

# DEVELOPING EFFECTIVE ONLINE MARKETING

Case: Company X

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Master's thesis May 2015 Degree program International Project Management

#### **ABSTRACT**

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The Internet, new online services and social media have drastically changed people's everyday life. Digitalization has refined one's communication ways and also developed completely new marketing possibilities. Consumers and companies spend a significant amount of time online and use it to seek various information from companies and products. Marketers have also acknowledged the online marketing potential as an effective marketing tool to reach current and potential customers. As online marketing practices and tools are evolving and changing rapidly, it is therefore important that companies develop marketing and their online actions with up-to-date information and material.

The purpose of this thesis is to make realistic suggestions for the case company's effective online marketing development. The outcome of this thesis are the suggestions for online marketing actions for chosen tools and introductory for potential new online marketing opportunities and channels. This thesis provides background information and guidance for the case company's future online marketing actions. This study was conducted using qualitative research methods, with a case study approach.

The theoretical background of the study concentrates on the marketing basics & online marketing theories. New digital tools and different marketing theories are continually developed for the marketers` needs to manage the continuously changing online marketing environment. In order to assess online marketing effectiveness, this thesis will also introduce most commonly used online marketing measurement ways & metrics.

This thesis begins with an introduction to the thesis topic, its objectives and structure. After introduction work presents essential theories available of the subject, following with the introduction of the used research methodologies. Empirical part of the work, will introduce the case company, its current online marketing situation and analyse its three competitors` online performance actions and levels. Last part includes discussion of the research findings and also provides future suggestions for the case company`s effective online marketing actions. The final chapter also includes analyzes of the work`s validity and reliability.

Thesis includes confidential information and some sections, example results, are excluded from the public report.

Key words: marketing, online marketing, social media, metrics, marketing ROI

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# **ABBREVIATIONS AND TERMS**

Word-of-mouth (WOM) Oral or written recommendations and experiences of brands,

companies, products or services

Online Marketing Marketing actions using Internet and digital marketing ways

Social Media Websites & applications that enable user generated content

and two-way communication

ROI Return on Investment

SEM Search engine marketing

SEO Search engine optimizing

#### 1 INTRODUCTION

The Internet has revolutionized the modern world and is a big part of people's everyday life. The Internet and social media has refined our communication ways and customers spend significant time every day in online, among digital content. The online world and its usage are constantly evolving and term web 2.0 have been used for distinguishing Internet's development from earlier phase from one-way communication (also called web 1.0) towards using it for more in two-way communication and collaboration with the customers. Characteristic for web 2.0 is more user-generated content and online collaboration among social networks and communities. This has given companies unfore-seeable possibilities to interact with current and potential customers and get important information from the target markets. There has also been speculations of next level online concepts, so called web 3.0 that could include automation for most of the online processes (Paloheimo. 2009, 11).

Bestselling online marketing author Dave Chaffey, also forecasts that web 3.0 could have more meaning in including more web applications, virtual worlds, semantics, streamed video material and more complex cross-community functions. But due to the complexity of the Internet and new technologies, he admits that the development route is hard to predict and web's future development direction can be something anyone can not predict. (Chaffey 2009, 24-25.)

The Internet is an effective communication tool and online marketing has become a growing media channel for companies. Shift to digitalization in marketing has been a trend shown already globally for a long time. The year 2014 was the first year that also in Finland, the amount of money spent in online marketing exceeded the amount spent in traditional media marketing. Traditional media in the research was considered channels that were most commonly used for advertising before digitalization, for example television, radio and printed magazine marketing. (Mainosvuosi 2014.) In order to exploit the possibilities in online marketing and its tools, companies should constantly scan new online marketing possibilities, measure their online actions` effects and develop actions according to the measured results.

This thesis will introduce, how online marketing has affected the traditional marketing theories, like marketing mix and demonstrate both online and social media characteristics from a marketer's point of view. This thesis is going to explore different ways to do marketing online, assess different online marketing tools and give examples how to measure effectiveness in online actions. The findings will lead to development suggestions for the commissioning company, which are based on current online marketing theories, surveys, earlier studies and both internal and external expertise interviews. Recommendations will also include suggestions for utilizing specific online marketing tools and channels in the near future.

This thesis is done for the request of case company and conclusions and findings will be presented to the company's marketing manager. Case company is global listed company and it operates both in Consumer (B2C) & Business (B2B) markets.

# 1.1 Background on the thesis topic

The idea for this thesis came from the discussions of possible thesis topics in the area of online marketing with the commissioning company (later referred as Company X.) Researcher's obtained expertise, personal motivation in marketing and know-how gave ideal background for this topic. The motivation to study online marketing and measurement tools arise from the fact that online marketing is becoming extremely important for marketers as is enables company to be present there where its customers are. Customers seek nowadays various information through web and that way company's online findability has become one of the important factors in online marketing.

The timing for this study was ideal for various reasons. Company's internal situation and external factors both supported to execute this research in the near future. Due to confidentiality these factors are not listed in the thesis's public version.

As already mentioned, in the few past years the online marketing has become more and more important for the marketers. Company X acknowledges the advantages of online marketing and this thesis will be made as a background research to steer the future online marketing actions and strategies. The company has a real need for this study and thesis can lead into further marketing surveys, projects or developments.

This thesis is also based on the customers comments from Company X's customer survey, where customers have commented that company's online actions, performance and brand image were not in the level they should be. Last customer survey made in year 2013 and new one is planned to be conducted this year's fall 2015. (Company X's customer survey 2013.)

This study is important for the commissioning company Company X and provides important information of current online marketing business and how other marketers and competitors are using it. The thesis is remarkable also by giving the general outlook for current online marketing field in the light of global and national surveys. This thesis aims to give the comissioning company overall information on today's online marketing tools, how to measure performance level in online actions and make suggestions, how to develop effective online marketing actions in the future.

# 1.2 Scope of the study

Before the work for this research began, study's scope was carefully designed with the help of Company X As the subject was so interesting, both for the company and researcher, outlining was really difficult to do. Company X has limited resources for conducting online marketing actions and therefore thesis will suggest the online marketing actions for the company also by taken into consideration the limitations of the resources.

This study concentrated on the company X's Finnish markets and its customers. As company operates both in B2B and B2C markets, both markets are included in the scope.

In the beginning of this process potential online marketing tools and channels to cover were chosen. Those included E-mail marketing, Blogging, Search Engine marketing and optimization and social media channels; Facebook, Instagram, Pinterest and YouTube. In order to give more information from the company's point of view and give deeper insight, SWOT –analyses were made only for selected, most potential and feasible channels and tools in empirical part of the work.

Some online tools and channels were outlined from the study's scope. Due to confidentiality reasons for outlining are not revealed in public version. Thesis outlined from the scope social media tool LinkedIn and the content development of Company X's home page. Research and suggestions, how to analyse and monitor Company X's home page activities and measure effectiveness, were though included to the research.

# 1.3 Purpose of the study

The objective of this thesis is to provide insights and suggestions, how Company X can develop their online marketing actions towards modern effective online marketing ways. The outcome of this research will provide a comprehensive picture of, how Company X can utilize online marketing tools and opportunities in the near future. The thesis will give more insight of the online marketing as phenomena and show possibilities how to measure the effectiveness of the marketing activities online.

The purpose of this thesis is to explore new tools for the company in order to use online marketing effectively. The company has a demand for the knowledge, how to develop modern online marketing ways and how the company can use those successfully. After online marketing as phenomena, its tools and measurement ways are covered, the researcher have the wanted expertise and can give development suggestions and ideas how company can start effective and realistic online marketing actions. The interviews of online marketing experts gave this work a realistic perspective and also valuable market info. The company can choose what parts of the work it will use and start with some parts of the suggestions and develop it further by the results.

This thesis will open up different potential tools that are available for online marketing. Selected most potential tools will be also evaluated by SWOT- Analysis, analyzing each tool's strengths, weaknesses, opportunities and threats. The Thesis will also use benchmarking method to see and evaluate what the selected competitors' activities are in the online marketing.

Company X can use this thesis` theory part and writer suggestions for future developments. Findings can be also shared with other subsidiaries and among company's other segments.

# 1.4 The research problem/questions

For this thesis there is one main research question. Question is wide and demands also sub-questions to be more explicit.

The main research question is:

ow can Company X start to develop effective online marketing actions?

The sub-questions which this thesis is going to answer are:

- hat online tools are available?
- What is the case company's current online marketing situation?
- What tools are case company's main competitors using?
- ow to measure online marketing performance & effectiveness?

In order to be able to answer research questions theoretical background comes from the overall marketing basics and how it has evolved by digitalization. The Marketing mix and its development during online revolution give perspective of the whole marketing field and its changings. Different online marketing tools are evolving & changing at a rapid pace, and this work introduces the most essential and current online marketing tools for Company X.

The company X's current situation in online marketing is explored, so that company can see the developments starting point and assess later how the future actions have changed the situation. This thesis will also look for different online marketing measurement possibilities, so the company can measure its performance level and develop it according to these measures. Company's main competitors' online activities are researched with benchmarking method to give perspective on their online marketing actions and their performance level.

### 1.5 Structure of the study

In this chapter thesis structure and content within are introduced. This thesis is divided into 5 different sections by different subjects, illustrated in Figure 1. The main parts are the introduction, theoretical background, methodology, empirical part and finally analysing and discussion part.

In **Chapter 1** thesis background, purpose and goal for this study are introduced. Chapter reveals also company's and researcher's motivation for this study. Study's scope and extent are explained and research questions introduced.

**Chapter 2** is the theoretical part. Chapter consist of essential marketing & online marketing theories. Current essential online marketing tools are introduced and how to measure online marketing effectiveness are demonstrated by different online marketing metrics.

**Chapter 3** consists of information from the used research methodology. Used methodology is explained and justified with the help of methodology theories. Chapter also includes data collection and analysing methods.

Chapter 4 starts thesis empirical part. Chapter starts with introduction of the Company X and analyses of the current marketing & online marketing actions. SWOT analysis is conducted for potential online marketing tools with the view of Company X. In the chapter company's main competitions are shortly introduced and their online marketing actions researched and analysed.

Chapter 5 consists of the discussion and findings author has made from theories, surveys and interviews. Chapter will give researcher's development suggestions, how the Company X can start effective online marketing actions, based on theory, surveys and interviews. Final chapter will assess study's validity and reliability and in the end of this chapter researcher also make suggestions for the future development and potential research topics risen from this study.

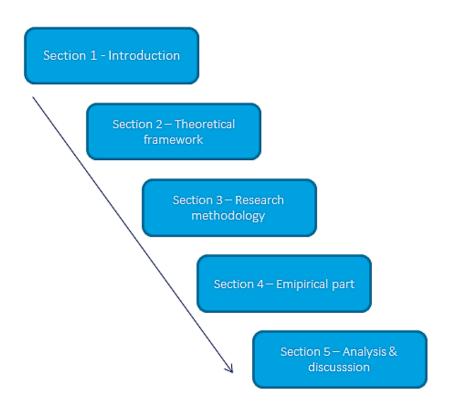


FIGURE 1. Thesis structure (created by researcher)

#### 2 THEORETICAL FRAMEWORK

Theoretical part consists of theories that will give a base knowledge to empirical part of the work. Theories were gathered from literature, articles and surveys available. As the content and the research is handling online marketing, also many online & digital web pages and sources have been used for thie study. Online material is often more up-to-date than published literature and has many different platforms to find essential information.

In order to have up-to-date insight to the theme online marketing, also online marketing experts have been interviewed and their contribution included in the theory as professionals' point of views. Theoretical part begins from the basic marketing theories, continued with the introduction of different online marketing tools and ending up to the presentation of different measuring ways how to measure online marketing effectiveness

#### 2.1 Marketing communication

Today's heavily developing digitalism and technology are changing the concept of communication and marketing. Marketers are getting more online tools and channels for their use and old traditional media channels, like magazines, are shifting more and more in to digital form. The use of printed media had proceed its decline among marketers, and year 2014 in Finland was the first year when money spent in digital marketing media exceeded the level used in printed media. (Mainosvuosi 2014). Traditional printed media's attraction and use are declining due to customers natural shifting to use different online tools and changes purchasing habits. Digital media's success can be also explained by the factor that todays consumers demand for a two-way communication with companies and brands, that stagnant printed advertisements can't provide.

Fundamentally marketing communication helps companies to communicate about their services and products for the customers. Marketing communication is vital for the company's marketing actions and it can be used for many different purposes depending the company's goals and offerings. For example, companies can exploit marketing communication methods to meet company's sales objectives and help product development.

Traditionally, marketing communication methods consist of seven different categories: personal selling, customer service, advertisement, direct marketing, sales promotion, public relations and e-communication. (Isohookana, 2007, 132.)

Marketing communication ways are changing as with traditional marketing companies are used to push their marketing information towards customers and being the managers of the messages. In online world customers have more power of choosing the information they want and ways to effect on the information and its creation.

Term Word-of-mouth (WOM) has been linked closely to online marketing communication. Word-of-mouth is not new phenomena but customers sharing their opinions or recommendations quickly and widely in their online communities, have made it even more powerful tool. Evans emphasizes the importance of managing the WOM in online world, in his guide book, Social Media Marketing, an hour a day. With word-of-mouth customers are building trust for them selves for making a purchasing decision. Consumers don't trust ads for their reputation of overpromising and because of experience that marketers' communications has not always been trustworthy. Ad can though rise an interest towards the products, but before buying it, it's considered safer to ask recommendations and experiences of the usage from a friend or college. (Evans 2008, 19-20.)

As online marketing world is changing rapidly companies have to constantly look for new channels and ways to do effective marketing communications. But even though communication world is renewing, some traditional marketing communication theories still apply in today's market. Of course the nature of online marketing and it fast style to develop and change has also increased many new marketing theories and ways for marketers to manage digital revolution.

#### 2.1.1 Marketing Mix

Marketing mix is combining the different competitive factors which are used to increase the demand for company's products or services. Marketing Mix helps companies to plan and define their products unique selling points and differentiate from its competitors. Chaffey and Smith clarify the essence of Marketing mix, in book Emarkerting Excellence, planning, optimizing your digital marketing, to question "...what are the ingredi-

ents that marketers need to mix together to satisfy customer's needs?". (Chaffey & Smith, 2013, 53.)

Marketing mix is the entirety and ingredients that Neil H. Borden published in 1964. Later E. Jerome McCarthy grouped the ingredients in to 4 different categories and refined the term Marketing Mix. Categories where referred as the 4P's of Marketing Mix and these were: Product, Price, Place and Promotion. This set of ingredients helps marketers and companies to make decisions about their product/brand offerings to the potential customer and target market. Figure 2 shows the context of each part. When thinking about Product, marketer could think what functionalities their potential customer value, what physical appearance the product should have and what visuals appeal the customers. In price category company plans pricing strategy and assess for example how flexible price level is and does seasonal pricing or discounts benefit company. Place stand for decision that need to be done for where the product is sold and it includes the decisions for distribution channels, warehousing, order processing, transportation etc. In promotional decision marketer define the marketing communication channel mix that is suitable for the product or service. (The Marketing Mix.)

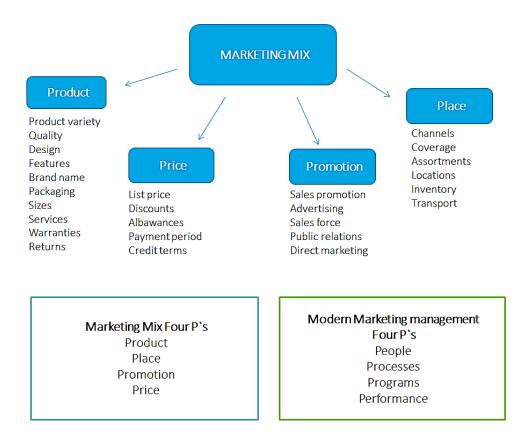


FIGURE 2. Traditional Marketing Mix & Modern Marketing P's (Kotler & Keller 2012, 25)

This traditional 4P's has been molded by time to time in order to fit better the changing marketing environment and Kotler & Keller have recently extended 4P's with 4 more P's: Process, People, Programs & Performance (Figure 2).

New category, People, reflects for the importance of internal marketing within the company and communicate more of the marketing actions and results for its employees, as they usually have critical view for marketing actions success. Kotler & Keller recommends, also that marketers should handle customers as people, understand their lives widely, shifting from not just seeing them as a buyers and a mix of different consuming habits.

Next category; Program, stands for all company's consumer-directed activities and programs designed to help activities. This part gives wider perspective for broad range of other marketing activities than the old marketing view. Process in new Marketing Mix categories stands for creativity, control and structured way of doing marketing. Differ-

ent processes guide the marketing activities and it should be done by structured planning in order to ensure the quality of marketing and innovations. Last P, Performance, defines the range of ways to measure results and outcomes, both financial and non-financial. Companies can be measures profitability or something non-financial measures like brand value. It can also be different measures and certificates within the company, for example social responsibility, and social responsibility and legal and ethical matters. (Kotler & Keller 2012, 25-26.)

Companies make their strategic decisions with taking into account their business idea, & field, customers' needs, company's own goals and available resources. Either using new or old Marketing Mix theories, company's marketing mix should form an entity which different parts are complementary to each other. (Isohookana 2007, 47-48.)

Chaffey & Smith agree that marketing mix gives a good marketing actions planning frame for marketers, but also argue that the basic principle of getting to know your customer is evident regardless of what mix you use. They also open a discussion of the need to think beyond the mixes. They criticize traditional Marketing mix for being too product oriented and by its origin 1960's fixed way of thinking of just pushing marketing messages to the customer rather than opening a discussion and exploiting that in marketing. (Chaffey & Smith 2013, 53.)

#### 2.1.2 Online Promotional Mix

Social media and digitalization has dramatically changed our business world. But actually the basic concept of Marketing Mix is still the same even though its dimensions, opportunities and channels have been changed. Companies have new tools to do promotion or publish ads, but still they have to make the same decisions to stand out from competitors and find their unique selling points. Marketing Mix has the same element in online than traditional marketing mix but in digital context and form. (Kaipio 2012.)

Another point of view was presented by social media experts Salmenkivi & Nyman in their book Yhteisöllinen media ja muuttuva markkinointi, as they introduced the CREF-model. Model shows, how traditional Marketing Mix elements are redesigned to match better with the online marketing characteristics. It highlights especially new elements

which are crucial to web communities and in two-way communication in social media (Figure 3).

Models idea is to increase discussion that social media in fact changes the traditional marketing environment and it's rules. Companies can exploit web's rapid customers networking and make customer part of their product development and marketing. Social media enables doing promotion to more collaboration way and doing things together with customers. Traditional Marketing Mix element Price and price level oriented marketing is fading in internet and more important factors are starting to be the transparency of price online, imagined price level and changed buying habits. Today's online marketing has to be valuable and people seek more experiences from the products and services. Consumers seek for more the experiences that they can have with company's products. This has to be taken in to account when planning marketing interaction level, visuals and customers attendance to gain that experience.

When traditional Marketing mix's section for Place, was for example making decisions which distribution channel or shops item is sold through, CREF-model presents company's findability in online marketing to be the most crucial decision in the place category. Company and its offerings should be easily found in order to attract new customers online. (Salmenkivi & Nyman 2008, 219-222.)

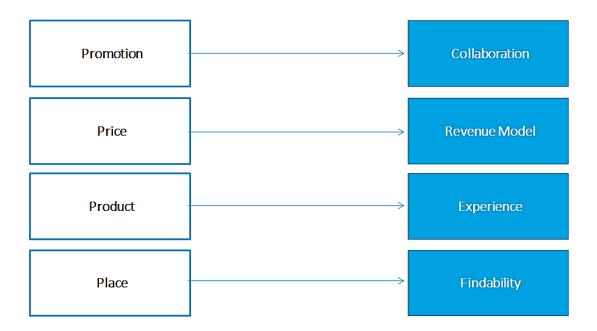


FIGURE 3. From Marketing mix to CREF-model. (Salmenkivi & Nyman 2008, 220)

According to Chaffey, Marketing Mix has new opportunities in online world and companies marketing mixes should be re-evaluated to exploit the advantages and characteristics of a mix from digital media channels.

Online marketing has encouraged many different marketer experts to invent and develop new marketing theories. Peppers and Rogers in book: One to One Future in 1997 presented a theory of 5 Is: Identification, Individualization, Interaction, Integration and Integrity. This model helps potential one-to-one marketing in online channels. In 5  $\Gamma$ s models identification marketers should ask and define questions like: Who are our customer, and their habits and characteristic? Individualization comes from the individual difference of people personalities, behavior, needs and demands. These factors can only been be revealed thoroughly only with interacting with the customer, one time questioner does not reveal enough.

Next I, Interaction stand the need companies to keep interaction with customers to keep the understanding of your business and development possibilities. Integration your customer information and behavior towards each customer should be in format that the communication to the same customer is a lined weather anyone in company's personnel contacts customer. This way company can built a sustainable and in line relationship with the customer. Last I, in Peppers and Rogers model is Integrity. It is about building a trust and collaborating with customer without over pushing marketing actions. One softer collaboration marketing form could be example permission marketing. (Peppers & Rogers 1997.)

Rogers & Peppers 5 \(\Gamma\) is almost over 20 years old, and as it basically gives a overall good starting point for planning customer marketing, due to the digital marketing evolvement and after the new digital platforms have created, newe theories give a modern way and new perspective for doing promotion in online.

Chaffey (2009) presents modern digital platforms that give companies many possibilities and new communication tools for doing promotions. Communication mix or Promotional mix is a mix of used promotion tools to achieve the set objectives. Chaffey present in Figure 4, how 10 traditional communication mix (advertising, selling, sales promotion, PR, sponsorship, direct mail, and exhibitions, merchandizing, packaging and

word-of-mouth) tools can be expand to be used online. Online environment gives the ability to use them more dynamically, and both online and offline (reality) worlds Example traditional advertising can be conducted in online more interactively and used different kinds of online ad forms in search engine advertising. (Chaffey 2009, 462-463.)

Promotional mix	Online executions
Advertising     Selling     Sales promotion	Interactive display ads, pay per click search advertising Virtual sales staff and chat and affiliate marketing Incentives, rewards, online loyalty schemes
4. PR	Online editorial, e-zines, newsletters, social networks, links and <u>virals</u>
5. Sponsorship	Sponsoring an online event, site or service
6. Direct mail	Opt-in e-mail using e-newsletters and e-blasts plus web response
7. Exhibitions	Virtual exhibitions and whitepaper distribution
8. Merchandizing	Promotional ad serving on retail sites, personalized recommendations and e-alerts
9. Packaging 10. Word-of-mouth	Virtual tours, real packaging is displayed online Viral, affiliate marketing, e-mail a friend, links

FIGURE 4. Communication tools online (Chaffey 2009, 462)

# 2.1.3 B2B vs B2C Marketing

Business-to-Business (later referred B2B) market segment has traditionally be seen more rigid and stiff market compared to direct consumer markets. Both business and consumer segments` marketing and communication ways have had typically different characteristics. In B2B market customers are other companies or organizations, not private consumers as in B2C side. Rope defines main difference between these markets to be the fact that in B2B segment buyers are professionals and there is direct connection between manufacturer and artifact user. In B2C market more irrational buying behavior is more common and buyers are not professional buyers but normal consumers. Rope also refers that supply decision maker is more easily defined in B2C sector, than in B2B sector.(Rope 2004, 15.)

The limited potential customer base in B2B market gives the opportunity to use more targeted direct marketing channels when reaching out the customer than in B2C market.

In order to choose right marketing channels companies have to assess the amount of potential customers, their buying frequencies, customers' locations, buying decisions factors, similar products available, buying locations and the products additional services that the customer desires to have. Also the actual product, it's price, company's resources and company's marketing goals should be taken in to account when choosing the right channel for B2B marketing. Rope mentions that marketing channel selections are hard to change and is seen as a fixed long term solution. (Rope 2004, 127-129.)

In the communication channel mix selection company should decide if they are using direct or indirect communication channels and what channels are suitable for their purpose. In the Figure 5 Rope illustrates the most common marketing channel choices.

Direct marketing present the marketing ways that customer is reached directly, for example via e-mail marketing sent direct to customer. Direct marketing is usually suitable if there are lots of potential customers, product is simple, the product price is low, customer know-how of the product is high, purchasing risk is low or the product is bought frequently.

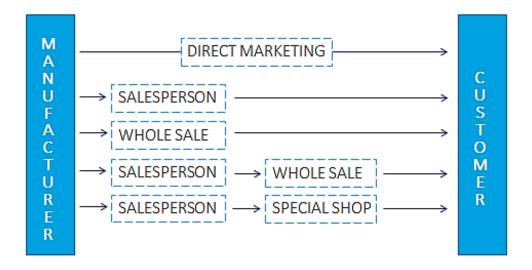


FIGURE 5. Most common B2B markets marketing channels (Rope 2004, 129.) (Translated by the researcher)

As stated earlier B2B marketing communication differs from the consumer marketing ways and primarily by the usage of communication ways. Karjaluoto presents the main differences between B2B & B2C segments communication in Picture 6, and defines that for B2B markets the most important marketing channels are personal selling, trade

fairs, and PR. For consumer customers direct advertising is the most used marketing communication tool. Communication tools and channels used for business customer are usually more targeted by the customers than in consumer side and B2B sector can for example publish ads in customers own publications, like in customer's magazines. (Karjaluoto 2010, 22.)

Karjaluoto emphasizes that consumer market makes purchasing decisions quicker and does not require multiple decision makers that B2B sector usually requires. (Karjaluoto 2010, 22.) Researcher finds the tables information interesting where it implies that there are only few ways to measure B2B marketing communications level. Although at the same time table shows that majority of the B2B budget spent to gain more sales and that way level of communication and sales should be easily measured form sales records.

	Differences is marketing communication b-to-c vs. b-to-b	
	Consumer markets	Company markets
Message reaction	Informal	Formal
Decission maker	One or few	Multiple
Communication balance	Advertising & sales promotion	Personal f-to-f saleswork
Specialization & integration	Wide use you tools , towards multichannel	More specific tools & integration of tools
Descission making time	Normally short	Longer and more participatory
Negative communication	Limited to receptions related party	Possible whole organisation and stakeholders
Targeted marketing	Targeted marketing	Limited but communication and targeted communication and segmenting is increasing
Budget	Most of the budget to brand marketing	Majority to sales leading
Analyzing & measuring	Multiple ways to measure	Only few ways to measure

FIGURE 6. Differences in marketing communication B2C vs B2B. (Karjaluoto 2010, 22.)

Online marketing and social media has blurred the tight lines of these two segments. B2B customers are starting to shift towards consumer market and behaving in online environment more similar ways. Example as consumer purchasing process usually starts with online search, and Mikko Yli-Erkkilä from company Tulos Helsinki highlights that also majority of B2B customers purchasing process starts nowadays with an online search from the topic or potential supplier (Sipilä). Due to that also companies operating in B2B sector should invest in to the online findability

Giving different perspective for blurring segment lines, according to Nina Virtanen, an independent graphic designer and freelancer online marketing expert in Precis Advertising agency, the line between B2B and B2C is still strong in some cases. She emphasizes that is shown especially with the channel selection or for example consumer business accentuations on online shops. (Virtanen 2015)

Online marketing & social media channels were first established with favouring more consumer driven market because of applications was first to designed to that market. Today also new tools and dimensions will be including more B2B type of concepts and communication ways. In the future there will be more collaborative networks for both B2B and B2C markets. (Samtani 2002, 4-5.)

Social media has been challenging the classic B2B and B2C customer segmenting and blurring the lines between consumer and business communication. Social Business strategist Krame's findings lend to support the claim that social media has changed the classic way of dividing the customer segments only to B2B and B2C segments is outdated. Ultimately Kramer argues that businesses don't have feelings, people do. As marketing is striving more to one-to-one communication with customers, social media is striving the direction to one-to-many sharing experiences. This conflict can be confusing and Kramer suggests to apply to all customers segments Human-to-Human (H2H) communication with real human touch, really interacting with customers as genuine persons with humility and understanding. (Kramer 2014.)

# 2.2 Online & social media Marketing as a phenomena

As pointed out earlier Internet and its existence have revolutionized the world creating new ways to communicate and to do business. Today searching for information, sharing ideas and doing business is easy regardless of what continent you physically live in. Online market and tools are changing and growing in no predictable pace and it is crucial to companies for their existence to be a part of the phenomena. Social media has modified customers buying behaviour and changed old marketing theories from seeing customers more from just a purchaser as a company's co-operators and developers. Companies that are not including online or social media in their marketing plans should begin to exploit the marketing tools and opportunities online.

Todays main media types can appear both online (in Internet) and offline (real world) and are categorized to paid, earned and owned media. Paid media are where companies pay to get for example webpage visitors, reach conversations through online search engines or display ads. Traditional offline medias TV or direct mails, are included to the paid media category. Earned media has been traditionally thought to be gained through targeting influencer or raising the awareness of the brand with PR activities.

Earned media includes also word-of-mouth which can be activated by viral or social media. That includes conversations in social networks, and also example companies' partners or bloggers conversations that exists both offline and online. Owned media is media owned by the brands that includes company's own websites, blogs, social media presence in different platforms and mobile apps. Owned media appear also in offline world and can be example brochures and retail stores. (Chaffey & Smith 2013, 33.)

Web itself had already shifted more from "read-only" so called Web 1.0 to more conversational web. New social web is often referred as Web 2.0 to distinguish from the earlier way of using Internet. In Web 2.0 the main idea for users is to be more part of the content creating and share content and issues they are interested in social communities. As figure 7 shows, direct advertising is changing more to word-of-mouth management and from companies to communities, from owning to sharing and from professional communicators to amateurs. Old way of companies pushing information and lecturing about their products for users online, have changed more towards conversations and collaboration with company and users. (Barefoot & Szabo 2010, 4.)

Web 1.0 was about	Web 2.0 is about	
Reading	Writing	
Advertising	Word of mouth	
Lectures	Conversations	
Websites	Web services	
Professionals	Amateurs	
Companies	Communities	
Owning	Sharing	

FIGURE 7. WEB 2.0 development (Barefoot & Szabo 2010, 4)

Being active in the conversations and creating rich content online has become the main marketing success factors in web 2.0. Both interviewed online marketing experts for this research, emphasized the importance of companies creating meaningful and interesting content in order to engage customers online. With interesting content that is valuable for the customer companies, can get people share their content and that way get customer engaged to company and its product. Advantageously content sharing increases greater online visibility and awareness for the company and its offerings. (Virtanen 2015; Heinonen 2015.)

Although digital marketing as a phenomenon is rarely new phenomena in the marketing history, it has become the most alluring media among the marketers. Online marketing tools and new marketing ways are constantly developed and companies are starting to see the positive side of the two-way-communication that the Internet allows. From researcher own experience traditional marketers still have difficulties seeing the opportunities to have open conversation channel with the client as the fear of negative comments and publicity is still strong. Online marketing benefits are acknowledged but the first step to start to do online marketing is still big.

Internet is full of different tools and companies have wide range of different possibilities to be present online. The most common online marketing tools are company's own website, search engine optimization (and marketing), online advertising (banners, popups, etc.) viral marketing (social media), online seminars, mobile marketing, online competitions, and e-mail marketing. (Karjaluoto 2010, 129.)

Recently published annual Social media marketing Industry report 2014 by Social Media Examiner has pointed out that the time commitment to social media marketing among marketers is increasing. Majority 92% indicated that social media is important to their business, which has increased from years 2013 86% percentage. Study surveyed over 2 800 marketing practitioners in order to get current information, how companies are using social media to promote their business. Study reveals that superiority of the marketers use 1-6 hours per week in actions in social media marketing. Companies that are highly new to the social media marketing are using less time compared to the companies that have been doing social media marketing for two years or longer. (Stelzner 2014.)

Online marketing is seen also as very effective channel for taking care of customer relationships and has the benefit of more personal and more targeted marketing. It allows company to have two way communications with its stakeholders. (Karjaluoto 2010, 127.) Especially social media marketing is seen as media that helps to engage, connect, increase brand awareness and raise two-way communication between companies and customers. Stelzner's study shows that marketer saw many benefits of social media marketing. Most important benefit pointed out, was increased exposure, increases traffic and developed loyal fans (Figure 8). Marketers that had used social media over 3years reported that it has helped them to improve sales. (Stelzner 2014.) Are the company's customers Companies or consumers, the main channel for seeking information about the products and company nowadays in the Internet and company's online channels especially www-sites. (Rope 2004, 158.)

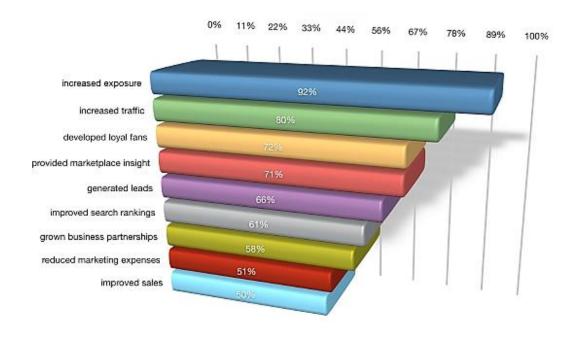


Figure 8. Benefits of Social media marketing Stelzner 2014)

There is no denial that social media is important communication channel for businesses and marketers. As Dave Evans in book Social Media Marketing- an hour a day, point out that recent studies show that about 3,5 billion word-of-mouth conversations around the world every day and approximately 2,3 billion of those comments are referenced to a brand product or service. That is why companies should pay attention to the online conversations, where customers share their experiences from products and services so called word-of-mouth in the internet. (Evans 2008, 41.) Chaffey & Smith has also acknowledged that social media has dramatically increased customers interaction & word-of-mouth and define new term, to ad earlier introduced B2B, B2C and H2H terms, a business segment called Customer-to-Customer (C2C) communication. (Chaffey & Smith 2013, 11.)

Social Media has changed the marketing communication field and also theories how the customers makes purchase decisions. Classic purchase funnel from media perspective has three stages – awareness, consideration and purchase. For example company raises awareness with printed product ad, that leads consumer's consideration and that can lead in to action, purchasing that product or not. Marketers can easily influence on the awareness and purchase phases with traditional media. Instead of consideration phase has been considered to be stage that have been typically avoided because it can't be directly influenced or accessed by marketers.

Traditional purchase funnel has been criticised by its idea of thinking company's marketing as a closed system. Contemporary purchase funnel, also called the social feedback cycle, takes considerations the impact of social webs of consumer-generated content in considerations stage (Figure 9.). This model shows that experimental data generated by the current customers or users effect on the considerations stage for the potential customers. Feedback loop shows how after purchase user generated stages use, opinion forming and talk feedback and shared experiments opens the consideration stage again. In social media word-of-mouth (WOM) can lead into positive publicity and increase the amount of new customers or it can lead into negative results and weaken ones brand and company image. Evans also refers to a Zenith Optimedia study made in year 2007 that "...WOM is considered to be most trusted source of information..." And that especially recommendations made by the close friend and family are affecting buyer's behaviour the most. (Evans 2008, 39-43.)

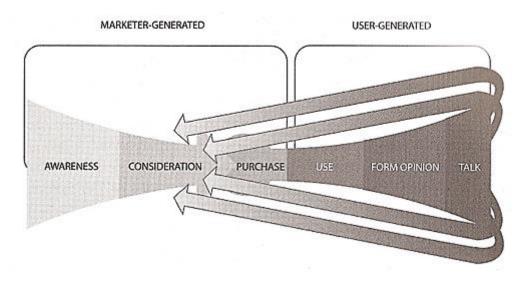


FIGURE 9. The social feedback cycle (Evans 2008, 42.)

Marketing consultant company McKinsey & Company found in their research about consumer purchase decisions that marketers needs to be more systematic in their ways to satisfy customers' needs. This can be improved by managing word-of-mouth, due to the shifting away from the one-way-communication (from marketer to consumers) to more two-way conversations. (Court, Elzinga & Vetvik 2009.)

As the commissioning company operates mostly in Finland the need to look over Internet usage and its figures locally is justified. According to the latest research of "Use of

information and communications technology by individuals 2014" made by Statistic of Finland shows that 86% of 16-89 years Finnish citizens was using internet at that time and 64% of that amount was using internet several times a day. Survey also showed that tablet computers and smart phones usage had increased through the previous years. The survey revealed that 51% of the 86% of aged 16-89 Finnish citizens had followed social media in the past three months which is 4% more than previous year. (Official Statistics of Finland (OSF).)

As the earlier surveys introduced are implying that the use of online tools and medias seem to be increased also the survey conducted by TNS Gallup made for among Finnish companies, advertising in online increased 10,8% in in year 2014 compared to previous year. The total amount from all marketing tools online medias was about half 50,2%. First time in history the digital Medias were more popular than the printed media though the overall advertising amount kept on decreasing as in previous years. (Mainosvuosi 2014.)

Social media's popularity among companies is evadable as also in year's 2013 European commission survey: Social media - statistics on the use by enterprises, show that half of European enterprises use social media, especially mentioned accommodation sector. Statistics show that companies in EU most commonly use social media for developing enterprise's image or market products (Figure 10). Companies also use usually social media for two way communication and answering questions with customers. Most of the social media purposes are used for the same amount with the exception of using the social media in recruiting is highlighted among large companies. (Giannakoutis & Smilly, 2013.)

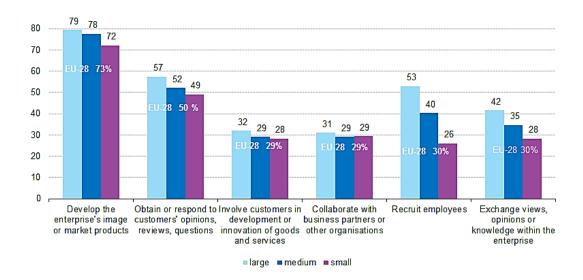


Figure 10. The purpose of Social media usage among EU companies (Giannakoutis & Smilly, 2013)

Social media has many measurable outcomes to justify companies to start their adventure in these channels. With social media you get more website visitors, more incoming links, better search engine optimization and better customer interactions and engagement. (Barefoot & Szabo 2010, 18.) As social media channel landscape is constantly changing & evolved and effective selected online tools are introduced later in his thesis.

Online marketing and social media are popular among marketer but next chapter also presents the potential challenges that these new tools and ways to communicate can create.

# 2.2.1 Challenges in online marketing & social media

Many companies are still afraid of the social media, by its power to point out complaints and due it allows uncontrolled commenting possibilities. Later in in chapter 2.4.5, when discussing Facebook and its features, Levy (2010) is example presenting companies fear of doing social media marketing due to possible negative comments and companies so called antifans.

Social media allows entirely new communication pace and way to give feedback from the company or it's products compared to traditional media and communications ways. Kortesuo (2010) sees also the benefits of getting feedback directly from the customer in social media. Feedback can be divided to company activated and spontaneous feedback

and also by the way feedback is given qualitative: words or quantitative by numbers (for example clicking's).

The spontaneous feedback is seen more important, because it comes from the idea that this subject is so important to the commenter that one will leave a comment. It's important company to know what is said in them in online and take that info to make improvements for example products. Company activated feedback is usually useless because respondents comments more neutrally. Companies should always follow what is said about your company or products online and Kortesuo (2010) suggested Google Alerts or Social Mention applications for that purpose ( <a href="www.google.com/alerts">www.google.com/alerts</a>, <a href="www.googl

After companies get alerts from the applications that what is said about them online the next step is to make decision whether to contribute to the discussions or not. Kortesuo (2010) has made a figure (Figure 11) which can help companies to make decision whether the going discussion is so important that it needs to be answered in order to maintain company image and reputation. If there is discussion where facts aren't right, companies should correct those and if there is discussion about opinions those discussions can be let unanswered. (Kortesuo 2010, 89-97.)

The fear of how customer's negative feedback can affect your brand negatively is a big stopper for companies starting to exploit the new opportunities of social media. Online marketing expert Virtanen emphasizes the importance of being prepared beforehand for negative feedback or comments online. There are various company examples how negative comments have not been responded in the need they are supposed to, and that have led to severe business or brand image losses.

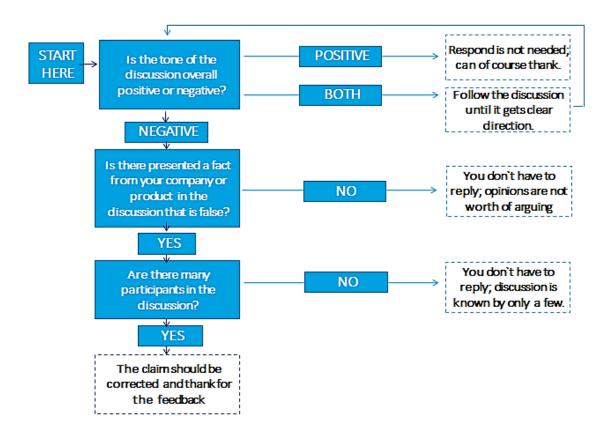


FIGURE 11. Guide to take part of the discussion in online. (Kortesuo 2010, 9) (Translated by researher)

Social media consultant Carole Billingsley suggests that negative feedback should be handled the same way as the customer were face-to-face with you. You can't ignore it or deleted it. Billingsley recommends answering negative feedback with apology and a solution, how to fix this problem in the future if possible. That way the commenter gets feeling that one is listened and feedback taken into notice. If there is lots of negative feedback from the same issue, it would be wise to send one post telling what is happening and what is done for the problem and how it is prevented to happen again in the future. (Billingsley 2012.)

Negative comments should responded the soon company spots those, preferable at the same day comment was posted, recommends Virtanen (2015). She also agrees with Billingsley that online comment responding is still a part of customer service but just shifted to online form, and recommends that company should never comment provocatively back for customers comments.

Barefoot & Szabo, writers from book Friends with benefits: A social Media marketing handbook, states that setting up social media marketing can be many ways more cost-effective than traditional PR, trade fairs or other expensive traditional promoting ways. But being active in social media and making successfully campaigns there, takes lots of time and effort. Social media needs to monitored, commented and result analysed to get real pay-offs from the channel. They also suggest dedicating 25% of companies' personnel marketing time to social media in order to make it work. (Barefoot & Szabo 2010.)

The use of online marketing has solid growth and social media's usage in marketing is even increasing. Silently hiding behind the social media doesn't work. Companies have to pay attention to the power of social media, and admit that it does not disappear. Comparing the advantages and challenges that online marketing and social media has adduced, companies should seriously assess if they should be part of it or could their absence from online environment harm their business in the future.

# 2.2.2 Push, Pull & Profile Strategy

There are three different P's concerning company's Marketing communications plan and strategy; Push, Pull and Profile strategy. Push strategy is direct communication to your clients, when company is pushing the products and info to customer with little advertising as possible. (Ashley-Roberts.) Traditional marketing and advertisements have been pushing information to customers, making marketer the controller of the message. Social media in the contrary is two-way communication and there marketer and customer is said to have "equal voice in terms of permission to speak" (Evans 2008, 81.)

In book Marketing on the Internet Zimmermann (2001) defines that most web marketing is based on not push but pull strategy. Pull strategy is considered softer way than push strategy. With pull strategy companies try to pull the customer towards the company by promotions, free samples, competitions etc. (Zimmerman 2001.) This strategy can be more expensive than push strategy, but works if your product demand is high. (Ashley-Roberts.) Online marketing gives also an opportunity to do pull type of marketing sometimes at low cost. Example later in Chapter 2.4.4 introduced search engine marketing is pull type marketing, which in it's user decide based actions, can be really

effective and more rarely used search words can set you up in the reach result with very low cost. (Karjaluoto 2010, 133-134.)

Profile strategy is very different form from pull and push strategies. With profile strategy company pursues to keep on going and sustainable dialog with stakeholders and customers. Profile strategies forms can be e-mails, newsletter or other releases send to customer. The main point is also to keep company's interest groups up to date of it's progresses and actions. (Ashley-Roberts.)

# 2.3 Online Marketing tools

As further stated, online marketing has changed marketing communication field and given new opportunities for marketers. Today's marketers have a wide selections of different online marketing tools available and the difficulty is to choose the specific potential tools for the company. Even though online marketing has exceeded the marketing possibilities it has also fragmented the marketing tools management. Different online tools function very differently; have very different user base and different platforms and measurement metrics. In order to asses different tools and their capability of helping company achieve its objectives, companies have to know available tools basic functions, marketing mechanisms and who are using this tool.

Marketing professional Tarja Heinonen has plenty practical experience of different online tools and she emphasizes the importance of knowing company's target group when choosing online marketing tools. Company has to research potential customers, so called prospects, and find out what is valuable information for the group in order to choose online tools and ways that could reach them most effectively. In spite of the large amount new online marketing special tools, the basic goals of marketing as to increase sales and brand awareness along with influencing to customers decision making remains the same. (Heinonen 2015.)

Based on Stelzner's research (2014) the most commonly used social media platforms are Facebook Twitter, LinkedIn & YouTube. When comparing B2B & B2C marketer's channel choices, most of the B2C marketers (68%) used Facebook as a marketing platform. Marketers operating with B2B market, LinkedIn (33%) were the most commonly

used channel and Facebook the second common channel (31%) (Figure 12).Benefit that marketer saw in social media marketing was the increased exposure, increased traffic and developed loyal fans and gain marketplace intelligence.

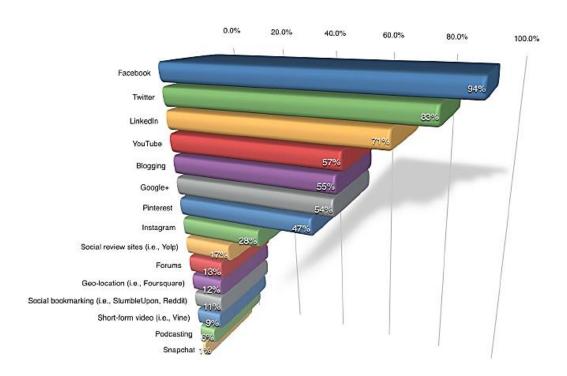


FIGURE 12. Commonly used social media platforms (Stelzner 2014)

Rope (2004) stated earlier that traditional marketing channel selection is hard to change, but online and social media on contrary demands to assess and change the channels due to it quick platform evolving pace. Users are constantly developing new contents and new platforms so changes in online marketing channels also need to adjust and adapt to the changing environment.

As the marketing field in online is constantly changing and evolving it is important to have up-to-date information of current online marketing tools. That is why Salmenkivi and Nyman (2008) recommend companies not to wait anymore to take the first step towards online possibilities and example slowly start to develop social media actions step by step. Companies should test different approaches and ideas in social media and see what actions work for the company. After testing and analyzing what idea worked for them, companies could invest more to that matter. If company does not find any functional ideas during testing, at least the testing has been far cheaper than rushing to put big investments in to the specific channel in the beginning. Social media environ-

ment is changing night and day and one can't expect to perform perfectly without any errors. Salmenkivi and Nyman (2008) suggest correcting errors just as they appear and develop you actions throughout company's online lifetime. (Salmenkivi & Nyman 2008, 198-190.)

To still underline marketers view from online marketing tools the recent studies shows that 92% marketers are saying that social media is important to their business. The most important social network for marketers was Facebook (54%), although 34% though weren't sure that their Facebook marketing is effective. 97% of Marketer indicated that they are using social media for marketing purposes, from which 92% found social media important to their businesses. 83% Percentage of marketers had integrated the social media into their traditional marketing activities. (Stelzner 2014.)

The next chapters introduce the most commonly used online marketing tools among the marketers. Based on the commissioning company's chosen potential online marketing tools for the company, this work focuses on email-marketing, blogging, specific social media channels & search engine marketing.

#### 2.3.1 E-mail marketing

E-mail marketing was the earliest marketing form among online marketing tools. Unfortunately e-mail marketing have had bad reputation due that in the early stages of e-mail marketing some companies implemented large scale campaigns without narrowing down the recipients or without having a marketing permission from the receivers. As the content was not relevance and promotion was made without asking the permission, it caused irritation among the receivers and is still affecting attitude towards e-mail marketing.

On the other hand e-email marketing is seen relatively effective marketing tool to current and potential customers. At its best e-mail marketing is dynamic, cost-efficient, customer targeted direct marketing. Email marketing's advantages are its dynamic visuals and speed. To meet the today's online and digital safety level and prevent digital viruses to expand, companies and e-mail providers have developed blocking systems for the unwanted SPAM mails that are sent without consumer's permission.

Those blockers are also a risk for marketing posts that have permission. Email marketing that is based on the permission of consumer or customer has good potential to brand or strategic marketing. According to research conducted in 2009 to researches 57% who received e-mail marketing letter, considered the content useful. (Paloheimo 2009, 119-121.) E-mails popularity among marketers was also shown in the Stelzner's (2014) earlier mentioned research, as marketers ranked the e-mail the highest tool that they are using that is other than social media.

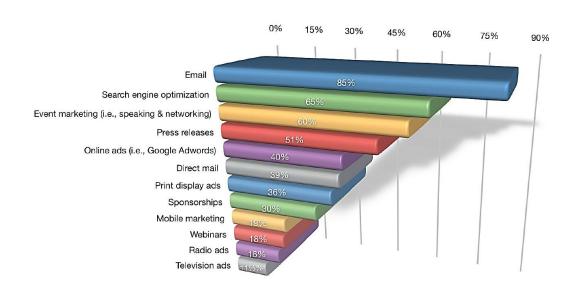


FIGURE 11. Use of other online marketing tools than social media (Stelzner 2014)

Finnish Customer marketing union, (Asiakkuusmarkkinointiliitto) ASML, has published a guide for B2B e-mail marketing, "Good manners in B2B e-mail marketing". Guide provides recommendations and legal aspects which companies, using e-mail marketing, should pay attention. Union guides that the e-mail message should be recognized clearly marketing mail from the title and content. Sender's company name should be distinctly shown in the message and customer have to have the opportunity to deny from marketing emails. B2B marketing mails should not be mass-posted without the relation of email subject to recipients' job tasks or responsibility. Personal data act and privacy laws apply also in B2B business and e-mail marketing.

Companies can send e-mail marketing to current customers work e-mails without permission. However, companies have to take into account the relation between marketing

emails content and recipient's job task & responsibility in the customer's company. Due to this factor B2B mail should never send as mass sending. (ASML 2013.)

According to the recommendations from Data Protection Ombudsman, in order to send marketing mail companies should have separate permissions from the customers, from especially consumer customer, to approach them with marketing material. Companies can send marketing mails without separate marketing permission to current consumer customers if the content is related to the same product ranges or services customer has already bought. But example in order to send e-mail marketing mails leagally without permission from the customer, customer should have bought products/services through e-mail. Companies can freely send mails for companies or associations marketing without permissions, if the companies have not especially denied it. (Tietosuoja suoramark-kinoinnissa.2011.)

Virtanen points out that in recent forums e-mail marketing has not been seen as effective tools anymore. Receivers can easily pass marketing mails if the content is not interesting. That is why extra attention should be paid for e-mail marketing content, and make it interesting for the receiver. However Virtanen thinks e-mail marketing is effective customer communication and marketing for existing customers, or customers who are familiar with the company and has purchased company products. She thinks these so called warm leads, customers that have already have positive experience from company's products are more likely to buy again easier than getting totally new customers, so called cold leads in to buying by e-mail marketing. (Virtanen 2015.)

Measuring e-mail marketing's effects and effectiveness is considered to measured rarely effortlessly. In book Klikkaa tästä! Internetmarkkinoinnin käsikirja, v 0.9, published by Finnish Advertising union and edited by Paloheimo, lists the most commonly used e-mail marketing measures, which are: how many opened the e-mail (opening rate), how many clicked the ad in the email (click rate), and did the e-mail led to actions example to actual sales or contaction request (conversion rate). (Paloheimo 2009, 124.)

E-mail marketing's benefits are that it's relatively low cost, mails are easy to personalize, it encourage clicking to your website and encourages to impulsive responses. E-mail marketing is easy to integrate with different medias, for example mobile messaging, web personalization and campaign responses. E-mail campaign lead time is also

shorter than creating marketing campaign through traditional media. (Chaffey & Smith 2013, 379.)

### 2.3.2 Company Blogs

Company blog is another new way to communicate with company's customers online and Evans emphasizes the blog being the easiest channel to start social online marketing in the Internet. Company blog creates a channel that companies can use to tell the customers what the company is currently doing & invite them to share ideas.

Company blog is an effective communication tool, where company can also learn more of their customers, what they like, value or dislike. This valuable customer information companies can use for example, to develop of new products and services. When blog is used actively with rich content, it creates an effective channel for companies to share information what the company are doing, what novelties or news they have and what is happening in the business market.

It is fairly cheap to start blogging, as the starting cost are low compared to the traditional media, but as blogs often allows a free commenting possibilities, possible negative comments can't be avoided. That is why companies should always have a strategy that includes also a plan for negative comments. (Evans 2008, 211.)

Company blogs are seen as effective marketing tools if the content is good and it is developed to match for the customers` needs. Marketers have also noticed the power of blogging, as the recent research show that marketers are planning to increase blogging in their their marketing activities in the near future. (Stelzner 2014.)

Despite the benefits of having a company blog, based on the researcher own experience, creating rich content, updating the blog and making interesting stories would demand a great amount of communicational resources and time from the companies.

# 2.3.3 Search Engine Marketing (SEM)

Search engines have a big role in the online findability of company and its products. About 90% of Internet users use search engines to seek for information from the Internet. The basic idea in search engine marketing is to be founded more easily from the Internet and that way increase the visitors in company's website or in other company's platforms.

Search engines allow targeted marketing by publishing advertisings and so called banners ads beside the search results. Karjaluoto states that with Search engine marketing (SEM) company tries to be founded easier and improve its presence among target customers. (Karjaluoto 2010, 133-134.) Also interviewed marketing expert Virtanen agreed that SEM and (Search engine optimization) SEO are very important tools for company's online marketing and companies should invest on those tools. (Virtanen 2015.)

Terms search engine marketing and optimizing is often mixed. Search engine optimizing is optimizing the company's rank (place) in the search results and it is considered as a subset of search engine marketing. Search engine marketing (SEM) though is more than just optimizing research results, as it can also be paid advertisings through the tool. Companies can for example, plan search engine ads that appear beside the search engine results with selected search word or combination of words.

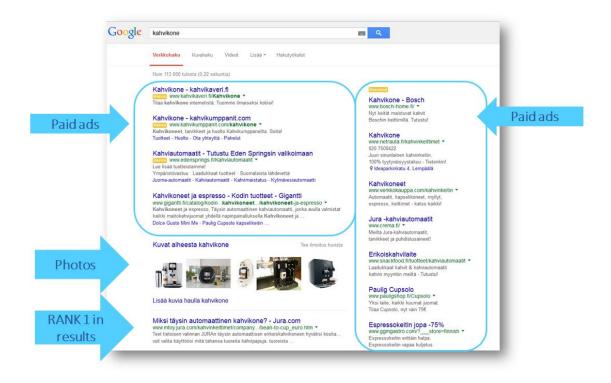
Search engine is an effective tool as using it companies can appear to the right potential customers within the right content. The search engine usage is user decided base (pull-type marketing), customers don't consider search engine advertising in negative way or even identify it as adverts. As Internet users rely more on the research results that paid ads, Karjaluoto underlines the marketing effectiveness of doing search engine marketing. (Karjaluoto 2010, 133-134.)

According to the TNS Gallup's research 2014 among Finnish companies, using search engine marketing had increased 9% compared to the previous year. Amount invested to search engine marketing was 35% of the total online marketing ways, which makes the research engine marketing one of the most popular online marketing ways. (Mainosvuosi 2014.)

The intention and advantage of SEM is its ability to communicate for potential customer s, who have already expressed with the search words an interest towards company's

products or services. SEM is seen relatively cost-effective online marketing and cheap way to customize mass of different ads for different products, services and consumers. (Paloheimo 2009, 91)

Researcher made a test search with Finnish word "kahvikone" (coffee machine in English) to demonstrate how Google search engine structures ads, results and photos in the research results. This word is highly compatible, according how many ads are displayed in side and upper section. Companies that want to appear for the potential customer searching for "coffee machine" word, need to either pay for get better ranking in the results or pay for ad that is displayed in the upper and side section (Picture 1) Either way, company gets visibility among the results but price can be very different among different search words.



PICTURE 1. Clip of Google search word test for "kahvikone" (translated in English: coffee machine) (Google)

With search engine marketing companies can for example allure more visitors to it's website. All search engines has a different ways of ranking the search results. Search engines, for example the most commonly used Google, seeks for the search tags/words, codes or texts and reaches the links according to the search word. Google has over 100

factors that affect the links ranking and the place in the search results. Ranking is affected for example website by content, availability and links & page rank history.

As Google search robot looks mainly text in the search, website that only has only pictures or content in Flash mode (moving picture), the ranking in research results is not going to be high. Search engine marketing is highly cost effective due to the fact that being present in the search engines result is fundamentally free. As earlier stated companies can also make search engine ads to maximize company's presence in the results.

Search engine ads are displayed in the content of the search according the search words and predefined daily budget. The bigger the budget is the more frequently the ads are displayed. (Karjaluoto 2010, 133-135.) The cost of search engine ads is dependent on with what search words company wishes the ad to appear, how much company is willing to pay every time someone clicks the ad (pay per click) and what the day's budget. Paid amount and quality points define the place in the results. After the company's defined budget for a day is full, the ad is no more displayed in that day, and will be displayed again next day.

As in other online marketing action aldo analysing the result of SEM is important. With analyses one can reduce ineffective search words, focus on developing search engine marketing and cut costs. (Paloheimo 2009, 92-93.) Optimization of the search engine functions improves company's findability and is introduced closer in the next chapter.

# 2.3.4 Search Engine Optimization (SEO)

Effective search engine marketing requires continuing development efforts. By optimizing search engine marketing, companies can achieve greater vivibility in online. Search engine optimization should be evolved and developed all the time. Serach engine optimization can be made with many different operations. For example, editing the website's text content is one way of improving the search engine marketing. Eventhough website's texts and words guide the search engine search, the most effective way to improve company's links ranking place, is having as many links as possible from reliable websites leading to the company's website.(Karjaluoto 2010, 134.) Stelzner's (2014) earlier mentioned research for marketers, showed that search engine optimization is the

second often used tool to use for online marketing, among tools that is not categorized as social media marketing.

Search engine optimization has many practical features and hints which companies can exploit to improve their search engine result rankings. In practise the Internet site's or article's first 200 words and titles, are the most important factors for search engine optimization. More often the search word is mentioned in the text, more likely the website is ranked high in the research results for that word. Optimization in the company's website's text should start by adding company's important & primary keywords to headings and subheadings. It is also recommended that company's brand should not be the first word in the page title, as it works more efficiently, from the seach engine point of view, at the end of the title. If website has the same titles in many pages, example Google's search engine will interpret that the pages are similar and exclude one page from the index. That is why using suitable titles in every page will give companies better results than putting the same titles for the page. (Power 2013.)

There are many factors that influence the ranking in the search results and different search engines value different factors. There are some guideline, how to increase the findability in the Internet and improve company's rankings in search engine for free. Chaffey brings out the main four elements that can be used to optimize company's search engine marketing.

1. Keywords and keyphrases are extremely important factors in search engine marketing and optimization. It is advised to use more keyphrases than just keywords in you page and use the most important one in the beginning of the text. For the most commonly used search engine, Google example rates webpages higher, if there is a phrase match between the search phrase user has written in the search engine and your web page.

The frequency of keywords repeated in the text of web page, (key phrase density) boosts the search engine result position. But then again too high phrase density and too frequently repeated keywords lead search engine to interpret that page is misleading the search engine (search engine spamming) and will not list the page in the results. In order to have optimal key words/phrases in the website, key element is to know what key words you current and potential customer use to find company or its products. From later in the chapter 2.4.1 intorudced Web Analytics, help companies to discover the used

search words that users have used to enter company's website. (Chaffey 2009, 507-508.)

- 2. Webpage's current search result ranking place is one of the factors search engines use to rank webpages. The more incoming links companies webpages have from good-quality sites, the better one's ranking in the search results will be. Each link from another website is improving company's ranking and links from the webpages that is considered to be gatecorized to have same context or business fiel, s are valued more and refined as a good-quality links. As the incoming links are important to the page's rank, also internal linking within webpage improves it. Companies should investigate their website's innerlinkage and make sure that there is enough links inside the website leading from page to page. (Chaffey 2009, 508.)
- 3. Title tag keywords that appear at the top of the browser are significant in the search engine listings. Key phrase appearing in the titles is more likely to be listed higher as it was only mentioned in the body text. Each page should have own title reflecting the company and the products/services presented in the page.
- 4. As mentioned search engines have automate serach robots to search the search words from internet links and pages. Meta tag is one factor that search robotsuse to rank website and it's quality. Meta tags are part of HTML source file that web page creators can type for search engine robots use. Visitors can't see meta-tags elsewhere but under search results as a description of that page. Meta tags effectiveness has suffered as there were earlier used wrongly in spamming and misleading search engines. That is the searon behind of Google starting to neglect the meaning of metatags in search results. Other search engines still value meta tags and through the click rate from other search engines company can also improve ranking in Google. (Chaffey 2009, 508.)

Google's search engine tool Google Adwords provides also a free keyword planner for planning the keywords. Keywords Planner will suggest you search keywords for you and also see the historical statistics how key words might work. (Google Adwords.) With search engine marketing and optimization companies can reach thousands of potential customers with low cost (Karjaluoto 2010, 137-)

The available evidence seems to suggest that companies can improve their search engine results by optimizations functions. Companies can test their Google Search optimization level, with different tool provided; example site <a href="www.google-optimointi.com">www.google-optimointi.com</a> offers a free application for this purpose. With this application companies can test different search words for different site. Its gives a result that shows what sites components are in order and what are missing for the search engine to exploit those in developing search engine optimization. (SEO-Analysaattori.)

The decision if company would invest on paid ads with SEM or optimize the rankings with SEO, is depended on, how popular the search words are that company uses and with what the company wants its links and ads to appear. The more popular the wanted search words are, the more money company has to invest on getting to the top in the ranking. Search engine marketing through optimization is highly competed and it can be require lots of hard work and money to be ranked among the first research results. Sometimes paid search engine ads can be the only way to have more visibility in search engines. (Karjaluoto 2010, 136.)

#### 2.3.5 Social Media: Facebook

Social media and especially Facebook has utilized online networking and shown the power of online communities and word-of-mouth in today's business world. In the book Marketing management, Kotler & Keller compress the essence, how companies use Facebook for marketing purposes, as follows "Companies use Facebook to introduce new products, launch videos and promotions, upload images, communicate to consumers, listen to feedback, and create an overall personal look and feel. " (Kotler & Keller 2012, 564.)

Facebook was founded in the year 2004 by Mark Zuckerberg as a closed Harvard college student communication & connection platform. Facebook's popularity increased and as the application opened to all Internet users it became a phenomena. At the present it is the most popular social media used, having billions of users. (Kotler & Keller 2012, 563.) Nowadays companies have to be even more intensively present there where one's current and potential customers are, so to be able to connect and communicate

with them. (Levy 2010, 43.) Facebook as a platform, which has so many users and possibilities to reach them with marketing efforts, is naturally appealing tool for marketers.

Facebook is very potential tools for many companies, as there are over 1.35 billion people visiting Facebook every month and 64% are visiting their personal page every day (Facebook for business.) In recent study Facebook was found the most important social media platform among marketers. But the studies also showed that the perceptions of marketing effectiveness in Facebook marketing had differences depending the business field company operated. Example the study showed that the majority of the B2C marketers found their Facebook marketing activities effective, but only 34% of B2B business marketers present in Facebook were agreeing than "My Facebook marketing is effective". (Stelzner 2014.)

There are several ways to do effective marketing in Facebook. Kotler describes Facebook as an important tool for marketer by its ability to enable direct communication with company's current and potential customers. With Facebook companies can personally interact, build awareness and communicate to anyone who shows interest towards the company's page. (Kotler & Keller 2012, 564.) Levy also points out, that Facebook is a perfect tool to humanize one's brand. With Facebook companies can share more than a company logo and publish many different content types in company's Facebook page, groups or ads. (Levy 2010, 43.)

To start using Facebook, company can create company's own Facebook page and try to allure users to like this page. Based on hundreds of real business Facebook cases Pyhäjärvi describes single competition campaign to be the most effective way to collect quick likers and followers for company's Facebooks page. This liker's group is very important because it gets then automatically company's posting to their own personal Facebook news feed. Company's liking group can be then easily informed for example company's novelties, new campaigns or other valuable content or information. And to point out the cost effectiveness of Facebook, havin a business account in the site is entirely free of charge for the company.

Collecting likers and user with competition method has been criticised by its nature of alluring also other users than potential customers, but based on Pyhäjärvi's experience throwing Facebook competition is still the most quickest way to build up likers commu-

nity group. People who are driven to like page only by its competitions usually stop following the page after the competition is over. But this amount of people is lot less than commonly assumed.

After the company's online competition is over, it is important to invest on publishing rich content on the pages. Pyhäjärvi also emphasizes the importance of posting interesting and valuable content after the competition is over and describes Facebook marketing as on-going process that needs to be continuously developed in order to increase the audience amount. The scale of audience or amount of likers does not always tell the absolute through, since companies can also buy "fake fans" in order to look more powerful or improve their social proof. These "fake fans" are though of course not seen as valuable as real person's likings as the group is not real and can't buy company's products or services. (Pyhäjärvi, 2013.)

As the publishing content in company's own Facebook page and sharing that with fans is free, Facebook also offers companies possibilities to execute paid advertisements or banners for targeted users. Facebook banner ads can be targeted for example by user's region, interests, demographic, profile information or even key words that user had typed in one's interests. Facebook ads are convenient for reaching potential target groups and companies can publish ads and banners without having a company Facebook page. (Kotler & Keller 2012, 564.) Targeted ads give company an ability to reach specific target audience for their needs, example make-up ads can be targeted to certain age of women at specific location and based on their previous liking in Facebook.

When company has a Facebook page, all Facebook users can like your page, post comments to company's wall and share company's posts and content to their friends. Facebook sends an alert every time someone has posted a comment to company's page and that helps companies to react on comments fast. Facebook provides also own analytics and metrics that will give insight of company's customers and their profiles and behaviour in Facebook. (Facebook for business.)

Virtanen expresses that weather company is operating in B2B or B2C business, the base for a good online marketing is to know your customers, know your audience. Facebook's own analytic tools or Google Analytics can give you clearer picture of company's audience, and their preferable. B2B side company's social media content should be

balanced with the business-relation and also be interesting enough to engage customers. She suggests avoid hard selling and not trying to convert your fans to leads too soon too aggressively. (Virtanen 2015.)

When company has a Facebook page it is preferable to publish content regularly to keep the page and it's fans active. Facebook expert Pyhäjärvi suggest to use scheduled posting application in order to plan advance the published content and its publishing time. This procedure can see to save time and resources by needing to concentrate to the content creating matter intensively at one time and not have to being always online when is time to publish something.(Pyhjärvi 2013.) Heinonen also points out the importance of content publishing time, especially in some business areas, example when launching new games or movies publishing time it is very important. (Heinonen 2015.)

As online world and Facebook is functioning globally also different time zones should be taken into consideration with global campaign launching and posting times. And to get even deeper to the publishing times Harper recommends that in order to get you message trough to company's B2B customers optimal time for postings should be scheduled during to office days lunch times (12:30-2pm) or the time people are getting ready to leave workplace. (4-6pm). (Harper 2014.)

Facebook have many good potential features and advantages in online marketing but platform presents also some challenges and risks for companies that want to market within. Facebook is an interactive online application with hundreds of million with different kind of users. Companies are most like to have fans but also antifans in the social community. Many companies fear the negative comments in Facebook and overall in social media and would naturally prefer only positive comments and feedback publicly in Facebook. Company should not delete the negative comments, to avoid giving an impression that company is hiding something. This kind of action could affect negatively to the brand engagement. Only violent, overly disruptive and illegal comments should be deleted. Best is to judge each negative comment case-by-case and then decide if it needs to be answered or not. (Levy 2010, 65.)

Virtanen considers Facebook as an important channel for both B2B and B2C and it is still the most important channel for companies in social media. She also points out how Facebook is losing it appeal for younger people and teenagers. Hence she is reasoning

that if the trend continues and company's potential customer are youngish, Facebook could maybe not be the most potential channel to reach them in upcoming years. (Virtanen 2015.)

One threat that Facebook itself has for a marketer is the possibility Facebook users ban or hide companies, their ads or content from appearing in their Facebook view. This will cause missing the potential customer and loss of marketing money. On the other hand users can like company's ads, and that leads to Facebook systems. trying to find more similar or more interesting ads for the user.( Facebook Ads.)

### 2.3.6 Picture based Social Media: Instagram & Pinterest

Zenith Optomedia's recent report of 2015 emerging top ten trend shows a trend that companies are starting to invest on higher quality visuals marketings in order to increase sales. Instagram & Pinterest are both visual social media, where people publish and share mostly photo content.

Instagram is a visual storyteller application where individuals and companies can publish and share pictures and short videos among the account followers. Instagram has over 300 million users and is free to use. As the mobile phone cameras and photo quality remarkably improved during the years, Instagram founders wanted to solve three common mobile photo problems with their application. For the average looking mobile pictures Instragram provides handy photo filters which you can apply to make your picture look more professional and appealing.

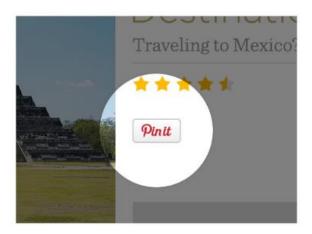
Second problem that founders wanted to solve, was the difficulty of publishing content in multiple platforms or online communities. They developed application that allowed publishing the same photo simultaneously in multiple platforms, for example in Instagram, Facebook and Flickr. Third problem that the Instagram founders wanted to mitigate was the clumsiness and long uploading times that online photo uploaders usually struggled with. They optimize the experience and make uploading efficient and most of all user friendly.

To help users categorize photos, Instagram exploits category method #hashtags. Hashtags are used as a keywords or topics of the content in photos. All content under the same hashtag is showed when using the hashtag search. (Instagram Facts.)

Users can choose if they want to be Instagram publicly, so that anyone can follow the published content, or decide to have profile which is private, when user can define and give permissions that to whom can see one's photos and information.

Pinterest is also a photo related Social Media channel as Instagram. Pinterest is one active Social media where individuals and companies can share pictures, and attach (pin) pictures they like to their own Pinterest walls. The idea of Pinterest is to allure creativeness and inspire people to pin or re-pin pictures to your named categorized folders.

For business Pinterest can work so, that companies attach a "pin it" button (Picture 2) for the content in your website or anywhere else you have online pictures. Then anyone can pin it to their creative boards and get inspired and influenced by that. Any pin can be repined and that way content can spread in the community of that person or company. (Pinterest for Business.)



PICTURE 2. Clip from Pin- button in content (Pinterest for Business)

Pinterest has also own analytics, so businesses have easy opportunity to see the development. For company Pinterest guide suggest to create different boards to with appealing pictures and content. Pinterest is suggests to do different photoboards with different contents, that users can freely choose what they pin as user are invidiuals and what appeals the other is not interesting for other user. The idea is not just keep pushing the

material from company's business, but also pin interesting parts to company's boards from other users, for example from bloggers, professionals, news. (Pinterest for Business.)

Beside the pin it button, company should also add following button link to one's website, e-mail signature or other social media accounts. Pinterest also provides rich pins, that one can add some other content than the picture to the pin, for example companies can ad recepies, or news or videos etc. (Pinterest Helpcenter.)

Pinterest is now free to companies but application have plans for launching in some time a promoted pins possibility. That way company's payment structure can change to paying the clicks that drive users to click to company's website. Payment structure funtions as every time someone is clicking to company's website from Pinterest site, company has to pay a fee. (Pinterest Helpcenter.)

#### 2.3.7 Social Media: YouTube

YouTube is the most popular video sharing channel in the world. Companies can exploit YouTube with publishing videos to introduce quickly its business or show novelties to new or old customers. (Rider 2015.) In Stelzner's (2014) research, YouTube was the fourth commonly used social media platform among marketers. Remarkable findings from the research was that 67%, of the marketers participated on the research, had planned to increase their use of YouTube in the near future. There has been on-going discussion of importance of the videos in content marketing, but now companies are really starting to act and publishing videos. (Stelzner 2014.)

YouTube has over 1 billion user and everyday people watch over hundreds of millions of hours YouTube content. Tool has over a million different advertisers and majority of those are small business. In YouTube companies and individuals can create own video channel and post videos in there. (YouTube statistics.) YouTube offers also possibility to do video ads with push or pull marketing methods mentioned earlier. Companies can make ad videos that are played before, during or after users chosen video. There are two types of display functions, ads that user can skip after certain time has passed or keep on watching the video if content is interesting (pull type marketing). Another way of pub-

lishing adsin the videos is to force the viewer to watch the ad throughoutly before one can enter to the wanted video (push type marketing.). (YouTube Ads.)

YouTube enables also to do search result optimization among Youtube video search results. By optimizing, certain videos appear higher in search ranking among certain search words. As with Facebook, also in YouTube, companies can publish targeted ads by precise wanted user group by their age, location or interests. (YouTube statistics.)

### 2.4 Measuring Online marketing

Marketers have widely felt the pressure to provide quantifiable measures to justify marketing actions in the companies. Commonly marketing departments struggles to show straightforwardly, how marketing has helped to achieve company's goals and financial objectives or developed company's brand image. Short term payback marketing investments are surely quite effortlessly calculated by the amount of money invested in the marketing compared to the outputs of those actions. On the contrary, ways how to show expanded brand awareness, improved product image and greater customer loyalty, are not easily measured. (Kotler & Keller 2012.)

As the online marketing channel possibilities have expanded through online development, it has also evolved new measurement tool and ways. Online marketing has given marketers new tools to measure their performance level and new aspects what factors to measure from online actions. Due online world characters of high traceability and accuracy of tracking online traffic, companies have now much more data to perform deeper marketing analysis. The demand of measuring online marketing performance level has created many different online tools and many social platforms, like Facebook, has their own statistic applications to help the customer track its page visitors etc.

Online marketing and especially social media marketing require training, how to use the specific tools and how to reliable measure the outcomes. Social media marketing results are often not improving company's sales figures immediately and companies should have the patient to develop their online marketing and continually measure the results. In the Social media marketing Industry report 2014, marketers estimated that only after using social media consistently for few years, they are starting to see the effect as sales

increasing. The study also showed that companies who spend at least 6 hours per week on social media had reduced marketing expenses. (Stelzner 2014.)

Online marketing is full on different measurement ways and tools and Chaffey presents full range of measures, used by digital managers to control and manage marketing and communication expenses and outcomes. Chaffey presents different levels of measurements with a ladder visuals, starting from zero point, least refined measures, to sixth level, towards more refined measures (Figure 12).

Chaffey's measurement ladders begin from the zero point and the lowest measured level that companies should pay attention in online marketing, is to measure the volume, numbers of visits or the reach (%) of their website or social media account. This volume metric should be taken as a minimum measurement requirement in online marketing and when analyzing company's web site traffic effectiveness.

Second level, Step 1 is a more sophisticated way to measure effectiveness by measuring online marketing quality: conversion & bounce rate. Conversion rate shows how many visitors from with specific sources take specific marketing outcomes and activities in the web, for example purchase, lead or subscription. Bounce rate is the percentage of visitors entering the website and leaving immediately after viewing one page. Bounce rate is also called "single-page-visits". Bounce rate can be also used to assess the appeal of the webpage visitor arrives. If the visitors like the appeal, they will probably spend more time on the web site.

Online marketing expert Jayson Demer, also points out his article in Forbes magazine "the 10 Online marketing metrics you need to be measuring" the importance of measuring the webpage visit amounts to get the big picture, example how your campaign is running well. (Demer 2014.)

The next level in Chaffey's measurement ladders; Step 2, cost per click, can be used for measuring specific marketing tool effectiveness and performance level. Example search engine effectiveness can be measured by how many click website gets in certain time. This tells the company how their selected search words are working and should they make any changes to those. Demer emphasizes also measuring the amounts of new ses-

sions and channel specific traffic, info that is available in Google Analytics, to assess the campaigns effectiveness and the campaigns appealing factors. (Demer 2014.)

Chaffey's (2009) measurement step 3, brings us among even more detailed and valuable measurement metrics. There company should assess the cost of customer acquisition combined with the outcome from that customer. This shows the revenue amount customer has brought to the company taken in to account money spent to allure the customer to buy the company's products. This figure answers for example question, how many e-mail marketing letters I have to send an average to make a sale. Demer (2014) also lists this as an important measurement and calls this with a term lead to close ratio. The ratio is calculated by dividing your total number of sales by your total number of leads. If the ratio is low, drop in revenue figure could be symptom of inefficient sales actions. He also points out that this metric is telling more about the sales success than marketing efforts, but this ratio will give a better understanding of total return on investment.

Measurement ladder's Step 4 Return on Investment (ROI), calculates the profitability of marketing and communication or any other investments. Different ROI can be calculated depending what factors are calculated to assess a company's profitability. Demer emphasizes the relevance of ROI metric and declares it as the most important rate when looking the profitability of a single marketing campaign. Campaign positive ROI means your marketing strategy is effective and negative ROI reflects the need for changes and adjustments. ROI is calculated by comparing the cost per lead against your lead to close ratio and comparing that figure against the average customer value ROI is more closely introduced in chapter 2.4.2.

When climbing further Chaffey's measurement ladders, next level step 5, is about Branding metrics. It includes example measures like brand awareness, ad recall, brand favorable and customers intent to purchase. Many companies offer to measure branding metrics for the companies and compare results with company's competitors results. This way the company gets also valuable info from the market situation and knowledge who are their biggest competitors and how are they performing.

Chaffey's ladders final stage, Step 6. Life-time-based ROI figure takes into account the whole life cycle of gaining a customer and including all costs. This helps to give a real-

istic picture of ratio "cost per sale". Demer calls this measurement with term customer value, and admits it to be hard metric to calculate.

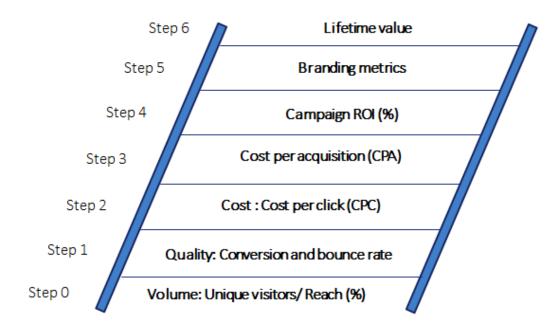


FIGURE 12. Measurement levels (Chaffey 2009, 502)

Companies can choose what measurement ways give them the most valuable informationa and use results to improve and develop their marketing actions and ways. Chaffey (2013) recommends that organizations need to have also clear objectives in online marketing in order to provide the suitable resources for achieving the goals. (Chaffey & Smith 2013, 37).

# 2.4.1 Web-Analytics

Understanding your website traffic is really important for companies and Clifton describes web analytics as a thermometer for the company's website, which is constantly checking the online performance health level. (Clifton 2010, 5.) Digital analytics association defines that web-analytics is data gathered from interactive channels and it can be used for improving online performance level. Founded data are analysed to find historical patterns which can enable to predict the future behaviour to guide the company's actions. Today digital analytics have become come essential part in maintaining companies' competitive edge and to a growing extent it has been integrated to the companies' core strategies. (Digital Analytics Association.)

The more important your website is to company's business strategy the more importantly website analytics and measures should be included also to that strategy. To be able to do effective and successful online actions, companies need to continually refine, process and optimize online marketing strategy, website content and navigation. Analytic tool can give valuable information about the site, measure effectiveness improvements, show growth potentials and point out what objectives have failed or if the desired performance level has not been achieved. (Clifton 2010, 5-6.)

There are several ways of analysing and getting declaration from company's performance level and actions in online. Juholin (2010) highlights that web-analytics are a process, where the behaviour of online service users are assessed more trhoughouthly and not just by visitor amounts. The aim is understand user's behaviour more profoundly, optimize sites according to the analytics and ultimately help to achieve the business objectives. Essential in web analytics is to observe and notice trends rather than looking only absolute numbers.

Web-Analytics give companies the ability to exploit the information gathered from their website, example, what the visitor clicked and how long stayed on the website and did visitors` actions lead to actual sales. Web-analytics should be based on company`s strategic objectives, and successful measurement indicators; Key Performance –indicators (KPI`s). This gives a better perspective and direction for the results. Company`s KPI`s example defines how many new website visitors are even potential to reach and what is the desired visitor amount for the company. (Juholin 2010, 136.)

There are no argues that Google Analytics is the most popular online analytics tool used among websites. Little over 82% of websites, from of commonly known analytic tools, used Google Analytics, which is 51,6 % of all websites (Google Analytics market share). Google Analytics were also pointed out when researcher were interviewing online marketing expert Virtanen. She pointed out Google Analytics as the most useful online marketing measurement tool. The tool is easy to use and give several different practical information about the website traffic that marketers can exploit. (Virtanen 2015.)

Google Analytics will help you to find out if you have achieved your objectives, and help to make improvements to the current situation. Analytic data will help marketers and give company an insight for example, what are company's popular sites and how long visitors stay on the website. Analytics can also give alarm signs, example if your eshop has many visitors but poor sales, something needs to be done and analysed why that is happening. (Chaffey & Smith 2013, 45.)

Google is linking it's different marketing applications usage and services together by pursuing companies to stick and engage with their online marketing services. Google Analytics is cost-effective tool and it is free of charge, up to 5 million page views per month. After that amount is full companies can still use Google Analytics without extra costs if they are simultaneusly paying for Google's Adword application for search word optimization. (Collins, D.)

For starting to use Google Analytics, company or its cooperation partner has to have a Google account and have access to company's website structure, especially website's html JavaScript's codes. Google Analytics function is based on Google Analytics Tracking Code (GATC) that has to be placed to the companies website's JavaSript descriptions. Clifton considers that GATC's installing is fairly simple process, because companies have to use only one and always the exact same GATC code for the sites company want to monitor and get analyzes from. (Clifton 2010, 5-6.)

There seems to be no compelling reason to argue that web analytics are essential for every website by giving more information from the visitors and their behaviour. With this info companies can make their website and online marketing more effective and gain new leads or better communication. From the analytics tool Google Analytics is the most popular, which is said to be easy to install and use for monitoring website traffic.

### 2.4.2 Online Marketing effectiveness

After companies have started to gain data from their online actions with example web-analytics, they have to assess the effectiveness of their online marketing actions. Over half (63%) of B2B Marketers think that website traffic is their metric of content marketing success. (Cohen 2014.)

In order to assess the effectiveness of marketing company should get both qualitative and quantitative data. Qualitative data example visitor amounts are easily available example through Google Analytics, tool introduced earlier in chapter 2.3.1. Companies should also get qualitative data out of their performance, and hear "what is said about them" in the internet or get valuable spontaneous customer feedback.

The fragmented online world has risen a common problem that companies don't know what is said about them online. Without knowing what is said about the company or it's products, companies can't react on the discussions going about them or get important indirect feedback from customers that they could use to develop their business. Demand for this kind of tracking systems have luckily also developed for this purpose in online. There are several tools to scout the mentions of wanted words, and next part will introduce a free tool, Google Alerts, which can be used for tracking different words or word sets written in online.

Google Alerts (<a href="https://www.google.com/alerts">https://www.google.com/alerts</a>) is very commonly used and also a free tool to scout the on-going & realtime mentions online. Program allows typing several search words from which company wants an alert when it is mentioned in the Internet. For example if you want to have alerts about your company, write company's name "Company Oy" to the alert definition area and after that tool finds automatically all available information about the wanted search word in Internet and sends an alert to email address. You can set alerts to be sent every time they appear, once a day or once a month. Companies can also set the result type: if the tool searches search words from everything, news, blogs, video, discussions or books online or just from specific source.

Google Analytic & Alert tools are helping companies to survey their online environment, customers behaviour and make analyses from the performance level. Both Google Analytics & Google Alerts are free of charge (by the limitations mentioned earlier) but user/company has to have a Google account in order to use these services. (Google Alerts Help.)

### 2.4.3 Marketing ROI

Eventhough marketing is being used for many purposes, the ultimately purpose of marketing is usually to increase company's sales. From the researcher's own experience companies marketing budgets are always under the knife and that is why marketing activities have to be always justifiable and measurable. By showing the income out of marketing activities is used to justify the money invested into the marketing. The direct income from marketing has been seen difficult to calculate, and for example, measuring the brand value and image that are developed from many factors and defined by time, is hard to count the actual value improving the image from a single marketing activity.

As companies can get valuable information from the web-analytics, combining that information with sales figures gives the most accurate metrics and analyses. With the right measures example Marketing ROI, companies get knowledge how well the marketing efforts are succeeding. Young & Aitken defined Marketing ROI as: "Marketing return on investment (ROI) is about creating positive value for a business or brand though demonstrating cost versus payback." Marketing should be able to demonstrate the actual cost-effectiveness of marketing actions and at it's best also be compared with the alternatives. In order to be able to deliver profitable marketing actions, measuring process should have also clear sight of relations between communication and business results. (Young & Aitken 2007, 16.)

Marketing and communication has been criticized their ability to show Return on Invest (ROI) properly for example in social media actions. Communications Return on Invest (ROI) should show example how much a campaign has raised the sales among customers. Critics have been argued that effect of communications and marketing can't be estimated at only in money or the marketing effect on sales can't be seen immediately.

It can be hard to measure the valuable stakeholders' deeper engagement level or how marketing is affecting into people attitudes towards the company or it's products (Powell, Groves, & Dimos 2011, 7.) That is why it is necessary to define short (6-8weeks), medium (2-23 months) and long term (12 months) goals for marketing and define what actually return (R in ROI) in your company's case stands for. Different companies have different objectives which guide what is counted as a return. (Young & Aitken 2007,16.)

Marketing ROI can be improved by many different actions and making marketing processes clear in the organisation. Young & Aitken also state that Marketing-mix modelling, post evaluation and tracking the reasons & effects behind your marketing actions will have positive impact on your ROI. (Young & Aitken 2007, 20.)

As social Media is coming more used tool in companies marketing activities the need to measure also Social Media actions is important. Companies can do with Social Media return on Investment calculation (Marketing ROI). (Powell, Groves, & Dimos 2011, 7.)

88% of Stelzner research marketers want to know. how to measure their return on investment (ROI) in social media activities, but only 37% agreed that they are able to measure the activities. The percentage has increased from the previous year's 26%, which indicates that marketer have now been more capable to measure the social media ROI and that way assess better the effectiveness of their social media actions. On the contrary research presents alarming message, that only little over half (68%) among answerers even analysed their social activities at all, and leads a conclusion that there are huge demand for simple and effective measurement tools among marketers. (Stelzner 2014.)

As stated earlier some online marketing channels and social media platforms have their own statictics and analysing tools and that is seen very convenient from a marketers point of view. Marketing can have easy access for analytics and have many different ratios already calculated and ready to be used in the platforms. As marketing is forced to show different measures in order to example justify the annual marketing budget, marketers have to show how are the channel choices and marketings actions succeeded. Young & Aitken gives also a another point, that marketers can make false marketing channel choices, just by trying to choose channels only cause ROI is most easily calculated through some channels. They give an example of traditional media that shows that marketers tend to investage in expensive TV campaign ads due its capability to show increased sales straightforwardly. (Young & Aitken 2007, 16.) As online marketing platforms has many

Online marketing and social media marketing need extra resources for planning, conducting and measuring the actions. Company have to monitor the web more closely, participate on the discussions and develop new campaign ideas and all of these actions binds by all means resources. To be able to choose where companies direct marketing and drive the use of resources the marketing activities should be evaluated and chosen by the result where you get the best return on your efforts. (Barefoot & Szabo 2010, 17.)

#### 3 METHODOLOGY

This chapter will introduce research methodologies and method theories used in this thesis. Chosen methodologies and reasons why methods has been used in this research are introduced and justified. This chapter will offer insights for study's research, data collection and analysing methods.

Qualitative and Quantitative research methods are occasionally hard to separate from each other and scientists are criticising too harsh separation of these methods. Traditionally quantitative method uses quantities and numbers in order to analyse the corrections and causation of data. Qualitative method is seen to concentrate more on the meaning of the subject and giving space for human interpretation. Both methods can be seen as a complementary to each other and example qualitative research can be used prior the quantitate research to intended measures are valuable according the to the research questions. On the contrary also quantitative research can be done prior qualitative phase, for example to steer formatting sensible interview groups. (Hirsjärvi, Remes & Sajavaara 2013, 136-137.)

Characteristic for qualitative research is to prefer the use other people in data collection methods, example using different interviews. Qualitative approach prefers methods where the researched persons "voice" and point of view is recognized, methods like theme interview, observations and discursive analyses of texts and documents. (Hirsjärvi, Remes & Sajavaara 2013, 164.)

Hirsjärvi emphasizes that research has always a purpose or mission. The purpose of the research guides the research strategy selections. If research's mission is to give deeper insight from rarely known phenomena Hirsjärvi, Remes and Sajavaara suggest using qualitative methodology. (Hirsjärvi, Remes & Sajavaara 2013, 137-139.) Due thesis purpose was to give deeper insight and survey the potential of rarely new phenomena, online marketing, qualitative research method strategy was chosen for this thesis' methodology. This study is looking for specific information from the view of Compant X which is why case study strategy was chosen for this. Case study theories and characteristics will be introduced in the next chapter.

Vilkka (2005) emphasises that qualitative research methods important role to being emancipatory. This aims the research to increase and expand researches object knowledge from the research matter and effect positively on thinking and practises. (Vilkka 2005, 103.)

This research was conducted by using qualitative methods in order to get deeper insight of the online marketing as phenomena. As this work is done for case company, thesis used case study strategy to get special detailed information from the topic with the company X's view. Research was conducted by observations, benchmarking and interviews. Benchmarking method was used to research case company's three competitors. The objective of the benchmarking was to collect information what online tools competitors are using in order to get perspective for the Company X's online marketing actions.

The next chapters introduce chosen approaches, data collection & analyzing methods used for this thesis.

# 3.1 Case research & benchmarking methodology

Aaltio-Marjosola defines in her article "Case-tutkimus metodisena lähestymistapana" that case studies are used to get deeper insight, up-close and detailed examination of the given phenomena. Case study is ideal for researching companies, organisations where cases are usually unique and single-cases. Important is to attach case research with previous theories from the research subject, in order to use those as a base for creating analyses and conclusions. (Aaltio-Marjosola, 1999).

In case methodology, research is unique and is usually being researched at its own environment. Linking the subject to contextual theory background is conventional in case studies. In case research method the researcher and the case company are interacting during the research closely and one of case study's challenges is to keep research dependent in the process. Case study is a versatility used method and it can also create new research ideas for future development and presumptions. (Aaltio-Marjosola, 1999). Case study's advantage is the ability to deeply concentrate on the one object or phenomena and give detailed information from it. From the same point come also the dis-

advantage which is said to be the method's lack of generalizations that is often desired factor in academic researches. Aaltio-Marjosola gives also a new perspective for generalizations attempt, by criticising that too much generalization could affect the research to become too general and the content too shallow. With concentrating to a certain object, process or dynamic factors with case study approach, research can open the phenomena more widely and deeply than a generalization pursue research (Aaltio-Marjosola, 1999.)

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Because of the nature of this research the case study method was selected to be the optimal method. Case company has an unique case, which needs a deeper insight and detailed examination of the phenomena with company's point of view. Case research method was also chosen as it answers the best to research questions and can be used to meet the objectives. The idea of for this thesis was to get a bigger picture from online marketing world and its tools, and make suggestions for the case company how to start developing effective online marketing actions. This study was started with the assumption that case company needs to activate on online marketing practices and the objective was to get deeper insight for the online marketing phenomena.

Companies can improve their actions and processes by surveying & examining other companies. Benchmarking term is used when comparing one's performance against others and learning from others' actions, processes or practices. Benchmarking method is a quality tool, which can be used constantly to improve companies actions and performance level. In order to successfully conduct benchmarking, companies should start benchmarking process by analyzing & evaluating their current situation and identifying their strengths and weaknesses. After that companies can research others, competitors or best practices in the markets, in order to compare own performance and learn from the others. (Patterson, Keppler, Mapson 1995, 4.)

Digitalization also has increased the competitors` information available in online. Patterson, Keppler and Mapson state in their book Benchmakring Basics, that 90% of all information that companies need to make key decisions, understand markets and competitors, are already found publicly or can be analysed by given public information and data. Companies just have to find that information from different sources and analyse it. Valuable information can be gathered from different sources example from the Internet from interviews, online databases, newspapers, pressreleases etc. (Patterson, Keppler, Mapson 1995, 23.)

The world wide web gives companies unseen possibilities to investigate competitors behaviour and benchmark their actions against companies own. With the help of online benchmarking, companies can assess its own activities compared to competitors actions almost in real time in online. Company can also get insight what online actions work and what don't. Digital marketing expert, Moore describes that companies could benefit from online benchmarking by improving their social media campaigns, search engine rankings and also increase the effect of their email marketings. (Moore 2015.)

This thesis will use benchmark method to research competitors online presence, actions and content among earlier introduced online marketing tools. These findings will be compared with the case company's current online marketing situation and results used as a ground for the future online action suggestions.

### 3.2 Chosen Data collecting method

This chapter introduced the data collection methods used for thi research. Data collection method consists of the ways and practices that research observations and remarks are collected.

There seem to be a consensus among different methodology experts, that when choosing the data collection method researcher should research different possible methods and also take in to account the time and resources available for the research. (Hirsijärvi, Remes & Sajavaara 2013; Vilkka 2005, 53.)

This researchs data's systematic gathering and making only few interviews, were chosen to meet the study's objectives and by also taking in consideration the limited time and resources designated to this study. Due to same factor data collection and time used for external expertise's interviews were optimized and interview questions precreated. Due to rapid data collection phase researcher also used secondary data from other surveys and exploit example publicly recorded and published online experts' video interviews.

Theoretical data was collected from essential literature, surveys, videos and articles available. To give theory current and deeper perspective, researcher also utilized two online marketing experts' interviews for this thesis. Researcher's work experience and know how are considered also one information source in both theoretical and empirical sections.

Empirical data was gathered by conducting internal interviews, researching case company's current online situation & benchmarking three case company's competitors online actions. In addition empirical information gathered from quick online testing among some online tools earlier introduced, example researcher tested case company's andit it's competitors search words rankings with Google search engine test.

Interviews are one of the recommended data collecting methods in qualitative researches, as method favours data collecting ways where the researched subject's "voice" and interpretation are recognised and detected. (Hirsjärvi, Remes & Sajavaara 2013, 164.)

Interviewer's goal is to gain new information and interviewer has the ability to ask also more detailed questions from the topic in the interview situation. Interviews give the ability to audit interviewee's behavior and facial expressions to be beneficial to interpret answers reliability. Which is why, interviews normally give more reliable and extensive results compared to traditional polls or surveys.

Interview from, theme interview, is a discussion with a predetermined subjects proceeding with predetermined themes. In theme interview the researcher places mainly open questions and get answers in open form. Theme interview is suitable method for example if the knowledge of phenomena is not comprehensive and if, in order to get better understanding from the answers, researcher desires to have the option to ask sub ques-

tions rising from the interview and topics. This method's advantage is that interviewee can influence the discussion direction, and the influence of researcher's owns preconceptions remain relatively small. Then theme interviews are more time consuming than surveys or polls and that is why it is the best for targeted for few or one persons and especially suitable for case study interviews. (Routio 2007.)

This research used semi-structured individual theme interviews which were utilized by using pre-created theme interview structure for few interviewees. Structures for internal and external interviews can be read from Appendices 1 & 2.

Vilkka highlights that when choosing the right interviewees for the research, it is important that they have personal experience from the researched matter (Vilkka 2005, 114). According the suggestions interviewees for this study were carefully selected and both experts had several years' experience from marketing and online marketing. Interviewed professional NinaVirtanen had been working in advertising agency several years and had made strategic and operational online marketing decisions and actions. Heinonen on the other hand had useful practical experiences of online marketing from different positions and businesses example from mobile game business. (Virtanen; Heinonen 2015.)

Traditionally it is preferable in qualitative interviews that interviews are fully recorded, using audio or video recorder. Against technical failure or in case of participant refusing to be recorded, it is also recommended to make handwritten records from the interview and the answers. (King & Horrocks, 2010, 44.) Relating to these recommendations all interviews were recorder in voice recorder and researcher also kept handwritten notes from the interviews against technical failure.

Data collection approach is also an important factor when choosing the colletion method. Based on the theory in triangulation data collection research approach many different research methods increase the research coverage & validity and decreases the unreliability factors. (Vilkka 2005, 53-55.) For this research triangulation data approach was used for gathering data from different materials. Mixing different theory and data materials gave this work the opportunity to give deeper insight on the online marketing phenomena. The theory was gathered from earlier quantitative researches, combined with qualitative case company internal and external expertise interviews. For better reliability

researcher used also common theories related to the subject, electronic sources, interviews, and benchmarking, earlier surveys and data available.

### 3.3 Chosen data analysing method

Analysing a qualitative data differs from quantitative data analysis as the data is not gathered in quantitative form. Interview and interview responses used for this research cannot be given any numerical value. Vilkka states that in qualitative research data analysing method should be chosen by the view, which method gives information from the researched subject (Vilkka 2005, 119).

Dubois & Gaddes (2002) built theory which suggests that case studies should make an overlook from earlier theories and rise also discussions about case studies generalization. They also pointed out from earlier theories that case study was considered approach that situation specific case studies have minor scientific generalizations possibilities than other research approaches.

Systematic combining is a non-linear process to combining the information from theories and reality. With systematic combining analysis method researcher is going back and forth between empirical observations and theory to expand the knowledge both from the theory and the empirical phenomena. Empirical discovering and theory cannot be understood without other part and are complementing each other. The systematic combining data analysing methods sections are described in the Figure 13. (Dubois & Gaddes 2002.)

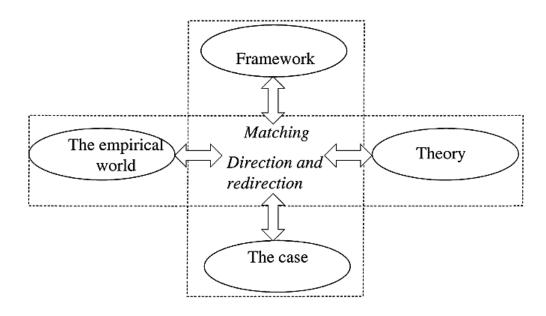


FIGURE 13. Systematic combining (Dubois & Gaddes 2002.)

Systematic combining was used to analyse data collected to this thesis. Data was gathered from various sources: from books, online material, internet pages, surveys and external and internal interviews. Case company and work's objectives were kept in mind all the time during this research process and theories and empirical part mostly were created simultaniously.

### 4 EMPIRICAL PART

This chapter presents the Company X and combines the theoretical part and research. Chapter introduces Company X and brings out the background of this thesis. Company's business field, marketing functionalities and current online marketing situation are examined and introduced.

In order to give more information from the company's point of view of the online marketings field, SWOT –analyses were made for selected, potential and feasible online channels and tools. This section introduces also company's three main competitors and the results of benchmarking their online marketing action levels.

Empirical part is considered to be confidential information, and it is therefore removed from the public verison and empirical part is written in the Appendix 4.

#### 5 RESEARCH RESULT & DISCUSSION

In this chapter the empirical findings are analysed and connected to the theoretical framework. All objectives are presented and provided with a brief answers to all research questions and sub-questions that were set in the beginning of the thesis.

This chapter also includes researcher's suggestions, how the Company X can develop effective online marketing actions and what tools it can use for that purpose. Researcher will also suggests various measurement ways, how Company X can measure their performance level in online marketing actions and also suggests specific tools for that purpose.

Research results and part of the discussions are considered to be confidential information, and it is therefore removed from the public version. Research results and discussion parts are written in the Appendix 5.

### 5.1 Research evaluation analysis

In this chapter research process and its findings are evaluated and discussed. Researcher's reliability is also very important section when measuring research credibility.

Research process was conducted in very short period of time, in four months. Process started with a discussion with the Company X in order to have research topic that had actual meaning and a content that could be beneficial for the company and interesting for the researcher. From the beginning it was clear that this thesis point was to enlighten the current online marketing situation its measures in order to make suggestions how company could start to develop effective online marketing actions. Taken into account company's current customers and case-by-case driven marketing actions, point was to give tools for the future and support the marketing planning rather than making a long term action or online marketing plan.

To help narrow this wide topic to be realistic and to be able to carry this research out in about four months, some outlines were made to focus on the most urgent and worthy research. After research objectives and questions were set researcher started by investigating different methodologies and choosing the right research type to answer those research questions.

This section was followed by intensive theory findings from the basic marketing and from online marketing area. This section was followed by processing theoretical background themes, thesis structure and planning interviews. As there were numerous of material about online marketing and many online marketing tools, research narrowed down the online marketing tools by the potentiality for the case company. In order to understand the online marketing phenomena researcher used both global and national surveys.

After researcher had got familiarized with the most of the theories, started researcher planning the interview structure and implemented both external & interviews. After interviews were conducted researcher started systematic combining of theories, interviews and observed findings to a consistent entity. This was made in order to meet research objectives and give case company future suggestions for effective online marketing actions. Thesis process timetable with main processes is attached to thesis, Appendix 3.

In the beginning there were delays in the process due to researcher full time job and school work. A long in the process some delays cost intensive work periods during thesis process. After all thesis process was successfully in order to meet the required timetable by school and case company without risking the quality of work.

During this thesis process researcher has increased also own knowledge and expertise on overall online marketing and gain new perspective for Web 2.0. Researcher acknowledges evolving systematic thinking ability and understanding of large entities from many perspectives.

Thesis objective was to make the action suggestions as realistic as possible for the case company and that way it can be said that thesis objective was achieved. Thesis does not suggests any online marketing actions which would not feasible for the case company.

Thesis could have made as a marketing plan for online marketing for the case company. But as marketing plan need more information about the customer segments and due to the online marketing's experimental nature, only suggestions for further development, how to start to exploit these online opportunities was more useful for the case company.

### 5.1.1 Validity and reliability of the thesis

In order to evaluate the research process, and its findings, it is important to assess work's reliability and validity. Hirsjärvi (2013) emphasises that in qualitative research's reliability is higher if research process can be described with detailed information. Work's reliability can be also evaluated by assessing work's quality. Researches results and conclusions should be justified and trustworthy, and that way seen as reliable. (Kananen 2003, 115.) It is also important for reliability that all information can be justified, proved and demonstrated. (Kananen, 2003, 122.)

Based on the theory in triangulation research approach many different research methods increase the research coverage & validity and decreases the unreliability factors (Vilkka 2005, 53-55.) Triangulation data approach was used for this thesis for gathering data from different materials and sources. Mixing different theories and materials gave the opportunity to give deeper insight if the phenomena with wide perspective. Work's theoretical part has been collected from literature, surveys and articles available. Online material and articles have been used mainly from sources that are assessed to be reliable sources. This has been example proven by examining online article writers' backgrounds to ensure the article writers expertise levels.

Research validity was improved by two external experts interviews that gave theory a practical point of view. Interviewed expert's reliability and the level of competence were also verified in the interview by background information questions and experience from online marketing. As stated in earlier case study's interview amount does not have to be enormous and this thesis concentrated on the quality and content suitable for the research. Interviews were made in Finnish, mother language for both interviewer and interviewees, so there was no interpreting error due the language misunderstandings. As English is not researcher mother language, translating the interviews to this thesis can have had tone differences compared if the research was written in Finnish.

Qualitative research's validity and reliability can be also improved by detailed reporting of executing the process. The circumstances in data collection should be clarified and possible distractions pointed out. Interview research should describe the interview atmosphere in detail, where interview was conducted, time used for it and what possible misunderstanding possibilities may have come during the interview. (Hirsjärvi, Remes & Sajasvaara 2013, 232.) Thesis interview process, methods and environment were clearly described and possible misunderstanding points were pointed out both in Research evaluation chapter 5.4. as in introducing the interview method in chapter 3.2.

Data collecting process was started first by getting familiar with theory and literature, exploring recent online marketing studies and figures that were essential to answering research questions. After this, process continued with exploring and choosing suitable methodologies, data collection and analysing methods. This section was flowed by processing theoretical background themes, thesis structure and planning interviews. After interviews were conducted researched started systematic combining of theories, interviews and observed findings to a consistent entity in order to meet research objectives and give case company future suggestions for effective online marketing.

All Interviews were conducted in a calm environment where interview & interviewee could concentrate on the topic and discuss it without major distractions. All of the interviews were done within an hour and all interviews were recorded to mobile phones voice recorder. Interviewer had the possibility to ask questions also after interviews if something was unclear. If the schedule had not been so tight, more interviews could have been made or the already interviewed person interviewed again after a while, in order to see if perspective have changed. On the other hand both interviews gave already different perspective from the matter and quality in these interviews were high.

As researcher strong own motivation to strive company to online marketing channels could have affected results or interviews. Researcher knowledged this factor beforehand and due that fact used semistructured interview forms to minimize the effect on the interviewers motivation. Resercher own positive motivation towards online marketing was also minimized by consulting case company was in the middle of work to gain company's opinions of potential online marketing tools and guide the work for more realistic perspective knowledging the limited resources.

#### 5.1.2 Limitations

Despite study's objectives were achieved, researcher has acknowledged limitations that this work had. The main limitation for this thesis was the researcher's limited time resources. Due to the tight schedule and the fact author was working fulltime (min. 37,5h/week) and simultaneously carrying on taking compulsory courses that were still part of Master degree in order to complete the degree in July 2015 (30 credits).

Time limitations also limited the interviewees chosen for this study. Interviewees were selected from the existing and familiar experts. As interviews and interviews knew each other already, interviewees knew researchers positive attitude towards online marketing beforehand. That could have affected the results, but on the other hand as close relationships, conversation was very open, conversational and relaxed.

Interviews overall are considered problematic for academic researches, due to the lack of having ready models for analyzing, interpreting and reporting. Interviews are also considered to have many false references, which can due to the interviewer and or interviewee. (Hirsjärvi & Sajavaara 2013,34.)

Author also acknowledges limitation that came from the data available. Benchmarking data were built from the competitor's data that was publicly available. If competitors have made fixed-period online marketing campaigns or other temporary activities, the information was not available public any more. Either researcher could not asses' competitors marketing strategies or online marketing measurement ways, as that information is considered confidential and kept inside the company.

#### 5.1.3 Generalization of work

Qualitative research and case study doesn't normally pursue generalization of the research. (Aaltio-Marjosola 1999.) This research as entirety can't be widely generalized due to case method and confidential parts of the work.

This work's theoretical part on the other hand can be highly generalized. As theoretical part is published in the Internet, also other companies or students can exploit theories covered in this thesis. Company X can also show this research and its results for the companies that are cooperating closelt with them. These companies can freely exploit the theoretical and empirical parts of the work in the future for online marketing development.

#### 5.2 Conclusion

Based on the theories and surveys, it is fair to state that traditional marketing ways have been accompanied with many different & effective online marketing tools. Online marketing and social media had changed the marketing field and molded communication and marketing theories and gave new tools for marketers. Even though online marketing has exceeded the marketing possibilities, it has also fragmented the marketing tools management.

The data yielded by this study provides strong view from current online marketing field from marketer's point of view. The foregoing discussion and study's results imply that companies should consider different online marketing possibilities and perform a strategic plan for conducting actions in the new tools.

In conclusion, online marketing possibilities should be taken as an option for expanding business and customer communication level. Online marketing has many opportunities and companies should place their channel selections and decisions according to the companies objectives, marketing objectives and customer profiles. Researcher recommends companies to constantly scout online marketing possibilities and choose to use only those channels that are seen profitable or advantageous for them.

In order to make effective online marketing all actions should be measureable and select carefully specific measures to use. The consensus view seems to be that companies should start to exploit the online marketing possibilities and measure continually their activities and competitors actions.

In conclusion, no company should overlook today's importance of being active among the communication channels where its customers are spending time and searching information about companies` products and services. Companies should invest on knowing their customers, enable two-way communication with them, pay attention to company`s online findability factors and measure actively the online marketing performance levels and outcomes. And most importantly develop online marketing continuously and commit necessary resources for it. Online marketing is a process not an one-time project.

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### **Unpublished material:**

Company X's General Presentation 2015 PowerPoint

Company X's Sales reporting system. Application

Company X's Customer Survey 2013

### **APPENDICES**

Appendix 1. Theme interview structure for company's internal interview

## **THEME INTERVIEW STRUCTURE**

For internal interview

## Theme 1. Past online marketing situation

Online tools used in the past and experiences
Effectiveness of online marketing actions
Measuring of online marketing actions

### Theme 2. Current online marketing situation

Online tools used in the past and experiences
Effectiveness of online marketing actions
Resources for online marketing
Measuring of online marketing actions

## Theme 3. Online marketing trends and goals

Future goals

Future developments

Resources for online marketing

# Appendix 2. Theme interview structure for company's external interview

### **THEME INTERVIEW STRUCTURE**

External online marketing experts

### **Background information**

Background and Experience in marketing and online marketing
Experience from B-t-C & B-t-B online marketing

### **Theme 1 : Online marketing tools**

Tools used for company marketing

Experiences from those tools

Choosing right marketing tools for company

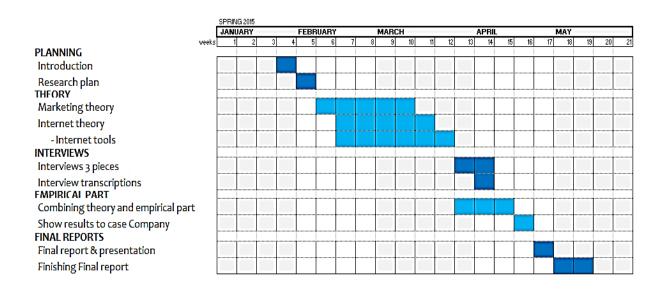
### Theme 2. Online marketing measures & effectiveness

Measures used measure the online marketing Experiences

## Theme 3. Online marketing as phenomena

Successful online marketing elements
Poor online marketing elements
Future trends

# Appendix 3. Thesis timetable



# Appendix 4. (Confidential) EMPIRICAL PART

Case Company X

Introduction to the market

Current Online marketing situation

SWOT Analysis for chosen online marketing tools

SWOT Analysis for tool A

SWOT Analysis for tool B

SWOT Analysis for tool C

Competitor's online marketing activities

Company A

Company B

Company C

Summary of Empirical Findings

# Appendix 5. (Confidential) ANALYSIS & DISCUSSION

Key Findings

Meeting the objectives for effective online marketing actions

Suggestions for effective online marketing actions

Future srtudy topics and suggestions