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## **Digitalisation: Connecting Businesses to Consumers**

Edi-Cristian DUMITRA<sup>1\*</sup>, Cristian STANA<sup>2</sup>,  
Claudiu POPA<sup>3</sup>, Ciprian MANEA<sup>4</sup>

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### **Abstract**

*The current paper aims to identify the role of digitalisation in business development and business communication, as the use of digital technologies is important in the daily activities of both companies and individuals. Digitalisation is defined as the use of technology in business processes and operations, which stands as a key element in developing new business models and achieving high efficiency on the market while helping businesses to stay connected with consumers' needs and demands. As follows, the paper highlights the importance of digitalisation by overviewing previous studies and connecting them to the current business environment and the new consumers' behaviour, reshaped by the current social situation. The paper also exposes several points of view on how digitalisation has been used for business development and how digital technologies can be implemented in marketing strategies and business communication. Meanwhile, since the current economic environment has been strongly impacted by the COVID-19 pandemic, the usage of digital technologies represented an important strategic step for businesses to continue their activity and overcome the output of the crisis, keeping both companies and individuals connected. Therefore, the paper shows the necessity to integrate digitalisation in business development and business communication, as the main key to implement new business models and to benefit from the advantages determined by using digital platforms as instruments for building and maintaining a good relationship with consumers and the target audience.*

**Keywords:** digitalisation, digital technologies, business development, business communication, social media, marketing strategy.

**JEL Classification:** D23, M20, M31, O33.

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<sup>1</sup> Bucharest University of Economic Studies, Bucharest, Romania, edidumitra@gmail.com.

<sup>2</sup> Valahia University of Târgoviște, Târgoviște, Romania, stanacristiann@yahoo.com.

<sup>3</sup> Valahia University of Târgoviște, Târgoviște, Romania, av.claudiu.popa@gmail.com.

<sup>4</sup> University Politehnica of Bucharest, Bucharest, Romania, ciprian6@gmail.com.

\* Corresponding author.

## **1. Introduction**

As the COVID-19 pandemic had a strong impact on the economic environment globally, many businesses and governments had to overcome themselves to keep their economic activities on track with the development of the situation. Therefore, digitalization has been strongly used for continuing their activities and to improve the business procedures and business models by digitalising the business environment, especially while adopting social distancing for reducing human-to-human transmission of the virus. Meanwhile, economically, these actions lead to reductions in consumption and unfortunately to the elimination of businesses in some cases (Gregurec et al., 2021).

For a better understanding of the context, the evidence of the most incumbent firms across industries are based on digital processes and operations, while there is a new demand created for digital technologies, that will redefine business models and business plans, so organizations will be able to improve and to keep up with their competitors for providing a long-term value for costumers, highlighting the fact that digitalisation and innovation represents a pair of instruments that must be implemented simultaneously (Parida et al., 2019).

Meanwhile, the current state of the economic environment determined new customers' behaviour and their relations with the business environment. Therefore, digitalisation is also used for connecting businesses with the target audience and to achieve a long-term collaboration with the clients by maintaining a good relationship with them.

Overall, the paper aims to show, by an overview of the scientific literature, that digitalisation is a strong instrument used in both business development and business communication, especially in the current social and economic context in which the Internet of Things (IoT) and social networking platforms are strongly used every day by both organizations and individuals in order to satisfy their needs and to achieve their goals, and since technology and the technological innovation are vitally important in order to improve the efficiency, leading to sustainable growth (Jones et al., 2017).

## **2. Problem Statement**

As Brennen and Kreiss (2014) exposed in their paper, digitalisation can be defined as “the adoption or increase in the use of digital or computer technology by an organization, industry, country, etc.”, while digitization can refer to “the action or process of digitizing; the conversion of analogue data into digital form” (Parviainen et al., 2017).

In the last period, most businesses tended to implement the latest digital trends that can improve the accessibility of all processes and operations, while providing greater efficiency for organizations to incorporate the latest technologies for increasing their sustainability. Based on that, using the computerized technology innovations, companies provided a smoother approach to their activities and operations, while establishing better management for keeping up with the business

environment's needs and customers' behaviour. At the same time, digitalisation has been used for developing administrative operations, making it easier for human resources to complete tasks by designing new communication services to increase the accessibility of incoming or outgoing information. Thereafter, the role of digital technology is not too foreign to many organizations that have implemented digitalisation in their business operational model (Hendriato, 2021).

Meanwhile, in this increasingly digital era, the COVID-19 pandemic also determined the relationships between organizations and customers to be reshaped and new business models to be created by companies to overcome the economic and social impacts of the situation. Organizations in all industries needed the agility to be flexible and to pivot rapidly for pursuing new business opportunities and to adopt to the fast-paced global business environment's development (Parida, 2018). In addition, current digital technologies have reshaped the way businesses approach their value proposition and value demonstration by creating new requirements for business models and business strategies (Ritter, Pedersen, 2020).

Digitalisation seems to be concentrated on data and the large amounts of information that can be accessed using a computer linked to a network connection, but this data should be considered exactly what it is: a model of the world that it describes (Gray, Rumpe, 2015), which should be used by companies to increase their reach to the targeted audience, while reforming their processes and activities, facilitating a better development in their production segment, and organizational management.

At the same time, leading ICT (information and communication technology) companies have suggested that while using their sector, businesses can have a better approach to achieve the sustainability goals, while leveraging the mobile networks to deliver their messages or their services to the targeted audience or the direct clients. As the literature has already confirmed, ICT relates to sustainable development, contributing to the achievement of the sustainability goals of the business environment and, as the current state has proved, to overcome some difficulties generated by the lack of human-to-human contact while doing business in the pandemic (Jones et al., 2017).

Parviainen et al. (2017) affirmed in their paper that while companies implement digitalisation for their activities, both the managerial environment and the operational environment are subjects of changes at several levels: process level – adopting new digital technologies for reducing manual steps; organizational level – creating new services and reshaping new services for offering them in new forms; business domain level – implementing changes in organizational structures and value chain in ecosystems; society level – redefining society structures (such as type of work, fields of work, influencing decision making, etc.).

Therefore, digitalisation and the Internet of Things have changed both economic and social environments, bringing more value to the activities of both companies and individuals, generating more economic growth to achieve the sustainability goals (Jones et al., 2017). By using both, besides the increase in their competitiveness, companies can also transform their services and products into digital business

opportunities, while using the tools provided by IoT for studying consumers' behaviour and analysing attitudes and consumption to establish a better business model for their activities (Sestino et al., 2020).

### **3. Research Questions / Aims of the Research**

The main goal of this research is to prove that digitalisation is a significant key for businesses to overcome a crisis and to develop in the current state of the business environment while improving their processes and activities, especially the business communication between organizations and the targeted audience by the marketing strategy.

Therefore, the purpose of the study is to highlight the importance of implementing modern technologies in both economic activities and business communication by answering the Research Question: *Did digitalisation facilitate business development and business communication?*

### **4. Research Methods**

For answering to the question of this study, the researchers will use in their investigation the method of reviewing and analysing the previously published case studies that approached related questions. The case studies have been searched electronically and selected from a digital database. All the case studies that have been used for this paper are listed as references.

To state a valid answer, the authors seek to understand the questions about digitalisation by reading preliminary literature and driving the highlights of the study cases, focusing on publications between 2008 and 2021.

### **5. Findings**

#### ***5.1 Digitalisation and Business Development***

Since digitalisation is already impacting organizational processes and the business environment, companies have elaborated new ways of working, acknowledging that without implementing the digital technologies, their business model cannot keep up with the changes in the market (Parviainen et al., 2017).

Firstly, and the most important aspect of digitalisation and the business development is that after companies understood the benefits of using the digital technologies as tools for their business model and business strategies, organizations are able to increase their collaborations, to accelerate their decision making, and to create and build new products while gaining more visibility across operations and activities. Thereafter, by implementing the digital approach as their targeted solution, businesses can make a higher profit and can transform their activities to continue innovating while using digital technologies for increasing their connectivity with customers (Hendriarto, 2021).

Secondly, as Parida (2018) demonstrated, in this digital era, the biggest challenge for the companies to adapt to the current digitalised environment represented

the lack of digital skills and culture in organizations. Highlighting the need to focus on people and culture for achieving the digital transformation, as shown in Table 1, Parida (2018) identified five digitalization transformation challenges and some solutions for the exposed aspects. But this does not mean that digitalisation can be implemented without social or economic impacts. Taking into consideration the manufacturing industry, the automatization and digitalisation will provide greater efficiency by using the digital technologies, but at the same time, the labour force will need to be restructured or reinstructed with new digital skills, as many workplaces will be reduced due to the replacement of humans with technological instruments.

The skill revolution will take place because organizations will face a strong challenge by integrating devices, computers, and the workforce into their economic activities to achieve higher efficiency and sustainability by using digital technologies. Meanwhile, the most important aspect is that while applying the digital technologies, companies cannot develop alone. This is the reason why, while implementing digital technologies, the microeconomic environment should be relating to the macroeconomic current situation, and why the governments are also responsible for creating the necessary infrastructure for digitalisation to be organized and available for companies to develop sustainable business models.

**Table 1. Digitalisation transformation challenges**

<b>Challenges</b>	<b>Actions to be done for overcoming the challenge</b>
Implementing political digitalization agenda	stimulating the development, spread, and use of the new available digital technologies by exploiting the potential of digitalization on national level and adapting the infrastructure while creating framework conditions and instructing the new knowledge
Digital platforms for entrepreneurship	developing digital strategies and action plans for reducing the number of jobs and implementing new business models
Workforce requirements and new skill development	integrating new skills for increasing the sustainability provided by digitalisation while promoting flat organizational structures and more management innovations
Digitalization forces business model innovation	embracing service-oriented business models for staying competitive in the manufacturing industry while exploiting digital technologies for offering advance services
Unrealized value of big data analytics	providing the easiest access for all stakeholders to big data by actuators for data collection and networks of low-cost sensors

*Source:* Adapted from Parida (2018).

Thirdly, as Ritter and Pedersen (2020) showed in their paper, digitalisation must be employed in the business model, because otherwise, a company's digitalisation capability will represent just an expense with no returns on the investment. Since implementing digitalisation requires transition costs, if the digital technologies are not integrated into the organization's processes and activities, the company will not develop its value proposition and value demonstration based on its business plan's capabilities. Once again, the integration of digital technologies and workforce is highlighted as the most important aspect of developing business models based on digitalisation and customers' behaviour.

Meanwhile, digitalisation also pushed companies to adopt hybrid business models that required investments in people skills and corporate culture; reshaping the organizational culture of companies.

As Sestino et al. (2020) presented in their paper, companies had to implement digital workplaces characterised by mobile, flexible, and team-oriented working methods; taking into account at the same time not to neglect employees' psychological needs for a secure workplace and their attitudes about shifting from the established corporate culture to a new working environment based mostly on uncertainty.

One more aspect is that "Digital business strategy is different from traditional IT strategy in the sense that it is much more than a cross-functional strategy, and it transcends traditional functional areas (such as marketing, procurement, logistics, operation, or others) and various IT-enabled processes (such as management, customer service, and others)" (Bharadwaj et al., 2013). This is especially important in the context in which digital operations have been predominantly used in the last two years as the COVID-19 pandemic was impacting directly the global economic environment and many businesses kept their activities ongoing by using the digital platforms, social media networks, video conferences, and digital communication channels.

Therefore, implementing digital technologies in business models represents one of the key decisions to prosper in the actual business environment and the economic situation of the market, based on the characteristics determined by the current digital era.

## ***5.2 Digitalisation and Business Communication***

As far as digitalisation and implementing digital technologies helped business development; it has also removed the traditional supply chain by creating new intermediates and offering direct access to consumers through the increase in the social media platforms and mobile devices use (Parviainen et al., 2017).

As follows, it is important to discuss the implications of digitalisation on business communication and marketing strategies as well. Therefore, over the last two or three decades, companies understood that a digital functional-level strategy must be incorporated into the business model (Bharadwaj et al., 2013), especially when digitalisation can reshape business communication and marketing

strategies, due to the increase in usage of the digital technologies by both businesses and individuals.

Since the digital era determined appropriate levels of information and knowledge to be the critical key to success, organizations adopted processes and technology changes for adapting to the world of increased environmental complexity (Al-Debei et al., 2008), so the need for digitalisation has increased considerably and its elements have been implemented in business communication as a response by companies in order to adapt their business strategy to the customers' new economic behaviour.

As a result, the business faced a gap between the business processes and business strategy, a gap determined by the dynamic environment, a high level of competition, and uncertainty. This gap has been proved important once more in the environment established by the COVID-19 pandemic in which digitalisation alongside business communication has played a significant role in developing new business models, reshaping strategies, and marketing approaches for keeping the activities running and prospering in the current situation.

The main goal of business communication is to provide a strong connection between the company and its customers. Thereafter, digitalisation is a crucial element in developing business communication, considering that nowadays in business model innovations, the preference to increase brand and corporate awareness using social media is highly suggested. This is relevant because the social network users are mostly teenagers and young adults; therefore, companies can use this to their benefit by attracting fresher and younger potential clients that can be retained and formed as long-term customers by the marketing strategies (Hendriarto, 2021). At the same time, companies can increase the sustainability of their activity by maximizing their profitability, providing a platform for the consumers to reach the organization and to offer feedback, which can be used furthermore for improving the products or gaining new consumers.

New customers' behaviour means at the same time a new kind of consumer that demands a new way of approaching business activities and processes. In this way, nowadays many companies are using new digital technologies and platforms for building a better customer relationship, thinking about implementing in their operation new social digital platforms, such as: websites, social media accounts, and marketing strategies to facilitate the interaction with consumers and their target audience (Ilcus, 2018).

Moreover, Patrutiu-Baltes (2016) exposed some advantages of using digital technologies in business communication, such: networking; brand development; reduced costs; global market access; permanent interactivity with customers; attracting new customers; faster dissemination of information; analysis of direct competitors; developing a long-term relationship with customers; as well as the possibility of recruitment in vacant posts.

As presented in Table 2, digital business communication can be used by several means and tools, each one being helpful in transmitting information to the target audience. At the same time, some platforms can also be used for several other

actions; therefore, the marketing strategy should incorporate more than only one tool for establishing a good marketing mix and a higher reach within the globalized economic environment. Business communication is also part of the marketing strategy of an organization, therefore thanks to digitalisation, companies nowadays also have access to new tools that can be used by marketing managers to collect data for identifying gaps or emerging current trends in consumers' behaviour.

**Table 2. Usage of digital business communication**

<b>Mean</b>	<b>Tools</b>	<b>Benefits</b>
Direct communication by digital platforms	Mobile devices	Business communication must be adapted for mobile devices, becoming easier to access and reaching a higher audience since individuals are permanently connected to their smartphones.
	Websites	Should represent business cards for companies and can provide easier access to data subtraction.
	Blogs	Can help to improve the brand personality by allowing custom communication and long-term relationships between businesses and customers.
Direct communication between the companies and the targeted audience	Email marketing	The most valuable tool for Business-to-Business communication, helping the direct communication between the company and the targeted audience by contacting the consumers that have subscribed to Newsletters.
Digital communication using social network platforms	Facebook	The largest social network in terms of the number of users that can connect people worldwide with the company's business, is ideal for medium and small businesses since it can reduce the marketing costs by improving the direct communication between companies and customers.
	Twitter	Even if it provides a smaller reach, can be used for marketing and promotion, generating leads, and helping companies to communicate different information and offers to the targeted audience.
	LinkedIn	Since it is the largest online professional network, can be also used to raise awareness, improve the company's image, and for recruitment of new employees.
	Instagram	Companies should include it in their marketing strategy to promote their products/services using pictures and videos, which can be transmitted in a user-friendly environment to capture users' attention.



Mean	Tools	Benefits
	YouTube	Allows to create an online community using video materials such as: product presentations, tutorials, problem-solving situations, etc.
Secondary communication by digital platforms	Specialized forums	Can increase the trust of the targeted audience using reviews written by customers as “word of mouth” publicity.
	Webinars	Sensitive tool that can be used to raise awareness and to increase the company’s reputation by determining the targeted audience to gain more trust in the company’s products.

Source: Adapted from Patrutiu-Baltes (2016).

Digitalisation helped as well in establishing stronger bonds with the targeted audience, by shifting toward multichannel and multimodal communication, increasing users’ immersion, developing stronger customer retention and better consumer experiences. In this digital era, customers can now purchase products and demand services without leaving their home, by using a mobile device and the available communication channels, so the customer experience is better because even the online stores are slowly eliminated and the post-purchase experiences are sustained by reviews and website visit, improving businesses’ awareness in the targeted audience using the word-of-mouth. Meanwhile, as speed and personalization represent the pylons of e-commerce, companies and individuals can communicate in real-time and agree easily on transactions by direct connections using social media networks. Also, the targeted audience will increase its trust in the products and the organization based on the reviews that are easily accessible online.

Therefore, business communication is highly important for business models as part of the marketing strategy, because it will help the company to develop and to prosper by keeping in touch with its clients and its targeted audience, but at the same time increasing the credibility of the stakeholders while communicating the general impacts of the company and their benefit to the community (Lopez, 2020).

## 6. Conclusions

As the scientific literature shows, the business model is derived directly from the business strategy, so for organizations to survive and to be permanently improved, digital technologies should be implemented in their processes and economic activities. Moreover, digital technologies are in continuous development; therefore, it is crucial for companies to adapt to the new digital technologies and to integrate them into their business strategy for achieving great competitive advantages (Al-Debei et al., 2008).

Meanwhile, a good marketing strategy can improve business communication in the current digital era, and by use of digitalisation, companies can also increase their efficiency and their products’ quality; can integrate records by using digital systems; can improve response time and client service by increasing the accessibility of knowledge sharing while implementing better business plans and reducing costs

(Ilcus, 2018). While in the past the business communication strategies required considerable costs, nowadays the digital technologies have helped companies to increase their reach to the target audience and to reduce their marketing costs, becoming more efficient in both producing goods or services and promoting them (Patrutiu-Baltes, 2016).

To answer the Research Question: “*Did digitalisation facilitate business development and business communication?*”, as the evolution of digital technologies created great opportunities for businesses, it also came with complex challenges (Sestino et al., 2020) in implementing and adapting them to the business strategy, while reshaping the business environment. But, as Patrutiu-Baltes (2016) also affirmed, digitalisation helped business communication by enabling multichannel business communication, accessible and dynamic, with low costs and great accessibility for adapting to the needs of the targeted audience. Therefore, as the last years have shown, while the COVID-19 pandemic reshaped the economic environment and many businesses have been challenged to survive and adapt to the new conditions of the market, digitalisation has been an important key to maintaining their economic activity and their contact with the customers while increasing their visibility to the targeted audience.

Meanwhile, since the pandemic influenced several emerging trends, digitalisation and the combination of digital technologies in both processes operations and communication operations helped the business to overcome the outcome of the COVID-19 pandemic while facilitating a better sustainability for the business environment (Gregurec et al., 2021), the ICT industry, stressing its vital role played in driving progress towards the global transformation and the economic growth (Jones et al., 2017).

So, digitalisation facilitated both business development and business communication, providing them with the tools to overcome an important crisis of the current era, emerging a new era for sustainability and economic growth.

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