

Varazdin Development and Entrepreneurship Agency and University North
in cooperation with:
Faculty of Management University of Warsaw
Faculty of Law, Economics and Social Sciences Sale - Mohammed V University in Rabat



Economic and Social Development

72nd International Scientific Conference on Economic and Social Development –
"Digital Transformation and Business"

Book of Abstracts

Editors:

Irena Zavrl, Dijana Vukovic, Ljerka Cerovic



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Varazdin, 30 September – 01 October, 2021

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METHODS OF START-UP PROJECT DEVELOPMENT WITHIN THE COOPERATIVE RESOURCE MODEL

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ABSTRACT

This article defines the importance of application of the cooperative resource model in the process of innovation implementation. It provides an algorithm for the development of innovative start-ups. The research describes the basic techniques for innovative ideas generation, basic models for innovation project development: Osterwalder business model, logical framework approach, as well as the “envelope” model designed by Klimuk V.V..

Keywords: *Start-up development, Innovation, Algorithm for the development, Osterwalder business model, Logical framework approach, “Envelope” model*

CONSUMER BEHAVIOR OF GENERATION C AS A CHALLENGE FOR MARKETING EXPERTS

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ABSTRACT

There are many generational divisions nowadays, from Baby Boomer, Generation X, Generation Y, to Generation Z (iGen) and the latest Generation Alpha. Each of these generations is attributed with their own characteristics, and the members are determined by the year of birth. However, there is another generation that does not know the age limit, and it is Generation C, whose members are constantly connected via the Internet and devices that are products of the latest technology. Behaviors of members of different generations are frequent topic of scientific research, covering various areas. This paper is focused at the consumer behavior of Generation C members. They are significantly influenced by content marketing, which advertising industry often uses. The results of the research where 11 marketing experts were examined is presented in this paper with the aim to identify the role of social media and phases of the process of product selection, to answer the question about which social media platforms are used the most, to determine the relevance of social media and UGC and the relationship between UGC and FGC as well as to determine level of credibility of content published on the observed social media platforms.

Keywords: *Generation C, Generation Z, content marketing, consumer behavior*

INFORMATION AND COMMUNICATION SUPPORT FOR BUSINESS ACTIVITIES IN GENERAL HOSPITAL

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ABSTRACT

Nowadays, the work of general hospitals without information and communication support is unimaginable. Due to information and communication support, it is possible to create an integrated hospital information structure that combines business, hospital, radiological and laboratory information systems. In addition to this horizontal integration within the hospital, there is also a vertical integration of the hospital to other stakeholders in health care (Croatian Institute of Public Health, Croatian Institute of Emergency Medicine, Croatian Health Insurance Fund, family physicians and pharmacies). Horizontal and vertical integration, from the economic point of view, enables more efficient and effective performance of the hospital, which is ultimately measured through positive financial indicators (savings in human, material resources as well as increasing revenue). The subject of the research in this paper is information and communication support for business processes in a general hospital. The problem studied is how to apply modern information and communication technology in the hospital in achieving positive financial indicators. The purpose or main goal of the research is to show how information and communication technology affects improved conduct of business processes in the hospital (how it positively affects management and more effective

control) and thus the improvement of economic indicators. The hypothesis that is imposed from the purpose of the research is: with the application of information and communication support to business processes in the hospital, the business results are improved. The methods used to confirm the hypothesis are observation and measurement, and a case study. The introductory part of the paper presents the context of the topic, after which the research is explained. Through the presentation of research results and discussion, an attempt to confirm the hypothesis is made. In conclusion, all this is synthesized and guidelines are given for further research related to the innovative application of information and communication technology (artificial intelligence, Internet of Things) with the aim of improving the work of a hospital and improving financial indicators.

Keywords: *business processes in a hospital, economic indicators, information and communication support, vertical and horizontal integration*

EFFICIENCY AND ANALYSIS OF THE POLISH AND BOSNIAN-HERZEGOVINIAN ECONOMIC DIPLOMACY MODEL

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ABSTRACT

To respond to the changes caused by recent globalisation processes, responsible governments build an efficient economic diplomacy model capable of answering the challenges they are facing. The organisation of the economic diplomacy activity network is divided in literature into the unified model, partially

unified model, model of competition, third agency model and model of resignation. This research will try to confirm the basic hypotheses (H1) The economic diplomacy model conducted by the economic diplomacy actors in Poland is the partially unified model and (H2) The economic diplomacy model conducted by economic diplomacy actors in Bosnia and Herzegovina is the unified model of economic diplomacy. The data structure of the analysed countries of Poland and Bosnia and Herzegovina encompass general and economy data, emphasizing the macroeconomic indicators, tax system, foreign trade exchange, specificities of the economic diplomacy development, network, i.e. economic diplomacy model, organisation, as well as the human potential issue, or the modality of recruiting and training economic diplomacy staff.

Keywords: *economic diplomacy models, Polish economic diplomacy network, Bosnian-Herzegovinian economic diplomacy network, country study*

SOME ASPECTS OF PROTECTION OF HUMAN RIGHTS IN HEALTH CARE

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ABSTRACT

The protection of human rights in health care or in the conduct of medical activities of today, is in focus of Croatian law today especially because of the subject of protection of the most important human values: life, health, personality, privacy and dignity. Healthcare in the Republic of Croatia has for a long time been in crisis in almost all areas. Problems in healthcare to a large extent have been inherited from the socialist area and

deepened by war, privatisation, global economic crisis and so on. We have a lot of positive results of our healthcare system. But in this paper, only some significant negative phenomena will be mentioned such as, for example problems with out of date and quite slow system regulations, not passing system regulations (laws on rights, and obligations and responsibilities of patients, laws which would regulate access to, control and archiving of medical documentation and so on) or non-harmonisation of current regulations. Also, the problem of lack of healthcare workers in the system, long waiting lists and dysfunctional waiting list priorities. Finally, we will mention problem of insufficient informing of patients, patient dissatisfaction with the quality, accessibility and speed of healthcare service provision, undeveloped culture of care of one's own health. It is a well-known fact that various violations of human rights can have serious health consequences. Therefore, healthcare policies and programs and how they are created or implemented can promote or violate human rights.

Keywords: *healthcare, human rights, patients*

FRANCHISING IN THE DIGITAL ERA – WHAT LIES AHEAD

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ABSTRACT

Technological development and the use of the Internet have grown into substantial power in distributing goods and services. Different companies took the ride on the wave of change and decided to improve their business using different available e-tools. Among those companies are also various companies using franchising to grow and expand their businesses geographically. To use the available e-tools for franchise system benefits, franchisors need to enforce rules on how their franchisees use these tools. Thus, we need to consider implementing "digital franchising" into the franchise system to cooperate between franchisees and franchisors when their relationship is transferred into the digital space area. The franchising relationship's critical rule is the contract. Changing the franchising into digital franchising is also necessary to investigate the digital era's franchising contract changes and reflect the competition's legal

regulation. The paper's main topic is examining the digital environment in the modern global and competitive economy and its influence on franchising changes. Paper presents the current development of e-business (including e-marketing and e-business activities) and changes of the franchising relationship to digital franchising. The paper analyzes how digital business processes influence franchising's legal regulation regarding competition, e-commerce, data protection, geo-blocking, and related concepts. Paper investigates current regulation of franchising in EU and comments the needed changes due to the development in technology and business. In the last part of the paper, findings are presented, and further research proposals about this critical topic for franchising are suggested.

Keywords: *digital environment, e-business, digital franchising, competition law*

CHANGING THE WAY YOUNG PEOPLE PERCEIVE INNOVATIVE ENTREPRENEURSHIP AND PROPOSALS FOR ITS STIMULATION

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ABSTRACT

This research proposes a developed format of a survey of young people about innovative youth entrepreneurship. It provides mechanisms used for the development of youth start-up

movement. Based on the interpretation of the obtained results from the respondents, certain proposals were defined to solve the identified problematic issues and improve measures of stimulating innovative youth entrepreneurship in the country.

Keywords: *Innovative youth entrepreneurship, start-up, Development of business models, Mechanisms of innovative development*

THE NEED TO IMPLEMENT NEW SKILLS IN THE TOURISM SECTOR

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ABSTRACT

The aim of this paper is to determine whether there is a gap between what vocational education institutions in this sector provide, in terms of knowledge and skills, and the knowledge and skills that are really sought after in tourism by employers. For shaping and presenting the results of the research, the usual qualitative and appropriate quantitative (statistical) scientific research methods and a survey questionnaire are used to collect information and data on the subject of this research. The results of the online survey (which was distributed to employers in the tourism sector in Istria County) indicate the need to improve skills in innovation and creativity, communication skills, problem solving skills, human resource management skills, and moreover point out that new employees lack responsibility, commitment and teamwork (they coincide with the views of theorists).

The applied research methodology indicates that education and training systems do not sufficiently meet the needs of the labor market, so the evolution of labor requires their improvement in the use of digitalization in education, development of soft skills (creativity, innovation and empathy) and key technological competencies lifelong learning.

Keywords: *tourism sector, skills, employers, educational institutions*

THE IMPACT OF SOCIAL NETWORKS IN PLANNING TRAVEL AND IN SELECTING A HOTEL, RESTAURANT AND OTHER HOSPITALITY SERVICES

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ABSTRACT

Considering the daily growing numbers of social network users, the purpose of this research is to explain the role of social networks in planning travel and in selecting a hotel, restaurant and other hospitality services. The study focuses on establishing a connection between social networks and decision making in the selection of a tourist destination or in the evaluation of hospitality services. A questionnaire was developed using the Google Docs platform and was distributed online via Facebook. The results indicate that travel planning as well as booking hospitality

services is mostly made based on information published on social networks. Typically, it is younger people who use social networks daily. The study also confirms that people are more prone to believe other people (reviews, recommendations) although they clearly do so with a grain of salt, because every person has their own different opinions and expectations. The contribution of this paper is seen in the systematization of theoretical aspects and studies relating to the impact of social networks on travel planning and the selection of a hotel and other hospitality services. The contribution of the paper from an empirical aspect is that it establishes, by testing the set research questions, whether recommendations and reviews actually have an impact on the decision-making process in selecting a hotel, restaurant and other hospitality services. The results obtained are also important for social networks, whose purpose is no longer to only enable interaction among users but also to serve as advertising space for various types of industries that can profit from it.

Keywords: *Hospitality services, Online users, Social networks, Travel planning*

ENTREPRENEURIAL FINANCING IN THE REPUBLIC OF CROATIA

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ABSTRACT

The topic of this research paper emphasizes and analyzes the key differences between entrepreneurial finance and corporate finance. The goal of the research paper is to identify different sources of financing and their application in the Republic of Croatia. Considering the different stages that the venture will go

through, the comparative analysis highlights the essential characteristics of entrepreneurial financing versus corporate financing from the aspect of funding sources and the aspect of the funding process. Based on the field research, the main characteristics of entrepreneurial and corporate financing in the Republic of Croatia are presented. Main findings show that corporate finance is driven by the idea of preserving and increasing the value of companies based on the selection of efficient projects, while entrepreneurial finance relies on trust and willingness to take greater risks and enter uncertainty, because the value has yet to be created. The conclusion leads to the understanding the trends in entrepreneurial sources of financing in the Republic of Croatia as they are in the beginning, because of ignorance, tradition and investment climate. The research results show that majority of Croatian companies do not seek for the opportunity to be listed officially on the Stock Exchange market, because the primary goal of majority is to earn enough to make good living and ensure their families. The contribution of this research paper can be seen in clarification, definition and identification of differences between entrepreneurial finance and corporate finance and its application in the Republic of Croatia

Keywords: *funding sources, funding process, entrepreneurial finance, corporate finance*

CHALLENGING TRAJECTORY FROM TEACHER-CENTERED TEACHING TO STUDENT-CENTERED LEARNING IN GLOBALISATION, ECONOMICS AND MANAGEMENT COURSES: CASES OF ALBANIA, CROATIA AND SERBIA

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ABSTRACT

Until recently, traditional teacher-centered (ex-cathedra) teaching methods have predominantly been used at all education levels in Southeast European countries. The implementation of Bologna process in the higher education system was expected to change the teaching methods and consequently, reinforce the interaction in the classroom that, according to numerous global surveys, leads to significantly better learning environment and learning outcomes. Innovative teaching methods serve not only to educate, but to inspire and motivate students to engage in learning. The roots of student-oriented approaches are aligned with the growing popularity of critical pedagogy and students' beliefs that they 'shouldn't be fed with a fish but taught how to fish'. In Europe, learner-centered education was fully taken into

account at the Leuven Ministerial Conference in 2009, i.e. ten years after the Bologna Declaration that set the ground for the deep reforms of the European higher education. Despite the (nominal) implementation of the Bologna process in South-eastern Europe, it is rather obvious that both the methods and the results still lag behind Western European countries and US. This research is based on three case studies of the simultaneous implementation of student-centered learning in following courses: Globalization and Albania, a country in transition (taught in Albania), Economic policy (taught in Croatia), and Intercultural management (taught in Serbia). They were delivered after all three course instructors completed the training for conducting Student Centered Discussion Courses and implemented the methods. The training was guided by Interactivity Foundation in Washington, DC within the faculty development program. Following constructivist theories of learning, new teaching method was introduced in the existing courses where previously traditional methods were mostly used, i.e. students were expected to be passive learners and listeners, rather than active players. Developing positive classroom climate supposed to serve as a cohesion factor so that students understand the importance of becoming active participants in the teaching situation. In addition to the strengths and weaknesses observed both by teachers-facilitators and students (anonymous surveys were used), this comparative study presents the lessons learned in the teaching method transformation process. It also highlights the common denominators in all three countries that, despite the differences at the institutional and course level, can most likely be attributed to a very similar legacy of the national higher education systems. Besides the information on the syllabi of the courses, the cases presented also include general and specific learning outcomes and the differences depending on the teaching methods, quality assurance mechanisms and evaluation techniques, clear notion on the changes introduced and results achieved. Furthermore, both lecturers' and the students' evaluation are presented and compared. In addition, the impact of the courses for the future professions of the students is

discussed as well, in terms of both knowledge and skills acquired and improved. As already known, student-centered learning is not refrained to certain methodology only, its main leverage is considered to be the cultural shift in the institution applying it. Thus, this study contextualises its findings and as such provides the recommendations that could have broader resonance for the higher education institutions undergoing the transition from teacher to student-centered learning, or from traditional to 21st century classroom.

Keywords: *higher education, student-centered learning, Albania, Croatia, Serbia*

DOES PERSONALITY INFLUENCE INTEREST IN BIKE-SHARING?

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ABSTRACT

Although the use of shared services is very popular in various areas, there are still reasons that discourage certain groups of people from using them. Knowing these reasons is a key element in influencing their consumer behaviour, which can lead to increased interest in these services, specifically in this paper bike-sharing and bring benefits to consumers but also to society

as a whole. One of the factors which could strongly influence interest in bike-sharing is personnel characteristics. This article aims to indicate whether personnel characteristics influence the interest of young people in using bike-sharing services. The research focused on students from Croatia, Slovakia and Romania aged 16 to 24. It aimed to young consumers as their travel behaviour and their approach to usage of sustainable services can significantly contribute to reducing emissions and protection of the environment in the future. Mini-IPIP scales containing Five Big factors of personality were used to define the personnel characteristics of respondents and multinomial logistic regression was used to identify factors influencing interest in bike-sharing. The model's results confirmed the influence of neuroticism and openness on interest in bike-sharing on specific interest categories. Young people who are moderately neurotic are more likely to certainly not use bike-sharing services and young people with low openness are more likely to use bike-sharing probably than certainly.

Keywords: *Bike-sharing, Customers, Interests, Preferences, Young consumers*

EXPANSION OF EUROHERC INSURANCE INC. ON THE EUROPEAN UNION MARKET - CASE STUDY

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ABSTRACT

Euroherc Insurance Inc. as the leading non-life insurance company in the Croatia has decided to expand its business to the European Union market. In 2015, it entered the Austrian market. The choice of this market is related to the structure of the market, the fact that many people from Croatia live and work in Austria, and the openness to competitive business. On the Austrian market, Company focused on car insurance services. The choice of strategy proved to be good, as Euroherc Insurance in 2019 achieved a premium growth of 14% and developed its business through 1 branch, 4 business offices and 50 sales points in Austria.

Keywords: *Euroherc Insurance, European Union, insurance market, non-life insurance*

LONG TERM CARE (LTC) IN CROATIA; NURSING HOME CARE COST ANALYSIS

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ABSTRACT

In 2002, Croatia opened long term care to the private sector. Therefore, the state ownership rights of nursing homes were transferred to the cities and municipalities with the right of subvention of their operation. Like many EU member states, Croatia has been facing a process of depopulation for many years. The share of elderly people over 65, according to the Central Bureau of Statistics (DZS, 2019), is 20,78% of the total population of the Republic of Croatia, or 848 thousand people. According to the available data from the Ministry of Labor, Pension System, Family and Social Policy (MROSP), the current accommodation capacity of institutional homes for the elderly in the Republic of Croatia is 10,980 beds, of which 98.5% are owned by the counties and the rest is owned by the state of Croatia. On the other hand, the waiting list on December 31, 2019, according to the same source, is 7,466 users. Given the abovementioned data, the current capacity of the institutional form of accommodation in the Republic of Croatia is sufficient to

accommodate 59% of all persons in need. This paper presents one model of financing and operating of new private elderly care home. Analysis implies that, with all the optimization of business, it is not possible to provide price for the end users less than 7.875 HRK (1.050 EUR). Presently, Republic of Croatia is facing challenging time trying to fulfill the demand and lack of beds in long term care sector. New model of financing and subsidizing of the private sector will be crucial to meet the market needs.

Keywords: Croatia, elderly home, private sector, long term care, depopulation

THE APPLICATION OF MULTIMEDIA AND WEB 2.0 TECHNOLOGIES IN COMMUNICATING AND INTERPRETING A CULTURAL TOURISM PRODUCT

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ABSTRACT

The purpose of this paper is to determine the extent to which museums as cultural institutions in the Republic of Croatia apply digital technologies and multimedia content for the interpretation

of their museum material and the creation of new cultural and tourist experiences, but also the level of Web 2.0. technologies in presenting the same and communicating with visitors. Several methods of scientific research have been applied in the processing of the described problems, especially the method of documentation analysis, the inductive-deductive method, the method of analysis and synthesis, and the method of description and compilation. Questionnaires have been applied as a method for determining the factual situation, as well as insight and analysis of the available documentation on the websites of all museums registered in the Register of Public and Private Museums in the Republic of Croatia. The research found that almost all museums use their own websites to they present their offer. To be able to enhance their communication with their visitors, the museums also have a profile on at least one social network The awareness of the benefits of multimedia and its positive effects on the visitors is one of the reasons why museums use them to interpret their permanent exhibitions and through them convey their messages to the public, despite the fact that the web sites themselves contain somewhat less multimedia content. The aim is to enrich the visitors' experience by creating unique events, to attract guests, to provide information about the museum as well as for educational purposes. In addition to the positive effects of multimedia and web 2.0 applications technologies, museums are also aware of its negative aspects, such as the lack of social contact, the possible rejection of visitors who are reluctant to use digital technologies and the distraction from the real exhibit.

Keywords: *multimedia, Web 2.0. technologies, cultural tourism, museums*

DATA ENVELOPMENT ANALYSIS (DEA) APPLICATION IN SUPPLY CHAIN MANAGEMENT

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ABSTRACT

In today's global and international business, supply chains pose a major challenge in the field of management, which implies the concept of managing from raw material to delivery of the finished product to the end customer. Supply chain management establishes a quality system that will properly, efficiently and effectively meet all the needs and requirements of both partners and end customers. Supply chains represent the flow of goods, services and information. The purpose of this article is to conduct an in-depth extensive literature review of studies implementing the DEA (Data Envelopment Analysis) methodology in supply chain management in the period from 2017 to August 2021 and focuses on 6 studies published in peer-reviewed journals that are cited in Scopus and WoS (SSCI and SCI papers). Furthermore, it reveals the journals that have published most of these papers as well as country of origin of the authors investigating "DEA" and "SUPPLY CHAIN MANAGEMENT" combined. This article also presents the leading mathematical programming methodology DEA and offers a theoretical background of this technique. DEA is the renowned non-parametric approach for evaluating the relative efficiency and performance of peers (known as Decision

Making Units). It can be expected for this study to represent a basis and guidance for further research and implementation of DEA in supply chain management areas.

Keywords: *dea, data envelopment analysis, supply chain management, scm, relative efficiency*

THE CUSTOMER AND ENTREPRENEURIAL BEHAVIOR TOWARDS THE COLLABORATIVE ECONOMY IN THE EUROPEAN UNION

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ABSTRACT

In recent years, the collaborative economy has emerged, and it is now used across the world. The collaborative economy covers a wide range of sectors, is rapidly developing in the European Union, and simultaneously represents new opportunities for both consumers and entrepreneurs. However, there are rules and obligations that need to be accepted. In June 2016, the EU provided clarity on applicable EU rules and policy

recommendations to help consumers and businesses benefit from new business models that will influence the collaborative economy development. It is essential to find the balance between new service providers and existing market operators, support the development of the latest and current services, and protect all market participants in a new environment. The collaborative economy creates more choices and lower prices for consumers, and it creates more opportunities for entrepreneurs by giving them a chance to offer services either on an occasional basis or professionally, contributing to growth and jobs in Europe. This paper's main objective is to analyze customer and entrepreneurial behavior towards using collaborative platforms, which are the product of the collaborative economy. Moreover, to analyze the consumption of the EU's collaborative economy the authors will examine the Eurobarometer survey Flash Eurobarometer 438 and 467 with 14050 and 26544 respondents, respectively, from 28 countries in the EU. Univariate and bivariate statistical methods will be used to represent the results of the conducted analysis.

Keywords: *collaborative economy, consumers, entrepreneurs, services*

FINANCIAL ANALYSIS OF Groupon PLATFORM: SATURATION AT INDUSTRY OF COUPON MARKET

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ABSTRACT

The Groupon platform was created as an entrepreneurial project that brought together customers online in an effort to secure discount prices on group sales. The idea was unique and Groupon was one of the fastest growing unicorn projects in the platform model. Coupon sales reached their peak and the number of service users began to fall sharply. The platform expanded technological support to the existing business model, but did not change the existing business management framework. The aim of this paper is to analyse the business practice of the platform and determine the current financial stability. The paper analyses the trends of financial parameters in the context of the analysis of the trend in the number of users. The results of the analysis are a valuable basis for analysing the business practices of similar online sales models.

Keywords: *gross profit, Groupon, platform economy, zero marginal cost*

THE IMPACT OF EXOGENOUS SHOCK CAUSED BY THE COVID 19 CRISIS ON INDUSTRIAL PRODUCTION IN CROATIA

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ABSTRACT

In recent years, more precisely from the year of 2019, the world economy has faced a new form of crisis, which has not been recorded in the modern history. Accordingly, for the first time the world economy is facing a crisis of aggregate supply and aggregate demand at the same time. The effect of crisis transmission caused by pandemic COVID 19 arrived in Croatia at the beginning of 2020. Mainly the modern crisis were coming from banking or financial sector, such as the last one from 2008, the mortgage crisis, which came to Croatia in 2009. Crisis of 2008 caused the global increase of interest rates and monetary contraction. However, the new crisis caused by pandemic COVID 19 had opposite effect comparing to the crisis of 2008 and led to interest rate decrease and to monetary expansion. The resilience of domicile production on a new form of exogenous shock in Croatia is under the big uncertainty. The external trade coverage ratio in goods was at the level below 60% in 2019, which had a significant impact on the new form of crisis. The gap, which

emerged between industries due to the shock of pandemic COVID 19, became a burning question of strategic development of industrial production in Croatia. Because of all mentioned, many questions has been raised on macroeconomic level, while the most important are the self-sufficiency and resilience of manufacturing industry, which presents the backbone of each economy. Now, the negative effects will be even more visible because of the long time postponed structural reform of Croatian economy. In this paper the authors will analyses which sector has suffered the most because of the pandemic COVID 19 crisis.

Keywords: *crisis, monetary policy, fiscal policy, interest rate, industrial production, external trade balance*

ATTITUDES OF YOUNG CONSUMERS TOWARDS ONLINE SHOPPING

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ABSTRACT

Online shopping has recently become increasingly popular among consumers. A particular segment is young consumers, who constitute the majority of Internet users and whose attitudes

towards shopping need to be understood. This paper has two objectives: first, to explain the concept of online shopping and, second, to reveal the relationships between young consumers' attitudes towards online shopping, perceived behavioural control, subjective norms, prices, delivery convenience, and security in online shopping, and young consumers' online purchase intention. The empirical research was conducted using a structured questionnaire on a sample of 160 Croatian citizens under the age of 37 who shop online at least once a year. The research results show that online shopping is used several times a year, mostly to buy clothes, shoes and accessories, payment is made by cash on delivery, and in recent years online shopping has increased. The research confirmed that young consumers' attitudes towards online shopping, perceived behavioural control, prices, security, and delivery have a positive effect on online purchase intention. The research findings provide useful implications that marketing departments can use when developing digital marketing strategies.

Keywords: *Online shopping; young consumers, attitudes, intention to use*

ANALYSIS OF ACQUISITION SUCCESS IN SOFT BEVERAGE INDUSTRY OF THE REPUBLIC OF CROATIA

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ABSTRACT

It is common to observe the acquisition success through the analysis of financial statements of the acquirer. This paper is utilizing horizontal analysis of the acquirer's financial

statements, as well as analysis of individual financial indicators. The analysis shows the impact of the transaction on acquirer's business performance. Accounting approach is relevant when doing M&A research and it is used in this paper to examine the success of acquisition of Jamnica's soft beverage brands by company Stanić Beverages d.o.o. which is subsidiary fully owned by Stanić Grupa d.o.o. After the analysis of key business indicators it has been concluded that business performance of the acquirer Stanić Beverages d.o.o. was improving after the successful acquisition of Jamnica's soft beverage brands.

Keywords: *acquisition, food and beverage industry, financial statement analysis*

IMPACT OF ENTREPRENEURSHIP EDUCATION ON ENTREPRENEURIAL INTENTION WITH MEDIATING ROLE OF DESIRE FOR SUCCESS

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ABSTRACT

The role of entrepreneurship intention is considered essential in establishing a new business. Earlier studies have revealed attitude as a major component in forming intentions of the

students towards entrepreneurship. Nevertheless, few have discussed this relationship by taking desire for success as a mediating construct. This research aims to develop a conceptual model to show how entrepreneurship education creates entrepreneurship intentions of being an entrepreneur primarily in students. Cross-sectional approach will be used in research design. Structural equation modeling technique (SEM) will be employed to test current model and outlined relationship.

Keywords: *Entrepreneurship Education, Desire for Success, Entrepreneurial Intention*

COMPATIBILITY OF THE BUSINESS SECTOR NEEDS WITH ECONOMIC DIPLOMACY ACTIVITIES – CASE STUDY CROATIA

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ABSTRACT

Economic diplomacy is extremely important for a country's economy. Economic diplomacy as a term has appeared in Croatia only recently, and it is therefore difficult to talk about its comparison with the conduction of economic diplomacy models in other countries, especially those with a long tradition. Economic diplomacy should ensure a space where entrepreneurs and businessmen are able to work and grow in a simpler way in the context of establishing bilateral and multilateral relationships among different countries, regions and the wider area, with the aim of advancing the sole production, but also cooperation in general. However, to what extent is the business sector in Croatia satisfied with the activities carried out for them by the competent

Croatian economic diplomacy? There is currently no consistent decision-making policy about the economic diplomacy activities which need to be intensified, and neither is it clearly established who is in charge of certain economic diplomacy activities inside the institutional framework. Moreover, economic diplomacy activities are not compatible with the economy situation, while the public diplomacy, i.e. politics, impact is still superior compared to economic diplomacy. The conducted research aims at proving the paper's basic hypothesis (H1) The business sector needs and the competent economic diplomacy activities in Croatia are not compatible.

Keywords: *entrepreneurship, economic diplomacy activities, business sector needs*

EXPENDITURE ON ENVIRONMENTAL PROTECTION IN THE EU

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ABSTRACT

Since the 1970s, climate change has become a global problem. All the world's developed countries are starting to pay attention to it and environmental pollution, all for the purpose of sustainable development for future generations. The European Union has established strict goals that need to be achieved to fight against the abovementioned climate change through the years. One of the essential parts of the fight against climate change is environmental protection, which is the sum of investment expenditures and current expenditures for environmental activities. This paper examines the European Union as the global leader in environmental protection. Furthermore, the European Union established an efficient environmental policy, and success is measured by resources spent on environmental protection. Also, this paper analyzes expenditures on environmental protection in the EU in the period

from 2011 to 2018. Eurostat provided the data for the observed time, and it includes all the current EU Member States. The changes in expenditures on environmental protection are compared to total national spending. France can stand out as a member of the European Union that allocates the most resources for environmental protection, while Cyprus allocates the least. As can be seen from the research results, the countries of the European Union have been spending more on environmental protection since 2012. It is also evident that individual human habits are changing in the direction of environmental protection.
Keywords: *climate change, environmental protection, the European Union, the global leader*

CHARACTERISTICS OF OIL INDUSTRY WITHIN THE MANAGERIAL ECONOMIC

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ABSTRACT

Oil is one of the most important strategic raw materials globally, which implies that all major events in the oil market and the oil industry impact the state of the global economy. Given that the oil

industry, events in it can be viewed as factors that affect the economy, it is important to understand the characteristics of the industry and the impact of management decisions of the company on the industry itself. The subject of this paper is a review of the oil industry through an overview of the application of the regularity of economic theory in managerial decision-making. Secondary data were used to write the paper, referring to books, textbooks, scientific articles related to the field of management economics, and the official annual reports of INA d.d. were used to perform the analysis. In addition to the above, relevant Internet sources and literature in the field of financial statement analysis and crisis management were used. The scientific research methods used in this paper relate to the method of description, the method of analysis and synthesis, the inductive and deductive methods, and the method of comparison. This paper aims to get acquainted with the elements of management economics within the oil industry and use the theory of managerial economics to identify factors that contribute to the improvement of business in the observed industry. An analysis of the oil industry in the Republic of Croatia was conducted and the business operations of INA d.d.

Keywords: *oil industry, managerial economics, management, market, market analysis, INA*

ICT AND EXPORT PERFORMANCES OF CENTRAL AND EASTERN EUROPEAN COUNTRIES

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ABSTRACT

The paper examines the effects of Information Communications Technology (ICT) and general technological environment expressed in knowledge economy on export performances of Central and Eastern European Countries (CEEC). Empirical results derived from the pseudo Poisson Maximum Likelihood (PPML) estimator find that relative differences in the factor endowments explain well the patterns and destinations of the CEEC exports. Extending the model with ICT variables and proxies for knowledge economy outlines that the higher ICT use, stronger ICT infrastructure and well-developed knowledge economy increase exports of CEEC. Distinguishing among different income countries in the sample further strengthens these effects.

Keywords: *ICT, Central and Eastern Europe, international trade, technological progress, knowledge economy*

ENHANCING DIGITALISATION FOR SMES POST-COVID-19 RESILIENCE

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ABSTRACT

The purpose of this paper is to argue the importance of SMEs' digitalisation enhancement for building their resilience in the post-COVID-19 uncertain global business environment. In the qualitative analysis we introduce the prospective trends of new digital global business reality in the post-COVID-19 period, digital technologies and their functionalities, the state of digital technologies adoption among European micro, small and medium-sized enterprises (SMEs) and the existent governmental and European Union's (EU) support to SMEs' digitalisation. In the quantitative analysis we explore the extent of digitalisation in the EU, focusing on business digitalisation in Slovenia and Croatia. We found that both, Slovenia, and Croatia are on a promising path towards SMEs' digitalisation, however, some gaps need to be diminished. We propose some requisite policy responses.

Keywords: *Digitalisation, SMEs, COVID-19 pandemic, resilience, Slovenia, Croatia*

DIGITAL TRANSFORMATION OF PUBLIC SECTOR: THE CASE STUDY OF VOJVODINA GOVERNMENT

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ABSTRACT

The main aim of this study is to propose the strategy for digital transformation of public sector based on investigation of Government of Vojvodina public authorities. Regarding different characteristics of national culture, the construct validity of research methodology developed in one society will be investigated for a Serbian sample. The key factors that determined company's potential to become a digital organization have been proactive leadership and investment. Further, the four key factors named digital-first mindset, digitized practices, empowered talent, data access and collaboration tools. The research instrument was self-assessment questionnaire to assess how organization is digital mature? The research sample comprised of 30 managers in Government of Vojvodina. The research finding revealed that observed public organization was in Engaging stage before COVID 19 pandemic. Therefore, an adequate strategic choice was digital strategy that is focused on operational efficiency in customer data and/or to improve collaborative tools. The optimal business model is data-powered model. Recommendations for policymakers will be presented. Limitations and avenue for future studies, too.

Keywords: *strategy, digital transformation, Government of Vojvodina, COVID19 pandemic, organizational culture*

THE IMPACT OF DIGITALIZATION ON CUSTOMER SATISFACTION AND CUSTOMER LOYALTY: LITERATURE REVIEW

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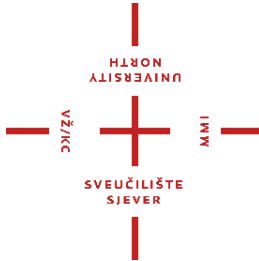
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ABSTRACT

Corona crisis has drastically increased the process of digitalization all over the world. Suddenly, almost over night, public and private sector transferred their operations online due pandemic restrictions. Therefore, with the aim to search how digitalization in times of corona crisis influenced customer behavior and loyalty we did a systematic literature review searching two relevant databases; Web of Science and Scopus, using the search term (“ digitalization”) AND (“ Customer satisfaction “ AND (“customer loyalty). The aim of the paper was twofold; i) to investigate the influence of digitalization on customer satisfaction and customer loyalty in times of corona crisis and ii) to provide an overview of the research literature in these areas. The results of the research indicate that there is a lack of papers addressing the impact of digitalization on customer satisfaction and loyalty. However, analysed papers dealing with the issue indicate that customer satisfaction and loyalty can be gained through addressing different factors like securing app security, positive corporate image, word of mouth, or different factors that discourage customers from going digital and using services.

Keywords: *digitalization, customer satisfaction, customer loyalty, COVID-19*



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