Tel: +381 21 2101 644
E-mail: miodragkoprivica@hotmail.com

Sonja Kokotović, MSc
Coordinator in the cabinet of the General Director
of the Public Media Institution Radio-Television of Vojvodina
PhD student at the Faculty of Technical Sciences in Novi Sad
Ignjata Pavlasa 3, 21 000 Novi Sad, Serbia
Tel: +381 21 2101 644
E-mail: sonja.kokotovic.s@gmail.com

Abstract

With the occurrence and application of Internet technology in business and social environment, promotional potential of business subjects has increased significantly, as well as the potential of the media. Online communication which relies on direct marketing and use of modern Internet technology allows organizations and media service providers to establish interactive multimedia communication with their service users - viewers, listeners, readers, thus contributing to the establishment of close, dynamic and effective relationships, greater degree of trust and understanding, brand strengthening (shows, slogan, message...) ultimately leading to maximum satisfaction of the customer-service users and long-term profitability of the organization. The term "new media" has a different meaning compared to the time when it was related mainly to the Internet. All organizations have tackled the new media, which are seen as a potential for easier, faster and more efficient realization of their own goals. The advantages of using new media in public relations overcome spatial boundaries, constant availability, speed and cost. By communicating via the new media we expand the number of message recipients, since there are no space and time limits. It is important to note that web communication and the media houses (radio and TV is broadcasted 24/7) have no working hours nor do they respect house rules, holidays, or vacations. They communicate with their users - viewers, listeners, readers 24 hours a day, seven days a week and work - on informing them and
answering their reactions. Today, it is not enough to come up with an innovation, a new format, or a new concept of a show and expect it to last indefinitely, because tomorrow you will be fighting for your place in the cyber market just like everyone else. From the perspective of the consumers-service users, online communication is a positive phenomenon, which keeps pace with the development of new media and new ways of life and complements the existing, traditional communication via TV and the radio.

**Keywords**: communication, journalism, PR, new media
Abstract

Radio, after the print media, is one of the most long-lived media of today, undergoing a period of transformation in an effort to continue to exist on the ever-changing media market. The introduction of commercial media and the phenomenon of sensationalism have left a trace on the radio content regarding the retreat of once popular mosaic broadcasts in favour of music. On the one hand, the development of new media and new technologies made the radio more accessible, but it also changed users' habits and their perception of media content, considering the attention of users has become more and more diffused. Radio listeners are seeking quick, short and reliable information such as the media messages accessible on digital platforms, especially on social networks with which the radio achieves a successful integration. On the other hand, the listeners also want entertaining contents, and thus it is important to ensure a balance between different interests of various participants. In doing so, it is particularly important to maintain the trust of users in the media, and the accuracy and objectivity of conveyed
information are the guarantee of that. The new era also seeks new ways of media content management on the radio, as well as development of new strategies for attracting advertisers as well as the audience. Therefore, a lot of attention is directed towards creativity of program and marketing content as the main tool for attracting target groups. At the same time, the radio, due to its low costs, still represents the first communication channel of most business entities for the promotion of their products and services, among which shopping centers stand out in particular. Visitors of the Garden Mall shopping centre were our target group in the research of the role of the radio as a media in the digital era. What are the preferences of visitors of the Garden Mall shopping centre regarding the consumption of radio content, what is their trust in radio as a media like and how do they perceive the role of creativity and new technologies in the production of media content - these are the basic questions this paper intends to give an answer to. The empirical part of the paper includes a survey conducted on a sample of a 100 respondents, visitors of the shopping centre, during December 2015, using the survey method (Likert scale) in order to point towards the possibility of expanding the usability of the radio as a media for communication and marketing purposes.

**Keywords:** Radio, digital era, users' preferences, trust in radio, creativity
DIGITAL AGE AND MEDIA CONVERGENCE

Ivana Greguric, PhD
Lecturer, Head of Department for Communication
Zagreb School of Business
Ulica grada Vukovara 68, 10 000 Zagreb, Croatia
GSM: + 385 99 619 6035
E-mail: ivana.greguric@vpsz.hr

Irena Maričić, B. Econ.
Student, Graduate program of marketing and communication
Zagreb School of Business
Ulica grada Vukovara 68, 10 000 Zagreb, Croatia
GSM: + 385 98 580 515
E-mail: imaricic992@gmail.com

Abstract

Digitization is one of the key features of the new media and, alongside convergence, represents one of the main initiators of the new media age. New technologies and the new media have greatly changed the way media content is consumed and produced. On the example of the radio, we can see the changes brought by digitization; from the classic FM broadcasting and one-way communication to modern day's online streaming and listener interaction. It is this transformation from the role of mere listeners to the role of users, and to the role of creators of the media content as well, that characterizes new media and their audience. User-generated content is another term closely related to the new media and digitization; new media users create media content, whether it is by posting content on social networks or blogs, editing articles on Wikipedia etc. Digitization enabled faster and easier data production, handling and transfer through various platforms. Convergence, as a process connected to the development of new media and technologies, enabled easier access to media content through multiple platforms – it is not uncommon today to read newspaper articles on mobile phones, to listen to the radio via computer or to use social media networks on smart TVs. The most common form of convergence is adding Internet duplicates to the classic edition (FM radio broadcasting and online stream). This paper will show if convergence is one of the conditions of survival of traditional media in the digital age.

Keywords: digitization, new media, convergence, Internet, online streaming
Challenges of Journalism profession in a Digital age
INTEGRITY COLLAPSE OF CROATIAN MAINSTREAM MEDIA DURING THE MANDATE OF IVO SANADER (2004-2009)

Dražen Rajković, MSc
Zagreb School of Business
Ulica grada Vukovara 68, 10 000 Zagreb, Croatia
GSM: +385 91 233 72 80
E-mail: drazen.rajkovic@gmail.com

Abstract

The media integrity comprises politics, structures and practices of the media, their relations and the overall media system that enables them to serve public interest and democratic processes. Within the mentioned concept in daily functioning of the media, the most important factors are the following: freedom and independence of the media; provision of accurate, reliable and unbiased information to the citizens; media pluralism (enabling a wide spectrum of standpoints and opinions to be expressed); adherence to ethical and professional standards of journalism; readiness to serve the public interest; opposition to the political clientelism and institutional corruption in the media sector; as well as media ownership and their financing. In the Republic of Croatia, during one and half mandate of the Prime Minister Ivo Sanader (2004-2009), both print and electronic mainstream media relied on the economic situation with roots in a strong wave of foreign borrowing, reached the highest point of their social and economic powers. However, behind impeccably made-up financial facades of the leading media, we can identify their detrimental practices of political and commercial instrumentalisation, present to this day, which have caused a thorough collapse of the media credibility. Although the highest representatives of the Croatian judicial authorities have decided recently that Sanader, based on the allegations from the indictment and the verdicts pronounced, is found not guilty after all, the public perception that during his rule corruption occurred at all social levels in so far unseen and unrepeated proportions cannot be denied. Therefore, the questions are entirely legitimate as to how the Croatian mainstream media functioned during the time of Sanader mandate, in conditions of boom of the so-called corruption in high-politics, i.e. to what extent were they free and independent then, whether they provided accurate and reliable information, how the professional standards of journalism were abided by, whether the media ownership and their functioning were transparent. An attempt will be made to get the answers to the questions in the subject of the research study both from primary and secondary sources. The primary sources are the results of qualitative research, a survey that will be conducted on ta sample of up to 20
relevant media experts and journalists, while the secondary sources relate to official statistics, various reports and researches, as well as articles written by research journalists.

**Keywords/terms:** media integrity, media pluralism, media clientelism, media corruption, media instrumentalisation, media credibility, media ownership, media financing
CAN AUTOMATED SENTIMENT ANALYSIS OFFER A CLEAR VIEW OF HOW MUCH READERS LIKE READING VEČERNJI AND JUTARNJI?

Renato Ivanuš  
PhD candidate, Doctoral Program in Information and Communication Sciences  
Faculty of Philosophy, University of Zagreb  
Ivana Lučića 3, 10 000 Zagreb, Croatia  
E-mail: rivanus6@gmail.com

Željana Ivanuš  
PhD candidate, Doctoral Program in Information and Communication Sciences  
Faculty of Philosophy, University of Zagreb  
Ivana Lučića 3, 10 000 Zagreb, Croatia  
E-mail: zeljana.ivanus@gmail.com

Abstract

The paper is based upon the survey results of the sentiment analysis of the brands Jutarnji.hr and Vecernji.hr, generated by Slavomjer, a tool that analyses sentiment in Croatian language. The printed and online editions of Večernji and Jutarnji list are the biggest selling daily newspapers according to (readership ratings) i.e. the number of portal visits. One can constantly hear that these newspapers enjoy high reputation and are the most authentic and relevant Croatian newspapers. However, the marketing activities of the media companies often simply lack systematic and comprehensive surveys which could corroborate these opinions. Thus, we have analyzed the two brands' ratings by Slavomjer, a tool for sentiment analysis. Sentiment analysis is an automated task of natural language processing to determine the sentiment of specific text. It is most often a binary contextual polarity classification of documents used to determine whether a text is positive or negative. The main hypothesis of the survey is that Slavomjer cannot identify irony and sarcasm in the analyzed texts, and for this reason the results of sentiment analysis are not completely authentic. In order to monitor precision and accuracy of Slavomjer, a qualitative and a quantitative content analysis will be used on the results of Večernji and Jutarnji list during the observation period. The objective is to obtain data the a number of positive, negative and neutral comments and to compare them to Slavomjer's results.

Keywords: sentiment analysis Slavomjer, Jutarnji list, Večernji list, content analysis
CONTEMPORARY

ECONOMIC ISSUES

(interdisciplinary topics)
Global Business
Environment Analysis
GLOBALIZATION IMPACT ON EMPLOYMENT AND PRODUCTIVITY OF NATIONAL ECONOMIES

Nerma Čolaković-Prguda, MSc
Senior assistant
Faculty of Law, "Džemal Bijedić" University
Vrapčići bb, 88 000 Mostar, BiH
Tel: + 387 61 777 370
E-mail: nerma@umo.ba

Abstract

Globalization is the most important social process in the history of human society, and in the same time a very complex (complicated) term which can be viewed from different aspects.

It is not a naturally created event, it is rather a human made product based on the idea that money needs a space to be multiplied in a new way. The big problem at the regional and global level is the fact that every national economy represents mainly its own interests. The benefits and costs of globalization process are not proportionally divided among sectors, industries, countries and regions, nor among individuals with different levels of education and skills. Globalization does not recognize national borders and therefore the governments of some countries often do not know which attitude to take regarding the process of globalization. The process itself is related to the occurrence of knowledge economy and information economy. Information and knowledge, both in theory and in practice, are treated as a direct productive forces (strategic factor of production). Demand of workforce, due to the process of globalization is increasing, therefore national economies should invest in education and lifelong learning, thus increasing productivity and employment.

Keywords: globalization, employment, productivity, national economies, knowledge
Abstract

Globalization as an international process is directly conditioned by the technological development of human civilization. We can say that technology is the main carrier of the globalization processes. How can we corroborate this statement? The speed of development of globalization is directly linked to the development of modern technologies. The development of technology has conditioned the speed of globalization and integration processes. While the development of technology was at a lower level, the speed in which economic and political changes took place were much lower, so that most people did not even notice this process. Globalization as an international process and a social phenomenon became noticeable during the mid-eighties of the twentieth century. The reason lies in the fact that telecommunication technology was being developed at the time, enabling conversion of the world in a single information system. The development of information technology has allowed for the possibility of a large number of information available in short time. Significant changes in the world economy have appeared as a result of the information revolution. This was the beginning of an age in which information has become the most important "commodity". The availability of technology and its transfer in today's conditions enables the countries that were lagging behind the developed world (for various political and economic reasons) to quickly make up for lost time. Furthermore, the process of globalization influenced by technological developments requires that the companies and individuals continually educate themselves to be able to master new technologies.

Keywords: Globalization, changes, new technologies
Social Entrepreneurship
Abstract:

Family and company are words used frequently and regularly in our everyday conversations. In layman terms these concepts are clear: family is a group of people we are born into, in which we grow up, that cares for us and protects us up to the point we create our own family when the whole cycle repeats. Company is a group of people connected primarily by the interest of performing the activity of making profit with which the individuals, i.e. employees of the company provide for their everyday existence, and the owners of the company ensure their long-term investment capital. Companies have well defined tasks and goals, and the family's only task is creating a favorable environment for raising people. What happens when family members discover their own interest in acquiring the same company? The result is an emergence of family business. Do the family companies differ from the non-family ones? The fact that the owner of the company is a family is reflected in all business segments. Traditionally, family businesses focus more closely on people, and the treatment of employees in non-family businesses rarely goes beyond the members of equations that measure economic resources. Family businesses are characterized by long-term planning, or at least a vision of the founder that will allow his work to survive for many years. This way successful family companies provide a special opportunity of combining career and personal life to the family members, women and non-family employees, and a strong family company contributes to the local community in which it lives and work in many ways. According to the research family businesses show great resilience in difficult times, when the owners and employees tighten the ranks

Keywords: Family; family business; capital; heritage; challenges, market.
TERRORISM AS A FORM OF SOCIAL ENTREPRENEURSHIP: SOCIAL NETWORKS AS A MARKETING TOOL USED BY TERRORIST

Lana Strmečki, M.A.
GSM: + 385 98 1669 194
E-mail: lana.strmecki@gmail.com

Mirko Bilandžić, PhD, Prof.
Associate professor, Department of Sociology
Faculty of Philosophy, University of Zagreb
Ivana Lučića 3, 10 000 Zagreb, Croatia
Tel: + 385 1 6120 000
E-mail: mbilandz@ffzg.hr

Abstract

Terrorism, a multi-complex and multivariable phenomenon, is the subject of disciplinary, multidisciplinary and cross-disciplinary scientific research and analyses. In this context liminal studies of terrorism through a complementary prism depend on the results of economic science research. Such an approach, as a founded research question, postulates the relationship of terrorism and economy. A consistent theory dealing with the relationship of terrorism and the economy has not been developed. There are two general levels of examination: economic reasons/causes of terrorism and the impact of terrorism on economy. The third level refers to the analysis and application of economic concepts, approaches, methods and techniques for the study of terrorism. Theories of social entrepreneurship represent a relevant application approach for the study of terrorism. Social entrepreneurship is a form of entrepreneurship with ethical integrity whose aim is to maximize social value, rather than private value or profit. Terrorists can be examined as social entrepreneurs because they are not motivated by profit, but by their contribution to social needs where, in order to achieve this goal, they use entrepreneurial methods such as implementation of innovations in warfare; existence of moral cohesion aiming at growth and development of group through systems of "soft power“ and discovery of new resources through transnational crime.

A second dimension of the study of terrorists is based on the fact that they, as entrepreneurs use business functions, one of them being marketing, i.e., e-marketing. Electronic marketing as a way of achieving marketing activities of the company by means of intense use of information and internet technologies is used by terrorists for dissemination of organizational and ideological doctrines, together with implementation of social networks as structures and tools. Such mechanisms of social entrepreneurship and e-marketing operating together form an innovative modus operandi of terrorist organizations, placing them at the top of modern security and economic challenges, which represents the basic hypothesis this paper is based on. Exploration and elaboration
of the aforementioned hypothesis therefore has a policy relevance in the counter-terrorism complex. The paper will include an empirical analysis and case studies of terrorist organizations with regard to their use of the Internet. By means of analysis of primary and secondary sources the paper will offer a systematization of use of social networks by terrorists for the purposes of propaganda, spreading of ideological goals and establishment of organizational stability.

**Keywords:** terrorism, social entrepreneurship, e-marketing, social networks
Tourism and Hospitality Management
ATTITUDE OF YOUNG PEOPLE TOWARDS THE TOURIST OFFER OF THE CITY OF ZAGREB

Klara Lisec, Professional Specialist Econ.
Graduate studies coordinator,
University of Applied Sciences Vern'
Trg bana Josipa Jelačića 3, 10 000 Zagreb, Croatia
E-mail: klara.lisec@vern.hr

Dubravko Kraus, Professional Specialist Econ.
Head of Office for international cooperation
University of Applied Sciences Vern'
Trg bana Josipa Jelačića 3, 10 000 Zagreb, Croatia
E-mail: dubravko.kraus@vern.hr

Abstract

Tourist demand has been increasing year by year, therefore tourist destinations have been faced with finding new ways to attract tourists. Research shows that destination image becomes one of the key factors when making a choice of visiting a certain tourist destination. As the new destinations are emerging on the tourism market they have to adapt to the requirements of globalization process in order to be competitive. One of the fastest growing segments of tourism market is the youth tourism or tourism involving young people both in the world and in Croatia. There is an increasing trend of ever more frequent "young people travels". They travel for a longer period of time to remote tourist destinations in order to learn about different cultures, achieve new friendships, learn a foreign language and to have fun as well. Young tourists are usually better informed about the destination they plan to visit and consult a wide range of sources of information before their trip. Satisfaction of young tourists has become a key factor for choosing a destination due to the fact that the information are easily accessible and other people's opinions and recommendations are crucial for decision making. The satisfaction of tourists can be linked to the quality of a tourist destination or to the quality of the overall tourism offer in the destination. A tourist destination possesses quality, i.e. tourist destination is considered to be of good quality if the overall tourist offer meets the needs of tourists, and finally meets their expectations (Pirija, 2003). The intention of this study was to provide an insight into the level of satisfaction of young tourists by the tourist destination of the city of Zagreb, as well as to determine the quality of tourism in the area. For this purpose empirical research was conducted in Zagreb. The research was aimed to explore and determine the level of satisfaction of young tourists and their
opinion on the offer of the tourist destination. The results show that certain elements of the tourist offer are rated very high, but there is still room for improvement.

**Keywords:** City of Zagreb, destination image, satisfaction, tourist offer, young people
E-Business,
Entrepreneurial Management
and IT
Title: RESEARCH ON INVESTMENTS IN INFORMATION TECHNOLOGY AT THE LEVEL OF CROATIAN PUBLIC SECTOR INSTITUTIONS

Robert Idlbek, PhD  
Professor  
University of Applied Sciences of Požega  
Vukovarska 17, 34 000 Požega, Croatia  
GSM: + 385 98 714 165  
E-mail: ridlbek@vup.hr

Oliver Hip, PhD  
Professor  
High School of Economics Požega  
Osječka 33, 34 000 Požega, Croatia  
GSM: + 385 98 464 054  
E-mail: oliver.hip@po.t-com.hr

Abstract

Recently, the issue of achieving business value and harmony of information technology and business has become an increasingly important topic of information management. In the last 10 years, there has been a noticeable development of methodological frameworks that enable a controlled way of reducing problems and uncertainties that arise from new IT investments. These frameworks provide important and applicable instructions on how to manage informatization, as well as measure the benefits that arise from it. However, these methodological frameworks are adapted in most cases to the real, and not the public sector. The real sector is led by other measures of success, primarily by expanding onto new markets, fighting competition and generation of profit. In the public sector, the concept of profit is mostly lacking, and the investments in IT should be directed towards actualization of public services and public goods in general. In these conditions, it is considerably more difficult to assess which IT investments will contribute to achieving business value and which investments are more or less harmonized with the business. In the process of evaluation of new investments in the real sector dynamic financial analyses are necessary in order to calculate revenues, expenses and cash flows. However, in the public sector – due to absence of profit and revenue – in most cases only the calculation of cost of investments is used, which makes them deficient and prone to subjective judgment of management. Therefore, in order to achieve business value from IT, public sector institutions need to use methodological frameworks adjusted to institutional, legal, marketing and organizational conditions in which they operate.
Based on the available literature, this paper provides an overview of experiences and knowledge in the field of acquiring business value from IT. In order to understand the current situation in the Croatian public sector institutions, the survey on information requirements of the public management was conducted and a total of 515 questionnaire responses were analysed. The respondents were 1,700 heads of institutions of the public sector in Croatia, and the survey was conducted on about 60 complex questions that take about a half an hour to answer. Some of the conclusions from that survey will be presented in this paper.

**Keywords:** public sector; the business value of information technology; methodological framework for evaluation of investment in IT
BITCOIN-CURRENCY (SAFETY FIRST)

Jurica Trstenjak, Graduate Electrical Engineer
Lecturer
Strahoninec, odvojak Marka Kovača 15, 40 000 Čakovec, Croatia
GSM: + 385 98 329 1099
E-mail: jtrstenjak@mev.hr

Aleksandra Trstenjak, M. Comm.
Consultant
Strahoninec, odvojak Marka Kovača 15, 40 000 Čakovec, Croatia
GSM: + 385 99 317 02 69
E-mail: aleksandra.trstenjak@gmail.com

Abstract

Bitcoin (BTC) is not only a monetary system, but also a whole series of protocols with a single purpose to support the monetary system. E.g. if you want to send BTC money to a person, in such transactions the whole system (Internet) which will record the entire transaction is involved. In such transactions every trace will be recorded, using algorithms for encrypting and a digital signature in order to make every transaction in the BTC world as secure as possible. As one of the aspects of security, a BTC transaction uses multiple authentications. When a user wants to connect to the Bank server (BTC Bank), let us say a SSL/TLS session will be used and at the same time he has to prove he really is the person he claims to be by using authentication process (username and password). However, there is always a possibility that an unauthorized person finds out the access information (obtained e.g. through social engineering) and introduce himself as a legitimate user of someone’s account (in the BTC Bank). To prevent such a "break" in the world of BTC transactions a multiple authentication is used. 3 parameters that characterize the user are used: name/data known only by the user (username, password), biometric characteristic of the user (apple of the eye, palm/finger prints) and something you have on you (card). Apart from multiple authentications, security of the BTC system is increased by encrypting the data on your own computer (e.g. with the tool TRUECRYPT), making the data useless in case of computer theft (particularly a laptop).

Keywords: Bitcoin, authentication, transaction security, encryption, digital signature
ROBINSON'S LIST – OVERVIEW OF EUROPEAN AND INTERNATIONAL EXPERIENCE

Ela Habek
Student
Faculty of Organization and Informatics Varaždin, University of Zagreb
Pavlinska 2, 42 000 Varaždin, Croatia
E-mail: ehabek@foi.hr

Damir Dobrinić, PhD
Associate professor
Faculty of Organization and Informatics Varaždin, University of Zagreb
Pavlinska 2, 42 000 Varaždin, Croatia
Tel.: +385 42 21 38 71
Fax: +385 42 21 34 13
E-mail: ddobrinic@foi.hr

Abstract

Direct marketing campaigns are based on customer databases. The result of segmentation of these bases are the so-called mailing lists. Mailing lists contain contact details of persons promotional and sales communications are carried out for, and considering the method of collection they can be makers' own, purchased or exchanged. From the perspective of a better response and greater consumer trust, makers' own lists are certainly of the best quality. Purchased or exchanged lists carry a risk of low quality in terms of inadequate coverage of the target segment, as well as a risk that the list gets the attribute "spammer" which can have a very negative impact on the reputation. The legislation defines the method of collection and use of personal information very precisely, where the person whose data is processed has complete control over the process. Special emphasis is placed on the mandatory communication of the purpose of using the data. If the data are intended to be sold or exchanged, data owner's approval is necessary. Due to the fact that in practice there are cases of violations of the law on the one side and the application of simple generic segmentation in campaigns on the other side, the countries form lists/registers of the people who do not wish to receive promotional/sales message and/or calls at a national level.

These lists appear under different names such as "opt-out" lists, "do not call" lists, "spam" lists, Robinson's lists and the like. In Croatia, amendments to the Consumer Protection Act, which came into force in late 2015 prescribe a register of consumers who do not want to receive calls and/or messages in advertising and/or sales over the phone. Until these legal changes took place, the companies which have the trust of customers as "conditio sine qua non" of their business, managed their own registers/lists. With the adoption of amendments to the Act, harmonizing their own lists with the register has
become an obligation for all who carry out direct marketing campaigns. This paper will analyze the issue of protection of the recipient from unsolicited promotional/sales messages and provide an overview of European and international experience in the development and application of Robinson's lists.

**Keywords:** Robinson lists, database, postal (mailing) lists, privacy, unwanted (junk) mail
INTRODUCING OPEN SOURCE SOLUTIONS

Aleksandar Skendžić, PhD
Senior lecturer
Polytechnic "Nikola Tesla" in Gospić
Bana Ivana Karlovića 16, 53 000 Gospić, Croatia
GSM: +385 91 8823 413
E-mail: askendzic@velegs-nikolatesla.hr

Katerina Dulčić, MSc
Lecturer
Polytechnic "Nikola Tesla" in Gospić
Bana Ivana Karlovića 16, 53 000 Gospić, Croatia
GSM: +358 91 538 6801
E-mail: katerina.dulcic@velegs-nikolatesla.hr

Abstract

Software solutions offered by individuals, or more often, by companies whose primary activity is software development, is protected by copy rights. As opposed to this, open code software are protected by GNU (General Public license) license, that deprives the authors of their financial rights on their work, allowing further modifications and adaptations of the software. The new product has to be offered for free, too. As the consequence of this, open source software are not unified, but their price is lower. The companies that produce software offer their program packages with their own operational systems. They offer their packages to educational institutes at reduced prices, accompanied by their educational material. This way future users are educated for the use of offered solutions. Knowledge of higher informatics is required for use, maintenance, and adaptation of open source software. Users that do not have that kind of knowledge have to consider the cost of IT support. IT support is required at the moment of defining contract terms when it is necessary to define functions and the way the program solutions have to perform, as well as maintenance that has to be done promptly in case there is a threat to that specific system. The big IT companies offer their software for automatic updates, unlike open code software that rarely offers automatic updates. On the other hand, open code software is not so widely spread and, therefore, are less often target of cyber attacks. In this article, authors will use analytics and comparative method on accessible general conditions of use and offer of software. They will also elaborate issues that have to be included at the moment of defining a contract, whether it be a purchase agreement contract or a service contract.
**Keywords:** open code software, GNU license, contract of acquisition of software, contract of software maintenance, security of information systems
Organizational Theory
and
Strategic Management
OUTSOURCING IN PUBLIC SECTOR: A CASE OF CLEANING SERVICES IN CROATIA

Neven Šipić, MSc
Lecturer
Zagreb School of Business
Ulica grada Vukovara 68, 10 000 Zagreb, Croatia
Tel: +385 95 536 5016
E-mail: neven.sipic@vpsz.hr

Tomislav Puškarić
Director, KST Trgovina
Part-time student, Undergraduate Professional Study
Program of Marketing and Communication
Zagreb School of Business
Kolarova 7, 10 000 Zagreb, Croatia
Tel.: +385 1 2319 788
E-mail: t.puskaric@kst-trgovina.hr

Abstract

Outsourcing services has become a reality for state companies in Croatia since the need for cost rationalization has become necessary in the public sector. Since the topic is of great daily-political importance, this article further explores outsourcing and its implementation in a public sector, especially outsourcing of cleaning services. Strategic advantages of outsourcing are presented as a tendency that has strongly influenced a shifting classical firm’s organization and has become a fundamental strategy for restructuring an organization in order to achieve competitive advantage in a time of recession, when companies revert to their core activities.

According to the experiences of K.S.T. Trgovina d.o.o., outsourcing will be introduced as a practical example and analyzed as a way to reduce costs in public sector. Furthermore, the need of process externalization in public sector that results in reduced costs and increased efficiency through analysis of past experiences in K.S.T. Trgovina business case will be demonstrated.

Keywords: outsourcing, cost reduction, increased efficiency, restructuring strategy, competitive advantage
CSR
and
Sustainable Development
COMMUNICATION OF NON-FINANCIAL IMPACTS OF COMPANIES IN CROATIA

Mirjana Matešić, PhD
Director
Croatian Business Council for Sustainable Development
Prilaz Gjure Deželića 30, 10 000 Zagreb, Croatia
Tel: + 385 1 483 6650
Fax: + 385 1 483 6771
E-mail: mirjana.matesic@hrpsor.hr

Abstract

Since January 1st, 2015, a new Directive on nonfinancial reporting has been in place in the European Union. The Directive prescribes an obligation on disclosure of non-financial impacts for certain type of companies with more than 500 employees. This regulation has strongly increased interest in reporting within Croatian companies. Even though a number of non-financial reports is still relatively limited, in this paper we have made an overview of the available non-financial reports, the ones made using GRI reporting guidelines, as well as those made as an obligation towards Global Compact membership. The goal of this overview is to evaluate the quality of reporting, methodologies used, quality of relived data, and level of declaratory reporting. Apart from this source of information on non-financial communication, we have used the data collected by using the CSR Index, a methodology for ranking companies in Croatia using the CSR criteria. The CSR Index is a project of the Croatian Chamber of Economy and Croatian Business Council for Sustainable Development. Every year the CSR Index uses a number of criteria collected in an on-line questionnaire in order to evaluate social responsibility of Croatian companies. In this paper, we have used desk analysis methodology to evaluate results obtained in 2015. The CSR Index evaluation process, as well as CSR implementation were used to evaluate the quality of revealed information against the level of declaratory claims. Using both of these sources of information, we have defined problems in reporting, and made suggestions on how to improve the non-financial reporting process in order to increase transparency of Croatian business.

Keywords: corporate social responsibility, non-financial reporting, CSR Index, companies, transparency, report
CRM AND THE CHALLENGES OF IMPLEMENTING E-OFFICE IN A NON-PROFIT ORGANIZATION

Katarina Plećaš, B. Econ.
Office Manager
Croatian Business Council for Sustainable Development – HR BCSD
Prilaz Gjure Deželića 30, 10 000 Zagreb, Croatia
Tel.: +385 1 4836 650, 4836 653
Fax.: +385 1 4736 771
E-mail: katarina.plecas@hrpsor.hr

Sanja Rocco, MSc
Head of marketing department
Zagreb School of Business
Ulica grada Vukovara 68, 10 000 Zagreb, Croatia
Tel.: +385 1 6310 888
Fax: +385 1 6310 628
E-mail: sanja.rocco@vpsz.hr

Abstract

Customer Relationship Management (CRM) as an important part of modern business organizations requires a special place in the management strategy. The fact that current theory of customer relationship management has shifted towards the responsibility of the organization to its clients shows how important relations with stakeholders, especially customers, really are. In order to be transparent and responsible, changes in an organization are required, not only in marketing management and strategic planning, but also in availability and updating of information about the client and his needs. Customer Relationship Management shows sustainability and social responsibility of an organization. E-business implementation in a non-profit organization, whose activity is dedicated especially to sustainable development, opens up a series of assumptions which require change in the way of doing business. Introducing advanced technologies in Croatian Business Council for Sustainable Development (HR BCSD) has enabled prompt and high quality marketing management as well as customer relationship management with its members, by reducing financial costs as well as natural resources. By using methods of standardization while entering data, information will become available to everyone and allow for a categorization during the preparation of various analysis reports and by that, enable transparency and easier planning of activities. Numerous challenges appearing in the process of implementation have to be overcome. This paper will start by reviewing the literature and defining basic terms, following presentation of the HR BCSD with its action plans and marketing strategy management. Research questions to be considered are: how does the HR BCSD manage relations with its members, and what are
the possible obstacles and positive effects of implementing e-business. For this purpose we will analyze the results of a strategic workshop as well as members’ survey, conducted in 2014. Based on the analysis, we will make conclusions and recommendations for further actions.

**Keywords:** CRM, sustainable development, marketing management, e-office, HR BCSD
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