CUSTOMER-DRIVEN B2B MARKETING STRATEGIES FOR A SOFTWARE COMPANY

Case: Statzon

Abstract

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Title of publication

Customer-driven B2B Marketing Strategies for a Software Company

Case: Statzon

Bachelor of Business Administration

Abstract

This thesis concerns proposing B2B customer-driven marketing strategies for a software company, Statzon, to penetrate Nordic-Baltic Eight (NB8) countries' academic segments. The purpose of this study is to examine the B2B marketing strategies to meet the expectations of the target segment users in a functional and cost-effective process.

The thesis is divided into theoretical and empirical sections. The theoretical part focuses on marketing strategies, marketing penetration process, and subscription marketing model hints by reviewing earlier studies. The author retrieved the collected data from both printed and electronic formats, books, articles, journals, and online sources.

The empirical part applies a qualitative research method by analyzing questionnaire results. To fulfill the study goals and to answer the research questions, a ten-question questionnaire was emailed to 273 subjects. The survey subjects were library directors, vice directors, and head librarians of NB8 universities as the authentic source for data collection.

The collected result presents the demanded data categories in the NB8 academic segment, the Key Performance Indicators (KPIs) of data service platform, the decision-making process, and pricing hints about each country academic segment from the users' point of view. Based on the conclusions of this study, education, finance, healthcare, manufacturing, and recreation were the most popular data categories for the academic segment. The most notable KPIs of data service figured out to be the variety of data categories, regular data updates, and downloadable visual data. 70% of results show that the decision about the data service provider is based on students' feedback. Finally, the study outcome shows while the average data service fee in NB8 is €5,194, fair price in the Nordics is considered to be €5,000-7,500, while in the Baltics users had more diversified anticipations.

Keywords

B2B marketing strategy, Subscription model, Target segment, Niche market, Leads

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Abbreviations

Ad	Advertisement
AMA	Ask me anything
B2B	Business-to-business
B2C	Business-to-customer
CEO	Chief executive officer
CLV	Customer Lifetime Value
COO	Country of origin
GDP	Gross domestic product
DAU	Daily active user
GDPR	General data protection regulation
KPI	Key performance indicators
MAU	Monthly active user
NB8	Nordics-Baltics Eight (Denmark, Iceland, Finland, Norway, Sweden-Estonia, Latvia, Lithuania)
OPN	Other people's network
PEST	Political, economical, social and technological (analysis)
PQSM	Promotion, quality, sales and marketing (model)
R&D	Research and development
ROI	Return of Investment
SEO	Search engine optimization
SME	Small and medium-sized enterprise
SPT	Segmentation, positioning and targeting (model)
SWOT	Strengths, weaknesses, opportunities and threats (analysis)
WAU	Weekly active user
WOM	Word of mouth

1   INTRODUCTION

1.1   Purpose and Research Methodology

The goal of this thesis is to examine customer-driven B2B marketing strategies for the case company, Statzon. The strategic plan aims to enhance the number of subscribed users by figuring out:

- Statzon service KPIs for the target market

- The potential competitive advantages that Statzon can provide

- Target market penetration process

- Suitable pricing policy for the target segment

- Marketing promotional strategies for Statzon

The motivation behind this study is that the author had her internship in the case company as a marketing intern. During practical training, the author noticed the case company's service for academic segment needs more fitting features to penetrate the target markets. To tackle the penetration challenges, considering what exactly the customers need is the key to improve service quality and to increase the number of subscribers in the target segment. Moreover, the case company admitted that tailored strategies are missing.

1.2   Thesis Objectives and Research Questions

The study seeks strategies to increase the number of subscribed users. To avoid getting cold calls, sending unsolicited email newsletters and spamming, understanding the specific solicited features on users' point of view is a must to offer real value to the users. Target markets are analyzed by the author to understand the demands better. A survey containing key performance indicator (KPIs) of users' favorable service was sent to target academic users to highlight the essential values from the users' perspective.

The research questions after consulting with Statzon CEO and co-founder, Kimmo Kuok-kanen, include:

> 1. What are the customer-driven KPIs to enable Statzon penetrating NB8 academic segment?
> 2. What are the potential competitive advantages of Statzon in NB8 academic segment?
> 3. How is the penetration process to NB8 academic segment?

4. What is the optimum pricing policy for NB8 academic segment?

1.3 Scope and Limitations of the Study

The thesis presents marketing penetration strategies for the case company targeting NB8 (Nordic-Baltic Eight) countries, by focusing only on the segment of academic users to provide profound research results to the case company. Other studies can focus on different target markets or segments.

This study only focuses on the annual subscription model as the current business model of the case company. Further research can be done about other subscription models such as monthly or quarterly subscriptions.

To implement the empirical part, the author contacted the library managers of the target markets. Further studies can focus on other target groups, for instance, students, as the dominant end-users of the provided service.

1.4 Thesis Structure

The thesis consists of six chapters. The first chapter provides a mind map of the whole study. Considering Statzon's provided service and business model, chapter 2 concentrates on three major concepts: Customer-Driven Marketing Strategy, Market Penetration Strategies, and Subscription Business Model. Chapter 3 includes details about the case study. The first subsection of chapter 3 highlights the case company by introducing and analyzing its status, and the second sub-chapter focuses on the selected segment in target markets. Chapter 4 consists of the empirical part of the study. Its first part focuses on the collected and analyzed data, and the second part includes interpretations of the results as the practical strategies for market penetration. Chapter 5 presents the conclusion, and the sixth chapter summarizes the research. Figure 1 shows the thesis structure.

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Figure 1 Thesis structure

1.5   Research Methodology and Data Collection

The aim of this study is to answer the questions of what and how. Accordingly, this study applies the qualitative research method. To answer the research questions, the study includes the following steps:

Firstly, to figure out the key indicators of provided service strategies, the research analyzes the target markets by focusing on academic segments websites, social media, and users' reviews.

Secondly, the researcher implements a 10-questioned questionnaire created using *Survey Monkey* online tool. The questionnaire was emailed to library directors, vice directors, and the head librarians of most universities in NB8.

Thirdly, considering the GDPR rules, the questionnaire data is collected anonymously. The questions are designed in a way that implies to which country the answers belong.

The survey results help the researcher to provide the strategies based on the voice of customers. Figure 2 summarizes the research methodology.

Figure 2 Research methodology

2 MARKETING STRATEGY

2.1 Customer-Driven Marketing

To create an effective marketing strategy successfully, businesses need to consider the customers' needs and preferences. To make a long-lasting relationship the companies should not focus just on the products or service they wish to offer, but what the customers want to have. Since customers will pay for real value, the businesses should consider the shifting paradigm toward customers' role as the central pillars of designing the killing service. (Thomas 2014.)

There is a standard guideline for the marketing professionals to follow: figure 3 illustrates the marketing process. The marketing process starts with objectives of 5Cs and on top of that is complete comprehension of the targeted customers. After setting the objectives based on customer needs and taste, strategy is designed. The strategy comprises of segmentation, targeting and positioning, based on those the service features, price, place, and promotion tactics are set, known as 4Ps of marketing. The fourth phase of marketing process is allocated to the financials, "show me the money," including the growth margin, return of investment, ROI, and customer lifetime value, CLV. All the process will be considered to check out the feasibility of marketing plan. (Venkatesan 2019.)

Figure 3 Marketing process (adapted from Venkatesan 2019)

Understanding customer behavior is the basis of marketing strategy. The next step is a comprehensive analysis of the target market by considering the potentials and capabilities of the company. By implementing market research, companies will know the driving economic and technological influencers on the market. Meanwhile, they can identify promising customer segments. The next step is assessing the competitor's power versus weak points. Market analysis also helps in more accurate identification of market segments and the target customers to form the unique strategy based on planned product or service. By constant monitoring of the customer's behavior on the decision process as well as the sales information, the existing problems should be identified and resolved as an ongoing ever-improving process. (Hawkins & Mothersbaugh 2009,11-12.) To recap the points mentioned above, figure 4 contains the planning marketing strategy steps.
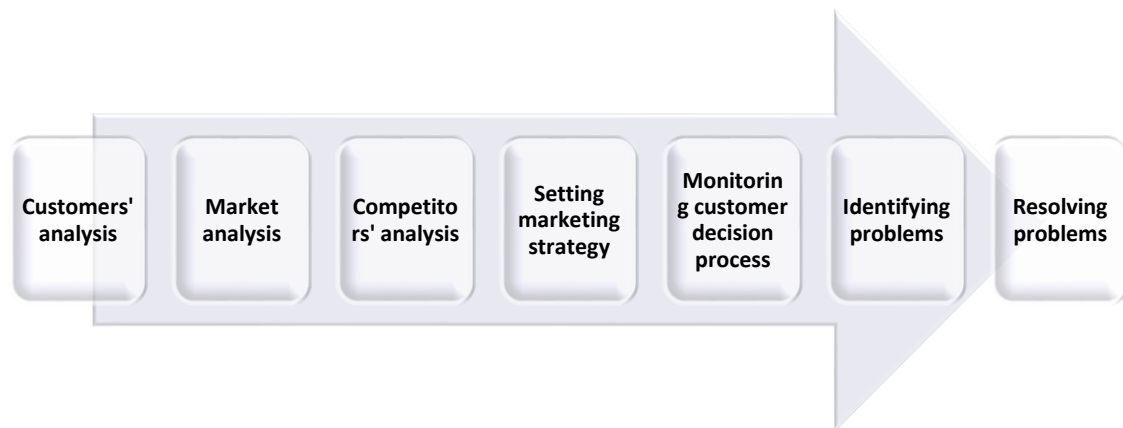
Figure 4 Planning marketing (adapted from Hawkins & Mothersbaugh 2009)

To be a winner in today's competitive markets, companies need to have innovative and unique marketing strategies. As discussed above, the first step in setting a successful marketing strategy is a comprehensive understanding of customers by analyzing their types, needs, and values. Then grasping the market by analyzing the target market, market segments to set target and positioning by considering the competitors' competitive advantages. (Kotler & Armstrong 2014, 72.)

Kotler & Armstrong (2014, 72) define segmentation, positioning, and targeting as SPT model to consider the successive objectives in planning an effective marketing strategy.

| 1. Market segmentation |
| 2. Market targeting |
| 3. Differentiation and positioning |
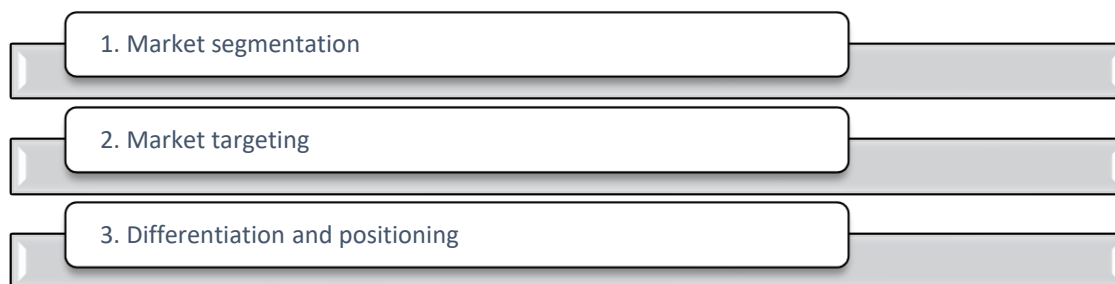
Figure 5 SPT model (adapted from Kotler & Armstrong 2014, 72)

Accordingly, the focus of the next parts is on setting Customer-driven marketing strategy based on customers comprehension and market penetration strategies.

To illustrate the importance of customer behavior in business and the reason why considering the voice of the customer is becoming more and more essential, Bhallerao & Pandey (2017), introduce the key factors of promotion, quality, sales and marketing, PQSM model, as follow:

Focus on

Factors affecting customers' behavior

To gain

Promotion

Service **Q**uality

Salesforce

Market
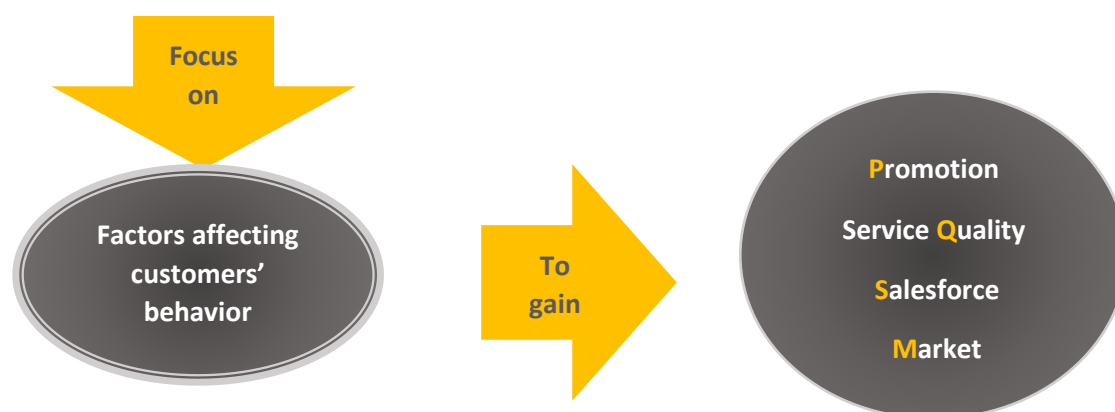
Figure 6 PQSM model (adapted from Bhalerao & Pandey 2017)

According to Bhalerao & Pandey, purchasing starts with customers not manufacturing a product or offering a service. The purchase process sparks by being aware of a need or desire for a specific product or service, then proceeds to purchase phase. (Kajabi 2018.) According to the 80-20 rule proposed by the Italian economist, Alfredo Pareto, 80% of the sales come from 20% of customers. Statzon needs to identify this 20% customer segment in each market and concentrate on providing the niche data category they need to enrich its service quality. The 80-20 rule sets the 80-20 sales principle as a highly effective and concentrated business solution to drive customers toward sales funnel. (Rivard 2017.)

To create optimum value, any enterprise not only needs to precisely know what the customers' needs, wants and demands are, it also needs to be updated by the evolving taste and needs and modern features (Claire 2017). The first step in designing a customer-

driven marketing strategy thus is to know the customer groups well (Proprofs 2019). The following part includes a more in-depth look into customer groups.

2.1.1 Customer Groups

According to Solomon (2017, 28), consumer behavior refers to the process by which individuals or groups select, purchase, consume or dispose of a product, service, idea or experience to satisfy needs or desires. Table 1 contains consumers types and definition.

Table 1 Customer groups (Solomon 2017, 29)

Consumer types	Definition
Actual users	Consumers who have the intention to use or experience
Loyal customers / heavy users	Actual users who frequently purchase certain product, brand or service
Brand community	Users who share a set of social relationships based on interest or consumption of a particular brand. Consumer genuine need is not the main purchase reason in many cases
Purchasers but not users	The purchase process forms for other means than consumption such as giving a gift or just satisfying the purchase desire
Impulse buyers	Consumers who buy on impulse without any initial or specific wish or need. The motive behind the purchase process varies among emotional appeal, advertising appeal, discount, other users influence or other factors.
New consumers or experiences	Shoppers who do not have any previous knowledge about the usage of the product or service. They can be first time buyers who try out new products or the users who seek an alternative to current product or service
Well informed consumers	The customers who accurately know their needs and the available options in the market. They are confident about their choice of product, service or the brand they are buying usually based on an enjoyable experience

Since actual users, new consumers, and well-informed users are the main target groups for the case company of the thesis, the further focus of this study will be on these groups. The actual users also can be divided into daily active users DAU, weekly active users WAU or monthly active users, MAU. After knowing the customer types, their pre-purchase, purchase and post-purchase behavior also is the other determinant factor in

business success as a clue for marketers to figure out if the offered product or service can meet the needs of the customer or not. (Bhalerao & Pandey 2017.) The next segment focus is on the driving factors on users' behavior to figure out customers' traits more deeply.

2.1.2 Driving Forces on Modern User Behaviors

Reviewing the success stories of different businesses reveals the importance of comprehensive knowledge about customer behavior. Knowing the variety of determinant factors on customers' behavior can be a guideline for designing and planning the customer service. Globalization and online shopping made evolutions in customer behavior by more customer-friendly service, including a variety of access products and services that save users time and budget. However, the significant role of quality, price, cultural values, and references cannot be ignored in modern users' behavior. (Samli 2013, 3.)

Globalization

Globalization has cut down the business communication costs more accurately and effectively and has accelerated the flow of providing products and services; meanwhile, ease of access on information has increased consumers' demands as well as competitiveness among manufacturers and service providers. The positive result of this evolution is the economic boom and higher living standards. (Nitisha 2018.)

Figure 7 Globalization forces (adapted from Nitisha 2018)

Culture

As the set of values, shared beliefs, norms, and attitudes, culture influences individual evaluations about the same product or service. Regarding consumer behavior, culture impact reflects the consumer's way of thinking and pre and post-purchase traits. (Solomon 2017, 515.) One of the determinant cultural factors in ease of business and selling products or service is power distance (Hofstede & Minkov 2010, 61). Power distance refers to the extent to which the less powerful members of the organization within the same country expect and accept that power is distributed unequally (Kucharska & Bedford 2019, 1).

Quality

The product origin or the service resource, especially when we are talking about the data service, matters a lot to the users. Even the country of origin (COO) has a strong effect on customers behavior, consciously or unconsciously, and the quality perception, in the target market. (Solomon 2017, 574.)

Reference/WOM

The other determinant feature in building trust among users is the different customers' review; in other words, Word of Mouth (WOM), about already used product performance or service quality. In a study by Nielsen Company, 66% of respondents mentioned they trust previous users, who posted their opinion online. WOM can affect a user's evaluation based on a *reference group* experience. (Solomon 2017, 422-423.)

Price

Price has a significant influence on consumer behavior that cannot be ignored. As the lower price than the competitor can cause a significant spike in the business, if the price is higher than what expected, the outcome of the sale can be disappointing. Accordingly, some tips about pricing policy matter to any business. (Balle 2019.)

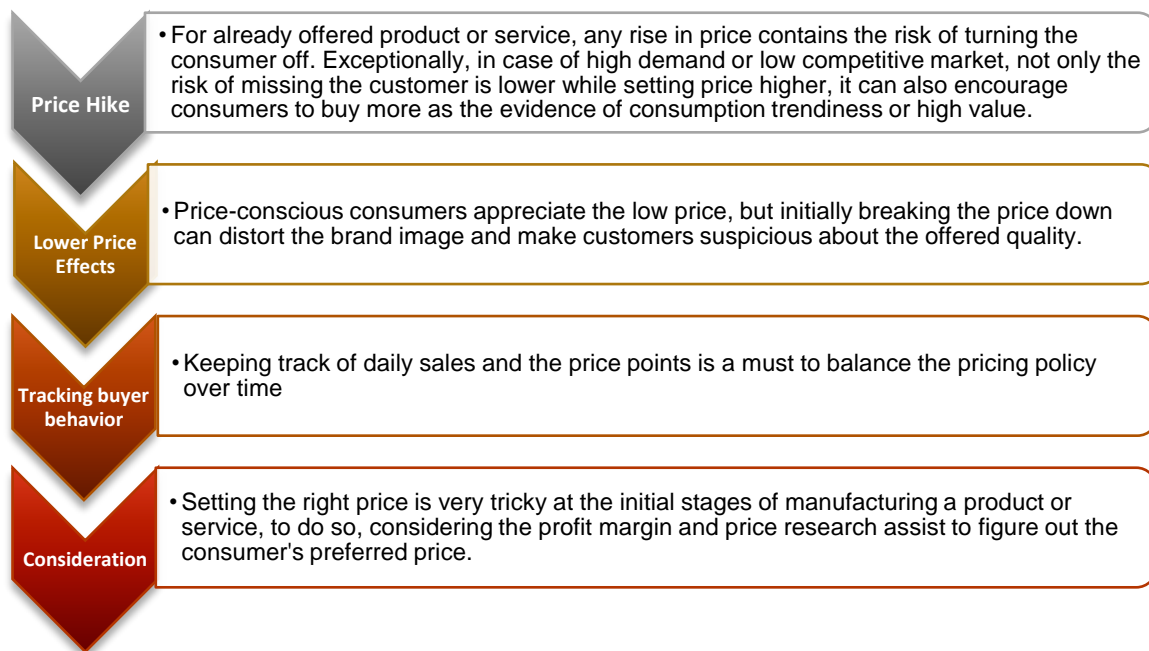|	
Price Hike	• For already offered product or service, any rise in price contains the risk of turning the consumer off. Exceptionally, in case of high demand or low competitive market, not only the risk of missing the customer is lower while setting price higher, it can also encourage consumers to buy more as the evidence of consumption trendiness or high value.
Lower Price Effects	• Price-conscious consumers appreciate the low price, but initially breaking the price down can distort the brand image and make customers suspicious about the offered quality.
Tracking buyer behavior	• Keeping track of daily sales and the price points is a must to balance the pricing policy over time
Consideration	• Setting the right price is very tricky at the initial stages of manufacturing a product or service, to do so, considering the profit margin and price research assist to figure out the consumer's preferred price.

Figure 8 Pricing policy tips (adapted from Balle 2019)

Brand Loyalty

Many times, brand loyalty is a heavier factor that shades on price competition, quick service, and in some cases, even quality. Brand loyalty in the marketing concept indicates the credibility of the brand from a customer perspective. While brand awareness not necessarily leads to customer engagement, in a favorable situation, the shift from brand awareness to brand loyalty is the positive result of marketing strategies. (Keller 2013, 19 & 35.) Figure 9 shows the main reasons users turn to brand loyal customers are mitigating various types of risks such as financial, functional, health, and time-based risks.

Financial risk
Not worthy product or service upon paid price

Functional risk
Not performing as expected

Health risk
Specifically, in case of consuming the new products, unpleasant disapproval

Time risk
The most crucial risks to meet the deadlines

Figure 9 The risks that loyal customers avoid (adapted from Keller 2013)

After the initial understanding of the customer groups and the market environment, the next part discerns the winning marketing strategies.

2.2   Market Penetration Strategies

The competitive advantages of corporations reflect their effective users-based marketing strategies. Businesses need to create their own plan for an effective strategy. Customer-driven marketing strategy is the applied technique in companies that is not just focused on profit-making, but also on having an edge against the competitors. In other words, the main focus is on competitors' preferences by following the leading keys. First, by targeting the market after market segmentation, and then building a relationship by meeting the customers' needs and most importantly, being unique and innovative by competitive

advantages. (Claire 2017.) Succeeding parts focus on market penetration strategies seeking the goal of creating value for the target customer.
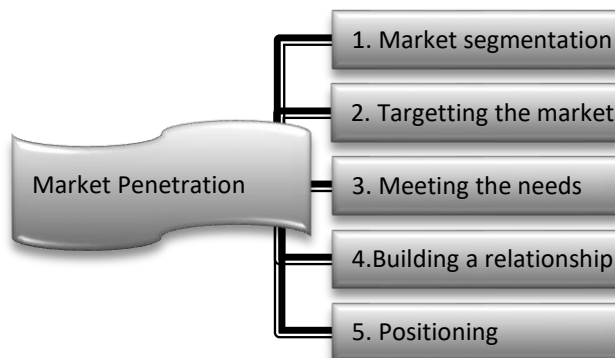

Figure 10 Market penetration process (adapted from Claire 2017)

The concentration of the next part respectively is on market segmentation, market targeting, and positioning, to have a deeper understanding of the penetration process.

2.2.1 Market Segmentation

Marketing segmentation is the process of selecting the target B2B or B2C customers to serve and determining a value proposition that best meets the customer's needs. In other words, it includes dividing the market to distinct segments of customers with different needs, service features, characteristics, and behaviors who might need a separate product or service. (Kotler & Armstrong 2014, 205-207.) As there is no single strategy to select a market segment, different variables, including demographic, geographic, psychographic, and behavioral factors, should be taken into account. Business markets also can be segmented by operating characteristics such as industry and company size, as well as purchasing approaches. The effectiveness of segmentation analysis roots in figuring the segmentations which are measurable, accessible, substantial, distinguishable, and actionable. (Kotler & Armstrong 2014, 200-207.) The first step to achieve a successful marketing segmentation is evaluating the segment growth size. The company strategy can be undifferentiated and mass marketing or differentiated marketing considering the segments. Differentiated marketing offers a different service for each segment. Managers also can consider micromarketing, including local marketing, for each segment. The most suitable strategy is planned based on the company resources, product or service variability, market differentiation, and the competitive level of the market. (Kotler & Armstrong 2014, 216.) Figure 11 summarizes the market segmentation process model.
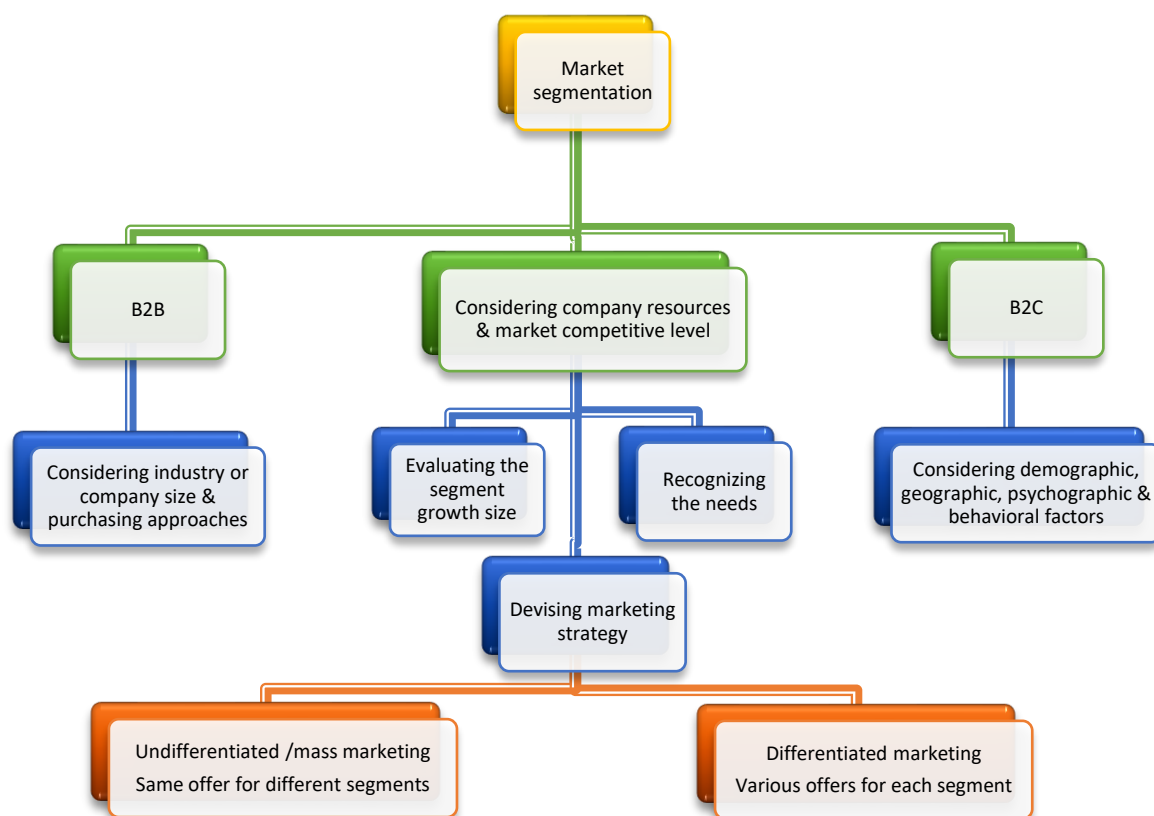
Figure 11 Market segmentation process (adapted from Kotler & Armstrong 2014,216)

Once the proper segments are determined, the target markets are selected as the next step of the penetration process.

2.2.2 Targeting the Market

Once the market segments are defined and clarified, it is time to evaluate each market segment's attractiveness. After evaluation, it is time to select the chief segments. Market targeting consists of designing strategies to create optimum value for the target customers. (Kotler & Armstrong 2014,76.) Market targeting promotes focusing on resources and growing quicker. In simple words, market targeting refers to a decision over serving all people who are willing to buy or concentrate on specific segments. This decision is determined by a variety of factors such as market segments size, growth rate, buyers, competition level, and the type of product or service. Targeting the market helps the sales department to identify market opportunities better and then develop the right offer for each target market. Based on target market features, the enterprises can adjust the price, select distribution channels, and plan advertisement on each market. Market targeting also can offer

the managers the chance to evaluate the revenue, costs, and profit implications of each segment. Nevertheless, selecting the very best target market is almost impossible because of the product or service complexity, also research and analysis cost as a result of the complexity of market response estimation. (Schildge 2018.) Figure 12 summarizes how market communication, content marketing, SEO, paid Ad search, email, and blogging can improve content engagement and help to implement marketing strategies:

Market Communication
- Market targeting improves communication efficiency both in website content and social media posts, based on audience category.

Content Marketing
- By focusing on audience unique interest and needs, more valuable, engaging ,and creative content can be created.

SEO
- To highlight brand visibility through the search engine, using more proper keywords or phrases including voice search, helps driving drive traffic to the website as well as market targeting.

Paid Ad Search
- As the other strategy for driving more traffic to the website, paid Ad search efficiency improves by market targeting with more relevant buyer's searched keywords

Email
- Market targeting helps to send the right emails to the right people at the right time with the right content to guide them regarding buying decision process.

Display Ads
- Market targeting helps to advertise on the websites the audience visit frequently

Guest Blogging
- Guest blog posting as the opportunity to build trust and make brand visible in other relevant websites will be more strategic by considering the ideal audience and their interests
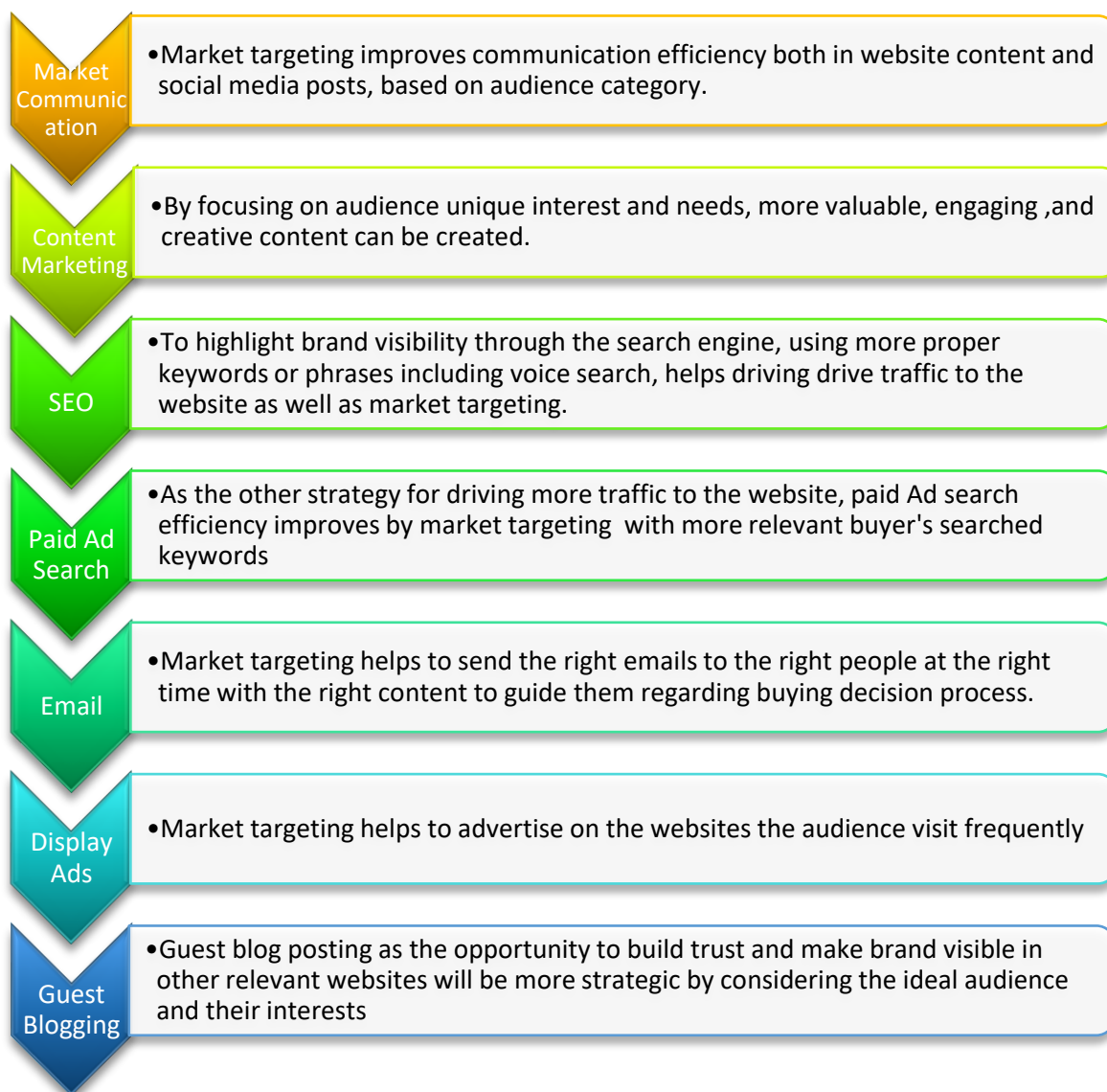
Figure 12 Applied strategies to targeting the market (adapted from Schildge 2018)

2.2.3 Market Positioning

By clearly articulating the differentiation against competitors, great brands align their positions among customers (Roberts 2018). To pace toward success in a competitive market, after deciding over the target segment and setting the objectives and strategy regarding target markets, the company needs to have a clear plan about its differentiation and position compared to other competitors. The succeeding three phases drive companies to set their positioning:

1. Identifying possible differentiations to create competitive advantages

2. Selecting core advantages to build positioning

3. Selecting an overall positioning & set barriers to entry
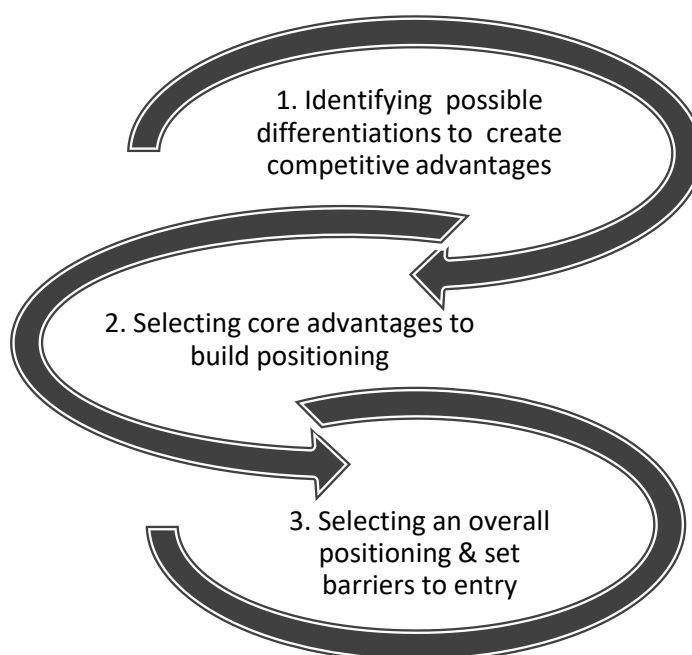
Figure 13 Market positioning (adapted from Kotler & Armstrong 2012, 216)

By deciding about the right positioning, the company focuses on delivering the selected position through effective communication (Kotler & Armstrong 2014, 216). In marketing and business context, market positioning refers to consumers' perception of a brand, product, or service. In other words, market positioning represents the process of establishing the identity and image of a brand in a certain way to the customers. To set a long-lasting positioning, marketers need dynamic and ongoing initiatives to develop the target market's perception of the product or service in an intended way. Cost leadership, differentiation, and setting barriers to entry, back up a successful and lasting positioning. (Wilkinson 2013.) For instance, as Roberts (2018) mentions in his blog, Tesla positioned itself as a luxury sport model electric vehicle.

2.2.4 Cost Leader Strategy

The cost leadership is a strategy by businesses to create a low cost of operations within their niche market. The goal is primarily gaining advantages over competitors in the same industry. Cost leadership defines as the strategy that attempts to position a company in the customer's mind as a product or service provider with a lower price than competitors. (Wilkinson 2013.) In the food industry as an example, Taco Bell, set its position as cheap Tex-Mex food and managed to hold the largest market share of fast-food Mexican restaurants for years. (Roberts 2018.) While the concept of cost leadership might seem simple, its implementation is not easy to achieve as the strategy is designed to maximize profit with the best possible product or service, yet the lowest available costs. Laying stress upon maximizing profit differentiates cost leadership with price leadership, as the latter focusses only on keeping the prices more economical than the competitors. (Gray 2019.) Below mentioned hints can leverage the cost leadership:

- Saving up by researching for cost-effective resources
- Maintaining an ongoing relationship with customers to accelerate on-time payment
- Specializing in a specific product or service to offer a detailed experience to the user
- Boosting efficiency by hiring the right staff and comprehensive training for a well-defined process
- Applying automation to save time
- Implementing the right technology to minimize errors
- Taking advantages of discounts and loyalty programs (Gray 2019.)

2.2.5 Differentiation and Competitive Advantages

Differentiation strategy helps the company to position itself as a unique product or service provider in the customer's mind. Ideally, with a successful differentiation strategy, companies can appeal their customers to pay more as they will not be able to find a comparable product or service in the market. By the time a unique feature of a product or service adds specific value, it gives the image of premium to the product or service. (Wilkinson 2013.)

Kotler and Armstrong (2014, 210) define the competitive advantage as follow:

> *"Competitive advantage is an advantage over competitors gained by offering greater customer value, either by having a lower price or providing more benefits that justify higher prices."*

Competitive advantage brings superiority for a good or service over customer's other choices. The three main determinant bases of competitive advantage are firstly the specific benefit for the customer, secondly niche market, and thirdly competition strategy. To be successful, companies should articulate their entitlements to the customer. (Amadeo 2019.) Michael Porter, as cited in Amadeo's blog, steps further and discusses the durable and sustainable competitive advantage as he alerts businesses that if currently, a company is a market leader, this does not mean it will have this position forever. To build a sustainable competitive advantage, a company must set clear goals, strategies, operations, and aligned corporate culture and values toward those goals. Meanwhile, it needs to plan broad and narrow cost leadership and differentiation alongside strategic stages of business. (Amadeo 2019.)

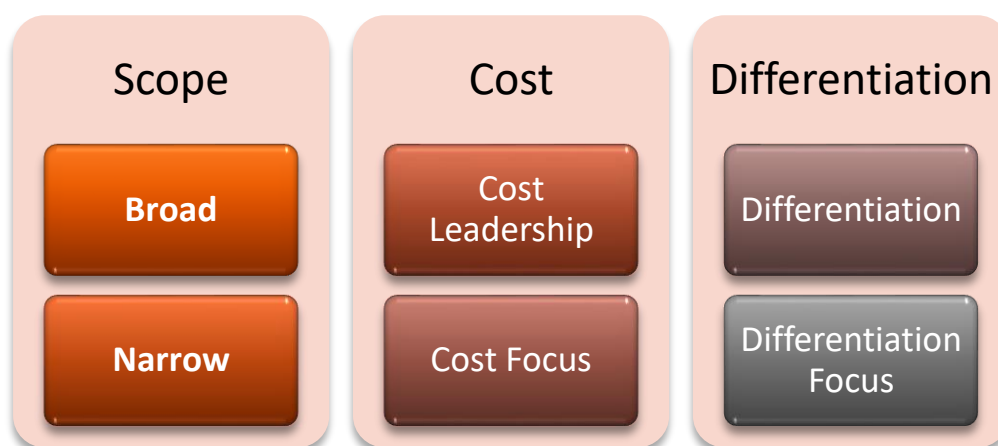| Scope	Cost	Differentiation
Broad	Cost Leadership	Differentiation
Narrow	Cost Focus	Differentiation Focus

Figure 14 Sustainable competitive advantage (adapted from Porter 1985)

While many firms base their competitive advantage on price, quality, and the speed of responsiveness to customer, the innovation and technology role in moving toward differentiation is proven (Amadeo 2019).

2.2.6   Setting Barriers to Entry

Crafting barriers to competitors is the backbone of the sustainable leading position in the market to grow sales and profit, also preventing competitors from turning to customers' option (Aaker 2011). Figure 15 shows some strategies that help setting entry barriers:
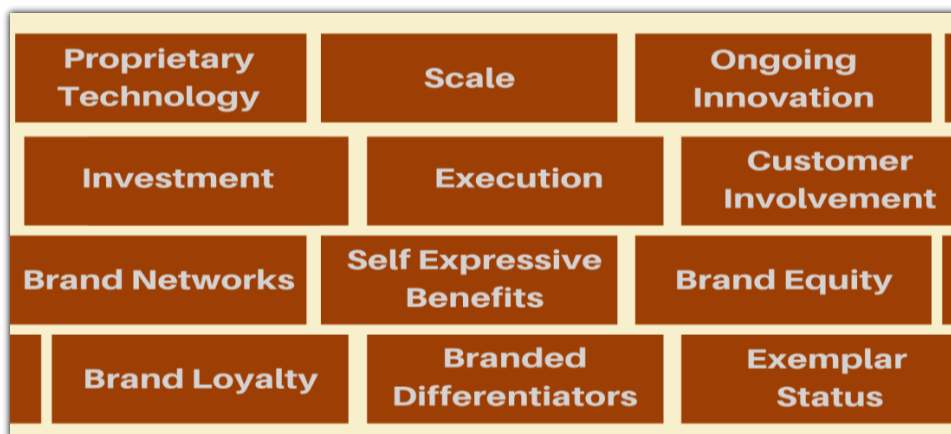
Figure 15 Barriers to market entry (adapted from Aaker 2011)

Protective Technology of Prius' Hybrid Synergy Drive, *Ongoing Innovation* of Chrysler that led market for 18 years without notable competitors in minivan category, *Scale* of *IKEA*, *Investment* of CNN and *Execution* as well as *Brand Networks* of Apple App Suppliers are the examples of how brands can create a "wow experience" for the customers and set barriers to compete. *Engagement level* or the *Customer Involvement* such as Crocker kitchen community backing General Mills can build a community for a brand. *Self-Expressive Benefits* are functional benefits which are not easily copiable. *Brand equity* refers to authenticity feeling, which is behind strong brands such as PowerBar. *Brand Loyalty* implies the must-have feeling to customers, and *Brand Differentiation* appeals to the customer and *Exemplar Status* refers to the situation when a brand represents the whole product or service category such as iPhone or Jeep. These features drive a big gap with competitors to enter the same market or at least the niche segment. (Aaker 2011.)

2.3   Subscription Model, The Proven Business Model

As Wallance mentions in her article from McKinsey studies, Subscription Revenue Model as one of the most popular online services has elevated many businesses. By overviewing the literature, in 2011, subscription brands made an estimated $57,000,000. This amount in 2016 jumped to $2.6 bn. The subscription business model has grown by over 100 percent in recent years. Temped by astonishing business model growth, many other businesses have shifted toward a subscription model, for instance, Walmart (Beauty Box), P & G and Sephora. (McKinsey 2018.)

Turban in Bigcommerce defines the subscription business model as a model that offers recurring product or service in return for the recurring payment (Big-commerce 2018). Sloat from Zuora defines the subscription model as the relationship with the customer and the transactions which are happening on a platform. Thus, the mindset should be based

on building a subscription relationship. (McCann 2016.) The fantastic feature about subscription business is that it does not necessarily need massive investment, and based on the planned business model, the budget can be under control. The last point adds value to this business model for many businesses, specifically the startups. (Morris 2015.)

Chen (2018), in his article, mentions as subscriptions are increasing worldwide, online streaming-media service providers such as Netflix, HBO, Spotify, etc. also follow this business model. (McKinsey 2018.) Generally speaking, subscription falls into three main categories of replenishment, curation, and access. The provided value mainly is saving time and money, a unique product or service or exclusive access. Figure 16 illustrates the e-commerce subscription categories (McKinsey 2018.)
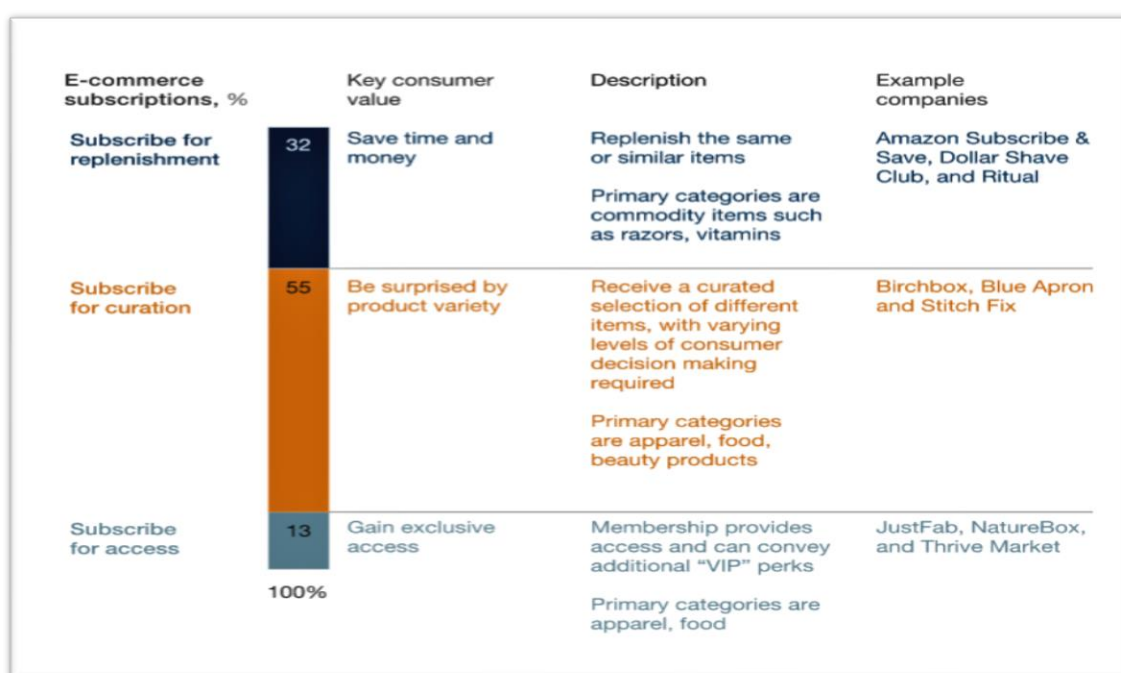

Figure 16 Subscription categories (McKinsey Analysis 2018)

2.3.1 Subscription Promotion Objectives

The way modern consumer makes a purchase had evolution in recent years. In the information age, a combination of content, social marketing, and SEO as inbound marketing is the best strategy to fill the customer acquisition funnel. Dedicated content at any phase of the customer journey is needed. Thus, to expand the revenue and implement a successful subscription business model, businesses should implement tried and true appealing strategies. (Riet 2017.)

While innovative subscription businesses are thriving worldwide, 72% of the subscribed customers do not make the second purchase in 6 months of the initial acquisition; the

falling rate stands for some missing values. Consumers retention is of the main goals of subscription companies, and the point is how to keep sustainable long-term consumer engagement that backs up business' success. (Morris 2015.)

Campbell, in her blog post, points out the five objectives to succeed in the subscription model. Firstly, setting a goal facilitates fast growth. Many times, recurring revenue ties to monthly or annual fees. Based on long term goals, setting pricing tiers would be more practical. Boosting acquisition is the second objective for which a better customer experience needs to be provided over time as a continuous process. To improve the acquisition rate, sign-up process should be as easy as possible. Once the number of acquisition number grows, the number of bounce rate can be balanced better. Balancing the bounce rate can generate more churn, more customers, and as a result, more revenue. The next influential hint is providing reliable subscription billing system followed by highlighting the value of product or service experience which can be accessed after subscription, as the main motive to pay. (Campbell 2019.)

Figure 17 Subscription promotion process (adapted from Campbell 2019)

Improving the number of subscribers is just a start point of the journey. Building a strong customer relationship is a must for businesses. Unhappy customers simply will bounce to the other service or product if the offered value is not lasting. Knowing customers' needs well can facilitate the pricing process specifically while the customers actively are paying. Finally, the growth plan followed by predicted churn rate as well as operative costs estimates income. Growth planning is vital to avoid the risk of overloading the business infrastructure. (Campbell 2019.)

2.3.2 Subscription Promotion Strategies

Businesses should provide a great experience to the consumers to grow subscribers' rate. More importantly, to subscribe, the consumers select end to end experience of tangible benefits, which can be a lower cost, saving time, or even increased personalization. (Chen et al. 2018.)

It is essential to test the product or service while launching to make sure it fits into the market or not. Building awareness like dangling carrot policy, before initiating the product or service, is highly effective in getting new leads and generating revenue to fund the business. (Morris 2015.) As no one likes to pay an ongoing fee, raising the number of subscribers is not easy. A" Honey Pot" strategy is an essential strategy before launching phase; something that can get people into a subscription service. The honey pot can be free trial access along with a bunch of free bonuses people get instantly. The principal appeal is the instant gratification with delayed payment; once they are inside the honey pot, it is the time to offer so much value and impressive features that users do not intend to leave (Boadella 2017.) The next parts elaborate step by step procedures of improving subscribers' rate.

Phase 1. Driving Traffic and Lead Nurturing

Lead nurturing as a set of relation-building activities in sales funnel stage designed to turn cold prospects into customers (Jones 2019). Experiment with marketing is the inevitable approach to check out the customer's voice. It helps to collect initial interest to build anticipations. Launching a teaser on the landing page about an upcoming product or service can be the first step of building awareness while the customers' concerns are figured out. The goal behind preparing launching teaser is collecting emails. One and a half month before starting subscription would be the proper time to use prelaunch teaser video. For the teaser video, 80% of the product or service needs to be ready. The teaser video on the landing page needs to contain the main elements like exciting tag line, smart concept, scarcity of product or service and a call to action and above all, a super incentive plan as an opportunity to win that encourages the potential customers to register with their email address. (Morris 2015.)

The niche type of product or service has a significant role in the frequency of the subscription rate. At this point, highly niche blog can be another key to both showcases the product or service and appeals the potential users to the specifications of offered niche service or product. The next step is keeping the leads warm, to do so, businesses need to communicate with customers by sending weekly emails, including tidbits. The goal is being in

their mind continuously, building anticipation and making them interested by notifying what is coming and its date. Figure 18 illustrates how to drive initial traffic to a teaser page for the lead nurturing. (Morris 2015.)

Teaser video of upcoming product or service

Niche blogs

Social media ambassadors

Communicate with leads (1.5 months)

Build up anticipations (what and when is coming)

Collecting emails

Figure 18 Driving Traffic and lead nurturing strategies (adapted from Morris 2015)

Usually, the rate of converting visitors to email at this phase is about 20%; if it is under 5%, then something is wrong either with the product or service to fit into the market. Concentrating on a niche market that the enterprise already is experienced or passionate about, helps significantly in designing a suitable product or service. (Morris 2015.)

Phase 2. Start Taking Pre-Subscribers

The second phase is more complicated than first, as the goal is converting visitors to sales, not emails. Step two reflects how the product or service is performing. Gaining paid subscribers needs turning the anticipations to revenue. Validation at this phase occurs with creating interest and backing it up with the fitted package. Usually, by weekly emails, 5-10% is expected to turn to paid subscribers. Organizing the tailored service package or the product package is essential at this point. The initial subscribers can build up the marketing army and encourage potential customers to subscribe. (Morris 2015.)

Figure 19 Taking pre-subscribers (adapted from Morris 2015)

To avoid many common problems, to set clear expectations, to keep promises, and to meet the expectations on time is imperative to have happy subscribers. (Morris 2015).

Phase Three: The Official Launch

At step three, the site should be ready or at least more complete than previous times in a creative dashboard. It is the time to go back to the unconverted lead list, as they might need more detailed information, specific incentive, or need reference or examples to trust.

The initial subscribers' testimonials or reviews can add to validation. It is highly recommended to take advantage of influencer partners or at least some bloggers to help to announce the official launch but of course not in a pushy way. (Morris 2015.)

Figure 20 The official launch (adapted from Morris 2015)

In the Metrics of Subscription Model Marketing blog, Talbot (2018) mentions the primary metrics to consider during offering service as:
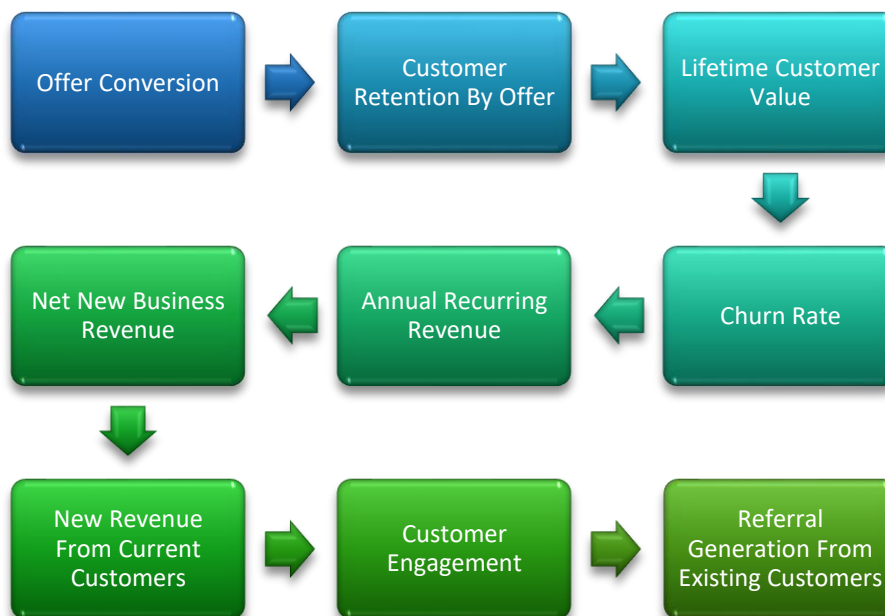
Figure 21 Subscription marketing metrics (adapted from Talbot 2018)

Finally, to convey a feeling of scarcity, there should not be all the time access to a free trial. The idea is building up a wish-list or a waiting list and creating an opt-in form to notify users once the cart opens, then they can enroll in the free trial. This trick offers the feeling of exclusiveness and scarcity to subscription as an exceptional service, which is not available all the time. The sense of scarcity will increase the conversion rate, as users need a time plan or a deadline. (Morris 2015.) To tackle the challenge of keeping subscribers, the businesses need regular nourishment to the product or service value. The consistent offer drives the interests of users and creates value and ultimately, the retention of customers. (Talbot 2019.)

2.3.3 Concept of Dark Net /PVC

Before going through the influence of Dark Net on businesses, let's have a literature review over the Net, Dark Net, and Deep Net definition provided in Figure 22 by Corcoran 2009:
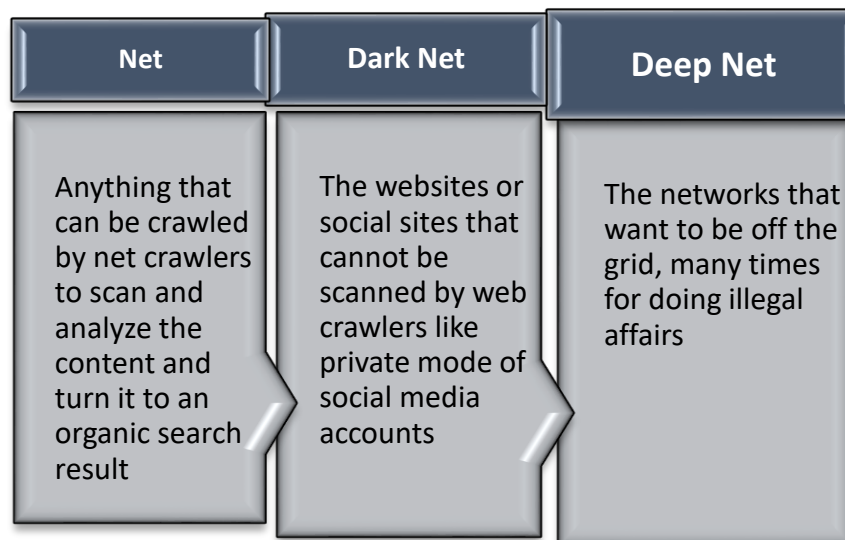
Figure 22 Net, Dark Net, and Deep Net (adapted from Corcoran 2009)

Dark Net or Private Virtual Community might sound uninviting or malicious internet terminology. First coined by Alexis C. Madrigal, Senior editor at Atlantic, dark social refers to social sharing that comes from outside sources that web analytics tools are not able to track. The digital space is creating a new form of communication while the vast bulk of data is gets lost, for instance, traditional analytics tools are not able to capture activities on private chats of platforms like WhatsApp, Instagram or Facebook messengers, etc. For example, sharing a full link of a Twitter post on personal email without tracking tags does not give valid analytic data to the marketers. Dark Social refers to the reality of the customer's journey by switching channels while it is not linear and easily trackable. (Chan 2016.)

Dark Net used to be a bad thing which currently, for the dark traffic it earns, turned to valuable concept. It is a private virtual community Globally, 70% of the online referrals come from dark social. This effects marketers and brands ability to collect enough data for their intended content, product, or channel. (Corcoran 2009.)

2.3.4 Paid, Owned and Earned Media

Paid Media

Refers to those the brand pays to leverage a channel like display ads, paid search, and sponsorship. The role of paid media is shifting from foundation to catalyst phase to feed owned and created media. The advantages of the paid media are that they save a lot of

time while being scalable and controllable. The demerit of this media type though is its declining response rate and reduced credibility. (Corcoran 2009.)

Owned Media

Owned media are the channels a brand created and controls like website, blogs, and social media accounts. Their role is building a long-term relationship with both existing and potential customers as well as earned media. The benefits are they are controllable, cost-efficient, and they attract their niche audience. On the dark side, building such channels kills a lot of time. (Corcoran 2009.)

Earned Media

Refers to the time, the customers turn to channel, for instance, WOM or BUZZ or Viral. Earned media is usually the gifted result of a well-planned owned and paid media, and the highlighted benefit of earned media is thanks to its transparent and genuine content, it is the most credited sort of media, and it has a substantial role in sales. The dark side though is that the earned media is not controllable and always is mingled with the risk of negative comments, besides its neither scalable nor measurable. Practically, achieving earned media can be facilitated by being a member of communities where getting influencers excited about the brand value and business features. (Corcoran 2009.)

3   CASE COMPANY: STATZON

3.1   Background

Statzon is a brand-new Finnish start-up established in September 2018. Statzon provides comprehensive market data, analysis, and forecasts out of a variety of industries and saves user's time and money. Statzon vision is to inspire a generation of knowledge-seekers with fast, reliable, and easy to use statistics. Statzon offers an outstanding collection of reliable data and market forecasts from hundreds of industries of over 200 countries. The data is collected from thousands of public and private authentic sources. By its innovative Insight Instrument, Statzon offers collected data for a variety of businesses and industries, it also visualizes statistics and tells the story of market status by its background including Statzon customer profile, as well as the future forecasts. (Statzon 2019.)

3.1.1   Customer Profile

Considering the ever-increasing importance of industrial data access in different competitive markets, Statzon has a wide range of potential customers all over the world. As the wide variety of market segments implies, Statzon needs a comprehensive data bank to meet the user's demand. For the limited time frame of the thesis, this study narrows down its concentration only on the academic segment of NB8 market.

3.1.2   SWOT Analysis

To know the case company with a more in-depth outlook, the SWOT analysis of the case company helps to figure out the internal power versus weak points of the company as well as the external or market threats and opportunities.

Strengths

Even though Statzon is a brand-new start-up, its management team is over 15 years experienced in data providing service. Experience helps the company to grow fast. Since Statzon managing team already has an extensive network of different industries and thanks to the positive image they already have among their previous customers, the potential clients are willing to try the new insight instrument of the company. The other merits of the company are, its innovative insight instrument that gives user-friendly access to the visualized data sets by which users can figure out market bulk, trend, and future forecasts. As a Finnish pioneer brand, Statzon does not have a direct competitor in the home market yet; this paves the way for Statzon to win a considerable market share in the home market.

Weaknesses

As a newly founded start-up, Statzon has limited financial as well as human resources, including marketing and sales team. Thus, currently, the company doesn't run active marketing campaigns. Its developing team also contains a few. The other point about Statzon is the brand, which is not well known neither in domestic nor international markets. To build trust among users, Statzon needs more visibility among users of different segments, many potential customers or trial users seek very niche market data banks, to provide such a service with limited resources, Statzon needs more time.

Opportunities

There is a vast market out there for Statzon to penetrate; all the company need is knowing precisely what data categories the customers need and set the proper price policy suited to different markets. Active marketing campaigns are required to help brand visibility, build trust among customers, improve the numbers of subscribers, and eventually win a more significant share of each target markets.

Threats

As a branch of the software market that is growing fast in the technology age, data providing market competitiveness attracts many businesses. There are already some famous and robust competitors for Statzon including statistical offices, industrial associations as well as firms and organizations databases, on the other hand, technology is pacing toward faster, more comfortable and more transparent paradigm. Statzon both needs to be updated by the latest technology and ahead of its competitors to retain the current subscribers and convince potential clients to subscribe.
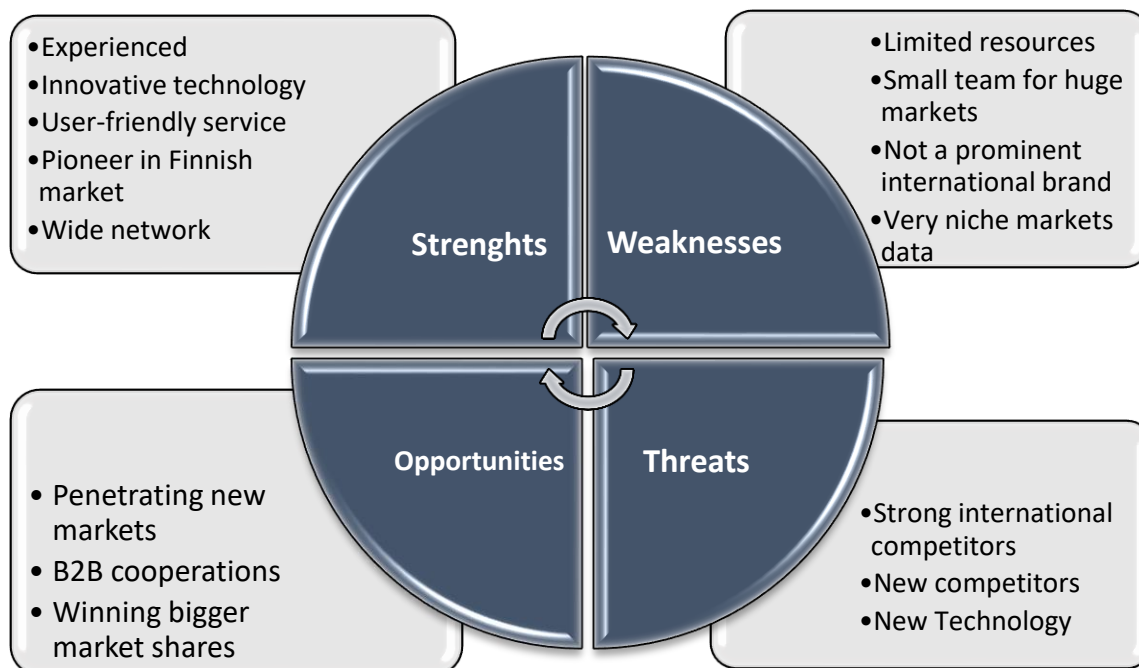
Strengths
- Experienced
- Innovative technology
- User-friendly service
- Pioneer in Finnish market
- Wide network

Weaknesses
- Limited resources
- Small team for huge markets
- Not a prominent international brand
- Very niche markets data

Opportunities
- Penetrating new markets
- B2B cooperations
- Winning bigger market shares

Threats
- Strong international competitors
- New competitors
- New Technology

Figure 23 Statzon SWOT analysis

3.2 Target Markets

As an IT service company, the more markets Statzon penetrates, the faster the company will grow and increase its subscribers and revenue. Statzon, as an international brand, intends to enter all markets and into the segments already mentioned in the company profile. Nevertheless, the scope of this study is limited to the academic segment of NB8, including Denmark, Iceland, Finland, Norway, and Sweden - Estonia, Latvia, and Lithuania. To help the company with a more in-depth insight into each of this market, the rest of this chapter is dedicated to PEST analysis of each NB8 country.

3.2.1 NB8 Political Analysis

Thanks to their independence, the close regional cooperation made up NB8. The cooperation roots back to 1992 and follows the guidelines of local development in foreign political dialogue, cooperation in diplomatic representations, civil security including cybersecurity, defense cooperation, energy cooperation, and developing NB brand. (Linkevičius 2019.) The above points decrease the political risks in the target markets for any market penetration plans.

3.2.2 NB8 Economical Analysis

Considering the Gross Domestic Products Per-capita, Norway with $75.704.2 US GDP per-capita and purchase power index of 97.6, stands on top of 8 target markets. According to World Bank 2019, Denmark and Sweden follow Norway, respectively with $57.218.9 US and $53.253.5 US GDP per-capita, yet the purchase power index in Sweden (84.0) is higher than Denmark (78.7). (WorldBank 2019.) To adapt its pricing policy to the target market, Statzon should consider the fact that the Baltic countries GDP and purchase power index differs notably with Nordics. For instance, Latvia with purchase power index of 38.1 and GDP per capita of $15.684.6 US (World Data 2019) needs more precise pricing plan.

3.2.3 NB8 Social Analysis

The biggest potential target market of Statzon among NB8 in the academic segment is Sweden with a population of 10,057,000 in 2017 and more academic centers, including 14 public universities and 17 public university colleges. The research and development expenditure share of total GDP in Sweden also highlights it as the biggest potential market among NB8. Sweden with 3.25 % R&D share of GDP (WorldBank 2019), stands above all other NB8 members. Denmark, with 2.87% R&D expenditure share and 37 public higher education centers, is the second large potential market of the selected segment. Iceland, on the other hand, with just seven universities in total is the smallest market for Statzon to penetrate.

3.2.4 NB8 Technological Analysis

Education expenditure share of total GDP in Iceland (7.7%) is more than other target markets, interestingly, Denmark, Norway, and Sweden similarly specify 7.6% of their total GDP to education expenditure. On the other hand, the most significant imported software service share (59%) in 2018 belongs to Finland.

Table 2 NB8 PEST analysis (WorldBank Group 2019)

	Political	Economical	Social	Technological
Denmark	Constitutional Monarchy Low market entry risk	GDP Per Capita: 57,218.9 US$ Unemployment rate: 5.0% (2018) Purchase power index: 78.7	Population (2017): 5,764,980 R&D Expenditure (% of total GDP) 2016: 2.87% Higher education: 8 universities, 29 college universities	Education expenditure (% 0f GDP): 7.6% Software service import % of total service import (2017): 37% High-tech export (2018): 7,666,289,300 US$
Estonia	Republic - Low market entry risk	GDP Per Capita: 20,200.4 US$ Unemployment rate: 5.5% (2018) Purchase power index: 45.3	Population (2017): 1,317,380 R&D Expenditure (% of total GDP) 2016: 1.28% Higher education: 15 public and nine private universities	Education expenditure (% 0f GDP): 5.2% Software service import % of total service import (2017): 37% High-tech export (2018): 1,923,63,.850 US$
Finland	Republic - Low market entry risk	GDP Per Capita: 45,804.7 US$ Unemployment rate: 7.8% (2018) Purchase power index: 72.0	Population (2017): 5,508,210 R&D Expenditure (% of total GDP) 2016: 2.75% Higher education: 13 universities, 23 UAS	Education expenditure (% 0f GDP): 7.1% Software service import % of total service import (2017): 59% High-tech export (2018): 3,702,238,090 US$
Iceland	Republic -Low market entry risk	GDP Per Capita: 71,311.8 US$ Unemployment rate: 2.9% (2018) Purchase power index: 72.6	Population (2017): 343,400 R&D Expenditure (% of total GDP) 2016: 2.08% Higher education: 3 private and four public universities	Education expenditure (% 0f GDP): 7.7% Software service import % of total service import (2017): 37% High-tech export (2018): 67,571,120 US$
Latvia	Republic - Low market entry risk	GDP Per Capita: 15,684.6 US$ Unemployment rate: 7.9% (2018) Purchase power index: 38.1	Population (2017): 1,942,250 R&D Expenditure (% of total GDP) 2016: 0.44% Higher education: 25 universities	Education expenditure (% 0f GDP): 5.3% Software service import % of total service import (2017): 38% High-tech export (2018): 1, 637,303,150 US$
Lithuania	Republic - Low market entry risk	GDP Per Capita: 16,809.6 US$ Unemployment rate: 6.0% (2018) Purchase power index: 42.3	Population (2017): 2,828,400 R&D Expenditure (% of total GDP) 2016: 0.85% Higher education: 14 public and eight private universities	Education expenditure (% 0f GDP): 4.2% Software service import % of total service import (2017): 26% High-tech export (2018): 2,386,787,010 US$
Norway	Constitutional Monarchy- Low market entry risk	GDP Per Capita: 75,704.2 US$ Unemployment rate: 3.9 % (2018) Purchase power index: 97.6	Population (2017): 5,267,,970 R&D Expenditure (% of total GDP) 2016: 2.03% Higher education: 7 universities, 22 university colleges	Education expenditure (% 0f GDP): 7.6% Software service import % of total service import (2017): 41% High-tech export (2018): 3,590,613,290 US$
Sweden	Constitutional Monarchy- Low market entry risk	GDP Per Capita: 53,253.5 US$ Unemployment rate: 6.4% (2018) Purchase power index: 84.0	Population (2017): 10, 057,700 R&D Expenditure (% of total GDP) 2016: 3.25% Higher education: 14 public universities, 17 public university colleges	Education expenditure (% 0f GDP): 7.6% Software service import % of total service import (2017): 54% High-tech export (2018): 15,140,153,540 US$

3.3 Competitors

Statzon has many direct and indirect competitors, including the statistical offices, industrial associations, e-libraries, and organization's databases.

To highlight the competitive advantages of Statzon, one of the primary decision criteria rooted on benchmarking from competitors, by focusing on their business model and service characteristics, pricing strategies, target markets as well as social media content types. The competitors' analysis contains their profile including a wide range of information about their organization, customers, revenue, employees, market share, website, pricing, market awareness, strengths, and weaknesses, etc. (Haaff 2019.) Figure 24 depicts the competitor's analysis criteria.
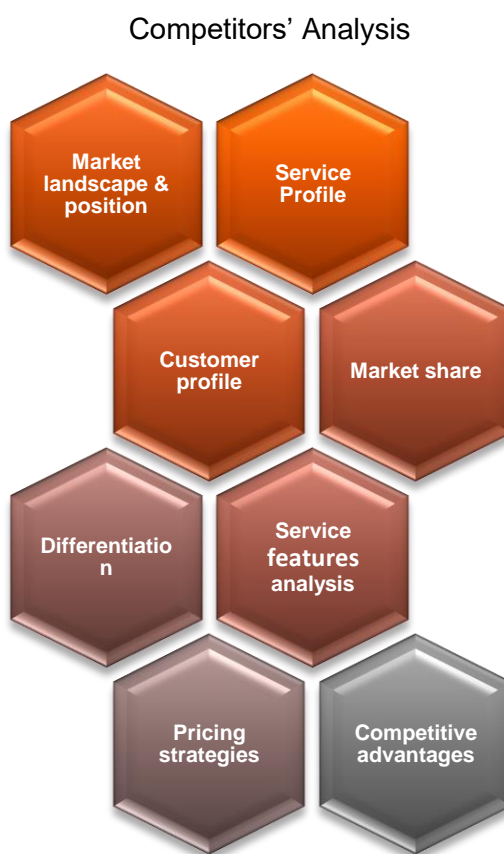

Figure 24 Competitors' analysis criteria (adapted from Haaff 2019.)

In a broader analysis, the competitors' capabilities should be compared with the case company's situation. Not only the different advantages and disadvantages should be taken into account, rating the merits and demerits of each company also can help to distinguish the current market position of each company and to figure out how big is the gap with Statzon's goal, objectives, vision, and mission. (Aha 2019.)

Table 3 Competitive capability analysis (Aha 2019)

Assessment	Statzon (S)	Low					High
	Competitors(C)	Capability	1	2	3	4	5
Unique capabilities	S: C:						
Best capabilities	S: C:						
Same capabilities							
Poor capabilities	S: C:						

Benchmarking competitors, as the first task of the thesis author, as Statzon marketing intern, is already done. For the confidentialities of the case company's strategies, analyzing Statzon competitors is out of the scope of this study.

To keep the consistency of the thesis, the author only focuses on customer-driven marketing strategies based on the results of the empirical part of the thesis, that will be discussed in detail in chapter 4.

4 EMPIRICAL RESEARCH AND DATA ANALYSIS

4.1 Data Collection

This study writing process launched in May 2019 after consulting with the case company's managing team over the needed further research about the thesis subject. Thus, based on the agreed contract between Lahti University of applied sciences and Statzon CEO and co-founder, Kimmo Kuokkanen, the author as the case company's marketing intern, started desk research regarding the theoretical part of the study. Meanwhile, the question-naire is designed based on the highlighted research questions proposed by the case company's managing team. The desk research started mid-May 2019, and after consulting with the case company's management, the thesis author emailed the questionnaire to the target customers in early June 2019.

By receiving scattered replies, the data analysis of the empirical part started since mid-July. To illustrate the steps followed to collect the data, table 4 presents the thesis writing process timeline.

Table 4 Thesis process timeline

Activity	May 2019	Jun 2019	July 2019	August 2019
Desk research				
Designing the survey				
Emailing the survey				
Data analysis				
Recommended strategies				

4.2 Survey Results

The aim of this study was to figure out the answers to the research questions to provide customer-driven strategies for the case company. As mentioned earlier, the research questions of this study are:

1. What are Statzon customer-driven KPIs in NB8 academic segment?

2. What are the potential competitive advantages of Statzon in NB8 academic segment?

3. How is the penetration process to NB8 academic segment?

4. What is the optimum pricing policy for NB8 academic segment?

Based on the mentioned above research questions, the author designed a 10-questioned questionnaire aiming to figure out the viewpoints, evaluation, and expectations of target customers from the data service provider.

The questionnaire was emailed to 273 library directors and head librarians of NB8 countries. The collected data scale was quite small by just 24 answers out of 273 in total, where Finland owned the most prominent share while Iceland's share of respondents was zero. Figure 25 shows each country respondents' rate.
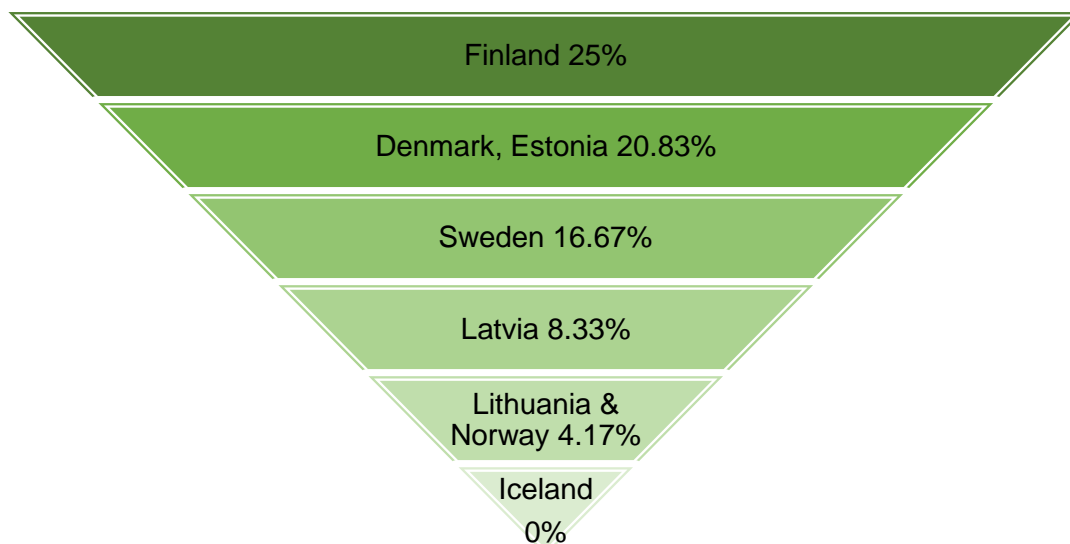

Figure 25 Subjects participation rate by country

The survey was designed to meet the study goals by digging out the KPIs of favorable service from the perspective of target customers. On the next step, based on the questionnaire results, the author highlights the potential competitive advantages that Statzon can add to its current service. Lastly, the author proposes the most appropriate pricing policy and penetration strategy for the target markets.

Aiming to provide multiple possible strategies to help Statzon to reach out more significant market share as a prominent player in data providing service industry, the focus of this part is investigating the Statzon service KPIs out of each answer.

4.2.1   Chief Faculties in Academic Segment of NB8

To figure out the answer to the first research question,

What are Statzon customer-driven KPIs in NB8 academic segment?

Statzon primarily needs to recognize the principal faculties in target markets. The results of the survey question 1," *In which country is your university located?",* and question 2, "*which faculties are available at your university?"*, indicate that Business and Hospitality, as well as Social Sciences with nearly 50% share among other faculties, should own the core concentration of Statzon in the target markets. In other words, according to the rule 80-20 already mentioned in chapter 2, the two faculties of Business & Hospitality, and Social Sciences, with the maximum share of popularity need 80% of Statzon concentration to provide the required categories.

However, there were some specific faculties for Statzon to take into account among responses, including the faculty of forest sciences and landscape architecture, the faculty of horticulture and crop production, as well as the faculty of veterinary medicine and animal sciences. Providing the niche data bank for faculties mentioned above can add up to Statzon competitive advantages.
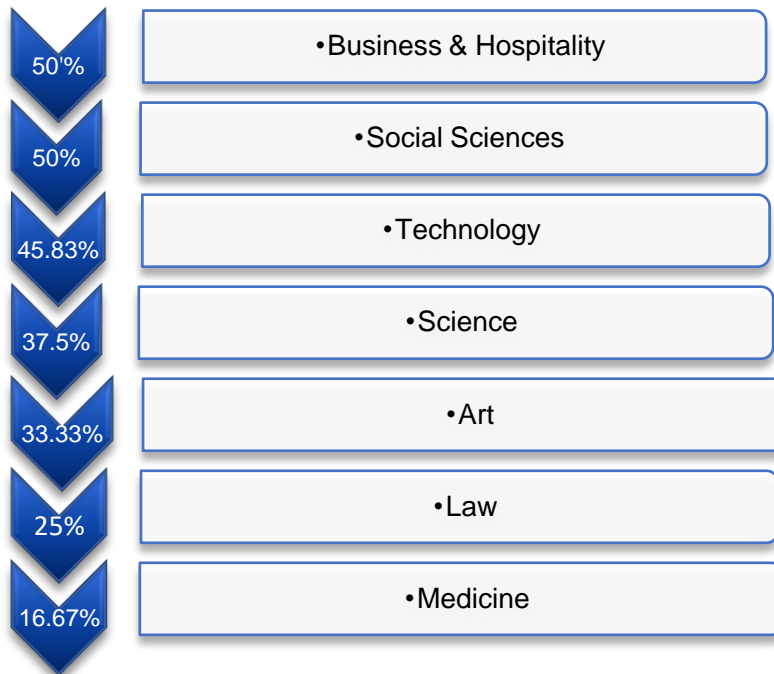
50'%	•Business & Hospitality
50%	•Social Sciences
45.83%	•Technology
37.5%	•Science
33.33%	•Art
25%	•Law
16.67%	•Medicine

Figure 26 Most common NB8 academic faculties

4.2.2 Significant Data Categories in the NB8 Academic Segment

The third question of the survey, "Which of the following research segments are popular in your university?", elucidates the most popular data categories respectively are Education, Finance, Healthcare & social work, Manufacturing, and Recreation & hobbies. Having a more in-depth look at each answer, Latvian users selected education and finance as the most popular research data categories. Danish users picked education, finance, social sciences, manufacturing, accommodation, and food service as the most in-demand research category. For Swedish subjects, education, healthcare, accommodation and food services, recreation and hobbies, construction, veterinarian medicine, horticulture and agricultural data categories were the most favored ones; furthermore, some Swedish users mentioned the importance of available niche data in categories mentioned above. Leadership and Technology, on the other hand, were the most in-demand data categories for Norwegians, including in-depth data that is on priority for them to select a service. Finnish respondents selected education, finance, healthcare, circular economy, construction, manufacturing, education, recreation, and hobbies as the most crucial data categories. Lithuanian subjects mentioned education, political sciences, and sociology as the trendiest categories of data research.
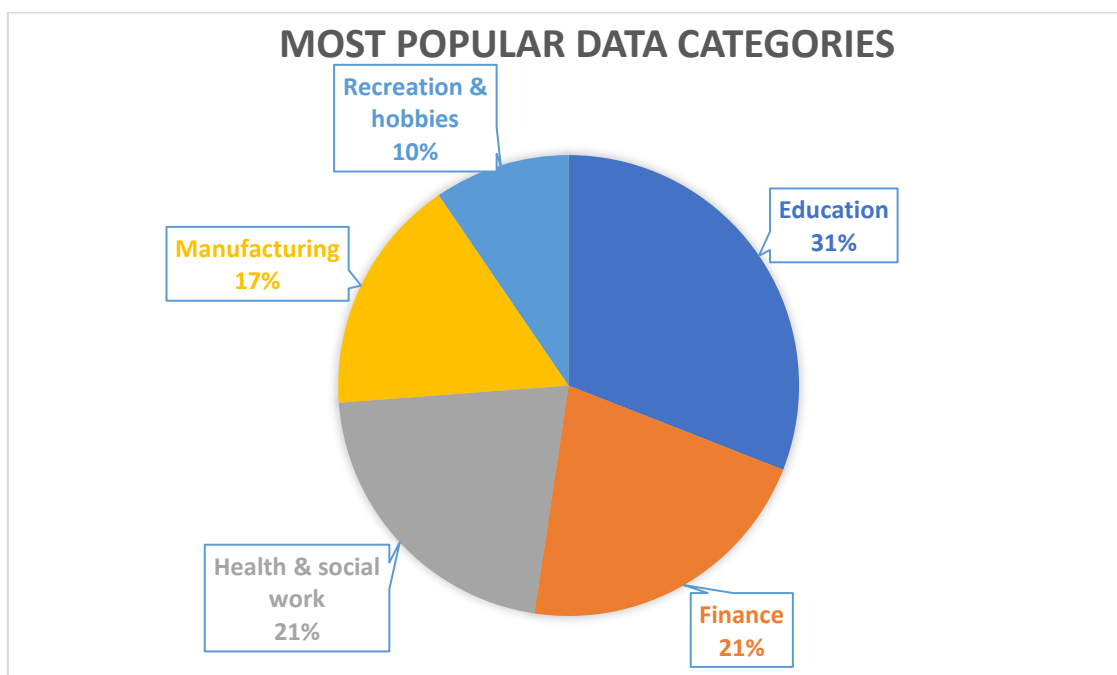

Figure 27 The most significant data categories in the NB8 academic segment

4.2.3 Essential Data Service KPIs

Question 6 and 8 of the survey were designed to remark the results for the second research question,

What are the potential competitive advantages of Statzon in NB8 academic segment?

The responses to question 6 of the questionnaire, "What do you specifically like about the current data providing platforms?", signify that *variety of data categories*, by far, is the top urgent feature for Statzon to provide. *Fair price* and *easy to use design* are the other imperative trait needed for excellent service. *In-depth information*, on the other hand, stands as the third important aspect for an outshine service. Looking back at Statzon database, by bearing in mind the needed features that matter to users, Statzon can add up more countries to its data collection of education, finance, healthcare, veterinary, and recreations. Meanwhile, as the potential users highlighted, Statzon needs to provide more detailed data subcategories regarding already mentioned topics.
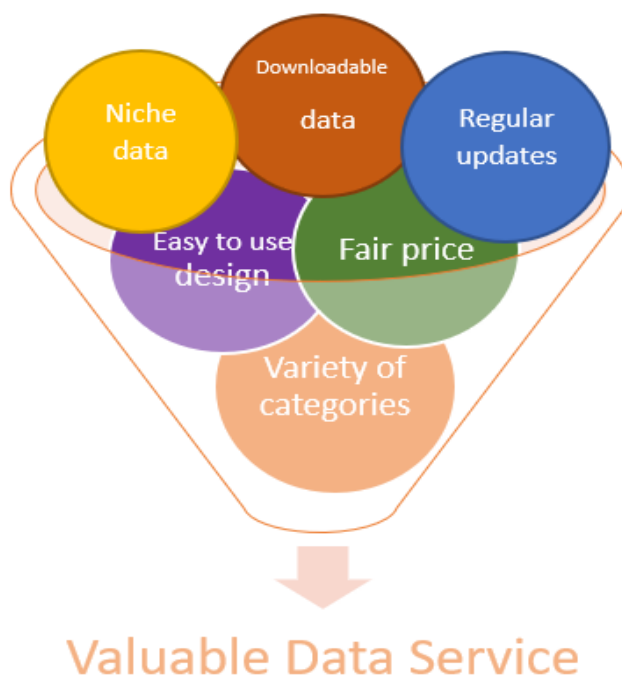

Figure 28 Essential data service KPIs for NB8 academic segment

The responses of survey question 8, "W*hat features would you like to add to your current data service provider?",* grant valuable hints for the intended or missing features in the current service they are already using. The first essential feature, as could be assumed by

question 6 results is *more data categories*. The second missing feature is *regular data up-dates* or *automated updates. Downloadable graphs and charts* are the other missing fea-tures in already available services. The results indicate that most available services al-ready include forecast feature, yet some do not transparently reveal the primary source of the provided data.
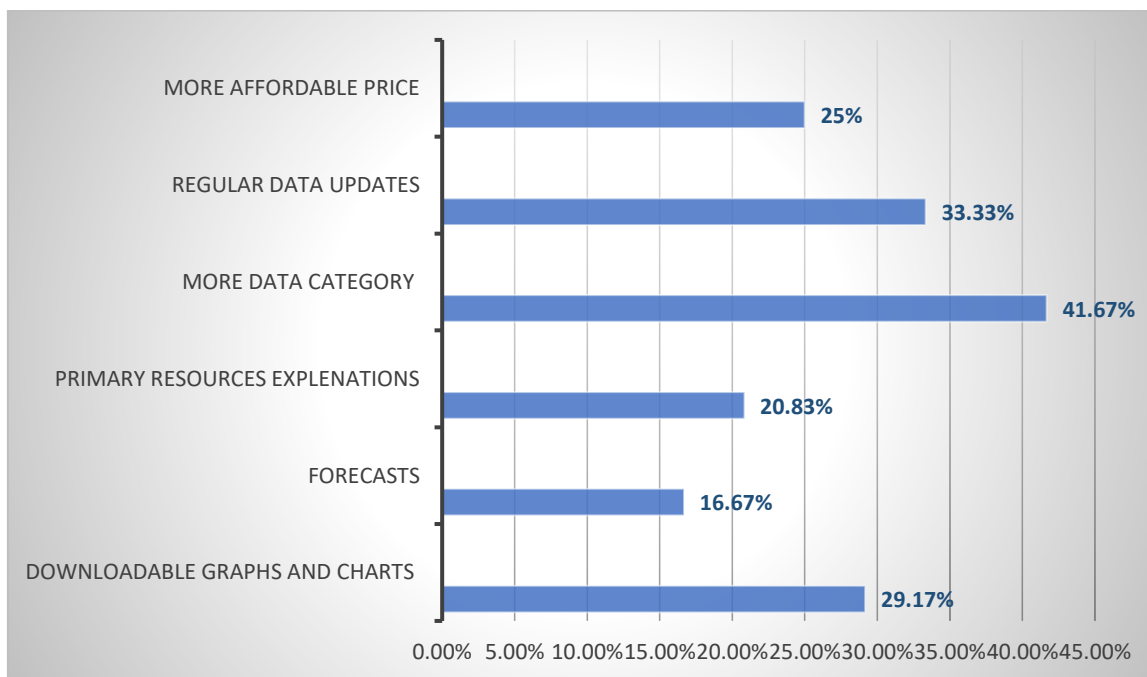

Figure 29 NB8 academic segment demand features for data service

4.2.4 Decision Making Process in NB8

To answer the third research question,

How is the penetration process to NB8 academic segment?

The replies to question 9 clarify the decision-making process in the target markets. In most cases, library directing team after checking feedback from students decide about us-ing a service. While in some other the university management decides about the service provider, the results indicate that in over 70% of universities, the final decision is made af-ter checking feedback from students. The replies also imply that in some universities of Latvia, Finland, and Estonia, library management decides about service provider without checking students' feedback. On the other hand, it was underlined by the Swedish and Norwegian subjects that the students' feedback is a determinant factor in the decision-making process.

The results of question 7 show the most potential customers are satisfied with their cur-rently using service (almost 80%), it is a challenge for Statzon to penetrate in NB8

academic segment easily. To set Statzon's pricing strategy, including its price hike clearly, the results of this study traces the customer's behavior, which should be leveraged by considering the profit margin of the company.

4.2.5 NB8 Data Service Pricing Hints

The last but one of the most important research questions for the case company was:

What is the optimum pricing policy for NB8 academic segment?

To help Statzon to set its optimum pricing policy for the target markets, the survey question 5, "How much are you paying for the annual subscription?" and 10, "What would be a fair price annually for the intended service and features package?", were designed to help planning the most appropriate pricing policy for Statzon service.

Responses to question 5 indicate that the majority of subjects (22.73%) are paying less than €3,000 for their current data platform service. 13.64% are paying €5,000-8,000, and 18.18% are paying between €8,000-10,000. The range of €3,000-5,000 includes the smallest prorate of customers, though. Unfortunately, question 5 does not help us with more profound insight into what specific features each service with the mentioned price range includes. Over 36% of respondents who are categorized by "other" in figure 30, skipped answering the question.
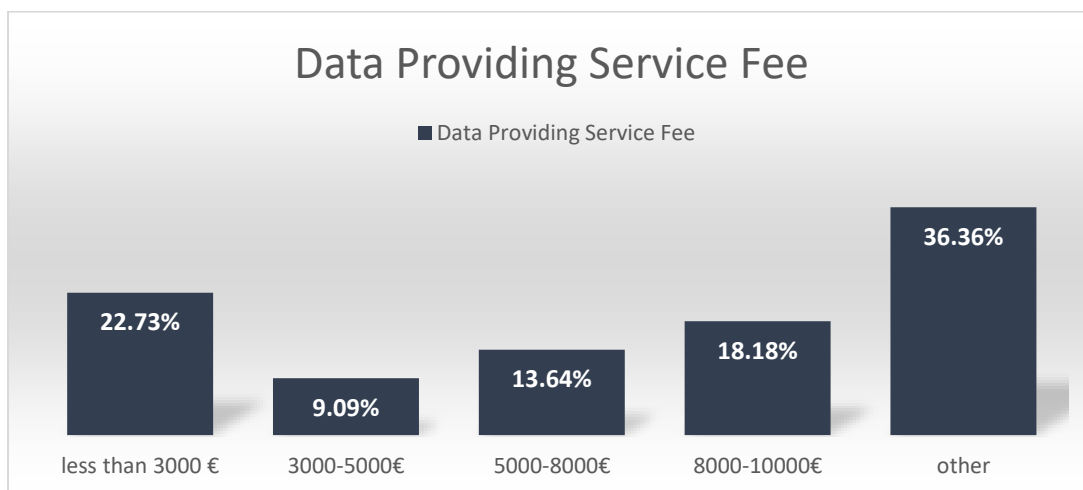

Figure 30 NB8 academic segment data service price range

It is inferred from the responses that the average paying price rate in NB8 currently is €5194. The reactions toward questions 5 and 10 imply that there is a correlation between GDP as well as R&D expenditure share of GDP of the NB8 members (NB8 PEST analysis, chapter II). Considering the answers by country, Swedish subjects mentioned they are presently paying €8,000-10,000, in their point of view a fair price is nearly €7,500 provided

that the data service includes offering niche market data. Most Estonian users mentioned they are paying less than €3,000 for the currently used service and in their point of view, a fair price for the intended service including all features would be €2,000-4,000, yet the majority of Estonian subjects' replies were inclined to €2,000. The responses imply that the current service they are using does not offer regular data updates and downloadable graphs and charts.

Latvian users mentioned different perspective price-wise. Some specified free services as the most popular feature, others said they are paying €3,000-5,000, and fair price would be €2,000- 6,000. Meanwhile, a variety of data categories and transparency of primary resource is missing in their currently using service. Danish subjects' idea about the fair price differed from €2,000-8,500. Lithuanian users mentioned they are paying €3,000-5,000, and for the service with all the mentioned features, it would be satisfactory to pay about €4,500. Norwegian users are paying €8,000-10,000 and referred 5,000 € as a fair price. Most Finnish subjects are paying €5,000-8,000, and the reasonable price in their point of view was €5,000 and €7,000.
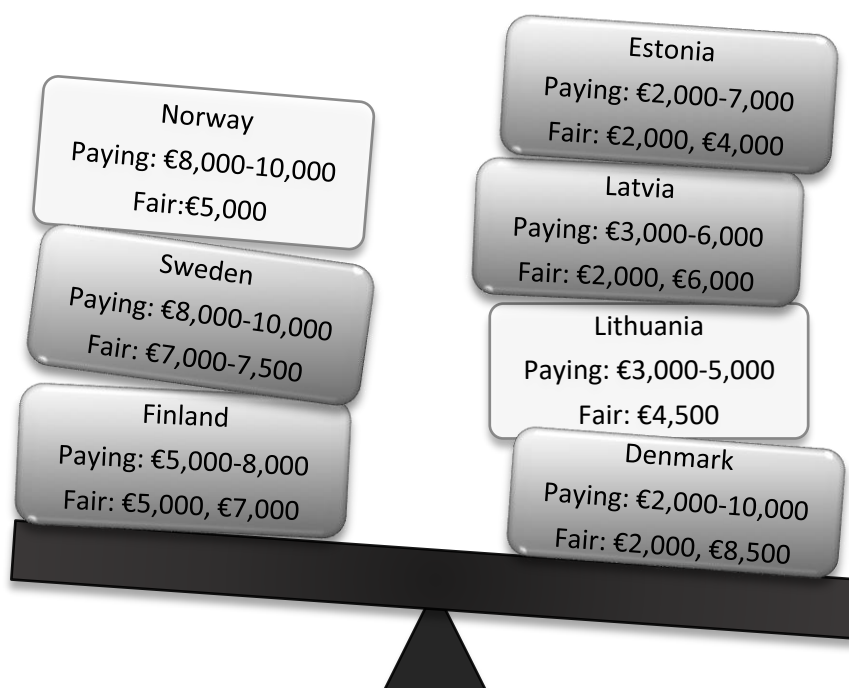

Figure 31 NB8 data service fee hints

According to questionnaire results, each country's perception of a fair price for a complete data package service differs. To be successful in both market penetration process and preserving Statzon's brand image, Statzon is recommended to apply an adaptive pricing policy.

4.3 Recommended Customer-Driven Marketing Strategies

As already mentioned in chapter II, according to Hawkins & Mothersbaugh marketing strategy steps model, after analyzing the customers, markets, and customer decision-making process, it is time to identify Statzon problems and resolve them. By contemplating on thesis questionnaire results as well as the theories already pointed out in chapter 2, this part is going to pinpoint recommended customer-driven marketing strategies for Statzon.

4.3.1 Setting SMART Goals

This study proposes Statzon to set smart goals based on the voice of customers by concentrating on the data categories they highlighted, the price they consider fair and the features they asked for the service to have a tailored marketing campaign for an academic segment of NB8. To set the goals, Statzon should clarify what position in marketing the company is looking for, does it want only to be present in the target markets or later take the market-leading role? Besides, Statzon should consider academic users mainly belong to *actual* and *well-informed* customer categories. (Chapter 2) Thus one of the objectives can be turning them to loyal customers.
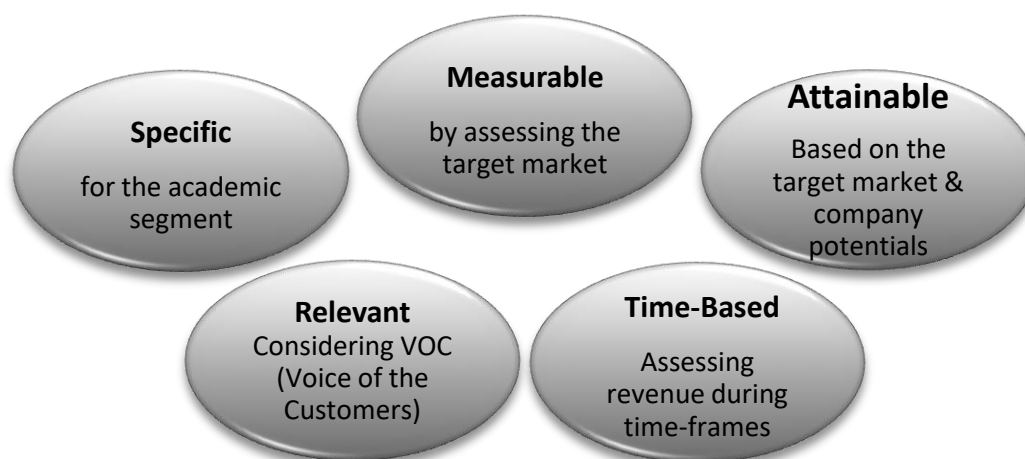
Figure 32 Setting SMART goal (adapted from Madison 2019)

Setting goals, needless to mention, will spotlight the marketing directions of Statzon; nevertheless, it would not be enough without adding some specific features such as detailed and distinct market data of categories mentioned in previous parts. Statzon goals need to be accurate by focusing precisely on features which are missing currently; for instance, penetrating at least one academic center of each NB8 member country by 2020. The

objectives can be adding some data categories like Leadership, IT, Landscaping, Design & Restoration, Political & Social Sciences, etc. and promoting the network. Then a time frame should be considered for each objective and based on different time intervals; the achievements should be assessable. If the objectives are not met on time, the problems should be identified and resolved. Once the objectives are met, Statzon should grant the academic users as *marketing army* to be a *reference group* to build trust among other users by the WOM strategy.

4.3.2 Content Curation

One of the principal keys to unlock the penetration process to the target market segment is offering the tailored features and content the customers are looking for on owned, paid, and hopefully earned media. Regarding the service features, Statzon already provides downloadable and printable visual data. It regularly updates the data; besides, the forecast by 2023 is available for all industries. The current missing feature is a variety of data categories, and subcategories of very niche categorized data. In other words, engaging content based on the data which is missing currently in target markets can act as the *Honey Pot*, discussed in chapter 2. To have engaging content, Statzon needs sorting, arranging, sifting, planning the vast amount of content, then present it in a meaningful, storytelling, consistent and organized way around a specific theme actively on its owned and paid media.
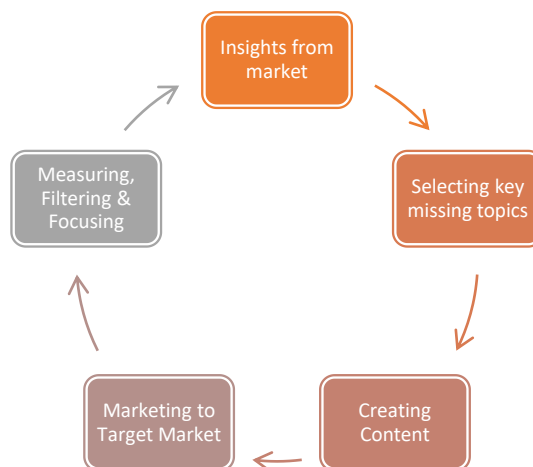

Figure 33 Content curation process (adapted from Hlavac 2019)

Two chief elements in content curation are filtering and focusing on crucial sub-categories to drag the attention of the academic readers on data levels of the headings that profoundly matter to this segment.

While selecting and planning the content, Statzon marketing team should consider *Who? What? Where? mind map*. They both need to recall *who* is their audience, *what* content they need, and *where* the content should be displayed. More importantly, Statzon marketing team should make sure that selected content conveys the message to the target audience that *who* benefits Statzon's service, *what* values and features make Statzon different from other available platforms and *where* the users will reach to by using Statzon values.

4.3.3 Lead Nurturing

Regarding relation-building activities in sales funnel stage to turn cold prospects into customers, Statzon needs to create a clear cut, meaningful, and trustful interactions at every move in sales funnel. Pointing out the hints provided by Kemmis (2018), the author is going to propose some lead nurturing strategies for Statzon in the following parts of the thesis. The leads should be well aware of the service features and security. They also ought to discover the differentiation of Statzon and evaluate it with other possible services time-wise, price-wise, and quality-wise. Once the mutual intents are clearly understood, it can lead to building trust and completing the purchase process.

Creating a Branching Content Funnel

Since Statzon provides an astronomical number of datasets wide range of industries, it is baffling for Statzon marketing team to develop related and organized content. One possible way to manage the content in Statzon archive is creating branching content funnels that match Statzon leads to the most appropriate content. For example, Statzon can send agricultural content to academic leads of the same faculty in different channels like Facebook or LinkedIn. At the next step, based on leads interest and engagement, Statzon can boost the leads' interest by related blogs, infographics, and then emails, etc.

Targeted Video Ads

Video ads are efficient and trendy by the ability to tell the story about market data class in an eye-catching, easy to understand, quick and creative way. The video ads can act as a mid-funnel aid to reach out leads; for instance, those leads who do not open their welcome emails. Video ad works well in retargeting leads as they are visually appealing to convey the marketing message attractively and indirectly.

Quiz Statzon Audience

Unlike surveys that are boring for customers to reply, lunching a targeted quiz for academic data leads can arise their interest by reminding them of the necessity to reach out data tier on Statzon.

Inviting Leads to Statzon Slack Channels

Inviting segmented leads to join Statzon Slack channel can firstly make them feel included in a particular group and secondly gives them the chance to engage with Statzon in a friendly and structured way to ask any questions they have regarding the service. Holding live AMA, Ask Me Anything, can be a friendly yet creative way to convince, for example, the library managing team of an academic center to subscribe annually.

Sending Personalized Welcome Video

Statzon already is sending personalized welcome emails and email marketing campaigns which are also personalized, short and goal-oriented as a backup for lead nurturing. The other strategy is personalized welcome videos that can help to build a loyal relationship and trust by letting customers see the leading team or the person behind the Brand and virtual world. It also offers the chance to Statzon to point out its niche differentiating features that competitors' service does not provide, in a visionary and appealing way.

Dumping Cold Leads

As quantity does not guarantee the quality, inevitably, over the time Statzon will have cold leads that are not engaging with any marketing strategies. With the somehow manipulative approach, Statzon can manage its cold leads list and the email service cost by a catching *goodbye or break up* message; meanwhile, Statzon can offer them to click a link to stay on the list. The point is since naturally as human being we all hate to be rejected, in the best scenario, some of these leads re-engage.

4.3.4 OPN

As a very efficient strategy to increase the subscribers, Other People's Network, OPN, can engage more audience by commenting on their content and involving them to comment on Statzon content. Instant example of such strategy can be using guest bloggers and as a win-win strategy.
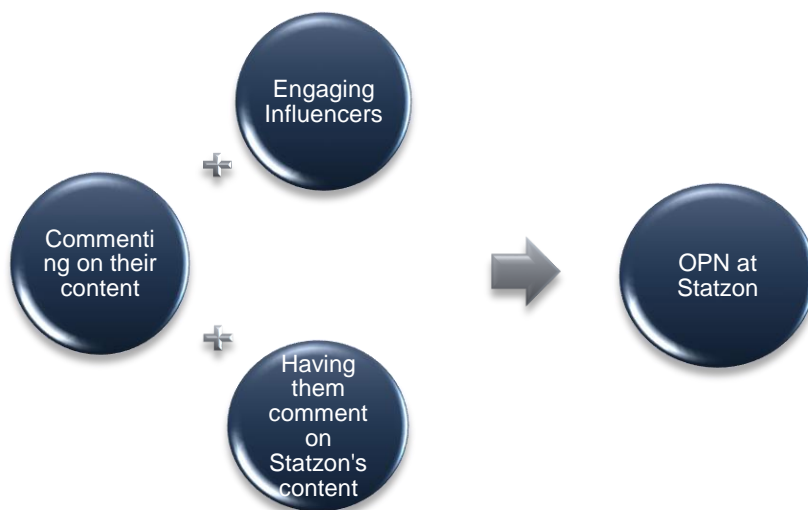
Figure 34 Other people's network model (adapted from Corcoran 2009)

Thinking back the winning strategy includes paying as little as possible for gaining as much brand experience as possible in a favorable socially connected media, Statzon can apply OPN. Statzon has high potentials to cooperate with guest bloggers in a win-win way by both promoting brand visibility and helping the bloggers with the credibility of their content. It is a brilliant chance to teach the academic users about Statzon specializations by the value Statzon is bringing to the other people; let's say, the academic community members. The bigger goal behind OPN is enhancing Statzon SEO ranking by a shift from having owned and paid media toward earned media creatively by exciting the readers about the data categories, trends, forecast and any other niche information that the users are already interested.

4.3.5 Setting Barriers Against Competitors

As already discussed in chapter 2, setting barriers to market entry is essential to grow faster in target market segment. Needless to mention, it needs a lot of resources and concentration to be a market leader in the academic segment of data providing industry and own the resources to prevent competitors grow fast in the same market.

Leading Edge Technology

If Statzon aims to position itself as the market leader in the academic segment, it needs to access the forefront technology. Statzon already offers valuable features like downloadable and printable visual data, market size, growth and forecasts of tons of industries data furthermore Statzon regularly updates its databank, yet it needs to access automated data updates to create a big gap with its direct competitors.

Scale

As the other impressive feature that can prevent the competitors to dare to compete, Statzon should boost its tailored academic data categories and subcategories to a large scale and market it emphatically to spell out its competitive advantages for both the potential customers and the competitors.

Ongoing Innovation

Statzon dashboard's first impressions imply its innovative layout and service features; yet, it can add up its vales by some other supplementary paid or premium features. For instance, some market reports beside the visual data for the busy academic users, or video presentations to help the academic users presenting the content in a more professional way and any other customized features to engage customers more in Statzon Honey Pot. Statzon should market its extra or premium features so substantially that both persuade the customers to the premium features and alert to competitors how fast and ingeniously Statzon is remodeling its service features.

Self-expressive Benefits

Statzon marketing team should expound its data service values by importing a feeling of scarcity. Different strategies can imply such belief and persuade the leads to buy. Firstly, Statzon should limit the access of trail users to all data categories, during the intervals, as a bonus, can offer further access on more detailed data class, subcategories, or relevant data categories during the limited time with specific price bid. The marketing should convey tied up, exclusive, and interrelated values that only Statzon provides.

Statzon Loyalty Programs

As business is bilateral relation, if Statzon intends to stand out among competitors in customers opting, it should, in return, serve its academic customers Statzon unique *Gems* as the reward of loyal customers. The more loyal customers Statzon owns, the harder competitors can win its market share. Granting *loyal gems* at first point might seem against cost leadership strategy, but in fact, it is a long-term investment.

5 CONCLUSION

5.1 Key Findings

The objective of this study was to answer the research questions to help Statzon to increase the number of subscribers in the NB8 academic segment. The study research questions were:

1. What are Statzon customer-driven KPIs in NB8 academic segment?
2. What are the potential competitive advantages of Statzon in NB8 academic segment?
3. How is the penetration process to NB8 academic segment?
4. What is the optimum pricing policy for NB8 academic segment?

The following parts focus on summarizing the thesis findings.

5.1.1 Data Service KPIs to Penetrate the NB8 Academic Segment

The responses to survey question 1 and 2, "In which country is your university located?", and "Which faculties are available at your university?" clarify to answer the first research question,

1. What are Statzon customer-driven KPIs in NB8 academic segment?

The survey Question 3, "Which of the following research segments are popular in your university?", helps to understand the demanded data categories for researchers of each academic center. Statzon needs to offer these features, to be able to compete with its key competitors including other e-libraries, statistical offices, and other companies or organizations and their databases.

Table 5 Statzon service KPIs for NB8 academic segment

Most important faculties in NB8	1. Business & Hospitality 2. Social Sciences 3. Technology 4. Science 5. Art
Most popular data categories	1. Education 2. Finance 3. Health care & Social Work 4. Manufacturing 5. Recreation & Hobbies
Essential Service Features	1. Variety of data categories 2. Regular data updates 3. Downloadable graphs and charts 4. More affordable price 5. Primary resource explanations

5.1.2 The Missing Competitive Advantages of Statzon

To successfully penetrate the target markets, Statzon needs to support the features that already are missing in target markets regarding the answers to the second research question:

2. What are the potential competitive advantages of Statzon in NB8 academic segment?

The study managed to respond to the second research question by analyzing the results of survey questions 6 and 8. Question 6, "What do you specifically like about the current data providing platforms?", leads us to the competitive advantages of the existing service provider while question 8 responses mark the missing categories and service features that users would like to have in the service they are already using.

Table 6 The potential competitive advantages of Statzon

Missing data categories & subcategories	• Art & Performing art • Design and Restoration • IT & Technologies • Landscaping and Equine Science • Leadership • Political Sciences • Social Sciences • Veterinary Medicine
Missing Service Features	• More niche data subcategories • Automated data updates

5.1.3 Penetration Process

The students', library managers' and university managers' role in selecting data service is highly significant in the results of this study regarding the third research question:

3. How is the penetration process to the NB8 academic segment?

The results of question 9 indicate that in over 70% of universities, management teams will choose a service provider based on students' feedback. Based on the results, the dominant decision-makers are library managers who decide about the service provider, yet decision making in less than half (40%) of academic centers depends on the university's managing team. It is recommended that Statzon does not rely only on library managers to contact for penetrating the target market segment. To convince the academic segment, Statzon needs firstly to build awareness among university teachers and researcher staff, before giving trial access to the university. In this way, students will engage more during trail access to try Statzon service and then by providing feedback; they will influence on the decision-making process. Considering the marketing penetration model proposed by Claire (2017), Statzon needs to set objectives on how to meet the customer needs, build a relationship, and position itself in the market. Figure 35 represents the author's suggested penetration process to the target markets.
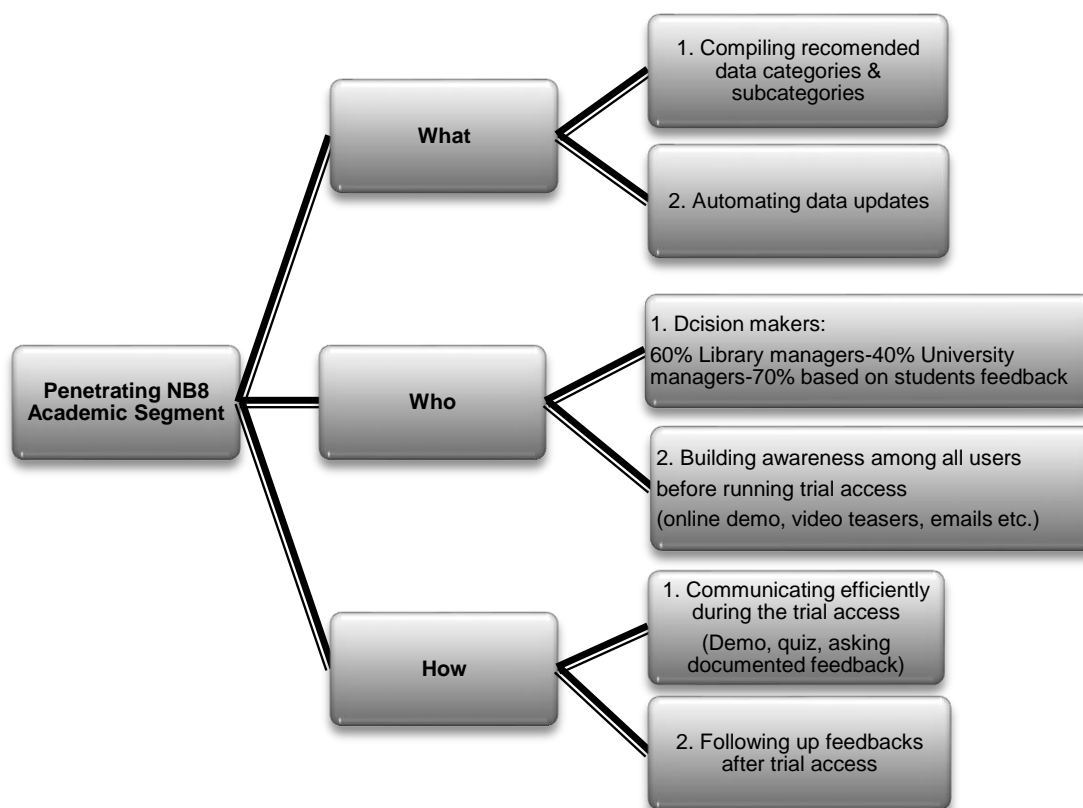
Figure 35 Recommended NB8 penetration process

5.1.4 Pricing Policy

The 5th and 10th question of research survey leads us to figure out the answer to the last research question:

4. What is the optimum pricing policy for the NB8 academic segment?

By checking the answers to survey questions 5, "How much are you paying for the annual subscription?" and question 10, "What would be a fair price annually for the intended service and features package?" it can be implied that there is a correlation between GDP and R&D expenditure share of GDP of the NB8 members (NB8 PEST analysis Chapter 2), with academic users' price consciousness. The average paying price rate in NB8 currently is €5,194. The study shows users' perception of the intended data service fair price in Nordics is more convergent (almost €7,500) as they are paying in a more limited range of €5,000-10,000. Among Baltic countries, it is not possible to conclude a precise price; as the paying range is quite divergent.

Table 7 Data service annual subscription fee in NB8

Country	Current Data Service Annual Subscription Fee Range	Fair Price in Customers Viewpoint
Denmark	€2,000-10,000	€2,000-8,500
Estonia	€2,000-7,000	€2,000-6,000
Latvia	€3,000-6,000	€2,000-6,000
Lithuania	€3,000-5,000	€4,500
Finland	€5,000-8,000	€5,000-7,000
Norway	€8,000-10,000	€5,000
Sweden	€8,000-10,000	€7,000-7,500

The study results show the paying rang of less than €2,000-10,000. Therefore, this study recommends Statzon to apply adaptive pricing policy for each target market.

5.1.5 Marketing Promotional Strategies for Statzon in NB8

Brushing up the study results brings the author to propose some marketing hints tailored for target markets segments.

Above all, Statzon needs crystal clear and down to earth goals as the pillars of its marketing campaigns and content. At the next step, the selected and filtered content should be adjusted based on customers' demanded data categories. The third determining step is to lead nurturing by creating a branched funnel to drive leads toward fitting content. Statzon also can enrich its content by eye-catching and creative video ads both on owned and paid media. Implementing quiz is the other mean to improve engagement as well as content quality. Inviting leads to Statzon Slack channel and holding AMA sessions can both build trust and enhance the brand image in a friendly and innovative way. To Impress the leads, Statzon can add up personalized welcome videos instead of relying only on traditional welcome emails. Dumping old leads that are not engaging anymore also can act as a trigger to reengage some of them. The fourth step for Statzon to penetrate the academic segment of NB8 is broadening the networking using academic experts and influencers' network. To do so, Statzon needs to engage the influencers firstly and break the ice by commenting on the influencers' content, then tempt them to comment on Statzon content. It can be vast visibility and credibility to build trust among the potential customers.

The ultimate step is setting barriers for the competitors to enter the market and taking the market leader role in the academic segment. To bloc market entry, Statzon needs

refurbished technology and automated updates and premium features in service. Vast niche data categories and subcategories also can disappoint the competitors to think about winning market shares. Open-ended innovation also is the other competitive advantage to enlarge the gap between Statzon and its competitors. While trying to upgrade each of the features mentioned above, Statzon should market each of them by underlining its advantages. By limiting the access of trail users to all data categories, Statzon will have more professional and niche data provider image; likewise, as subscription bonus, Statzon can offer further access on more detailed data class, subcategories, or relevant data categories during the limited time with specific price bid. The marketing content should convey tied up, exclusive, and interrelated values that only Statzon provides. Figure 36 illustrates the recommended strategies.
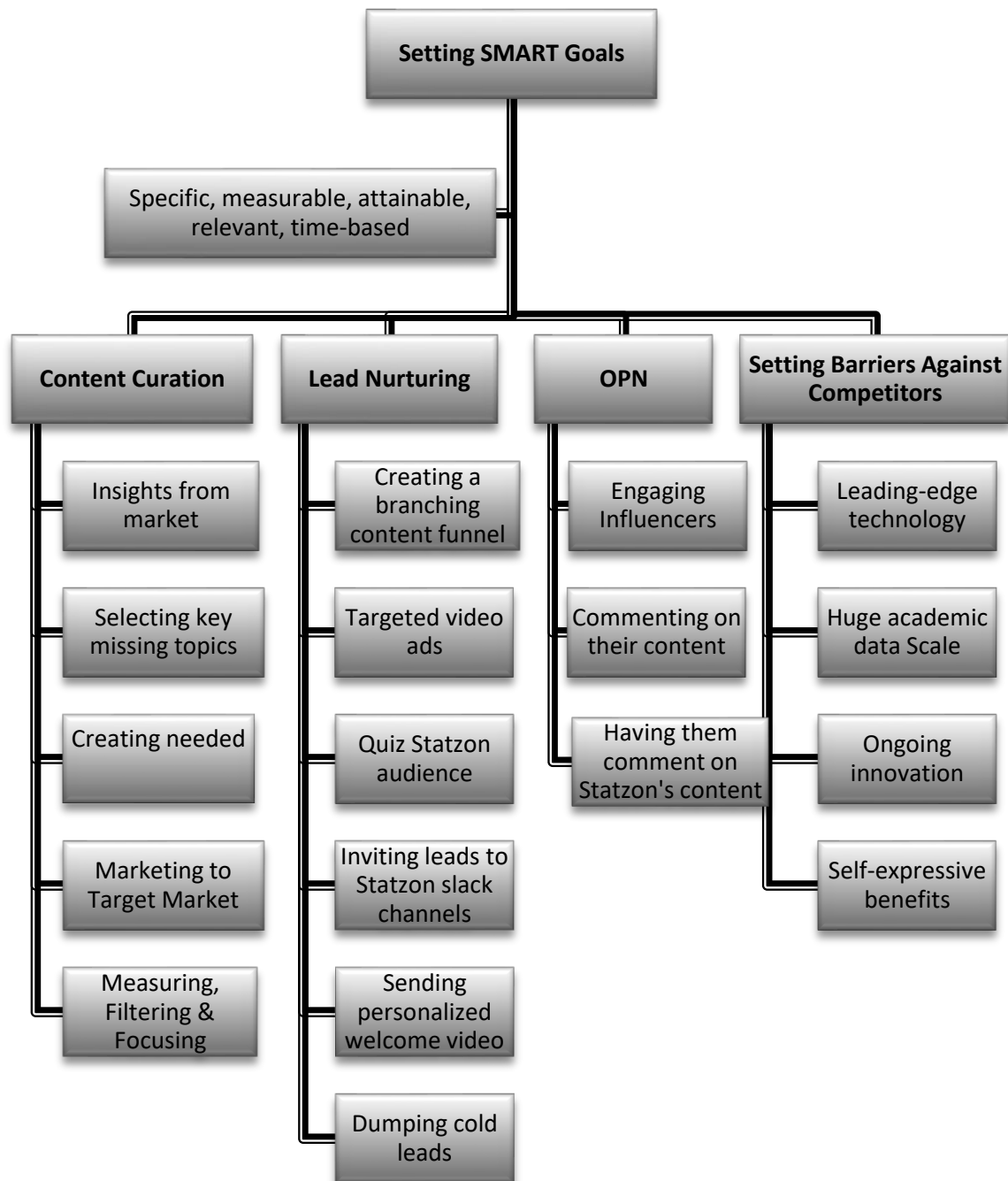
Figure 36 Recommended market strategies targeting NB8 academic segment

5.2   Final Remarks

The purpose of this thesis was presenting customer-driven marketing strategies for the case company, Statzon, to penetrate the NB8 academic segment. The thesis applied the implemented research results along with the guidelines from previous studies to answer the research questions, aiming to propose subscription marketing as well as market penetration strategies focused on NB8 academic segment.

In each step of doing business including promotion, service quality, sales, and marketing, understanding the affecting factors on customers' behavior is the key of success according to PQSM model (Bhalerao & Pandey 2017). Thomas (2014) draws the attention of businesses to the shifting paradigm toward customers role in designing a rewarding service. Bhalerao & Pandey (2017) state that purchasing process starts with customers not manufacturing a product or offering a service. With the comprehensive insights about the needs of users in the academic segment of NB8 market, Statzon can draw a precise marketing plan to meet the users' needs successfully. The questionnaire results conduct us toward the customer-driven KPIs for Statzon in NB8. According to the study results, the biggest potential market for Statzon considering population, number of academic centers, education expenditure share of GDP and R&D share of GDP respectively are Sweden, Denmark, and Finland. The principle faculties in target market are *Business and Hospitality* as well as *Social Sciences* and *Technology*. The most popular data categories are *Education*, *Finance*, *Healthcare and Social work,* and *Manufacturing*. What is missing in current data categories is reported in detail to the case company. In general, the essential features of data service according to questionnaire outcomes are *more data categories*, *regular data updates,* and *downloadable visual data*. Thus, it is recommended to Statzon to specify its core concentration on mentioned above countries, faculties, in-depth data categories, and the service features.

The research results show that nearly 80% of the users are satisfied with their current data provider platform; furthermore, Statzon's competitors already are providing outstanding values to users including a variety of data categories, user-friendly design, fair price, visualized and downloadable charts and graphs. The information from questionnaire reveals that NB8 is highly competitive market for Statzon with already dominant and high-profile competitors. Statzon needs to strive hard to convince the already happy academic users to switch to Statzon subscription. The competitive advantages followed by proper market position, based on those core advantages are determinant factors in market penetration process Kotler and Armstrong (2014, 216). However, Amadeo (2019) believes, competitive advantages do not root only in more competitive price, quality, and speed of

responsiveness, the role of innovative and high-tech service is very sensible in the current technology age. Statzon already has many competitive advantages including modern, user-friendly, and engaging design, downloadable and printable visual data, regularly updates and market forecasts for all industries. Still, bearing in mind the study results, Statzon content needs to be revised by more detailed niche data classification also the applied technology of Statzon needs to be automated. Statzon also needs effective marketing by highlighting the service details in its *Honey Pot* (Morris 2015) with engaging content. For instance, by building awareness occasionally about the *particular data packages*, *coming-soon* data categories, and *special offer*s for *limited trial access.* By considering "*Who? What? Where?" mind map*, Statzon marketing team should present the *Honey Pot* content in storytelling, consistent and organized way on earned, owned and paid media via teaser videos and email campaigns. Besides, they should make sure that selected content conveys the message to the target audience that *who* benefits from Statzon's service, *what* values and features make Statzon different from other available platforms and *where* the users will reach to by using Statzon values. Following the hints from Kemmis (2018), to manage marketing the astronomic data content of Statzon in an organized and engaging way, Statzon needs to create branching content funnels, targeted teaser videos on landing page (Jones 2019), video ads and sending personalized welcome email and video to the leads. Inviting leads to Statzon Slack channel for AMA and implementing targeted quiz for the academic segment can help leads nurturing to a high extend in a creative, cost-effective and friendly way.

Afterward, by constant monitoring the customer's behavior on the decision process as well as the sales information (Hawkins & Mothersbaugh 2009,11-12), the existing problems should be identified and can be resolved during ongoing and ever-improving process. To penetrate in NB8 academic segment, Statzon should reflect on the decision-making process. According to the study results, decision making in NB8 academic segment highly depends (70%) on students' feedback. The dominant decision-makers are library managers who decide about data service; however, in less than half (40%) of academic centers, the university's managing team decide about the data service. The study recommends Statzon does not confine targeting library managers to contact. To convince the academic segment, Statzon needs firstly to build awareness among university teachers and researcher staff, before giving trial access to the university. In this way, students, as dominant end-users, would engage more efficiently in trying Statzon service and then by providing feedback; they will influence on the decision-making process.

Cost leadership strategy to maximize profit, offering best quality yet decreasing cost, is crucial for Statzon as a startup with limited resources and would be achieved to a great

extent by automation. To penetrate NB8 academic segment, regarding Claire (2017) model, Statzon needs precise positioning plan. The image Statzon represents its brand matters highly as important aspect of market positioning. Market positioning shapes the customers' perception of a brand, product, or service (Kotler & Armstrong 2014, 216). Thus, to successfully penetrate NB8 and win market shares of academic segments, Statzon should consider the questionnaire results about *data service fee* range and *the users' perception of the fair price*. Setting variety of tiers can also improve customer life-time value, CLV, (Venkatesan 2019), as one of determinant features in subscription business. The study recommends Statzon to set different subscription tiers including *Basic*, *Customized,* and *Premium*, tailored for the academic users based on the available niche data classifications.

Setting different subscription tiers and having special offers for free trial access to specific data category on limited time will convey the feeling of scarcity to the users. Morris (2015) acknowledges the sense of scarcity can increase the conversion rate. The feeling of scarcity as an excellent chance that has a deadline also helps Statzon to establish the brand image more valuable and its service more exceptional. Once the position is determined, Statzon can focus on setting barriers against competitors to grab its market share. For a sustainable leading position (Aaker 2011), devising barriers against competitors including scale, ongoing innovation, high technology, self-expressive benefits, and vast brand networks is crucial. To express its benefits and show its scale, Statzon should actively apply differentiated marketing campaigns to advertise its service competitive and unique advantages spectacularly. The other significant strategy to boost Statzon network and set barrier against competitors according to Corcoran (2009) is OPN. Statzon SEO ranking can rise by other peoples' network like guest bloggers.

Finally, as one of the most critical metrics in subscription marketing is referrals generation (Talbot 2018), this study highly recommends Statzon to build relationship with its subscribers by offering unique loyalty programs and have a "honey pot" plan regarding the results of survey, tailored for users' popular and requested data categories by considering their price conservativeness level.

5.3 Study Assessment

As the essential factors of conducting any research-based study, validity refers to the accuracy of measurements and to the extent the results answer the research questions (Saunders et al. 2014, 157).

To keep the validity of the research results, the researcher was cautious not to interpret or breach data while trying to analyze the questionnaire results and proposing the strategies. On the other hand, regarding the questionnaire, the researcher did not include any leading or biased question in the questionnaire. While interpreting the results of the study, the researcher considered reflecting the results as accurate as possible to convey the precise idea of the customer, which hopefully can lead to valuable results as the future strategies of the company.

As Saunders (2014, 157) defines, reliability refers to consistency in data collection techniques and findings. Regarding the reliability of this study, both primary and secondary sources are used. The survey was distributed directly by email containing the target of research, and the collected results covered the answers to the all research questions. The survey sample was quite large; there was a total of 273 receivers who were the library managers, vice managers, and head librarians, as authentic potential customers for the case company. The study was consistent as it reached the objectives. The collected results were small compared to the whole sample, with the total number of 24 responses. With a bigger sample size, the acquired data could be more accurate. The results, therefore, are partially valid based on the study scale. The secondary data collected from scholarly books, articles, business magazines, and business talks.

5.4 Limitations of the Study and Suggestions for Further Research

This thesis presents the marketing penetration strategies for the case company for the NB8 countries by focusing only on the segment of academic users. Due to the study time frame and needed concentration, other segments of the case company's customer profile or the other target countries have not been investigated.

This study only focuses on annual subscription models as the current business model of the case company. Further research can be done over other subscription modes such as monthly subscription or limited category access subscription together with a focus on possible premium features.

To implement the empirical part, the author reached out the Library management and the staff of the target markets. A further study can focus on other target groups, for instance, students, as the dominant end-users of the provided service.

This study failed to present any data about Iceland; a further attempt can reach out Iceland academic market.

In conclusion, this study achieved the goal of answering all research questions. The provided findings are based on authentic academic users' answers to the questionnaire, as the high potential customers for the case company. The limitations of the thesis are taken into consideration, and the suggested further study is proposed to help the case company successfully penetrate other target markets and segments.

6   SUMMARY

This study is implemented to propose marketing strategies for the case software company, Statzon, to penetrate the academic segment of NB8 market. The research questions were designed by consulting with the case company's managing team. The thesis aimed to figure out the expectation of academic data service users in NB8 markets regarding data categories, features, fair price, and penetration process. The subjects researched in this thesis are library managers and head librarian of NB8 universities.

The thesis applied a qualitative research method; data was collected from primary and secondary resources on the theoretical part of the study in chapter 2, which includes marketing strategies and subscription marketing hints. Chapter 3 is dedicated to the case company by investigating its status through SWOT analysis; meanwhile, the target markets are investigated by PEST analysis. The empirical part of the thesis relies on the implemented 10-questioned questionnaire results in the first part of chapter 4. Statzon fitted marketing strategies to penetrate the NB8 academic segment is elaborated in the second part of chapter 4, including:

1. Statzon service KPIs for NB8 academic segment, containing the most important faculties in NB8, secondly, the most popular data categories in NB8, and thirdly the essential features of data providing service.

2. The missing service features as Statzon potential competitive advantages; including data categories and subcategories and essential data service features.

3. NB8 academic segment penetration process.

4. Suitable pricing policy for NB8 academic segment including the current data service annual subscription fee range followed by the fair price of the service in customers point of view.

5. Marketing promotional strategies for Statzon in NB8, along with details about setting smart goals content curation, lead nurturing, OPN, and setting barriers against competitors.

Chapter 5 draws a conclusion on the outcomes of the study, followed by the limitations of the research and the author's suggestions for further studies. The thesis met its goals and objectives by answering to all research questions considering the potential customers' point of view.

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APPENDICES

Appendix I. Data Providing Platform Questionnaire

1. In which Country is your university located?

2. Which facilities are available at your university?

☐ Art

☐ Law

☐ Medicine

☐ Social Sciences

☐ Business and Hospitality

☐ Technology

☐ Science

☐ Other (please specify)

3. Which of the following research segments are popular in your university?

☐ Manufacturing

☐ Education

☐ Accommodation and food services

☐ Health and social works

☐ Recreation and hobbies

☐ Finance

☐ Construction

☐ Other (please specify)

4. Which research tools or platforms are you using currently?

☐ Statistical offices

☐ Industrial associations

☐ Company or organization database

☐ Other e-libraries

☐ Other (please specify)

5. How much are you paying for the annual subscription?

☐ Less than €3,000

☐ €3,000-5,000

☐ €5,000-8,000

☐ €8,000-10,000

☐ Other please specify

6. What do you specifically like about the current data providing platforms?

☐ Variety of data categories

☐ In-depth information about each category

☐ Visualized data

☐ Downloadable charts and graphs

☐ Easy to use design

☐ Fair price

☐ Other (please specify)

7. What do you think about the current platform you are using?

☐ Very satisfying

☐ satisfying

☐ Not satisfying

☐ Poor service

☐ Other (please specify)

8. What features would you like to add to your current data service provider?

☐ Downloadable graphs and charts

☐ Forecasts

☐ Primary resource explanations

☐ More data categories

☐ Regular data updates

☐ More affordable price

☐ Other (please specify)

9. Who decides about the data providing service and how?

☐ University managing team with checking feedback from students

☐ University managing team without checking feedback from students

☐ Library directors and managing team after checking feedback from students

☐ Library managing team without checking feedback from students
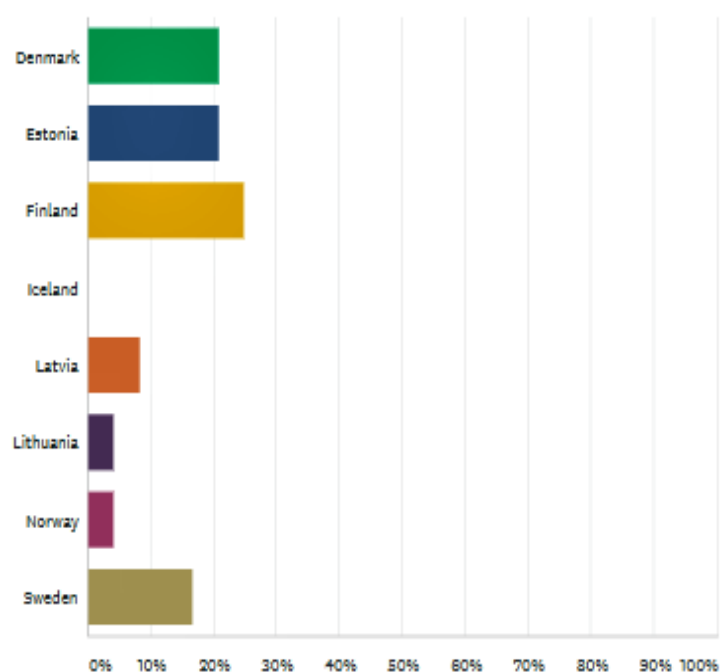
!0. What would be a fair price annually for the intended service and features package?

2,000---50,000

Appendix II Data Providing Questionnaire Results

Q1.

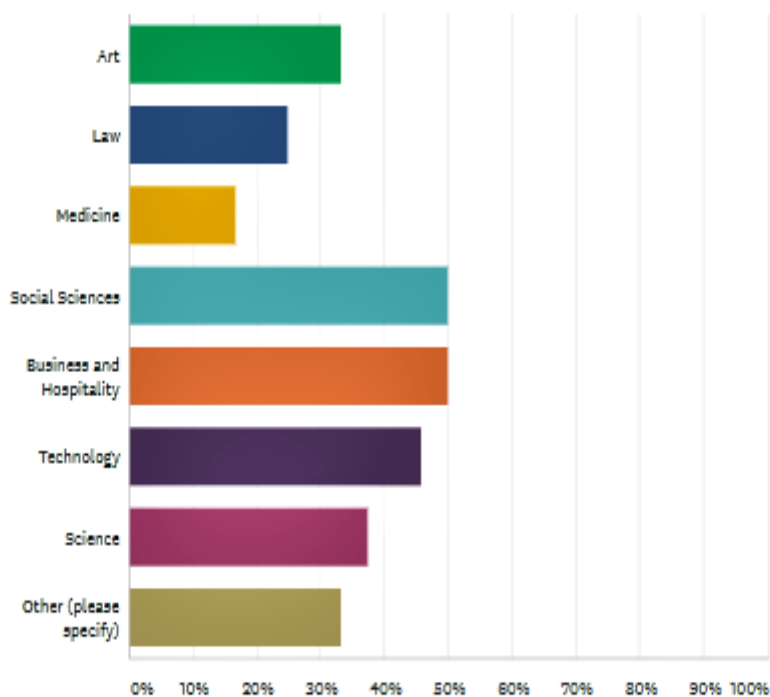## In which country is your university located?

Answered: 24   Skipped: 0

ANSWER CHOICES	RESPONSES	
▼ Denmark	20.83%	5
▼ Estonia	20.83%	5
▼ Finland	25.00%	6
▼ Iceland	0.00%	0
▼ Latvia	8.33%	2
▼ Lithuania	4.17%	1
▼ Norway	4.17%	1
▼ Sweden	16.67%	4
TOTAL		24

Q2.

Which faculties are available at your university?

Answered: 24   Skipped: 0

ANSWER CHOICES		RESPONSES	
Art		33.33%	8
Law		25.00%	6
Medicine		16.67%	4
Social Sciences		50.00%	12
Business and Hospitality		50.00%	12
Technology		45.83%	11
Science		37.50%	9
Other (please specify)	Responses	33.33%	8
Total Respondents: 24			

Q3.

Which of the following research segments are popular in your university?

Answered: 24   Skipped: 0
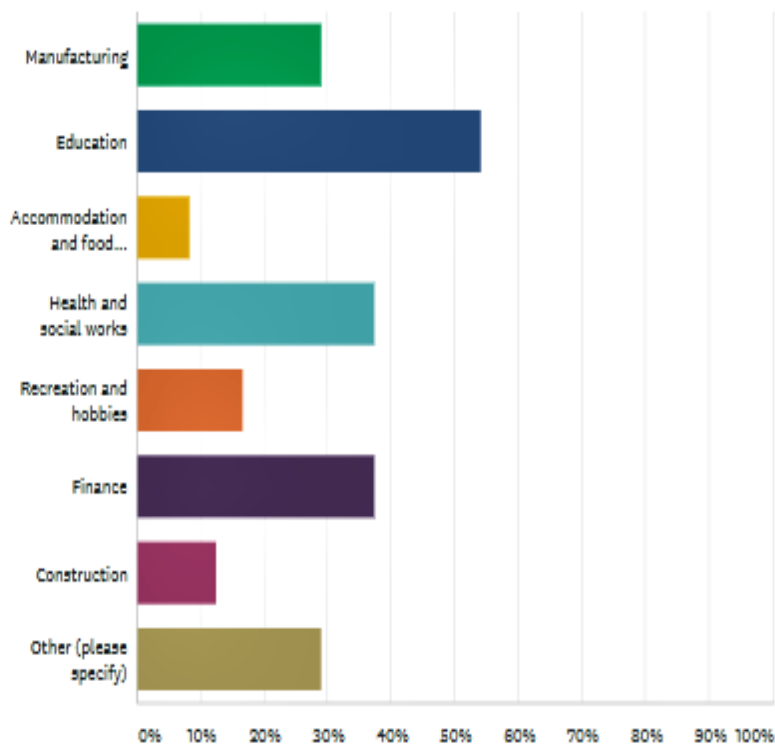
ANSWER CHOICES		RESPONSES	
Manufacturing		29.17%	7
Education		54.17%	13
Accommodation and food services		8.33%	2
Health and social works		37.50%	9
Recreation and hobbies		16.67%	4
Finance		37.50%	9
Construction		12.50%	3
Other (please specify)	Responses	29.17%	7
Total Respondents: 24			

Q4.

# Which research tools or platforms are you using currently?

Answered: 24   Skipped: 0
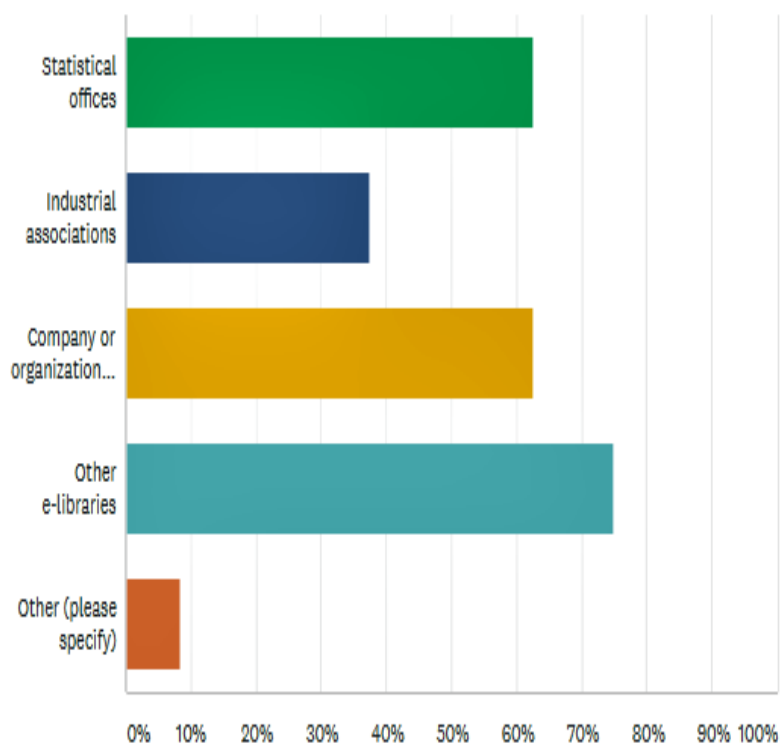
ANSWER CHOICES		RESPONSES	
▼ Statistical offices		62.50%	15
▼ Industrial associations		37.50%	9
▼ Company or organization data base		62.50%	15
▼ Other e-libraries		75.00%	18
▼ Other (please specify)	Responses	8.33%	2
Total Respondents: 24			

Q5.

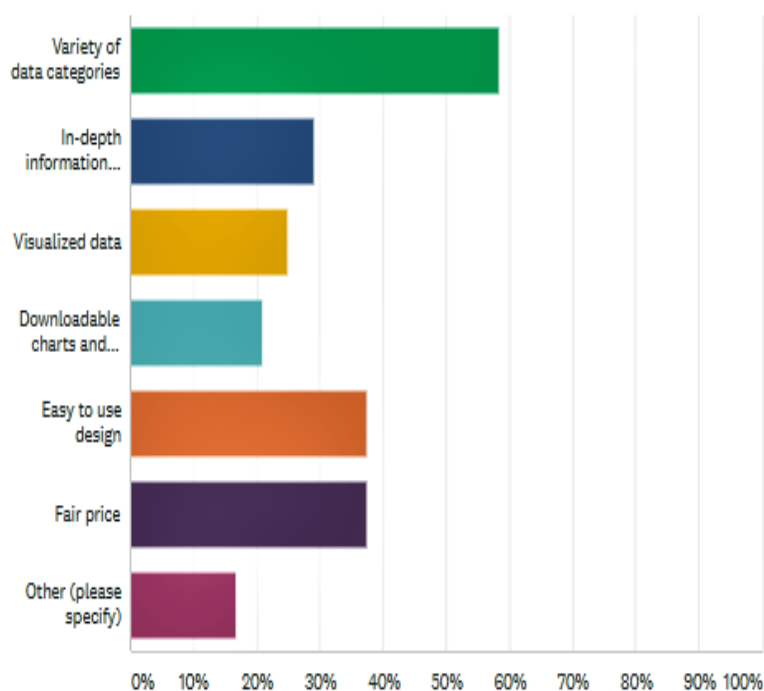## How much are you paying for the annual subscription?

Answered: 22   Skipped: 2
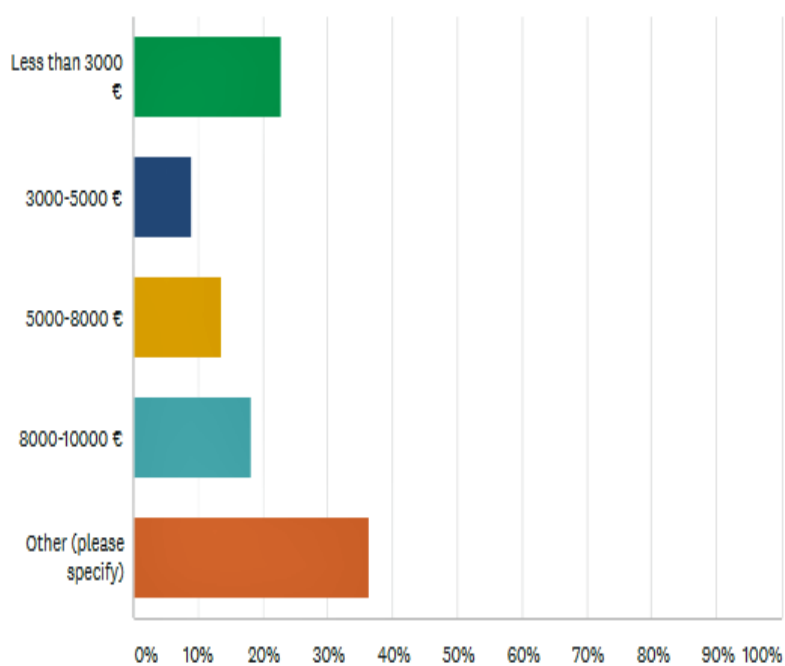
ANSWER CHOICES ▼	RESPONSES	▼
▼ Less than 3000 €	22.73%	5
▼ 3000-5000 €	9.09%	2
▼ 5000-8000 €	13.64%	3
▼ 8000-10000 €	18.18%	4
▼ Other (please specify) Responses	36.36%	8
TOTAL		22

Q6.

## What do you specifically like about the current data providing platform?

Answered: 24   Skipped: 0

ANSWER CHOICES		RESPONSES	
▼ Variety of data categories		58.33%	14
▼ In-depth information about each category		29.17%	7
▼ Visualized data		25.00%	6
▼ Downloadable charts and graphs		20.83%	5
▼ Easy to use design		37.50%	9
▼ Fair price		37.50%	9
▼ Other (please specify)	Responses	16.67%	4
Total Respondents: 24			

Q7.

What do you think about the current platform you are using?
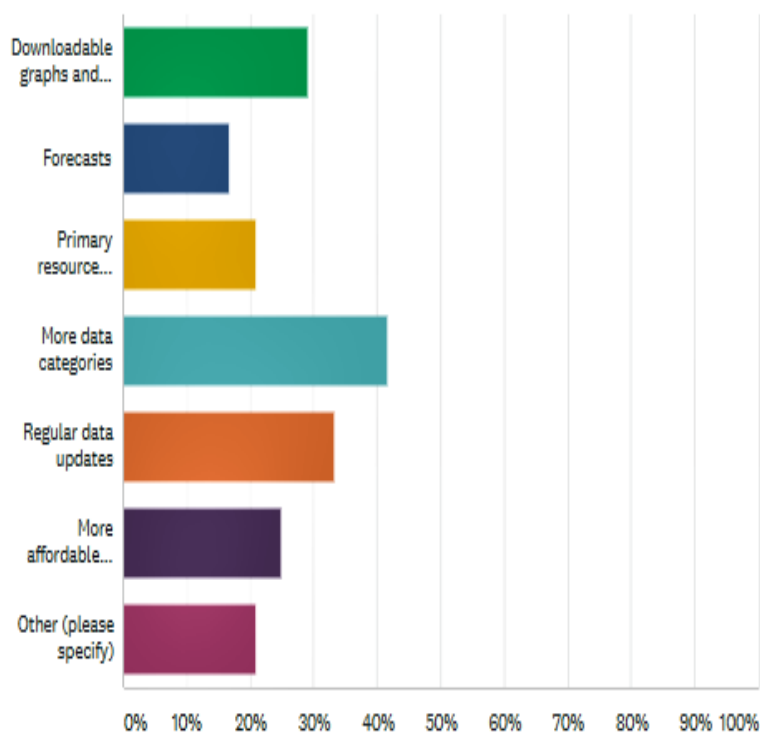
Answered: 24   Skipped: 0
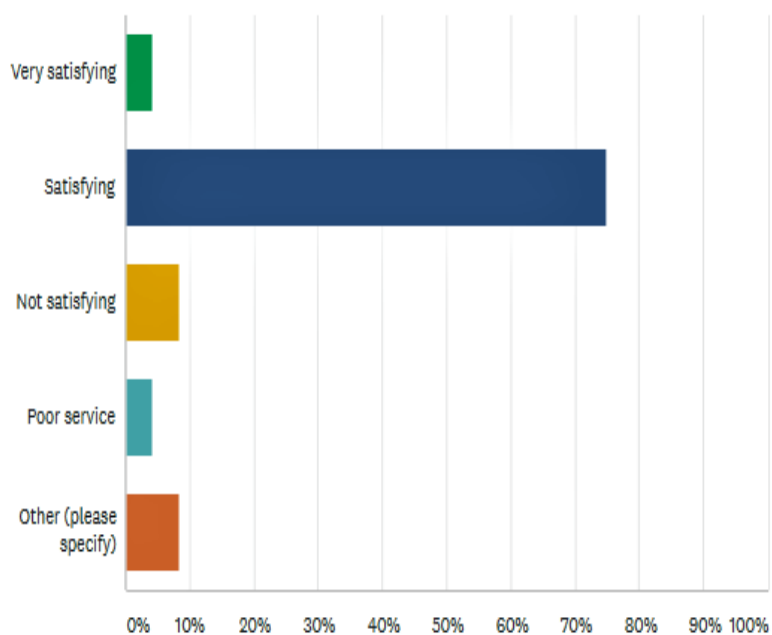
ANSWER CHOICES ▼		RESPONSES ▼	
▼ Very satisfying		4.17%	1
▼ Satisfying		75.00%	18
▼ Not satisfying		8.33%	2
▼ Poor service		4.17%	1
▼ Other (please specify)	Responses	8.33%	2
TOTAL			24

Q8.

What features would you like to add to your current data service provider?

Answered: 24   Skipped: 0

ANSWER CHOICES		RESPONSES	
Downloadable graphs and charts		29.17%	7
Forecasts		16.67%	4
Primary resource explanations		20.83%	5
More data categories		41.67%	10
Regular data updates		33.33%	8
More affordable price		25.00%	6
Other (please specify)	Responses	20.83%	5
Total Respondents: 24			

Q9.

Who decides about the data providing service and how?

Answered: 20   Skipped: 4
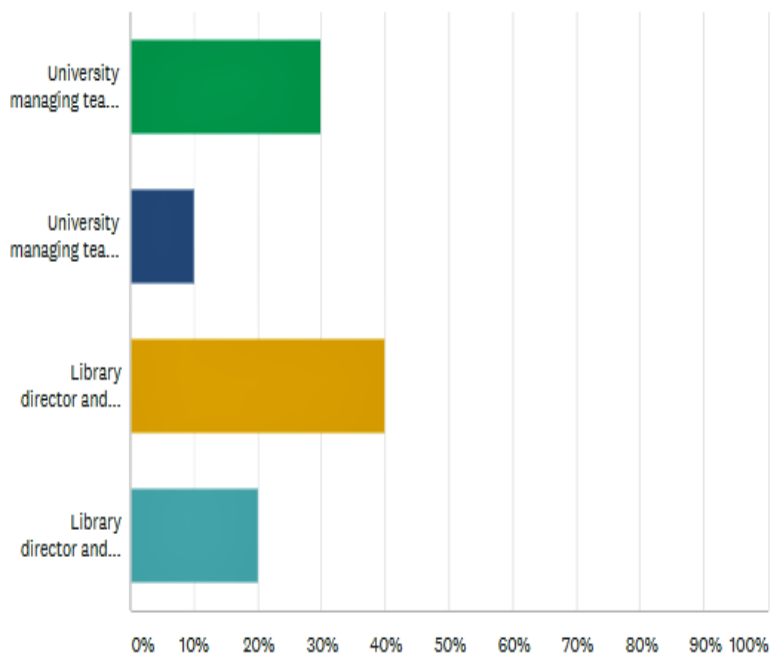
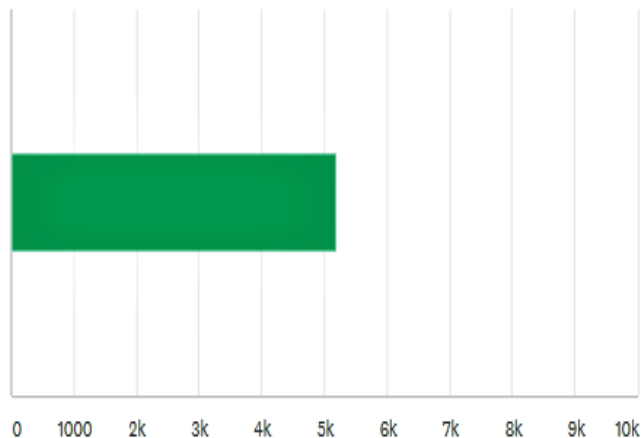| ANSWER CHOICES ▼	RESPONSES ▼	
▼ University managing team with checking feed back from students	30.00%	6
▼ University managing team without checking feed back from students	10.00%	2
▼ Library director and managing team after checking feed back from students	40.00%	8
▼ Library director and managing team without checking feed back from students	20.00%	4
TOTAL		20

Q10.

What would be a fair price annually for the intended service and features package?

Answered: 18   Skipped: 6

ANSWER CHOICES ▼	AVERAGE NUMBER ▼	TOTAL NUMBER ▼	RESPONSES ▼
Responses	5,194	93,500	18
Total Respondents: 18			