

DIGITAL ADVERTISING MARKET IN BELARUS: CURRENT STATE AND DEVELOPMENT PROSPECTS

I. TARASEVICH, S. IZMAILOVICH
Polotsk State University, Belarus

This article systematizes information on the main digital marketing tools and the specifics of choosing a suitable promotion channel, summarizes the main indicators of the development of the digital advertising market in the Republic of Belarus, and identifies trends and challenges of its development.

The current stage of development of the world economy is characterized by a profound restructuring caused by the widespread introduction of digital technologies. The digitalization of the economy is an urgent process that has embraced all the developed countries of the world. To maintain competitiveness in modern conditions, it is necessary to use modern technologies that allow achieving economic benefits and approaching world leaders in economic development. Numerous legislative acts state that digitalization is a priority prospect for the development of the Republic of Belarus, among which are the Strategy for the Development of Digitalization in Belarus for 2016 - 2022, Decree No. 8 "On the Development of the Digital Economy" and others. All of these legislative acts focus on the need to transform business processes by introducing digital technologies into all spheres of society [1]. The advertising services market is also undergoing significant changes.

The advertising services market is the totality of consumers of advertising services provided by advertising agencies and their other manufacturers [2]. However, in modern conditions, many organizations face the fact that the use of traditional advertising services is no longer enough to ensure the competitiveness of their products. The digitalization of the economy has led to the emergence of new types of advertising services and methods of promoting goods. This determines the increased attention to digital technologies for the promotion of goods and services.

There are currently numerous digital promotion technologies. Consider main digital marketing tools, represented in Table 1.

Table 1. – Analysis of main digital marketing tools

Tool	Description	Advantages	Disadvantages
1	2	3	4
Social Media Marketing (SMM)	The essence of social media promotion (SMM) includes the distribution of content, which takes place without the participation of the developer. SMM is one of the main digital marketing tools in 2021.	SMM is a convenient channel to reach the target audience. Social media allow freely selecting the required audience by age, place of residence, interests. There is also an opportunity to use SMM not only for promoting goods and services, but also for attracting audience to various media and organisations, which can be achieved by creating a social media profile and interacting directly with the target audience.	SMM means activity on resources that do not belong to the advertiser. There is a risk that profiles, groups, pages in which money, time and effort are invested will be hacked, blocked or deleted at any time.
Contextual advertising	Contextual advertising is keyword-bound. The most popular channels of contextual advertising are Google Adwords and Yandex Direct.	High efficiency due to the fact that contextual advertising can be targeted: it is aimed at the target audience, which, through certain queries on the Internet, shows interest in a specific type of goods, works or services.	Contextual ads stop showing as soon as the ad budget drops to zero. In addition, the price per click is unstable - despite the fact that contextual advertising systems give a budget forecast, these are always approximate figures.

End of table 1

1	2	3	4
Banner advertising	One of the types of display advertising. A banner is an advertising image that, when clicked, leads to the advertiser's website.	Large reach, increasing brand awareness, and focus on the target audience, since the advertiser independently chooses which resources to place his advertisement on.	Large budget, several times higher than the budget of contextual advertising, as well as frequently wrong choice of target audience, since the total number of website visitors can significantly differ from the number included in the target audience of the advertiser.
E-mail marketing	A way to promote products or services using email newsletters. This digital marketing tool can be used effectively when the organization already has a customer base, which is necessary to keep in touch with and notify about new offers.	High return on investment, efficiency in attracting new customers, integration with other communication channels.	A contact base of customers is required; the system's frequent recognition of emails as spam, as well as a decrease in the level of email use, especially among a young audience.
Content-marketing	A long-term marketing strategy aimed at attracting the target audience and connecting with it. For these purposes, marketers create and distribute relevant content.	Allows not only attracting new clients, but also keeping the existing ones. According to Content Marketing Institute research, content marketing attracts three times as many leads as outbound marketing and is 62% less expensive.	Takes a long time to attract the first customers (3-6 months). It requires constant work, and does not guarantee the result - for example, in the case of a small business it will be much more efficient to invest in traditional advertising.

The variety of digital marketing tools can make it challenging for advertisers to choose the best channel for their ad distribution. Therefore, before resorting to one of the above tools, it is necessary to conduct a comprehensive analysis of target audience in order to determine the best way to interact with it.

In Belarus, the digital advertising market is still developing. A study conducted by the IAB Belarus showed that Internet advertising budgets are growing every year. Among 51 companies surveyed, 88.2% confirmed that the share of investments in online advertising increased in 2018 and 2019. We also analysed the most frequently used online advertising channels. Among the leaders were named advertising on social networks (94.12% of the surveyed companies used it), banner advertising (86.27%), advertising articles (80%) and mobile advertising (78.43%). It is noted that the cost of online advertising has a significant share in the total marketing budget of the brand - for most of the surveyed companies, this value was in the range from 40 to 75%. Among the factors hindering the development of online advertising, the respondents named "the inability of this channel to solve certain marketing problems", "high cost" [3]. However, companies continue to use online advertising channels due to their high effectiveness, good measurability of results and high audience coverage.

Among the changes and innovations desired by brands, there were mentioned an increase in the transparency of cooperation with sites, and the need for an effective audit of the results of campaigns on the Internet. The market still has a problem with advertisers' trust in data from sites. The painful topic of the lack of technical specialists and quality training is highlighted so that marketers can keep up with the rapid changes in the Internet environment.

In Belarus, in 2019, the volume of media investments reached \$ 114.4 million. According to this indicator, there is a steady positive trend - compared to 2016, the volume of media investments increased by \$ 42.5 million. Dynamics of the volume of media investment in Belarus in 2010-2019 is illustrated in Figure 1.

Economics

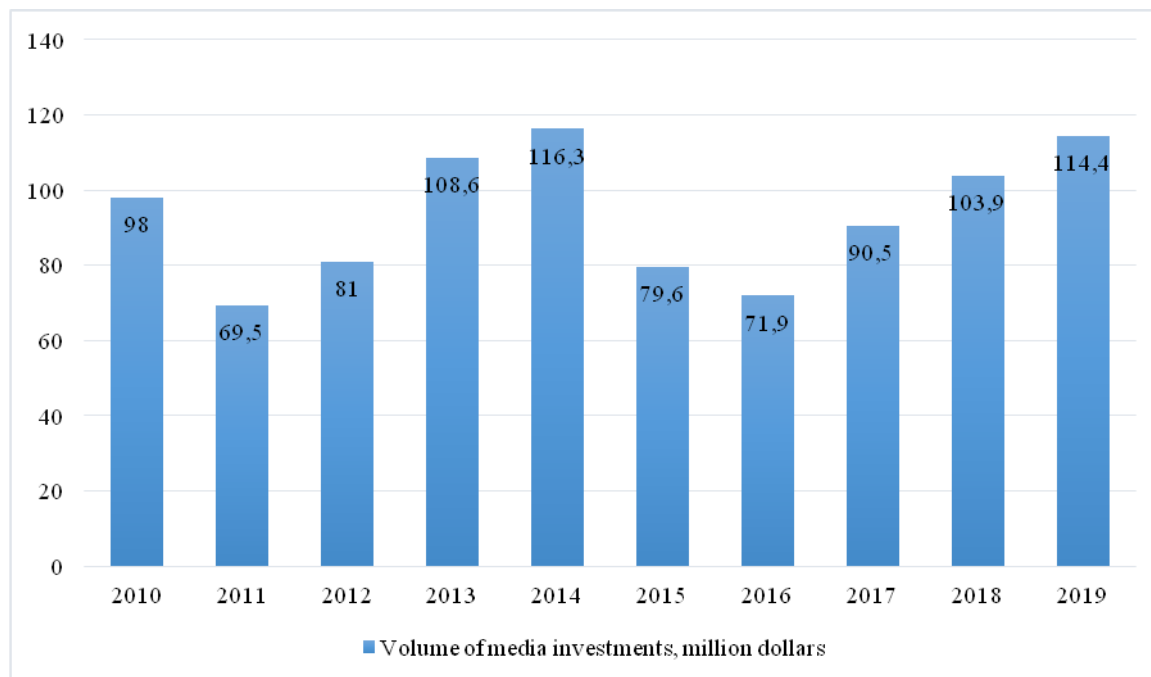


Fig. 1. – Dynamics of the volume of media investments in Belarus for 2010-2019, million dollars

In 2019, \$ 44.9 million was invested in the Internet as an advertising channel. In the overall structure of advertising costs, contextual advertising takes 63% and media advertising – 37%. Within display advertising, about half of the investments were in banner advertising, followed by PR and articles and video advertising. In total, \$ 15.9 million was invested in display advertising.

The growth in the use of Internet platforms as advertising channels in Belarus is displayed in the increase in the volume of media investments. According to the Association of Interactive Advertising and leading Belarusian sales houses, the volume of media investments in the Internet as an advertising channel in 2019 amounted to \$ 44.9 million, while advertisers invested \$ 41 million in promotion on television.

One of the main trends in the digital advertising market in Belarus is an increase in investments in online advertising, a growth in their share in the total volume of investments, an increase in mobile advertising, as well as the possibility of transferring buyers from offline to online sales. In addition, a significant stimulus to the development of the online advertising market was the pandemic in 2020, which led to the transfer of many processes to the online format. This was reflected not only in a decrease in the prevalence of advertising in traditional formats, but also in an increase in the number of visitors of many Internet resources, due to which the reach of placed advertising publications increased.

In order to predict the development of the digital advertising market, it is necessary to identify its current key trends. Undoubtedly, one of these trends is the use of social networks as a promotion channel. There are 7.82 million Internet users per 9.5 million inhabitants of Belarus (penetration 82.8%). Only 41% of the population uses social networks (3.9 million). On average, in Western Europe at the beginning of 2021, this indicator was at the level of 65%. Thus, Belarus lags behind the regional averages. For comparison, the average for all countries at the beginning of 2021 is 53.6%. The absolute increase in comparison with the beginning of 2020 amounted to 13.2%, which indicates an active growth in the number of users of social networks, and, consequently, the prospects for investment in this advertising channel.

Another trend that will remain relevant for a long time is mobile marketing. Here are a few indicators as evidence:

- 55.7% of all Internet traffic comes from mobile devices;
- 52.8% of the time spent by users on the Internet was spent on mobile devices;
- The number of mobile device users in 2021 reached 4.32 billion;
- 92.6% of all Internet users use it through mobile devices [4].

The significance of these indicators for digital marketing is as follows: the predominance of mobile Internet users in the total number of Internet users indicates the need to adapt all types of online advertising for mobile devices. Advertisers who ignore this trend run the risk of losing customers.

The main directions of development of the digital advertising market at this stage are the development of legislation in the field of Internet services provision, the training of specialists in the field of Internet market-

ing who know the specifics of the Belarusian market, as well as the stimulation of the development of small businesses in this area.

An analysis of the current state of the digital advertising market in Belarus showed that this area is developing dynamically, which is accompanied by an increase in the volume of investments attracted to it. This is caused by significant advantages of digital advertising over traditional forms, including high efficiency, significant coverage, transparency of investments, and others. At the same time, the digital advertising market faces various challenges in the course of its development. The distrust of some brands in online advertising is due to the relative novelty of this concept, high costs, as well as the difficulty of choosing the optimal channel for advertising distribution. Despite this, in the context of the penetration of information technology into all spheres of activity, the digital advertising market continues to develop steadily, and in 2021 specialists expect both an increase in the volume of investments in online advertising, as well as an increase in coverage rates, views of advertising publications and site visits.

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