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B2C ELECTRONIC COMMERCE USING SOCIAL NETWORKS IN THE REAL ESTATE MARKET

***Abstract.** Today's realities are changing the approach to the implementation of the marketing complex in the real estate sector. Real estate objects occupy a special place in any economic system, because the social interests of people and highly profitable economic activities are directly or indirectly connected with them. The Internet is one of the key channels for the promotion of real estate services and a source of market information anytime, anywhere. In turn, mass marketing ceases to be a successful promotion tool. It is replaced by personalized marketing focused on the needs of each individual customer. An effective and convenient tool for personalized marketing are social networks, which have now completely covered society, both in the personal dimension and in relation to business processes. The focus of promotion through social networks is audience segments, micro-segments and the targeting of the commercial offer to each consumer, as well as the possibility of building fast online communication. However, these processes also have a number of problematic points. The purpose of the article is to consider the problems associated with the promotion of real estate through social networks. As a result, ways of solving difficulties are considered, which will help real estate agencies to become more competitive, because not all companies carry out a detailed analysis of negative factors with their subsequent elimination.*

Keywords: B2C electronic commerce, social networks, real estate market, real estate objects

Introduction. The model of B2C (business-to-consumer) e-commerce using social networks in the real estate market is that companies, real estate agencies sell real estate, whether residential or commercial real estate, through social networks. As traditional methods of promoting and managing the real estate market tend to disappear, a new era of a digital real estate market management approach comes to dominate [10].



Source: DemandSage

Figure 1. Number of social media users from 2017 to 2023 (+future predictions) [3] (GlobalLogic (A Hitachi Group Company))

Real estate is a field of activity formed on network interaction, from this it can be concluded that it is naturally suitable for social networks. Social media marketing can strengthen a brand, keep it on top, and attract a large number of new customers.

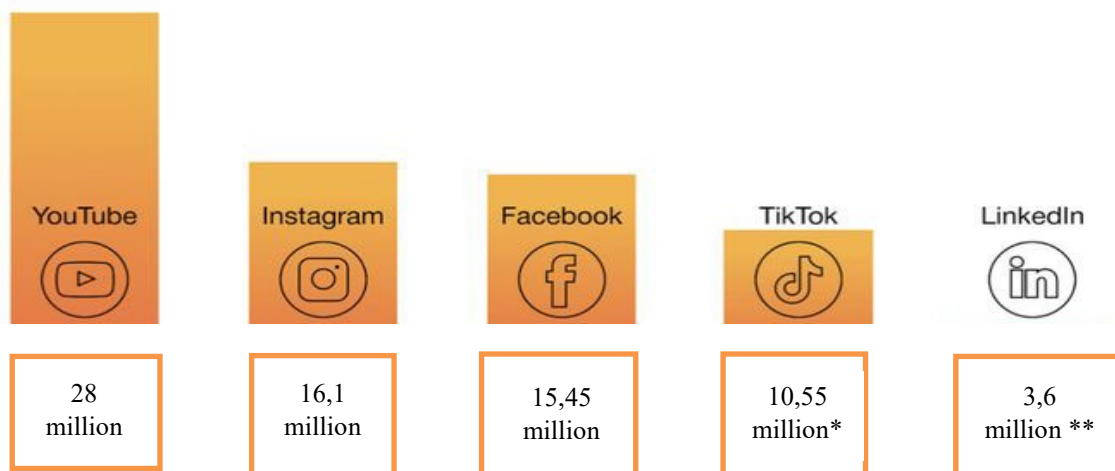
Social media advertising is a group of terms used to describe forms of online advertising targeting social media services. One of the main advantages of this type of advertising is that advertisers can take advantage of users' demographic information and target their ads accordingly. There are different ways to advertise real estate on social media: post,

survey, customizable ad, article, group, social media page (both personal and group). Information can also be posted in the form of a video, text note or photo.

The use of different platforms helps to attract more customers and, in fact, increase the number of orders [1]. Real estate agencies can use social media to communicate with their clients, provide advice and support, and collect feedback and reviews of their products.

Today, for the implementation of the B2C e-commerce model, social networks are most often used: "Facebook", "Instagram", "TikTok". They allow you to place advertising posts, create official pages and customer groups. In fact, potential clients in the real estate market have moved to the digital space, which meets the challenges caused by the transition to new technologies [7].

According to GlobalLogic, as of 2022, approximately 76.6% of Ukrainians use social networks in Ukraine. The popularity rating of social networks looks like this (Fig. 2).



* The number of users over the age of 18

** LinkedIn restricts use of its platform to persons 18 years of age or older

Figure 2. Popularity rating of social networks in Ukraine in 2022 [4]
(GlobalLogic (A Hitachi Group Company))

It is worth noting that now "TikTok" is more popular than in 2022.

Facebook is the most popular social network for real estate marketing. In fact, 90% of real estate agents use it to promote their ads to the public. Instagram is second, with 52% of agents [5].

To attract new customers, real estate agencies use various practices, such as search engine optimization, contextual, targeted advertising. The latter is focused on ads directed at a certain group of consumers. Premium real estate is not of interest to every user of social networks, and developers prefer to use channels that will definitely bring sales, such as contextual and media advertising. Meanwhile, social media also allows you to find potential

premium home buyers and often costs less than context. In addition, social networks collect more user data and know their interests better than search engines, so targeting can be more effective for selling such exclusive products. However, there are a number of peculiarities in working with social networks in the promotion of real estate objects. For example, when working with Instagram, it is important to stick to a posting plan, regularly adding high-quality and beautiful images [9]. When promoting real estate objects, especially in relation to primary real estate, it works very well, you can provide high-quality content, reflecting the progress and features of construction, the competitive advantages of the object. According to experts, the most important factors in today's Ukrainian reality when choosing real estate are location; superficiality; wall and ceiling material; structural features of the building and floors; planning; the general condition of entrances, common corridors and the surrounding area; availability of autonomous heating and the total cost of utility payments; availability of security and surveillance; the presence of an underground parking lot or a parking space in an open parking lot; the presence of a bomb shelter [6]. All these key topics can become topics for posts to highlight the positive aspects of the real estate object.

An important component of working with social networks is ensuring high-quality customer service, speed, efficiency of information provision, as well as reliability and completeness.

O. Shcherbak believes that by 2025 the volume of the e-commerce market in Ukraine will reach more than 7 billion dollars with an annual growth rate of 18.76%. These are the highest indicators among the countries of Central and Eastern Europe [8].

Research results. Successful marketing campaigns require the right marketing tools. A knowledge of these is particularly important in real estate marketing, as a lack of knowledge can become a real challenge and thus significantly affect the marketing of a property. Marketing objectives must be understood, and the marketing tools must be adapted to them to market real estate successfully. The main challenge can come from both, overuse, and underuse of various marketing tools [11].

The use of social networks when selling or renting real estate is a must, because online platforms are so common in modern life that they don't even make a company too competitive anymore, because the presence of e-commerce is now something common and an absolutely necessary phenomenon, but understanding the problems when implementing the B2C e-commerce model and implementing solutions will definitely make a real estate agency more

competitive, because not all companies carry out a detailed analysis of negative factors and their subsequent elimination.

Competition with traditional sales channels. B2C e-commerce in the context of social networks in the real estate market faces competition from traditional sales channels such as newspapers, bulletin boards, direct visits to real estate agencies. Currently, agencies that have their own electronic platforms and actively develop them take away a large part of potential customers. The positive effect of using modern electronic tools can be:

- Improvement of pricing policy. E-commerce provides more competitive prices compared to traditional sales channels. Attracting new customers through competitive pricing can help in the fight against traditional sales channels.
- Improving the marketing strategy. Social media is a powerful e-commerce tool. As practice shows, advertising products on popular platforms can attract more customers and expand the audience. In addition, you can negotiate for advertising with bloggers or "barter", which does not require large investments, you can also agree to do mutual advertising with construction and development companies.
- Development of own brand. E-commerce can develop its own real estate brand that will compete with traditional sales channels.

The problem of security and data protection. B2C e-commerce using social networks in the real estate market is associated with the collection and storage of a large amount of personal data of customers, which can make the system insufficiently protected from cyber attacks and data security breaches.

Ways of solving:

- data storage on secure servers. E-commerce must store personal data on secure servers with a sufficient level of protection against cyber attacks and unauthorized access;
- regular security testing in order to identify possible vulnerabilities and breaches of data security and take timely measures to eliminate them;
- proper storage and use of data. Agencies must comply with the rules of storage and use of personal data of clients in order to avoid their unauthorized use and violations of the law;
- use of secure protocols. E-commerce must use secure communication protocols such as HTTPS to ensure the protection of personal data during transmission over the network. You can also use encryption to protect important data in the system;

- use of authentication mechanisms. User authentication mechanisms must be in place to ensure that only authorized customers have access to their personal data.

Insufficient interaction with potential buyers on social networks. If an agency does not respond to buyers' questions or comments, it can lead to a negative impact on the brand's reputation and reduced sales. There can also be problems with advertising campaigns if the company is unable to effectively target its advertising efforts to the right audience on social networks. In addition, it is always necessary to pay attention to both negative and positive reviews, give feedback, involve buyers in surveys, quickly and clearly answer and provide consultations. All these factors affect the company's reputation. Social media real estate involves a lot of moving parts and close attention to detail [2].

A B2C e-commerce model using social networks may require significant investment. For example, to create and maintain a website, develop special programs and applications for mobile devices, advertising campaigns in social networks, etc. Problems can arise with a limited budget.

One of the ways to solve this problem can be investment attraction. To attract investors, it is necessary to have a high-quality business presentation and a business plan, which will reflect potential income and risks. Additionally, partnerships with other companies can be considered to reduce advertising and promotion costs. This may include joint advertising campaigns, cooperation with construction and development companies on e-commerce platforms, etc. It is also important to use resources efficiently and focus on key aspects of the business to reduce unnecessary spending. For example, you can simplify a site or application to reduce the costs of their development and maintenance, which will also be quite convenient for customers.

Competing with other real estate agencies that are already successfully using social media to sell and rent their properties. High competition in the B2C e-commerce market in certain segments can create difficulties for new entrants who are just starting their activities in this segment. This may be due to the fact that the existing companies have more experience, a large customer base, a larger volume of financial resources and a higher popularity in the market, so it may be difficult for new entrants to find their niche and perform their functions effectively. There may be large advertising costs.

To solve this problem, new entrants can use different strategies, for example, specialize in a certain market segment, offer unique services, discounts and promotions to attract new customers, use new technologies and other innovative methods. In addition, you can learn from the example of successful companies.

The need to comply with legislation. Compliance with the law can be an expensive and difficult task for entrepreneurs, especially for those working in e-commerce. We can also include the lack of a single legal framework, which is one of the most serious problems hindering the development of B2C e-commerce in Ukraine.

To date, the regulatory field in the field of e-commerce is scattered among various laws and regulations, which creates an imbalance and incoherence. This leads to the fact that e-commerce entrepreneurs are forced to comply with various regulations and requirements, which delays the development of this industry. For example, in order to carry out electronic commerce, the requirements of the law on the protection of personal data must be met, as well as the agreement with the payment system and the requirements of the tax legislation must be observed. In addition, clients may be unsure of their legal status and rights, which leads to the following problem.

Low level of trust in electronic payments. Most Ukrainians are used to paying in cash and do not trust electronic payment systems, which is an obstacle to the development of e-commerce. In addition, cases of fraud, identity theft and credit card theft are common. This leads to the fact that many people consider electronic payments insecure and prefer traditional payment methods.

We can offer to solve the problem as follows:

- raising the awareness of users: it is necessary to carry out active informational work regarding the security of electronic payments and the dangers associated with the use of credit cards and electronic wallets;
- increasing the level of security: it is necessary to ensure the use of reliable encryption systems, two-factor authentication and other measures that ensure the security of payments;
- development of electronic payment systems: it is necessary to develop and improve electronic payment systems, in particular, to ensure the convenience and speed of payment, to expand the range of payment services, etc.;
- increasing the level of control: it is necessary to ensure effective control over the activity of payment systems, prevention of fraud and other types of criminal activity;
- establishing trust between businesses and consumers: e-commerce should work to establish trust between entrepreneurs and buyers, in particular, by introducing quality guarantees, etc.

Inadequate development of infrastructure. Inadequate development of communication infrastructure and the Internet can become an obstacle for e-commerce, because the speed and quality of the Internet connection can affect the speed of loading sites and transactions, which can affect customer satisfaction and loyalty.

To solve this problem, it is necessary to develop mobile applications that would allow ordering services and paying for them, regardless of the quality and speed of the Internet connection.

High level of corruption and bureaucracy. These problems can scare away investors and prevent the rapid and effective development of e-commerce in Ukraine. Non-transparency of processes and illegal actions in public authorities can reduce trust in e-commerce and hinder its development. In addition, unclear legislation and an uneven playing field for different market players can lead to discrimination and corruption.

But this can be solved by ensuring the transparency and legality of one's activities. First of all, the entrepreneur must carefully comply with the legislation and perform all the necessary registration, taxation and licensing procedures. It is important to keep all the documentation related to the business and track all the transactions that take place in the company. To reduce bureaucracy, an entrepreneur can use electronic services and means of communication with state bodies, which will reduce the number of physical meetings and reporting. It is recommended to use the services of law firms that will provide professional assistance in matters of legal business support and reduction of bureaucratic obstacles. In addition, you can participate in public organizations and initiatives aimed at fighting corruption and improving the business environment in the country.

Summarize the above in the form are given in Table 1.

Table 1

Summary table of problem points and solutions

Problem	Solution
Competition with traditional sales channels	Improvement of pricing policy, marketing strategy, development of own brand
Security and data protection	Data storage on secure servers, regular security testing, proper storage and use of data, use of secure protocols, application of authentication mechanisms
Insufficient interaction with potential buyers on social networks	Quick answers, response to both negative and positive reviews, feedback, surveys, consultations.
Significant investments at the initial stage	Attracting investment, simplifying the site or application, using free ads, barter, mutual PR, etc.
Competition with other companies that are already successfully using social networks	Various strategies, unique services, discounts and promotions to attract new customers, new technologies and other innovative methods
The need to comply with legislation	Competent interpretation of requirements, compliance with rules and laws
Low level of trust in electronic payments	Increasing user awareness, increasing the level of security, developing electronic payment systems, increasing the level of control, establishing trust between business and consumers
Inadequate development of infrastructure	Development of mobile applications
High level of corruption and bureaucracy	Ensuring the transparency and legality of one's activities, keeping documentation, using electronic services and means of communication with state bodies, using the services of law firms, participating in public organizations and initiatives

* – “supply chain master”

Conclusions. It is summarize and highlight the most important measures that will help to become more competitive in the real estate market using social networks:

1. Creation of an effective promotion strategy in social networks.
2. Establishing work with the audience, advertising campaigns and with consumers.
3. Ensuring the quality of services and a high level of service. Service quality and company reputation are key factors for success in B2C e-commerce using social networks.
4. Expanding the range of services and improving the service.
5. Provision of a convenient and safe payment mechanism for services.
6. Active interaction with consumers and community creation in social networks.
It is important to ensure communication with consumers.
7. Interaction with bloggers, similar brands, etc.
8. Introduction of our own support service, which will ensure effective communication with clients. It is possible to use a chatbot and autoresponders.

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