

## **Social Media as a Marketing Tool: Case Esprit Porvoo**

Selen Ahishali

Laura Liiber

Bachelor's Thesis  
Degree Programme in International Business  
2016



<b>Author(s)</b> Selen Ahishali, Laura Liiber	
<b>Degree programme</b> International Business	
<b>Report/thesis title</b> Social Media as a Marketing Tool: CASE Esprit Porvoo	<b>Number of pages and appendix pages</b> 56+2
<p>This thesis is commissioned by Esprit Porvoo, Ritaco Oy, women's clothing and accessories store. The aim of this thesis is to find out how social media could benefit Esprit Porvoo by engaging with current and potential customers and be a part of their marketing. The objective and purpose of this study is to gain deeper insights of how social media works as a marketing tool and to find out its advantages and disadvantages.</p> <p>The study uses qualitative research. As a research method the study uses face to face semi structured interviews with two different target groups. The interviews were conducted in Haaga-Helia Porvoo and Esprit Porvoo store. The interview questions were based on the participants' background, experience and relationship with social media and Esprit Porvoo store as well as questions about what drives their buying behaviour. The interviews had all in all ten participants.</p> <p>The results show that the target groups answers varies but still remains some similarities. According to the results the study showed that even though the current marketing strategy works for the current customers of Esprit, the potential customer supports the idea of using social media as a tool to reach them. This is due to the fact that a majority of the participants have social media accounts and use them daily would enable visibility for Esprit Porvoo store.</p> <p>In conclusion, based on our research Esprit Porvoo could benefit from using social media as a marketing tool in order to reach its customers and attain new ones. There is an opportunity for Esprit Porvoo to benefit from the insights gained in this research and implement them in their marketing and actions in order to build long lasting relationships with current customer and attain new ones with the aid of social media as a marketing tool.</p>	
<b>Keywords</b> marketing, social media, customer engagement, Esprit, research, qualitative	

## Table of contents

1	Introduction .....	1
1.1	Background of the Thesis .....	2
1.2	Purpose and Objectives of Study .....	2
1.3	Research Question and Sub-Questions .....	3
1.4	Company Esprit Porvoo - Ritaco Oy.....	4
2	Marketing .....	6
2.1	Definition of Marketing .....	6
2.2	Social Media Marketing.....	7
2.2.1	Social Media Channels and Networks .....	8
2.2.2	Benefits of Social Media Marketing .....	9
2.2.3	Disadvantages of Social Media Marketing.....	13
2.3	Understanding Customers .....	15
2.3.1	Customer Engagement .....	15
2.3.2	Customer Experience.....	17
2.4	Marketing Environment .....	20
2.4.1	Micro- and Macroenvironment.....	20
2.4.2	How to Reach Different Generations through Marketing.....	21
2.5	Summary of the Theory.....	23
3	Research Methods and Process .....	26
3.1	Qualitative Method .....	27
3.2	Data Collection Process.....	29
3.3	Data Analysis Process .....	30
3.4	Validity and Reliability .....	32
4	Analysis of Interview Results.....	34
4.1	Background Information of the Participants.....	34
4.2	Relationship with Social Media.....	36
4.3	Social Media Affecting Buying Behaviour .....	37
4.4	Customer Relationship with Esprit Porvoo .....	39
4.5	Social Media and Esprit Porvoo .....	41
5	Conclusions .....	45
5.1	Conclusions to Findings .....	45
5.2	Suggestions .....	47
5.3	Evaluation of Thesis Process .....	49
6	References.....	51
	Appendices.....	54

# 1 Introduction

In today's world digitalization is taking over traditional marketing communication ways. Socialising and interaction with different people is done on the internet in chats and different webpages online. Businesses have also shifted their communication channels online where consumers can be notified about anything and everything globally around the clock. Nowadays most people who live in modern society have smart phones, tablets, computers and other digital devices. With these digital devices people can get access to different social media channels such as different news apps, Instagram, Facebook, etc. According to Brian Solis, the author of "The Social Media Manifesto" social media describes the online tools that people use to share content, profiles, opinions, insights, experiences, perspectives and media itself, thus facilitating conversations and interaction online between groups of people. These tools include blogs, message boards, podcasts, micro blogs, life streams, bookmarks, networks, communities, wikis, and video blogs also known as vlogs. (Solis, 2007)

These days' businesses and organisations are also familiar with different social media channels and use them for marketing, advertising and branding. It is safe to say that social media has become one of the main branches of marketing. The American Marketing Association describes marketing as an activity set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. (Cohen, 2011)

Social media marketing is said to be the "next big thing". It might be a temporary but powerful trend which should be taken advantage while it is still in. Some businesses think it is a vague concept that does not offer any advantage and is a complicated learning curve. Some have stated social media as a passing tool for marketing and therefore it has also been suggested to be an unprofitable one. According to Jason DeMeres in an article on Forbes website, he states that the statistics, however disagrees with the statement. Jason DeMeres writes that according to Hubspot, 92% of marketers in 2014 claimed that social media marketing was important for their business, with 80% indicating their efforts increased traffic to their websites. According to Social Media Examiner, 97% of marketers are currently participating in social media, but 85% of participants are not sure what social media tools are the best to use. With these statistics it can be assumed that there is in fact a huge potential for social media marketing to increase sales. The problem seem to be a lack of understanding of how to achieve those results. (DeMeres, 2014)

Social media marketing can help a business gain more visibility, increase ways to connect with potential customers and broaden the customer base. As more and more people use

social media apps daily, some businesses and their products have become so called social media trends which attract followers for their accounts and that way possible customers. For example, if a certain business brand who promotes their products with pictures on a social media app for ex., Instagram and the photos gets a big amount of likes, it might gain visibility and fame. After this it becomes a desirable product and as consumers pursue to purchase the product and put pictures of it on their own account page on the app. When enough customers do it, the products as well as the business brand becomes a trend on social media.

## **1.1 Background of the Thesis**

This is a research type of thesis and in result we aim to give insights of social media marketing to improve Esprit Porvoo's marketing strategy and help it to become successful in social media marketing. We are going to explore different social media marketing tools and channels by interviewing regular customers of Esprit Porvoo. We aim to understand what social media channels are the best options to reach customers and gain new ones. This study will provide information about which social media tool will work best for Esprit Porvoos marketing.

Esprit store as a small business wants to gain visibility and more knowledge about what different marketing ways there are these days and how to benefit from them. This is why we are trying to find out is social media marketing is the correct tool for Esprit Porvoo to use. We believe that this research will provide knowledge for Esprit Porvoo of different tools and deep insights about social media marketing and what it consists of.

The theoretical framework will provide a foundation for our research process. Our theoretical framework will include chapters of traditional marketing as well as social media marketing. As a research method we will use a qualitative approach as we aim to conduct face to face interviews to gain deep insights from current and potential customers.

## **1.2 Purpose and Objectives of Study**

This study is conducted to understand how marketing in social media works, what are the threats and opportunities as well as how the case company Esprit Porvoo could benefit from different social media forms in marketing. The viewpoint on social media marketing of the case company Esprit Porvoo is crucial to be understood thoroughly so that it will give an advantage to the study.

When conducting a research there will always be some limitations. The limitations this research has is firstly that it only concerns the Esprit shop in Porvoo which means the results of this research cannot be measurable for any other Esprit store as it does not offer valid information for them. However the information gained from this research is valuable for the Esprit store in Porvoo and it can hopefully benefit from it by building a better marketing strategy which includes social media as a marketing tool. Secondly, according to Esprit Porvoos commissioner Riitta Tallgren and store manager Anu Kampman, the current regular customers of Esprit Porvoo are estimated to be approximately 40 year olds and up which means they do not use social media to gain information as much as younger people yet. However they are one of the most quickly growing social media user groups and they seem to be absorbing using social media rather quickly for example, through their children or at work. The regular customers have been receiving old fashioned vouchers to gain information about the shop and its activities which means they are not used to gaining information from Esprit Porvoo through social media. This could be a major limitation when conducting our research.

An overall object and purpose for this study is to gather information about how Esprit Porvoo could benefit from having social media as a marketing tool. We want to understand the buying decision of the customer as well where they buy a certain product and why. This way we aim to understand the best marketing tool for Esprit Porvoo. We believe that in time, this will be more beneficial for the stores customers as well as the company itself. The final result to be achieved is to make social media marketing a significant part of Esprit Porvoos business and marketing strategy by providing deep insights about social media marketing

In the end we aim to have valid, fresh and reliable insights for Esprit Porvoo to use and hopefully be able to implement in their marketing strategy. Esprit Porvoo will know which marketing channels are the most used by its customers and which social media channels are a source of information for the customers. We hope that the results from this research will not only benefit Esprit Porvoo for right now but aid them with marketing in the future.

### **1.3 Research Question and Sub-Questions**

The research question and sub-questions will guide us and make the thesis process more clear. The research question or problem will describe what the research is about and what we as researchers want to find an answer and solve the problem.

Our main research question is stated below:

- How to make Esprit Porvoo more visible by using social media as a marketing tool?

To find an answer for the main research problem, we will need to first look at sub-questions. Sub-questions help to answer the research question and understand the direction of the research. The sub-questions of this research are:

- How to use social media as a form/tool of marketing?
- How could Esprit Porvoo benefit from social media marketing?
- How to understand the customers and what source of social media marketing do they prefer?

With these questions we will be able to have a solid structure for our thesis and plan for our process as well as our results. We strive to find out answers for these questions to gain knowledge and understanding of the research topic. In the end we will answer the questions with the data collected and results gathered and constructed from the data.

#### **1.4 Company Esprit Porvoo - Ritaco Oy**

Esprit is an international fashion brand for women, men and kids. It was originally founded in United States, San Francisco in 1968 by Susie and Doug Tompkins. After making the brand popular in the United States Esprit expanded their company to international markets and made way in over 40 countries with over 900 retail stores and 7800 wholesale points of sale. (Esprit, 2016)

Ritaco Oy is better known as Esprit Porvoo, which locates in Porvoo at the Art Factory near the city centre. Ritaco Oy is owned and founded in 2013 by Riitta Tallgren and the store was opened in the end of May 2013 and has been open ever since. The store sells clothes and accessories for women and they do not have a certain target group but the collections mainly interest women over 35 years old because of the quality and pricing. The yearly sales has been approximately 270 000 euros and the highest sales months are during spring in April and May and during winter in November and December. During spring higher sales are formulated by the up-coming party season, since the customers know that Esprit offers good collections of high quality outfits and during winter customers are doing their holiday shopping such as Christmas gifts and party clothes as well. Usually these months also provide many different sales which always attracts more customers. (Kampman, 2016)

Esprit also has a well-working “FRIENDS” program for their most frequent customers and the members are been rewarded by different sale-vouchers. These vouchers are sent to home by mail and accompanied with a newsletter via e-mail. Usually all sales interests the customers. Anu Kampman the store manager tells us that The “FRIENDS” program is Esprit Porvoo’s main marketing tool at the moment since most of the members are aged 40+ years and might not yet be familiar with as many social media channels especially concerning marketing as the younger generation. And that’s why the vouchers sent to their address work the best. (Kampman, 2016)

The whole Esprit company and all their wholesale stores and franchising stores all over the world have the same marketing policies that all of the stores go by. The marketing policies do not change regionally or internationally in any way and are set by Esprit headquarters in Germany by their marketing specialists.

Esprits marketing strategy is to mainly focus on their current regular customers who have joined their FRIENDS-program. Marketing mostly works via e-mail and regular mail. Newsletters about new products and sales campaigns are mainly sent by e-mail and discount coupons and other vouchers are sent by regular straight to the customer’s home. Their idea in this strategy is that they take of their current customers with good service and excluded campaigns only for them and by this get other potential customers attention and get them to join as well. In their marketing strategy there is not that much social media use, since wholesale and franchising stores are not allowed to engage customers in any way via social media platforms, so for example a store cannot found their own Facebook or Instagram page. If there are any existing social media pages they are managed by Esprit headquarters. (Kampman, 2016)

## 2 Marketing

The theoretical framework creates a foundation for a successful research. This framework consists of marketing and the many topics concerning it. The topics will mainly include information of marketing as a concept, understanding and engaging with customers, marketing environment, definition of social media marketing and how can it be used as a marketing tool. We will also define social media marketing benefits, disadvantages and how customers experience it. The main parts of the theory will be discussed and it will act as a foundation for the empirical part of the thesis. The knowledge gathered from the theory part will be utilized in the whole research process.

### 2.1 Definition of Marketing

*“Marketing is managing profitable customer relationships”* (Gary Armstrong, 2015)

According to the American Marketing Association Board of Directors marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large. Marketing links individuals to the marketer through information which identifies the products or services offered for the customers. (Association, 2013)

Marketing is an important factor for a business. Marketing enables creating, communicating, capturing and sustaining value for the organisation in various ways. Marketing creates value for the business by informing and understanding the customers as well as providing them products and services. The value of the business can be communicated through a variety of marketing channels including the branding strategy of a business. By building an effective individual-centric organization and a trusting relationship with the customers a business can sustain and even enable growth of value over time. The value should be equal or even greater than cost, product or service for the consumers. In order to motivate consumers to buy or even consider buying products or services there has to be meaningful benefits as well as value for the customer. The value of a company also assists customers to remain loyal for a certain business and its products or services. It is more expensive and harder to gain new customers than retain existing ones. (Research, 2016)

“ The aim of marketing is to make selling unnecessary.” - Pete Drucker (Gary Armstrong, 2015)

## 2.2 Social Media Marketing

Social Media can be described and defined in various ways since its put together by many different communication platforms, media channels and other features. Social media is considered as a mixture of various online based platforms and networks that allow users to create, comment, post and share content. They have the possibility to interact with other users and create their own community where they can share their interests, opinions and news with each other. Social media makes it possible for consumers to expand their buying behaviour online since various businesses use social media as a marketing tool and in advertising since it is then easy to access the businesses web shop if they have one for example. (Nadaraja & Yazdanifard, 2013)

Brian Solis who wrote the ebook 'The Essential Guide to Social Media' writes that social media is more of a social science based than social technology. By this he means that social media is not only filled by content that users have generated and it is much more created by the people who are in the communities always creating, sharing and discovering new perspectives of social media and communicating this way with each other. These people are creating new online networks across the world and using different social tools while doing it. (Solis, The Essential Guide to Social Media, 2010)

Social media can be considered to be an effective marketing tool. Basically every time a business or an organization uses social media it can be called social media marketing since they are creating awareness about their services, products or overall image and probably widening their customer base with it. As mentioned in the previous chapter marketing is the activity to maintain customers and attain new ones by the process of creating, communicating and exchanging offering which have or create value for the customers or for any part in the society. This is exactly what social media marketing enables. (Ozuem & Bowen, 2016)

Social media itself is a support and sales tool and when connected to marketing it becomes a powerful and versatile part of internet marketing. It is a tool that businesses and organizations use to improve brand awareness and build brand loyalty as well as creating new leads, connecting more with the existing customers and create more website traffic for them and even grow their partnerships.

Social media marketing is more about engaging with the customers, seeing their behaviour and giving them more power and have impact on the businesses products or services they provide. Businesses start to see that social media marketing is not just a marketing channel in their marketing strategy but a great tool to build relationships with the customers where they can learn about their customer behaviour, see what they are interested

and hear what the customers are actually telling the about their products or services embracing the positive feedback and working on the negative. (Ozuem & Bowen, 2016)

There are a wide set of various social media sites and networks that are getting people to sign up, friend each other, create a discussion, engage and share moments about their lives. This has been noticed also by businesses as according to a survey over 90% of American companies are using social media networks as a part of their marketing. Since there are so many platforms, a business must choose the one which suits their needs the best or even create their own online network like the company Nike did when creating the Nike+ which has its own app, community site and suitable products.

Even though the largest social media platforms like Facebook and Twitter are thought the first when social media is mentioned, but that does not mean that other smaller sites cannot be used. As every business decides which one it best for them even the smaller less known sites can be used for marketing. (Armstrong & Kotler, Principles of Marketing, 2016)

### **2.2.1 Social Media Channels and Networks**

Social media channels are an important part of social media. Channels mean that there are different ways to create, connect and share content with others. Social media channels can be put into these broad groups:

- Social networks
- Content creation
- Bookmarking and aggregating
- Location

Social networks are channels that are built around social profiles such as Facebook and LinkedIn. Content creation are channels for creating and sharing content like different blogging platforms from Blogger to Wordpress. Bookmarking and aggregating are social curation and sharing content as well. Bookmarking helps saving websites directly into the browser or articles into a website, so you can visit them later. Location based channels are a subset of social networks that are based on location. Not all social media platforms fit into one channel group but are a mixture of many. These broad groups are not set in stone and can change to adapt and meet with their user's needs. (Quirk, 2013)

Social media networks are online based services that can be defined with three stages. First stage of the network is where users can create a public or a semi-public profile on a platform. Second stage is where they start to connect with other platform users and the

third stage is where they start to view their connections that they made through the platform and what connections those have created. These connections vary from site to site. (Boyd & Ellison, 2008)

Social networks is a part of social media channels. In social networks people form and maintain social connections by communities. They share interests, activities and explore other user's interests and activities. They are constantly using various tools provided by the Internet to connect with each other to share media, send messages and blogging. Social media has created online friends that you might never meet outside Internet, but this does not mean that you are completely anonymous, networks usually provide personal pages where users reveal a lot about themselves to others from age and gender to location and personal interests. (Quirk, 2013)

## 2.2.2 Benefits of Social Media Marketing

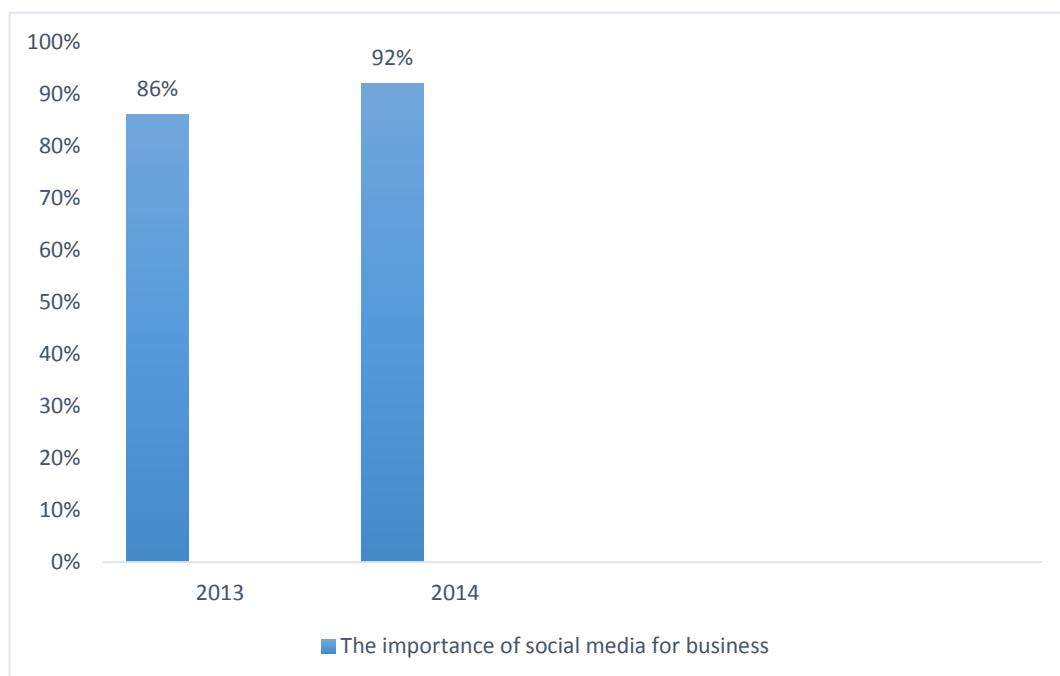


Figure 1. Importance of social media for business (Samuels, 2015)

As it is mentioned in the previous parts that social media and using it as a part of marketing and branding is very important to businesses these days. In the article Benefits of Social Media for Business written by The Social Saviour professionals tells that in 2013 there were 86% of marketers that said social media was important for their business and the year later the number grew to 92%. It is predicted that the number has grown even more since. According to studies in the United States a basic internet user spends 37 minutes per day using social media sites, Facebook being the most popular one which had 1.5 bil-

lion active users in 2015. Social media can provide a lot of value to a business from building their brand identity, to reaching more customers and communicate with them.

(Samuels, 2015)

Using social media marketing is a good investment from where you will get profits fast. When entering into social media marketing it has a low cost entry which means that even small businesses have the chance to use it without having to put a lot of money into it. Social media has the benefit that you can create accounts into various platforms completely free and it takes no effort, only maintaining it proficiently. These platforms include Facebook, Twitter, Google+, and Instagram etc. After making accounts to the necessary platform the only place a business has to spend money is promoting their posts and again the costs are fairly low and depends how many people you want to reach in the social network. Comparing the costs to a radio or a television ad then social media is more than half affordable.

As it was said before although it is very affordable to create an account, managing it and maintaining it well is very important and will take a lot of time and effort as does all marketing so there is no surprising time amount to prepare for. Mostly this needs a person who is appointed to managing social media accounts. This person's job is to communicate with potential customers as well as updating the site and the businesses information. Also it is good to take advantage of all the marketing tools that the social media site provides so for example if they are using Facebook then using posting as an advertising tool and keeping their customers included so they know what is going on. (Samuels, 2015)

A great benefit of social media marketing is also that a business has the power to target their marketing and/or advertising to certain groups or even individuals. For example in Facebook you can target people by location, age, gender, education, interests and relationship status. This provides the ability to specify the content. Social media has provided this tool that hasn't existed before in marketing or advertising and as social media platform evolve and more are created and this tool will keep on evolving as well. This is also a great way to save money, as the business does not have to waste money on people they are not targeting so they are using funds towards their customers. Best results come from targeting when the messages are thought well and include images, quick posts and info graphics. It is also good to think out of the box and create unique content like using the posts in a blog post later on. This is why managing social media sites is important since it can take businesses to another level, because potential customers keep interacting with the business and keeps their interest levels up which eventually will improve sales.

(Samuels, 2015)

After creating and maintaining social media accounts and using it as a marketing tool there is a need for analysing and following customers behaviour and movements online so that information can be used in further campaigns, ad creations and in social media account managing. These analysts can see the results in an objective way which gives a business an advantage to create more suitable and needed content for their customers in an effective way.

In social media networking, advertising and marketing it is crucial to understand and know what the customers seek and need. Analysts will help solve questions like how many times people visit the site, how many clicks did an ad get, how many visitors from the social media site went to look at the businesses own website and are the visitors sharing any of the content with their friends. These are just a few example questions of what the analysts can help with. Usually large businesses have the ability to hire full time professionals that work in their own division but smaller businesses can seek out other options as outsourcing as a more affordable option.

In the future even more benefits will arise since social media and social media marketing is an evolving field and keeps on growing. There are daily invented ideas and creating new content that can be used by consumers or professionals. (Samuels, 2015)

According to an article on Forbes The Top 10 Benefits of Social Media Marketing written by Jason DeMers agrees with a lot that The Social Savior professional wrote into their article, but has also written more elaborately what else social media marketing can exactly benefit. As in the previous article Jason DeMers also tells that social media is a powerful tool and should be taken advantage of when it is possible and popular, as it is the it-thing now. He also agrees that it is an evolving field and hugely profitable to businesses as according to HubSpot 92% of marketers in 2014 told that social media marketing is important for their business which of 80% said that it increased traffic on their website. Even a bigger percentage 97% told that they are currently using social media but 85% of them were not sure what tools are best to use in their field. (DeMers, 2014)

Social media marketing increases brand recognition and improves its loyalty, since there is such a high user rate in social media so potential customers can find a certain business through it and get interested until seeing some other advertisements this also goes hand in hand creating brand loyalty. According to studies done by Texas Tech University and Convince & Convert brands that are known through social media as being active and engaging their customers keep the customers more loyal. Convince & Convert say that Americans who follow brands on social media stay 53% more loyal towards the brand than the ones who do not.

When business use social media sites and actively use all the tools to engage their customers it creates a sense of interaction between the business and the customers and this leads to creating more opportunities for conversions. Posting and keeping the interaction going with the customers is creating seemingly reactions within current customers and potential ones as well. Being on social media makes the business and the brand more accessible, customers can learn a lot more detailed information about them and this way it is humanized in the customers mind which leads into more human like interactions. People who follow businesses or brands on social media are more likely to increase the level of trust and credibility for the business which improves conversion rates excessively.

(DeMers, 2014)

Social media has made it possible for customers who feel that they got quality service or bought a good product they share news about them in their social media with their friends and post the businesses name. This can create discussions between people and get more people to go and get to know their service which improves the businesses brand authority and it seems more valuable to potential customers.

Social media also makes it possible that more potential customers make to your businesses own website since they find it easier in social media platforms since not everyone look for certain businesses and visit their site via google or other search engines and this will grow the amount of visitors on the actual website. This also means that your businesses ranking in search engines will progress and your website will be easier to find since it will be more visible in the search engines and in internet. Search engines monitor and calculate rankings through activeness with many tools such as using tags, analytics and nowadays a lot through social media. If a business is active in social media search engines pick up on that and the businesses website will be on a higher ranking and again this will get more traffic on their sites. (DeMers, 2014)

Marketing and advertising are usually very costly for a business because of high pricing and sometimes having to hire more personnel to do it, but in social media it is much more cheaper and time saving. According to HubSpots research 84% of businesses found out that six hours per week working on being active on social media can increase significantly traffic on their websites. This means that it takes a little effort and that social media is much cheaper but still a strong marketing tool to use. Not only businesses are benefitted from social media but the customers are in a very good position too. As social media creates customer engagement it also betters their overall experience when dealing with a business. If they give a bad review of a product or service via Facebook or Twitter for example, the business can address their comment right away and customer satisfaction will

rise since they feel acknowledged by the business personally and their feedback mattered. Also when dealing with customers via social media the business can see their customer behaviour, see what they post and take note of what they are saying and learn from them. This is a great advantage for a business since they can see what is working well in their field, what are the customers liking about their business and what are the parts that need to be worked on, again bettering their image, brand and profits. (DeMers, 2014)

### **2.2.3 Disadvantages of Social Media Marketing**

Social media marketing is presented usually as an easy tool to use, not that time consuming and a money saving option for a business to use, but like everything else it also has its disadvantages.

Even though social media marketing does not take as much time as some other marketing forms it still is quite time consuming. There has to be a person or a group depending on how many social media channels and tools are being used by a business maintaining them all actively. In social media it is crucial to keep checking every channel and network, keep answering comments from partners and consumers and always post and/or share content. If not being maintained properly consumers will start to lose their interest since the feeling of interaction disappears and a more active social media channel will get their attention. Therefore when starting out with social media marketing it is crucial to think about the time and effort the business is willing to put into it. (Nadaraja & Yazdanifard, 2013)

One of the other disadvantages is that companies need to protect their own trademarks on copyrights when using social media as a marketing tool. When sharing content in social media consumers or competitors can take advantage of these trademarks and copyrights and violate them. So it is crucial to monitor what they are sharing in a way that they are not misusing their intellectual property by the social media channels. If these are not monitored properly they can damage the businesses brand image and reputation. Businesses should do contracts with their social media platform providers specifying what third-party intellectual property they can use and what the limitations are. Infringement and impersonation of the trademarks and copyrights should be prevented by setting rules that prohibit their misuse. (Nadaraja & Yazdanifard, 2013)

Also when using social media it creates certain trust, privacy and security issues. It is important for companies to take these issues in mind and protect them to minimize the exposure of personal and private data. Consumers are sometimes worried that their personal information will be taken advantage so it is good that everything is in order and the business can protect their clients while they are using social media, shopping in web stores

and can give them personal information about themselves without any worry. If it happens that personal and private information about the business or their customers will get out and being wrongly used, it creates a very public fiasco for the company and this way loses a lot of their customers and even business partners. If the reason behind that is social media it creates mistrust in consumers and they don't want to use it like they used to.

Usually many social media companies such as Facebook and Twitter have their own privacy policies which are monitored and when businesses use third-party social media sites they should not encourage their customers to violate these policies and also see that the businesses are abiding them as well. When thinking about security which is closely related to trust which is one of the key elements when for example buying products online so it is very important not to lose this aspect because then the business also loses its customers if they cannot trust it. Without trust there is no loyalty towards the business or its brand so keeping privacy policies and personal data intact is significant since trusting on the Internet overcomes many other disadvantages. (Nadaraja & Yazdanifard, 2013)

As it has been explained in what is social media and how it works users share a lot about themselves via Internet in different social media channels. When social media started to grow fast to a globally known multi-channel business, the developers behind the platform saw that users need more content they can effect on, so many platforms offer the possibility to share content that the users have created in many different ways such as by photos, videos or blogs. This is called user-generated content (UGC) which creates a lot of value to consumers since another person has done it and not a business. On that notice UGC is an excellent marketing tool, but it has a big disadvantage as well. Since the content is been created by another person, who is not connected to the business and acts as a consumer it creates legal liabilities in the marketing campaigns. When businesses use UGC they should know how to minimize the threat of any legal liabilities and know how to connect it to their marketing strategy without violations. (Nadaraja & Yazdanifard, 2013)

One of the most obvious disadvantages in social media marketing is the negative feedback. As social media allows users to interact widely with each other and the companies that are using social media platforms, in a sense they are converting consumers into advertisers. It depends a lot on how the company or organization is presenting themselves and their products and/or services online leaving consumers to freely leave feedback about them on their social media channels which are seen by anyone who visits the same company as well. If the feedback is negative and not handled correctly it can effect massively how other consumers view their company. Taking care of these negative feedbacks is crucial for the business but also takes the most time to handle since they need to be

considered wisely in order to minimize loss of existing and potential customers. (Nadaraja & Yazdanifard, 2013)

## **2.3 Understanding Customers**

To succeed in the competitive markets of today's world the companies have to become customer centred. When creating a marketing strategy one of the most important things is to know who your customers are. Every consumer is different and should be treated as an individual. The companies brand is a way of connecting with consumers, it reflects on the companies values, products, services, everything about the company itself. The brand explains the businesses values and what it offers for individuals. When a company has a full understanding of its consumers and the marketplace, it should decide which customers to serve and how will it bring them value. After the company fully understands the customers, the customer-driven marketing strategy can be built. (Quirk, 2013) (Gary Armstrong, 2015)

When there is a understanding of the customers, the marketplace and marketing strategy it all comes down to building the customer relationship. Customer relationship management means building and managing the customer relationships and making them loyal for a specific business or brand. The key to this, is to create a foundation of value and satisfaction for the customers. As mentioned before, it is easier to keep customers loyal instead of getting new ones, which requires the customers to be satisfied in the product or service they are buying. However this is not an easy task. In order to create customer value, the business has to offer perceived value for the customers. Customer perceived value means the evaluation of the costs and benefits of what is offered to them by competing businesses. Then there is the matter of customer satisfaction which means that the customer expectations are met with the performance of the product or service bought. If the performance does not match the expectations, the customer will be dissatisfied which can push the customer to competitive businesses and if it does meet the expectations the results will create high satisfaction which can result into a loyal customer. (Gary Armstrong, 2015)

### **2.3.1 Customer Engagement**

The communication environment has changed and is constantly changing especially because of technological evolution which has enabled digital and social media development. This digital media has changed the marketing communication ways. It has provided an opportunity to companies to easily communicate with customers and for customers to not only communicate with the companies but also with each other. This is

done on the internet or various social media channels by sharing and receiving content. (Armstrong & Kotler, Principles of Marketing, 2016)

Building long lasting customer relationships requires many things, one of them being communication. Communicating the value propositions to customers enables customers to connect with the company on a deeper level. This is why all communications should be planned carefully and blended into the marketing strategy. Communication is a crucial part in engaging with the customers in order to maintain and build profitable customer relationships. (Armstrong & Kotler, Principles of Marketing, 2016)

Digital media is changing ways to engage with customers because it enables engaging and communicating directly with individual consumers which obtains immediate response. In past decades, mass marketing was preferred as a way of integrated marketing communications (IMC) tool. Integrated marketing communications mean that communication is done by carefully integrating and coordinating all of the marketing channels a company possesses in order to deliver a clear, effective and attractive message about the organization or its products. Communications were done through mass media such as television and magazine advertisement. Mass marketing means that standardized products were sold to masses of customers. (Armstrong & Kotler, Principles of Marketing, 2016)

Marketing strategies are changing and marketing ways are shifting away from mass marketing. In today's rapidly changing marketing communication ways the digital environment offers other ways to approach customers. Consumers are also changing as they are better informed and have more communication empowerment which gives them the option to search information online, including the Internet and social media among other digital environments, rather than relying on the information given by the marketers of a company. This allows consumers to connect with each other in order to exchange information about the organization and its products. By creating content, commenting on it and sharing it to other consumers, they can even create own messages and experiences about the brand. (Armstrong & Kotler, Principles of Marketing, 2016)

Companies are interested in reaching individual consumers instead of masses of people in order to build closer relationships with them. Digital technology gives advantages for companies to communicate with consumers due to the fact that many people have smartphones, tablets, computer and other digital devices. Consumers can be reached 24/7 and anywhere in the world with access to Internet. Content marketing is easy and affordable, because e-mailing, blogging, social media apps or other online media can be accessed and the content may be shared for free. This new digital way of marketing

enables a more specific and targeted marketing communications model. (Armstrong & Kotler, Principles of Marketing, 2016)

With the evolving technology the customers have also developed which has forced the traditional marketing ways to shift into a digital marketing way of sharing and creating content online. The consumers have understood that they can find information from online at any time which enables them to build their own customer experience. The consumer can share content and receive content within seconds. By sharing content and personal customer experiences online, the customer may effect others and create trends. These trends can for example, make a single product or even the whole company popular among consumers. Communication to consumers has become individual driven and companies want to communicate to consumers in a personalized way in order to create and maintain relationships with them. This can be done by for example, social media. On social media apps consumers can view and comment on the companies shared content. By observing and studying the comments and other content shared by the consumers, the company can benefit by offering useful and relevant products for them. These digital marketing ways such as social media, should be viewed as a way to engage with customer. (Maguire, 2015)

### **2.3.2 Customer Experience**

As social media has the word 'social' in it that already tells that it is highly to do with people. This is why social media is not just a marketing channel to businesses these days but rather a larger concept which involves making it a brand experience itself than only selling products and services. When talking about customer experience it is important to put a lot of effort into keeping the customers satisfied and this can only be done by listening the customer, acknowledging their online behaviour and keeping the customer in mind when doing changes. (Newman, 2016)

When maintaining a working relationship with the customers it starts from the businesses own employees because they are the ones that are influencing them. When employees are not treated with respect and decency it shows and the customers get a sense of it. So employees need to be taken into consideration by appreciating, rewarding and respecting them. Also it is good if the employees feel that they are heard and are working as a part of a team. When employees are happy it reflects on your brand and the better your brand the more customers are interested. (Newman, 2016)

Respect also goes with the customers, since they are the audience that are following businesses social media channels. Customer service is a key factor in successful customer experience. When different companies are competing against each other it is said by a

survey done by Bain & Co. that 89% rely on it. This means that when businesses are posting on social media they have to take various aspects into consideration such as defining who the customers they want to engage with are, which platform should they choose, what kind of content should they post, are there any bigger goals ahead and in what ways can they view and analyse the results. (Newman, 2016)

When a business uses social media for marketing, branding or advertising it is good to keep in mind that good customer experience needs a lot of attention. As mentioned in the previous chapter, social media makes it possible for customers to interact with the companies who are posting and that means that it goes both ways and the companies need to also respond to their comments in a timely manner to keep the customers satisfied. Comments and feedback are also monitored by the businesses and gathered as data for customer behaviour. It is very important to learn from this and follow up with the customer to make their experience even better and the business stands out. This way we can affect the customer satisfaction mentioned in the previous chapter and avoid dissatisfaction so that the customer does not go to the competition.

In conclusion, customer experience can be used in maintaining customer loyalty as well. When receiving feedback via social media from customers it is important to acknowledge their input which will increase their sense of loyalty towards the business. (Newman, 2016)

With social media it is easy to change the content that businesses share with their customers. When looking at customer behaviour online, seeing what they are commenting it should not be that hard to see what the customers want. This gives an opportunity to change the content more towards what the customers want to see on social media. In social media businesses should think outside the box when improving customer experience. There are many traditional ways in how to use social media but new ideas are always a huge plus and keep the customer interested. When monitoring customers' interaction on social media they can give a business fresh ideas which they can use for their benefit. (Newman, 2016)

With social media companies are giving their customers more power to interact with them as well share their positive and negative comments and feedback with them. Companies are increasingly starting to see customer experiences as a big part of their marketing since social media is used there. This has them investing more time and effort to keep customer experiences on a good level and succeed in pleasing their customers thus cutting the negative comments and feedback. (Beard, 2014)

Social media makes it hard for a company to hide anywhere, meaning that consumers will always find it since everything there is only a click away and as they interact with a company on social media it means that they can give them public feedback which is visible to anyone. Since other consumers as potential customers or existing ones see the feedback and can make their decision to make a purchase based on the either positive or negative feedback.

This also means that customers expect companies to answer their comments or feedback fairly quickly with a solution. The Social Habit did a study which tells that 42% of the average customers expects a company to answer their feedback in less than an hour. When companies fail to meet with the customers' expectations they might lose them to another company who meets them. When other consumers see that someone's feedback hasn't been answered and no solution was proposed and if there are other same kind of feedbacks piling up on the social media page, it hurts the brand image deeply since customers feel that their needs and pains are not acknowledged properly and the company does not care about them. Nothing is private on social media so companies need to understand ways how to manage it well. (Beard, 2014)

Social media makes it possible for customers to share their positive or negative experiences about a product or a service widely through their social media channels. According to a research done by the Client Heartbeat customers who have had a good experience tell to 1-3 people and customers who have had a bad experience tell to 9-15 people which is over three times the positive experiences amount. Nowadays people have different amounts of friends, colleagues and acquaintances in their social media networks. According to a report done by Edison Research and Triton Digital they found out that the average Facebook user has 350 friends and a data journalist Jon Bruner found out that the average Twitter user has 61 followers, adding to those numbers other social media accounts connections one person could reach over 500 people by posting and sharing their experiences. And if one dissatisfied customers posts gets shared and goes viral it can reach even millions of people via various social media channels which can cause a huge amount of damage not only to the company's brand and image, but their whole concept as a business. (Beard, 2014)

When customer experience is taken into consideration it is very important to a company as it makes it more profitable, it grows customer trust and loyalty towards the brand and the image. Customers can share their good experiences via social media channels and reach a wide range of people who will consider a company's product or a service and it can be shared by many people reaching an even bigger audience. This is something that companies should take an advantage of by giving their customers to leave feedback so

others can see real reviews and try it out themselves since a reference from a real person, friend or a colleague is more trustworthy than companies self-claimed slogans. (Beard, 2014)

## **2.4 Marketing Environment**

“The actors and forces outside marketing that affect marketing management’s ability to build and maintain a successful relationship with target customers.” (Gary Armstrong, Principles of Marketing, 2016)

Companies should constantly study and adapt to the changing environment. Customer and competitive environments should be explored in order to build and maintain successful customer relationships. (Gary Armstrong, Principles of Marketing, 2016)

### **2.4.1 Micro- and Macroenvironment**

The marketing environment consists of a microenvironment and a macroenvironment. The microenvironment consists of factors which can have a positive as well as a negative affect on the companies ability to engage and create value for its customers. These factors can be suppliers, customer markets, competitors, publics and the company itself. The most important microenvironment factor for a company are the customers as the aim of delivering value for them is to serve and create longlasting relationship with target customers. However in order to build the companies a delivery network and to create a succesful marketing, the company requires building relationships and collaborating with other departments within the company, suppliers, marketing intermediates, competitors and various publics. (Armstrong & Kotler, Principles of Marketing, 2016)

The macro environment of a company is affected by societal factors such as demographic, economic, natural, technological, political and cultural forces. The factors in the macro environment create threats and opportunities to the company. All companies are vulnerable for the changing factors that affect the macro environment. Some factors and the actions that is caused by them can be predicted and controlled but others can come surprisingly and be uncontrollable. This is why every company should recognize the factors behind the macro environment and be ready to change with as well as adapt to the environment. (Armstrong & Kotler, Principles of Marketing, 2016)

The demographic environment is a factor of the macro environment. Demographic environment involves people, the growing population, changing age, family structures, geographic population shifts, educational characteristics, population diversity and all the opportunities and threats that come with these factors. As everything is constantly changing,

such as the population of the world, in the macro environment it is crucial to recognize demographic trends and developments that affect the markets. (Armstrong & Kotler, Principles of Marketing, 2016)

#### **2.4.2 How to Reach Different Generations through Marketing**

Observing and understanding different generations is crucial to understand the threats and opportunities macro environmental factors possesses. Different generations have different perspective on life. The evolution of digitalization has affected marketing and evolved it to a new level which is constantly developing. The next generation of consumers is the only generation that has been born into digitalization. The people who belong into this so called Generation Z, have always had Internet, mobile phones, iPads and computers involved in their life which includes since birth. People who belong to the Generation Z were born in 1995-2012. The companies have had to find new ways to engage with today's consumers. In order to communicate and reach the target customers it is crucial for companies to understand that different Generations should be marketed and communicated with differently. For example, Generation Y Millennials, which includes people born in 1977-1994, value the experience of a product more, but as for Generation Z, it is important for the product to be popular instead of unique, especially in social media. Generation Z are also influenced by celebrity endorsement more than Generation Y Millennials. As Generation Z has grown up with access to Internet 24/7, their identity is forged by the content they produce, share and see daily through various social media channels. (Czyrny, 2015)

Here is a list of how each generational group wants brands to reach them, according to Steve Czynry:

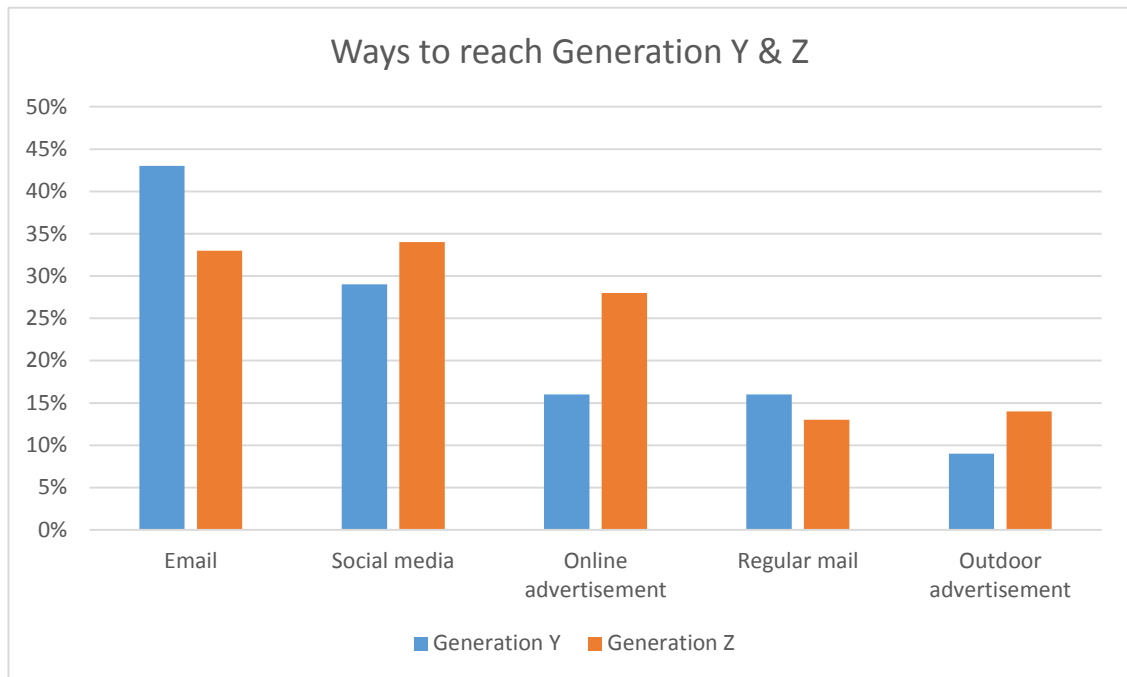


Figure 2. Ways to reach Generation Y and Z

According to the list above Generation Z can be reached best by using social media as a channel of communication and engagement. This means of course that for this particular target group, the value and message communicated through social media channels reaches Generation Z rather efficiently. For example, as the environment has been a concerning topic of many media channels during Generation Z's lifespan, they are usually environmentally conscious. So brands that share this value in a modern and fresh way will connect with this specific target group.

By using easily digestible content such as visual content including images and videos in marketing and when engaging with consumers is crucial to reach Generation Z. As Generation Z has possesses the means to create and share own content it would be beneficial to encourage them to create own content for a certain brand on social media networks. For example, if someone buys a pair of shoes from Nike, he or she post a picture about it on their own social media accounts such as Twitter or Snapchat. If enough consumers continue to do this, it is free advertisement for the brand, creates trust between the brand and consumers as well as can make it even a trend on social media. As we discussed before, Generation Z's identity and needs as well as wants are influenced by the internet and social media. If a product or brand is popular on social media, it will most likely become a desirable matter for Generation Z. Also by using celebrity endorsement you can affect the

Generation Zs buying behaviour. On top of these factors it is important to include different cultures and embrace different cultures in marketing. (Czyrny, 2015) (Mizerek, 2015)

YleX, a Finnish source of media has done a vote online where anyone could go and vote which social media channel is the most popular in Finland. According to an article about the research on YleX webpage, Finnish people prefer Instagram as the best social media channel with 22, 88 % of the votes. WhatsApp is a close second as it had 20, 48 % of the votes. Third place went to Snapchat with 15, 5 % of the votes. (Rautio, 2015)

According to a another article on YleX webpage Polaris Nordic Digital Music made a re-search about social media usage in Nordic countries which included Finland, Denmark, Norway and Sweden. The research had people from ages 12-65 and there were approximately 800 people who answered the survey in every country. The research was conducted in September 2015. On the contrary of the research conducted by only YleX, the research made by Polaris Nordic Digital Music, states that Facebook is still statistically the most used social media channel in Finland. Whatsapp was stated as a close second and Google+ as the third most used social media channel. Instagram was found on fourth place which differs from the research mentioned above made just for Finns by YleX.

It was found out that 89 % of Finnish people use WhatsApp and 38 % of Finns use Snapchat. The article says that there are more Snapchat users in Denmark, Norway and Sweden than WhatsApp users. The reason for WhatsApp being so popular in Finland is because of people being used to it as it is so familiar in a certain circle of friends. Also elderly people find WhatsApp more understandable as it is similar to texting. Snapchat includes easy video- and image messages to be sent with a text on top of the visual effect. (Annala, 2015)

In the future it is predicted that Generation Z is going to have a huge impact on advertisement and marketing as their buying power increases and the rapid evolution of digitalization including social media continues. They might not yet be the target audience of many companies, maybe not even Esprit Porvoos, but it is important to see a bit further to the future and be aware of how potential these future customers actually are when they comprehend brands, companies, product and services. In order to get the Generation Z customers there, companies should aspire to research latest social media networks and confirm a hypothesis through focus groups and different research methods. (Czyrny, 2015)

## **2.5 Summary of the Theory**

Marketing ways have changed during the past years from mass marketing to focusing on customers as individuals even though the population of earth is constantly increasing.

This is because of the rapid technological development in the world. It is common to own smartphones, tablets or other devices to access the internet, social media channels or other similar digital environments. Marketing has shifted into the many faces of the Internet including social media channels. The ability to access the Internet 24/7 has created a new digital world for consumers as they can share and receive content as well as comment on it. Consumers can communicate with each other as well as with companies through various social media channels. This creates a possibility for companies to engage and connect with customers. This is important as the foremost crucial matter in marketing is to understand the target customers' needs, wants and values in order to satisfy them. Companies should strive to create value for the consumers and also communicate the value of the company and products in order to create a sustainable relationship with them.

Marketing can be done easily and in an affordable way online. After social media became popular amongst people to use and check daily, soon companies picked up on the possibilities that social media can provide them in marketing and advertising. Social media marketing in specific, has a lot of benefits that businesses are interested in addition of it being an affordable solution compared to other marketing ways like putting up big advertisements or buying a spot from the paper. Social media marketing offers an easy and time saving marketing option. It only requires couple of employees can manage it so it appeals with minimal effort. Through social media channels companies may form relationships with customers and communicate with them. This can be done for example, by sharing content to the consumers in through social media. The content shared could be for example, a picture of a new product or offering benefits for customers such as discounts.

Despite the many benefits of social media there are a few disadvantages as well. Social media itself is not time consuming but maintaining all the social media channels might be as customer experience is very important and keeping them happy by answering their comments and feedback is crucial then. There are some liability issues that arise when using social media such as there is really no privacy for a company since everyone can post to their chosen social media channel and create negative impact on others. Lack of privacy also makes a business's own private data vulnerable to third-parties as they might share something that they should not have which can never be erased from the internet and their collected personal data might fall into the wrong hands.

In conclusion it can be understood that marketing emphasizes on customers as individuals. Companies strive to communicate and engage with old customers as well as potential new ones. This can be done by various methods, one of them being through the Internet and the environments it has to offer. Social media marketing is a great way to engage customers in a more personal level, give them more power to interact with a company and

this way create trust between the company's brand and overall image. With digital environments companies have started to involve the customers to their marketing, especially social media channels for example, by encouraging them to share content of the bought products. Also when customers are satisfied they easily share it with others which is free advertisement for the company. Social media also provides many un-conventional ways into using all of their tools that are provided in various platforms and give the opportunity for companies to connect with their target group exactly – leaving out the consumers that would not be interested in some product or a service.

In our personal opinion, the Esprit Porvoo store can benefit from the changing world and the constantly developing digital environments. Because of the rapid and constant development of technology, Esprit Porvoo should aspire to continuously study the new opportunities the digital environments has to offer as well as how the consumers develop with changing world. Esprit Porvoo has unexplored options and opportunities in the environment the Internet has to offer in order to engage with consumers. We feel that with marketing strategy insights offered to the Esprit Porvoo store by this research, they will be able to understand which digital environment Esprit Porvoo can benefit from and how can it use social media as a tool of marketing not only to benefit them but the customers as well.

### **3 Research Methods and Process**

This is the empirical part of the thesis. This part will include information of the research methods chosen, the research process including data collection and data analysing process. The research methods chosen are based on the thesis topic, theories and values of the researchers. The concept research method refers to the strategies and statistical techniques to produce research evidence. These methods chosen provide data which is fact based and a foundation for understanding of the data collected in order to analyse it. The data collected is the evidence for the whole research. Successful research requires good research methods which can be found in many forms such as observation, survey, interviews or experiments. Each method is unique and requires understanding of the strengths and weaknesses of that particular method, in order to choose the best option for the best and valid data. (Dahlia K. Remler, 2011)

There are two ways to approach the research, inductive and deductive approaches. In some cases, researchers may include both approaches and in other cases the researchers may use only one of the alternatives for the research, inductive or deductive. Qualitative research begins with inductive analysis and often swing back and forth between inductive and deductive research. In an inductive approach the research begins with collecting data that is relevant for the topic. After there is enough data collected, the researcher should observe the data and look for patterns in it. By observing the data a theory should be developed to explain the patterns found. In conclusion, inductive research approach starts from data and moves to theory. Deductive approach starts with theory and then test the hypotheses. In deductive approach the research moves from a general level to a more specific one, unlike in inductive approach. The approach to this particular research is more deductive as there are many theories of social media marketing and our research is based on the theories studied in order to gain deep insights for Esprit Porvoo to benefit and develop their social media marketing. (Blackstone, 2012)

### 3.1 Qualitative Method

When conducting a study, there are two research methods to choose from. These two methods are qualitative and quantitative research. Quantitative research focuses on numerical data which can be transformed into statistical analysis. Quantitative research methods include for example, surveys and questionnaires. Qualitative research focuses on the interpretation of languages, studying the meaning of people's lives in real-life conditions. Qualitative research method can be any valid technique in order to capture the words of others, these methods include in-depth interviews, observation and journals. It is not uncommon for qualitative research method researchers to use various methods when gathering data. The thing that separates the two research methods is the way the data is analysed. Both quantitative and qualitative research can also be used together in a research. However in this particular research, we have only used a qualitative research method. This decision was based on the fact that qualitative research methods are diverse and varied. Qualitative research aims to go especially deep to the core of the problem. The data found with qualitative research provides multiple truths and results by the individuals who believe in them. (Morrison;Haley;Sheehan;& Taylor, 2012)

Collecting data in qualitative methods can be done in many ways. We have chosen Interviews to be our research method for this research. Interviewing can be done in many forms. Interviews can be for example, structure, semi-structured, in-depth or group interviews. The interview formality and structure that will be used in this particular research is semi-structured interviews. Semi-structured interviews are referred to be a qualitative research interviews. In semi-structured interviews the interviewer commonly has themes and some key questions to be covered. The order of the questions may vary depending on the flow of the conversation as well as additional questions and explanations may be necessary. The interview should be recorder by audio or by notes. In the interview schedule there should also be comments in order to further discussion and get more information from the participant as well as close the whole interview session. (Saunders;Lewis;& Thornhill, 2016)

Interviewing as a qualitative method, allows to understand the perspective of the person being interviewed. As we have chosen conducting qualitative interviews to be the best way to gather valid data in order to give deep insights and knowledge for Esprit Porvoo. Interviews can be conducted with individuals, with groups of individuals, in naturally occurring groups or a combination of these. In our research we have conducted face to face individual interviews. With conducting face to face interviews we have aimed to discover complex social connections and gain insight of the participants' worlds. This requires honesty and being truthful with the researcher. The interviewer should emphasize on asking

good questions and above all, listening to the interviewee. The interviews should be conducted in a natural setting for the participant. A good qualitative interview usually lasts from 30 minutes to 2 hours. The main idea however is not the minutes but the fact that the researcher gets to hear everything the participant has to say. Usually the participant opens up more the longer the interview continues. It will help the participant to talk more freely if they know the topic in advance. We aim to move from general information to the specific in the interview and the interview should begin with at least one abstract question above the topic. The interview for this research will be recorded in audio and later transcript. There should also be a data sheet for each person interviewed where the participants' name, gender or any other information crucial for the study should be recorded. (Morrison;Haley;Sheehan;& Taylor, 2012)

The information about interviews mentioned above will be used when conducting the interviews for this study. The main purpose of using semi-structured interviews is to collect data which is relevant and new. The data should help Esprit Porvoo in their marketing. We hope to gain understanding of the customers and how or whether not the customers wish to be approached by Esprit in marketing through social media. Face to face personal interviews are a way to get the customers talking honestly about their opinions and feelings. The interviews don't require names, which means they are anonymous. This may be relevant for some participants to help them talk freely and honestly about the topics. We as researchers and interviewers feel that our goal in the interviews is to make the participant feel important and create a trustful environment, listen carefully, ask additional questions and give comments in order to keep the discussion going as well as get a deeper understanding of what the participants are really saying.

### 3.2 Data Collection Process

Data for this study will be collected by face to face individual interviews. We will interview regular customers as well as students from Haaga-Helia Porvoo. The regular customers are members of the Esprit "FRIENDS" Program and we have chosen to interview them because they are the ones who visit the shop and buy products frequently as well as have a relationship with the company. We are interviewing students from Haaga-Helia Porvoo. We hope to interview people who belong to Generation Z, which mean they were born in the 1990s. In the theory above, we have gathered an understanding of Generation Z, which is said to have a great impact on marketing. It was also said that they are the future of the buying power, also in Porvoo which is a fact we could not overlook. The Generation Z has grown up with computers which means that their identity is affected by the many environments of the internet and interaction through social media is comfortable for them. From this we gather that social media marketing might be an effective way of reaching them. In the end of this research, the social media channels chosen to benefit Esprit Porvoos marketing should not only reach current customers, but also new ones and especially the ones who will be the customers in the future.

In the future we wish Esprit Porvoos marketing to reach the regular customers through social media. In order to understand the best way to do that we will conduct interviews to collect data about the topic. With these interviews we wish to understand how social media can be used as a tool for marketing, how would it benefit Esprit Porvoo, to understand the customers and what channel of social media would they prefer to get reached by Esprit Porvoo.

The interviews were conducted in Finnish. We aimed to have at least 30 minutes long interviews per person, as we wanted to really connect with the participants and create a trust between them and us in order to get honest answers and deep insights of the topic. We interviewed regular and active customers of Esprit Porvoo as well as students of Haaga Helia Porvoo. The interviews for the regular customers are conducted in the Esprit Porvoo store in a cozy and familiar atmosphere that supports the topic. The interviews for students of Haaga-Helia Porvoo were conducted in Haaga-Helia Porvoo campus. The interviews were held in May 2016 in weeks 19 and 20. The interview questions were created based on the topic, the research question as well as the sub-question and the theoretical framework gathered in the beginning of the study. We started the interviews with general information about the participant and getting to know more about the participant's life in overall. This helped the participant get more comfortable and talkative. After the general questions about the participant and their life, the questions formed in to more specific, but still leaving opportunities for conversation to flow and additional questions as well

as comments to be added. In the specific questions we aimed to find out how does social media affect them and how would they feel about a company marketing through social media.

The possible problems the interviews may have is not getting enough diverse data. Also that participants don't open up enough or are not honest in the interview session. There could also be the challenge that data is collected without sufficiently analyzing them. To avoid this, we will delve into every interview and listen to the audio before interviewing the next participant in order to understand the data and what it reveals and make possible changes required to gain relevant data. The method may also suffer from participants not understanding the question fully and just answering without thinking about the question or the answer too much. Also the target group, Generation Z may be a risk since in ten years marketing may have developed in a completely new direction. However we find it essential to understand their points of view now as the future is unknown to all and they could be potential customers not only in the future but right now as well.

As we want deep insights and relevant data, it is important for all participants to be interested, focused and motivated to talk and share their perspectives of the topic. This is why we feel that the participants should feel important in the interviews because they are the ones the results will be concerning as well as having an influence on the future as Esprit Porvoo will benefit from the information gained and most probably use it in future marketing.

### **3.3 Data Analysis Process**

Qualitative research depends on social interaction. It is most likely to be more varied, elastic and complex than quantitative data. In qualitative research the data is delivered by words and pictures which may have multiple meanings, means the analysis of this kind of data requires careful exploring. The quality of the data collected depends on the interaction of the data collection and data analysis process. This allows the meaning of the data to be explored and clarified. The data collected has to be explored, analyzed, synthesized and transformed to address the research objectives and find the answer for the research question. The technique used to analyze the data will summarize parts of the data to condense, code and categorize it. Then the data will be set into groups according to themes that will make sense of the data. This information will be linked to categories and themes in order to provide structure to answer the research question. The way the qualitative data is analyzed is based on the research-specific concepts that are linked into the theoretical framework. (Saunders;Lewis;& Thornhill, 2016)

Data analyzed in this particular research will be done with thematic analysis. The essential purpose is to search for themes or patterns that occurs in the interview data. The analysis process involves coding the qualitative data to identify themes and patterns for further analysis which is related to the research question and topic. Thematic analysis is systematic, it provides an orderly and logical way to analyze qualitative data. In the end of the data analysis process we aimed to have rich descriptions and explanations.

(Saunders;Lewis;& Thornhill, 2016)

The process of the Thematic data analysis includes several steps. These steps won't be in linear progression necessarily in practice, because analyzing the data involves analyzing data as it is collected and going back to earlier data. This way the process coding and categorizing the data in to themes and patterns in refined.

The first thing to do when starting the analysis process is to become familiar with the data. We transcript the interviews in order to get familiar with the data and ensure that no data is lost. We are not only interested in the words the participants say but also how they say it. After transcription the interviews were conducted into summaries, notes and self-memos of the transcript to help with themes and key points to aid with the analysis process. Transcription of data is also a way of coding the data as it involved labeling the data. For example, if a previously coded data does not match the new data gathered it should have a different label. As we are using the deductive approach of analyzing data in this process we have commerce with the theoretical framework written beforehand. We have applied the codes made from the data to the prior codes of the theoretical framework. The codes can be based on different factors. These factors can be terms used by participants in recorded data or terms of existing data, theories and literature also known as prior codes. Codes can also be formed from labels that best fit to describe the data collected.

After familiarizing with the data and coding is fully done there is a procedure of searching for themes, patterns and recognizing relationships. Some themes may become main themes and some secondary. The themes are evaluated and the relationships between them understood. After the evaluation the themes will be refined and tested. The themes created will be a part of a coherent set as they should provide a well-structured framework to pursue the analysis. The relevant themes should be recognized as well as the sub themes in order to understand how meaningful the data is and the relationships they might possess. By re-reading coded data we possess an understanding of which theme is relevant. Themes can be combined or separated to create new themes or even discarded. This will enable us to conclude into a valid and well-grounded conclusion.

(Saunders;Lewis;& Thornhill, 2016)

We have chosen Thematic analysis as our guide for the data analysis process. Thematic analysis offers a systematic approach to qualitative data analysis. It is flexible and accessible. As researchers, when analyzing the data it is crucial for us to understand our own attitudes and beliefs about the topic in order to understand how it affects our judgment about the meaning of the research data as well as to gain deeper insights when analysing the data. (Saunders; Lewis; & Thornhill, 2016)

### **3.4 Validity and Reliability**

In order to conduct a reliable and valid research there is need for broad interpretation of the results discovered from the study as the results need to be critically interpreted and analyzed.

Validity can be described as the measurement of the performance required in the study from the very beginning. This includes getting answers to the research questions, which is the foremost issue in this thesis. The questions and answers must be viewed critically and by compromising the integrity of the research. (Shuttleworth, 2016)

Reliability is harder to measure than validity as it cannot be measured. The reliability of one's research can be measured by consistency. When a research provides a recurring pattern which proves its reliability as the results are not coincidental. However, because qualitative research focuses on personal experiences and subjective point of views which makes the reliability of the data collected questionable and the results not necessary objective enough to be reliable. (Shuttleworth, 2016)

The validity of the result conclusions were verified by negative cases that do not support the explanation. These negative cases help to refine the explanation and avoid interpretation that prove to be unreliable. Validity of the research was also tested by gaining feedback and making trial interviews before the actual data collection process. Some adjustments were made based on the comments and feedback received from the trial participants. The questions were aimed to be understandable for the participants and closely related to the research topic in order to collect valid data for the results formed in order to provide answers for the research questions. The reliability of the research was enabled by both of the researchers rehearsing the interview situation in order to provide similar interview situations. When analyzing the results the recurring patterns of the results were closely studied as it was made sure the answers were not coincidental. In order to gain reliable results the interview questions were made to be thorough and to gain honest, deep insights of the participants. The data gathered was studied objectively and questioned the character of the interview answers.

When a research contains validity and reliability it is more likely to be more professional and more certain. By eliminating the potential risks which might compromise the reliability and validity of the research will provide the research more rigorous answers for the research questions. (Shuttleworth, 2016)

## 4 Analysis of Interview Results

We interviewed 10 people from which 5 were students from Haaga-Helia Porvoo and 5 were members of Esprit Porvoo FRIENDS, which is for the regular customers. All of the participants live in Porvoo currently. The interviews were conducted in Finnish, because all of the interviewees were Finns. All the participants were women since Esprit Porvoo store only has women's clothing and accessories for sale, which makes gender one of the main features of the target participants and customers.

We have formed five different themes where we divided the student and regular customer participants into two sub themes in order to fully understand and compare the patterns they have in common or separates them from each other.

### 4.1 Background Information of the Participants

The first five questions were formed to understand who the respondents are, their individual features such as age. The first questions asked in the beginning of the interview were also an aid to make them feel comfortable in order to help them speak more freely and honestly before moving into the more specific parts of the interview questions. The five questions included inquiring of the participants name, age, daily routines, hobbies and what they find important in life as well as what are their values in life.

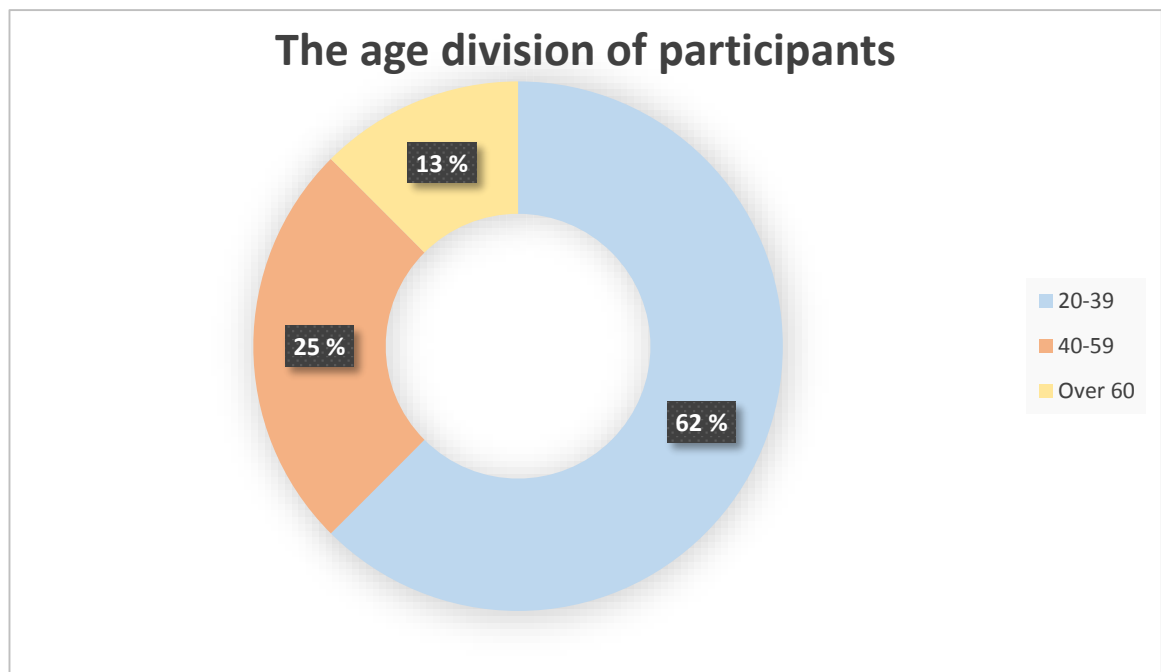


Figure 3. The age division of participants (Number of participants: 10)

The five participants who were regular customers in Esprit Porvoo store were from ages 22-61 and the average age was 43. The regular customer participants described to have a very routine daily life. They wake up early and go to work in the morning. After work participants said they go home, workout, do sports or other leisure activities such as golf, hand-crafting and gardening. Two participants who have children also include taking care of them in their daily life. The youngest participant who is also a student as well as a regular customer stated that she met friends and went to stroll around shops after school before going home.

All of the regulars find wellbeing of themselves as well as their families to be important for them in life as well as having a meaningful job and career. It was also mentioned that relaxation, taking time for oneself and values such as equality in life were important for them.

Student participants were from ages 22-25 which means the average age was 23. The student participants include students from first year students to third year students which means their daily life affected by their studies varies between participants. Two of the students are currently working on their thesis which means they don't have scheduled courses. The student participants have different hobbies such as sports which includes going to the gym and jogging and music such as playing piano and singing. The major hobby that was a combining factor for all participants was that they enjoy seeing friends on a daily basis.

Also student participants stated that they find wellbeing of themselves, friends and family important. The students all also had a joining factor in their values as they all think it is crucial to have ambition and also goals and plans in life for the future.

When comparing the regulars and students, we can gather that overall the regular customer participants are older than the students as their average age is 43 and the students is 23 which means it is natural that they have different life situations. The regulars all have jobs where they go daily, even though one of them is also a student. As for the student participants, they don't necessarily have as routine life, because they don't have school every day. Students were also keener on spending time with friends after school as they don't have children or a career that their life involves around and don't have as concrete leisure time hobbies as the regulars.

## 4.2 Relationship with Social Media

After making a solid base and comfortable environment for the interviews with the background questions we moved towards more specific topics, so the interviewees were asked questions about their relationship with social media. These topics included questions about which social media accounts they use, how often and what their reasons for using social media are. We wanted to know what kind of relationships the regular customers and the students had with social media and how it differs from each other. This is crucial for our research because it gives us a better understanding of how the participants use the internet and social media as well as how it affects them.

Regular customers all had social media accounts except one participant aged 59, who did not have any social media accounts at all. Other participants had various social media accounts from most popular ones were Facebook, Instagram and Twitter. One of the participants said that they use Facebook mainly for work. Many of them also had LinkedIn, but it was mainly used for work reasons. Although most of them had an account in Pinterest, they answered that they use it rarely and only when needed for inspiration or do it your-self-ideas. Twitter was also most common social media account because four out of five participants were users, they answered that they used it only rarely. From the regular customers two youngest aged 22 and 31 years had an account in Snapchat and used it regularly.

When asked how often they used their social media accounts the answers were quite similar since all of the participants answered that they use them daily and visit their accounts many times during the day when they had time and all of the participants said that the last social media site they visited was Facebook.

Regular customers also had similar answers in why they used social media accounts. Mostly the accounts were viewed just for leisure to scroll new posts and stories and to also connect with their friends and colleagues. Since one participant used her social media account on Facebook and Twitter for work, she said that she likes to share news and photos about Finland and Porvoo to her colleagues who live abroad and are interested in these topics.

All of the student interviewees answered that they use social media and had several accounts in different social media sites. According to the data collected, the most used social media platforms were Instagram and Facebook, since all of them had an account there, the second most used turned out to be Snapchat which was used by four out of five students. The students also had accounts in LinkedIn, because of school, some had a Twitter and Pinterest accounts but rarely used them. When asked about their account on

Pinterest students gave the same answer as the regular customers that they use it mainly when they need it such as for a project of some sort.

The students used their most popular social media platforms Facebook and Instagram very actively, checking them many times a day. All of the participants said that they last viewed their social media accounts a few minutes ago, so just before the interview started.

Students answered that they used social media platforms for fun, relaxing and for following and connecting with their friends. All of the participants said that they also like to follow different celebrities, inspirational sites, bloggers and clothing stores which they are interested in on social media. One of the participants said that they followed their favourite clothing stores in social media because she wants to see what new products have arrived and get news about sales campaigns.

In conclusion there were a lot of differences and some similarities between the regular customers and the student's relationship with social media. The biggest differences were that the students use social media more actively and it is a big part of their daily routine to check social media sites they use and that they follow more celebrities, bloggers and different stores when regular customers seem to keep their social media circles smaller only following friends, family members and colleagues. Almost all of the participants had accounts on the same social media sites, but students also used Snapchat which only one other regular customer used. The student participants belong to the Generation Z. As mentioned in the theory, these millenials have grown up with the many environments of the internet and social media. They have always been around it and it provides them a comfortable and natural environment to connect with not only individuals but also companies.

Other similarities were that all of the participants seemed to mostly use Facebook and Instagram and rarely visit their accounts on Twitter and Pinterest although having them.

### **4.3 Social Media Affecting Buying Behaviour**

Before understanding the relationship between the participants and Esprit Porvoo store we wanted to gain a base of understanding from their buying behaviour and what drives it. We were interested to know how often the participants visit shops and make purchase decisions. We also wanted to find out when was the last time the participants made a purchase and the details of that since it can lead to findings about important factors that led to the buying decision. The aim of these questions was to figure out the factors that influence their buying decision and how do the factors influence it.

The regular customer participants go shopping for clothing and make a purchase in approximately once a month. Just one of the participants stated that she buys clothing once in every two to three months. One of the main reasons for going shopping included a need for a specific product. One of the participants amongst the regulars stated that the last time she made a purchase she had a need for jeans and received a discount coupon by mail from Sokos and she decided to buy her jeans from there. The youngest participant stated that she visits the shops every week with friends in her leisure time which led to more frequent purchase decisions.

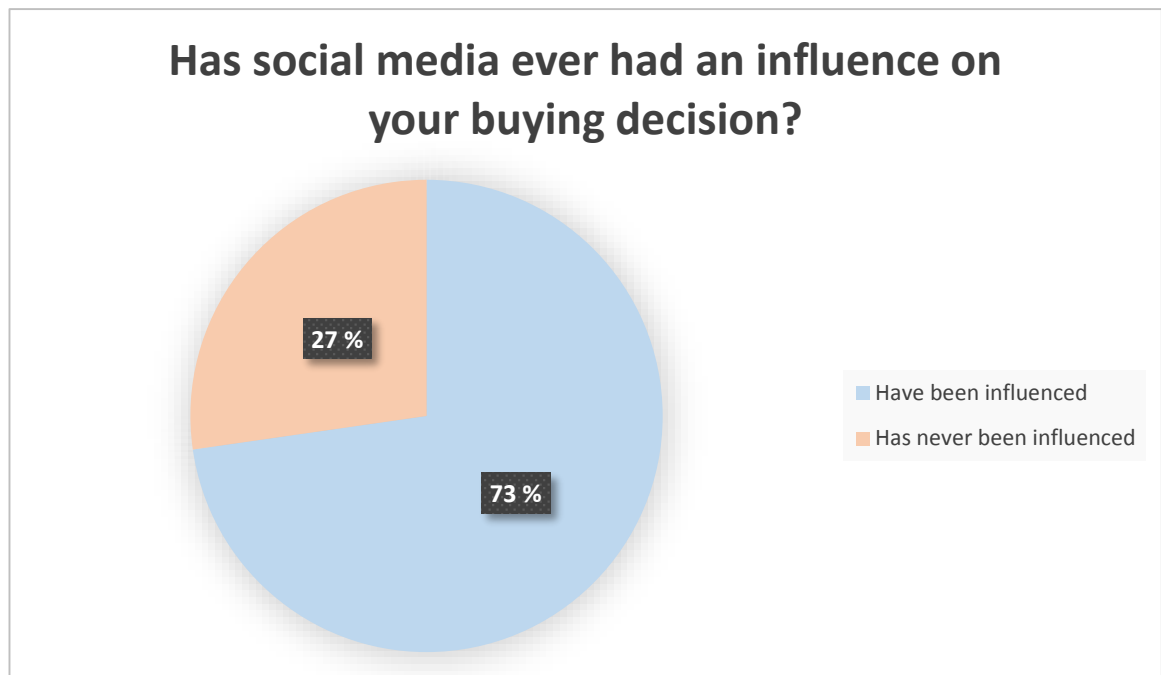


Figure 4. The amount of respondents admit that their buying behavior has been influenced by social media.

Four out of five regular customer participants stated that social media had affected their buying decision. The regular participant who claimed social media hasn't had an effect on her, does not have any social media accounts and does not use any social media site. The participants who said that social media had affected their buying decision said that they had seen an advertisement about the company, product or campaign which led to a purchase. One of the participants also said that she only makes online purchases from companies that her friend has recommended for example, by liking the company's page on Facebook, giving ratings online or sharing content about a product or company. The participant stated that she had bought a yoga course after a friend had recommended it on Facebook.

The student participants make purchases in average two times within a month. Three out of five participants agreed that social media has influenced their buying decision in the

past. The two participants who stated social media had no effect on their purchase decision said that they only buy products when they need them. The three other student participants stated that they shop freely and make buying decisions when they see something they like for example, when spending time with friends and visiting shops. The three participants told that they follow different stores on social media such as on Instagram where they can view for example, new products or sale campaigns which drives the buying behaviour. Also people such as celebrities and bloggers were said to be influencers of buying behaviour. One of the student participants admitted to buying a jacket from Zara after seeing it on a blogger on Instagram.

From the data collected and results stated, we can gather that social media does have an effect on the buying behaviour. The participants who stated that social media had never influenced their buying decision cannot tell us whether the effect may have been subconscious. In this case, the participant would not know that they had been driven towards a certain behaviour. However it seems that social media has a deeper influence on the student participants buying behaviour. As the student participants belong to the Generation Z millennial group, it is natural for them to be involved deeply in the many environments of social media and it does affect their decisions. Generation Z is also known for celebrity endorsement which can be seen in one of the student participants' behaviour as she has bought a jacket because of a person she keenly follows on social media and so has affected her buying behaviour and decision. The regular customer participants however are more affected by a need of buying a certain product which is a norm for Generation Y millennials. Facebook was also found to be an environment which may have an effect on the buying behaviour of the regular customer participants as it is stated in the theory, Facebook was statistically the most used social media channel in Finland. Overall advertisements of companies and products seen on the feed on social media influences a majority of the participants. The main issue is to get the information and advertisement on their feed as they might not be following a certain page and thus has to find its way to gain viewers.

#### **4.4 Customer Relationship with Esprit Porvoo**

In our research we wanted to know what kind of relationships was between the regular customers and students with the case company Esprit Porvoo. Most important was to find out how often did they visit the store, what were the reasons for visiting and what their whole visiting experience was like and would they recommend it to others. We also wanted to find out was there any other ways that would suit the participants on how Esprit Porvoo connect with their customers as they currently don't use social media other than

Instagram for marketing and contact regular customers via e-mail and sending regular mail.

Regular customers told that most of them visited the store once a month or once in two months, one of the participants answered that it differs weekly and she might even visit the store many times a week. The reasons behind visiting the store was mainly its location, because four out of five regular customers answered that it is located close to their working place or home so it is on the way home and makes it relatively effortless to visit. One of the participants answered that besides the location she really likes the Esprit brand as the clothes are her style which also was one of the reasons why she has visited the store.

When asked about their last visit, which normally was within the same or past month, they all had a good experience mainly because of the high level of service and that there were sales campaigns going on. All of the regular customers said that they would recommend Esprit Porvoo to their friends and many of them already have.

During the interview we also asked about how Esprit Porvoos customer engagement works for them and would there be a better way to connect with them. Two of five answered that they don't like getting e-mails because they won't open them and sometimes the messages get unnoticed because of the amount of e-mails coming every day. Usually the coupons and other deals that were sent home caught their attention and this was a satisfying way to reach them.

When interviewing the students about how many times they visited Esprit Porvoos store all of them answered either that they have never visited the store or very rarely. One of the students who answered that after they joined to Esprit FRIENDS-program, she got a discount coupon and went to look for a jacket. One of the students visited the store because she won a scarf from Esprit Porvoos raffle and went to claim her prize. Students who answered that they have visited the store said all that the overall experience was good because of the quality of the service, the store was clean and well organized which they appreciated and they would recommend it to others as well.

The student participants were told how Esprit Porvoo connects with their customers and asked would they prefer to be connected in that way also or would they have other suggestions. Most of the students said that since e-mails are being sent by every company they might not even open them and they would like to see more news about new products, sales campaigns and other news on social media sites. On social media sites they would be more visible as the students visited them actively during the day.

In conclusion, regular customers visit Esprit Porvoo store once at least once a month. As for the students, they have either never visited or have visited the store once. The reasons behind visiting the store were very different between regular customers and students. Regulars visit the store because of the brand, location and for the good service and students mainly have visited the store because of an occurrence such as winning in the raffle or knowing the salesperson. There were also similarities when asked about their experience when they last visited, because all of the interviewees answered that their overall experience was good, they got good service and they would all recommend the store to others.

Regular customers seemed mostly satisfied with the way Esprit Porvoo connects with them, but added that advertisements on social media channels would work also as they might be more visible in their own feed. The students agreed with the fact that social media would work better when contacting the customers since they use it a lot. This way Esprit Porvoos advertisements and campaigns would be more visible and would reach more people.

#### **4.5 Social Media and Esprit Porvoo**

Now that we have information about the background of the participants, their relationship with social media and their relationship to Esprit Porvoo itself we may understand the relationships between the customers and Esprit Porvoo and how social media has influenced that relationship. We have figured out if the participants follow Esprit Porvoos only site in social media which is Instagram, how the participants prefer to be reached by Esprit Porvoo and overall findings on how Esprit Porvoo could benefit from using social media as a marketing tool.

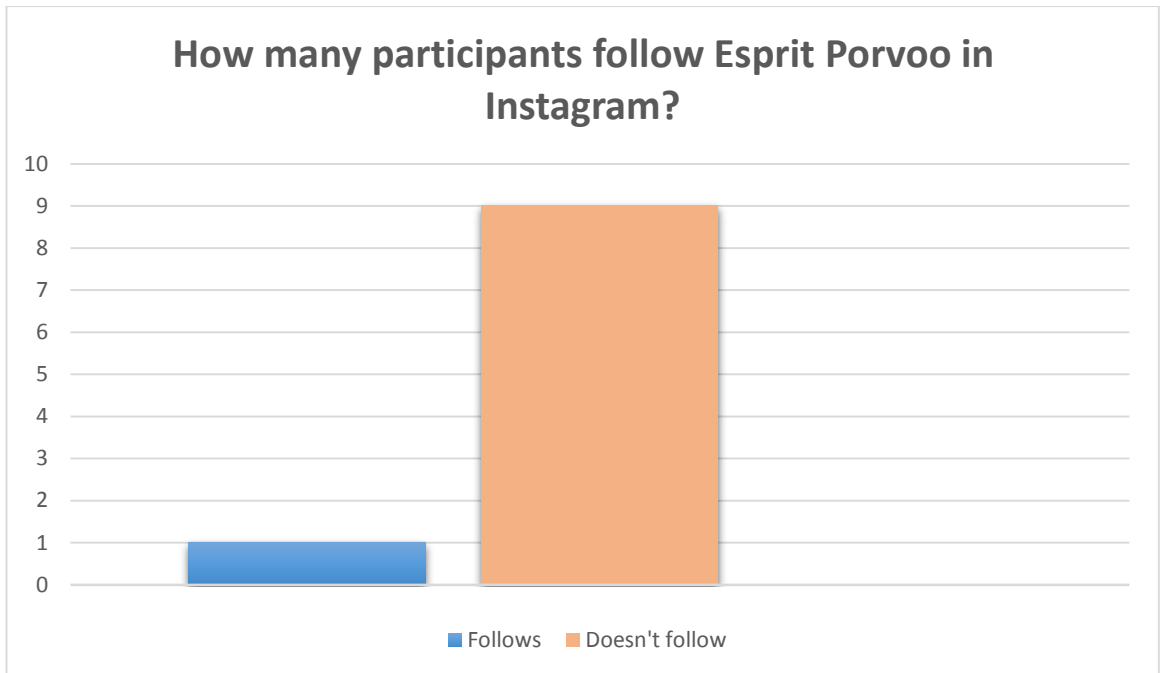


Figure 5. The amount of participants who follow Esprit Porvoos account on Instagram.

As we can see from the table above, none of the regular customer participants follow Esprit Porvoos Instagram account, which is currently the only social media site it uses to connect with customers, even though only one of the participants does not use social media at all. From the student participants one out of five people followed the Instagram account of Esprit Porvoo. The participant stated that she had followed the account as a requirement in order to participate in a raffle by Esprit Porvoo. From this we gathered that even though there was a factor pushing the participant to follow the account, she still follows it today, which means she is most probably interested in the information and news delivered on the account as well as the whole brand and store itself.

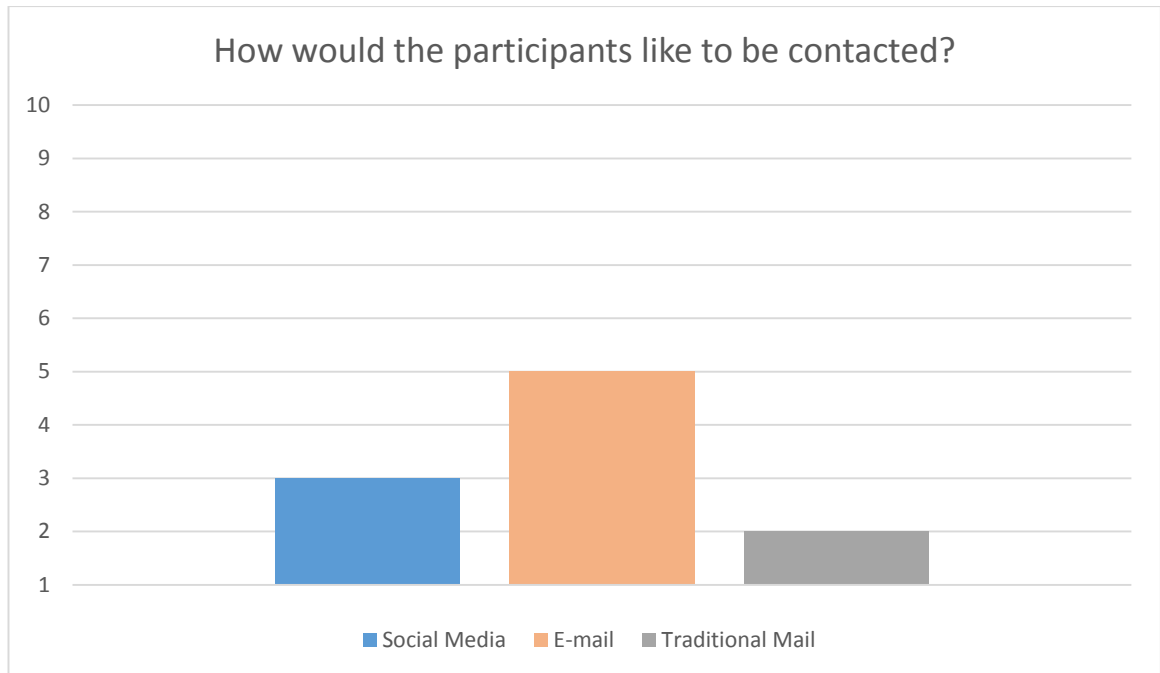


Figure 6. The methods which the participants prefer to be contacted.

From the table above we can see that the regulars prefer to be contacted by the same way they have been reached so far, by e-mail and traditional mail. They based this decision on the fact that it had worked for them so far and they feel that they are getting all the information needed from the company. However four out of five regular participants wants Esprit Porvoo to contact them through social media. The participants suggested a Facebook page for an alternative way for Esprit Porvoo to reach them as it is the most used social media site amongst them. The regular participants stated that they would like to get Esprit Porvoos news on their feed on Facebook because it would be easy and fast for them to look through it. A Facebook page or other social media site would work also because the participants used social media daily and scrolled through their accounts many times during the day so this means that they would see the ads and campaigns in their newsfeed without even going to Esprits page. This again means more visibility to the store.

The student participants mostly said they wanted to be contacted through social media such as Facebook and Instagram. As mentioned before, most student participants admitted not being interested in the brand or store at the moment and that being the reason for not following the stores Instagram account right now. According to the student participants if Esprit Porvoo would use social media intensively as a part of their marketing, it could be recognized better. The participants explained that by using social media as a marketing

tool the customers receive information quickly which can be viewed on the feed effortlessly, as they don't have to search for the site or account itself because the advertisement or other content emerges to their social media environment.

In conclusion regular customers seemed to be quite satisfied with the way they were contacted but still like the student participants they answered mostly that ads and different campaigns would get their attention as well on social media and it would be a good add to their current marketing strategy. Because of Esprits strict marketing policies, stores cannot make pages on social media, but hopefully this would change in the future since there is a need for it according to our research. Student participants said all that they would acknowledge ads and different campaigns on social media much easier since they use it so often. Even though they were not interested in Esprit Porvoo store, but this way the brand might even start to interest them more if they would see them active on social media.

After these conclusions it seems that Esprit Porvoo could try some other marketing ways such as social media since it interest all of the interviewed people except one who did not have any social media accounts.

## 5 Conclusions

These are the conclusions to our findings in our study and suggestions on how to implement the knowledge gained to Esprit Porvoos marketing in the future. In this chapter we aim to clarify how the data provided the answer to the research question and enabled us to provide valuable insights for Esprit Porvoo.

### 5.1 Conclusions to Findings

As a conclusion, based on our research it can be stated that Esprit Porvoo could benefit from using social media as a marketing tool in order to reach its customers and attain new ones. From the research results we gather that even though someone does not admit in being influenced by marketing done through social media but we do not have the knowledge and valid facts of stating they haven't been affected subconsciously. As we can see from the theory and research results, the participants who belong to Generation Z strongly support using social media as part of marketing as they are constantly using it and can be reach within seconds.

When looking back at theory we can understand that social media marketing consist of various factors. The core of the idea is to create awareness about the company and what they are offering for the customers. From the research results we can understand that a majority of the participants recommend social media as a way of reaching to them and inform them about for example, new products and campaigns Esprit Porvoo has. By using social media Esprit Porvoo may widen the customer base which includes attaining new customers and maintain new ones as they can advertise their shop fast and rather efficiently. When the content created and shared through the social media site it creates communication with the customers and this way creates value for them. Based on the results we can state when a company is getting acknowledged on social media from friends and acquaintances or other reliable sources, it becomes more alluring and trustworthy. Many people might have suspicions about companies or products that are not familiar it helps to see recommendations of it online. In the study results we found out that people find social media beneficial for them as they can see other people who trust the company as they might click the like button or give feedback on the company's site.

There are different ways of doing marketing and of the issues to be discovered in this research was that is social media the best option for Esprit Porvoo and if not what is? Based on our research most participants still prefer the original way of Esprit Porvoo contacting them which is by email. Social media was a close second choice and a majority of participants did feel that social media would be a preferred way to be reached out even though

they also prefer the traditional email option. From this information we conclude that Esprit Porvoo should continue with reaching to customers by email but in order to attain new customers and gain new email addresses to send campaign letter or other information, social media would be a powerful option. We feel that it might bring a younger generation of shoppers to the store as well even though majority of the student participants in the study, who are not regular customers of Esprit admitted not being interested in the shop, at least yet.

As for the correct marketing tool, we feel that the current social media site, Instagram is worth keeping and working on as it is popular among Finnish people. However, according to our study Facebook was found to be the most preferred way of following the store on social media. Looking back at the theory, we can understand this point of view as Facebook was ranked the highest used social media site in Finland. Based on the study it would be efficient for Esprit Porvoo and the customers to view information of the company and information related to it on their feed effortlessly. As many people scroll through Facebook daily and even multiple times, the advertisement would become visible even by force. Also some participants stated that they enjoy following other sites, such as celebrities and stores on Facebook more than other social media sites. The Generation Z participants preferred also Instagram as some of them already follow the Esprit Porvoo store account or other clothing stores.

Based on the study, social media would provide opportunities of engaging with customers on a new level as they may be involved in the marketing process by feedback and sharing or posting content about Esprit. However we did not gain a 100% certainty that the current customers, especially the regular customers of Esprit Porvoo, since not all customers have social media accounts or use social media. From the study we gathered that most current customers of Esprit Porvoo would like to be reached out by email in the future as they stated to being comfortable and satisfied with it in the past. From the theory we can gather that internet marketing is currently a powerful tool and thus it should be benefitted from to the fullest when it is still possible because it is affordable and offers a brilliant way to interact with customers and create an even tighter relationship with them. Social media marketing gives more power to the customers and a way to impact products and services as their feedback is valuable for companies. This is something that Esprit Porvoo could hugely benefit from.

Even though the journey of Esprit Porvoos social media marketing has only begun, as they have only concurred one social media site, Instagram, they still can make a great use of social media as marketing tool. This will no doubt benefit them in the future in creating

long lasting relationships with current customers and attain new ones with the aid of social media.

## **5.2 Suggestions**

Based on our research, the analysis and conclusions about the results we have found out that social media is an important tool when businesses are developing their marketing strategies because it has so many benefits and only some disadvantages. Even if businesses are using other marketing ways in their marketing strategy, can social media marketing be a valuable add in existing plans as it does not require a team of specialists to manage it and it is not time consuming.

Esprit Porvoo could benefit from social media marketing as they could reach much more people by a few clicks, updates and posts. As the research shows us it would be good to start creating a page in the most used social media platform which was Facebook for regular customers and for students as well. Since this channel seems to be the most viewed and many times a day, it would provide more visibility for Esprit Porvoo and reach more potential customers in Porvoo as localised pages interest people who live near and maybe from other nearby cities as well.

Social media could also bring Esprit Porvoo a whole new client base since so many younger people use it actively. Although in our research we found out that the student participants were not very interested in Esprit Porvoo, according to our commissioner and other salespersons working there younger people feel that the clothes and accessories are too expensive and that the collections are not designed to fit their current taste in fashion. Our commissioner had in mind that by using social media they would see that the stores selection of clothes and accessories varies a lot and that there is something for everyone regardless of age and financial situation. By getting the younger consumers interested would mean for Esprit Porvoo more profits, visibility and possible recommendations in social media in their wide connections.

In order to create interest and reach a younger audience for Esprit Porvoo, the store could start to post even more frequently on social media for example, once or twice a day. This way it would be more often on peoples feed and the people who follow the Esprit Porvoos account would be able to see likes daily which could peak their interest. It would also create more visibility for a broader audience. Esprit Porvoo could also try and get all of the current customers as well as new ones involved in the social media marketing process. This could be done by for example, by promoting a hashtag in their store which the customers could use when taking pictures of themselves wearing Esprit products or just pictures of the products. After the customer have posted the pictures with the hashtag, Esprit

Porvoos account could share them and tag the customer. Here are some suggestion of continual different hashtags for Esprit Porvoo:

- #Espritporvoo
- #Espritwoman
- #Epiration

These hashtags would be used in every post in order to get it trending and familiar for the customers. This would also require that the employees would take their time every shift to post a picture on the Esprit Porvoo Instagram account and use these hashtags persistently. In order to get the hashtags trending the customers should be informed about it for example, at the cashier when buying something. The hashtags could be also promoted with small posters within a stylish frame that suits the stores outlook visually. The small frame could be on the cashier and maybe even in the dressing rooms, because the customers might take pictures there and post them.

According to the research, Esprit Porvoo could gain visibility and reach more customers by creating a Facebook page. As mentioned before, Facebook is the most popular social media site in Finland at the moment and it may offer a broad consumer base. Many participants would like to have post on their feed where they can see them effortlessly as the many people scroll through their Facebook feed many times a day. Facebook offers the change for customers to give recommendations and share posts from Esprit Porvoo which offer visibility and provides trust for people who are not yet familiar with the store. As mentioned in the results, some participants mentioned that they are influenced by what their friends recommend online and give good feedback to. Creating content and posting on the Facebook page of Esprit Porvoo store would require daily posts as well as effort from every employee in the store who would update the page at some point on their shift when working. By linking the Facebook page and Instagram account, both social media sites support each other and reach potential customers.

Any social media used for the purpose of marketing could involve a raffle where followers can win prizes, discounts or other matters which would peak their interest to follow Esprit Porvoo. Also by giving for example discounts or a small calendar from the Esprit Porvoo store could be a prize for the customers. This would drive the customers buying behavior. As stated in our study, discount coupons were a driving factor for buying behavior, which means that if a customer would win a discount coupon from Esprit Porvoo, they would most likely come in to that shop to buy whatever it is they need or want. Most of the younger generation participants thought that Esprit Porvoo is too expensive for them. As a suggestion for that, maybe giving something as a bonus, such as a small gift or discount

coupon would maybe seem attractive to them and by that influence them to come to the store.

In conclusion of suggestions we have gathered that the current ways of reaching customers works, especially with regular customers but it requires more effort in order to gain new customers and attain new regular customers. This means a more elaborate marketing strategy which includes using social media effectively and engaging with customers and reaching them in wider networks.

### **5.3 Evaluation of Thesis Process**

Overall we feel that satisfied with the thesis process as it has gone proficiently. We have had a supportive commissioner and thesis advisor which has been a huge aid for the whole process because it has guided us towards the right direction. The first meeting with the commissioner took place in January 2016 and the whole thesis process has taken approximately five months which was the goal. We have managed to stay on time in our timetable and meet deadlines. Working with Esprit Porvoo has been really smooth and our contact person who is also the commissioner has been always available to answer any questions we might have had. We also always had the opportunity to have meetings with the commissioner. Also one of us researchers is working for Esprit which has benefitted us since she has insights of the company.

Writing the thesis and doing research as a pair has mostly advantages and some disadvantages as well. We decided to work together since we have done many school projects together and based on that we knew each other well and how we worked. We felt that working together had always gone well, so it would be beneficial for the both of us too. Sharing the work meant that we had our own support system if either one of us felt blocked or the process seemed overwhelming, because we could contact each other, talk about it, get some new insights from one another and move on in the process. Working together also meant that we could divide the work according to our competences, check each other's work, give honest feedback and correct parts that needed adjusting. We also faced some difficulties while working together as we don't live in the same city, had very different timetables because we both work and had different writing schedules for the thesis. This created situations with time management, because we could not always figure out a time to meet and work that suited the both of us. Different writing schedules made it hard to keep up with the overall thesis schedule since if one of us lost motivation in the process it meant that the person would fall behind with their part which could be stressful. Overall with the advantages and disadvantages it was very useful and educating to work as a pair.

We started the whole thesis process by coming up with a few topics which seemed rather familiar, interesting and supported our studies as well as answered the commissioner's need. After choosing the topic together with our commissioner we started to carefully plan our thesis process. We proceeded to think about our research method which we decided to be qualitative and interview Esprit Porvoos regular customers and students with mostly open-ended questions. This is how we figured to find out about their lives, how they make buying decisions, use social media and what is their relationship with the case store to really understand them. After doing the interviews, we understood that the method was right for our research since we got the information we needed and the whole process supported our overall research problems and aims. The only negative fact in our method was that we should have also included to the interview questions more detailed questions about the interviewees' social media usage.

However we learned that not even the most detailed plans necessarily remain unchanged as we discovered new facts during the process. As an example we started to plan our thesis as a product base and then changed it to a research based one. Before starting the writing process of the thesis we studied several thesis's which were around the same topic. The structure of the thesis was quite traditional as we feel it was the best choice for our research.

The challenges we had during the process involved finding reliable sources to use for the theoretical framework and to find regular customers who would find the time to attend the interviews. It was also a challenge to get the younger participants interested about the interview as most of them customers of Esprit. All these challenges had an effect on our result and the whole research. It was a plus to receive positive feedback overall about the store and the customer service. We feel that we were able to receive honest opinions and feedback from the interviews conducted which was a crucial element for valid results.

All in all the whole thesis process has been a huge learning journey and opportunity gain experience to benefit from in the future. Even though there were changes that required adaption from us as researchers as well as challenges that needed to be overcome, we feel that we provided deep insights for the commissioner and Esprit, which was the ultimate goal. The results were able to answer the research questions which makes the research successful in that way. The aims and goals set in the beginning were met. Hopefully this research has proven valid and useful for Esprit Porvoo, so that it can use these insights in their marketing.

## 6 References

- Annala, S. (2015, October 28). *YLEX*. Retrieved from Suomi on Pohjoismaiden somekummajainen – Whatsapp kiinnostaa enemmän kuin Snapchat: [http://yle.fi/ylex/uutiset/suomi\\_on\\_pohjoismaiden\\_somekummajainen\\_\\_whatsapp\\_kiinnostaa\\_enemman\\_kuin\\_snapchat/3-8415055](http://yle.fi/ylex/uutiset/suomi_on_pohjoismaiden_somekummajainen__whatsapp_kiinnostaa_enemman_kuin_snapchat/3-8415055)
- Armstrong, G., & Kotler, P. (2015). *Marketing an Introduction*. Edinburgh Gate, Harlow, Essex: Pearson Education Limited.
- Armstrong, G., & Kotler, P. (2016). *Principles of Marketing*. Edinburgh Gate, Harlow, Essex: Pearson Education Limited.
- Association, A. M. (2013, July ). *American Marketing Association*. Retrieved from American Marketing Association: <https://www.ama.org/AboutAMA/Pages/Definition-of-Marketing.aspx>
- Beard, R. (2014, September 3). *Customer Experience Forever*. Retrieved from Client Heartbeat: <http://blog.clientheartbeat.com/social-media-changed-customer-experience/>
- Blackstone, A. (2012). *Principles of Sociological Inquiry: Qualitative and Quantitative Methods*. Washington: Flat World Education. Retrieved from Principles of Sociological Inquiry: Qualitative and Quantitative Methods.
- Boyd, D. M., & Ellison, N. B. (2008). *Social Network Sites: Definition, History and Scholarship*. International Communication Association.
- Cohen, H. (2011, March 29). *Heidi Cohen Actionable Marketing Guide*. Retrieved from 72 Marketing Definitions : <http://heidicohen.com/marketing-definition/>
- Czyrny, S. (2015, June 17). *Valient Market Research*. Retrieved from Generation Z Looks For Different Marketing: <http://valientmarketresearch.com/demographic-generational-market-research/generation-z-looking-for-different-marketing-strategies/>
- Dahlia K. Remler, G. G. (2011). *Research Methods in Practice: Strategies for Description and Causation*. Thousand Oaks: Sage Publications Inc.
- DeMeres, J. (2014, August 11). *Forbes*. Retrieved from Forbes/Entrepreneurs: <http://www.forbes.com/sites/jaysondemers/2014/08/11/the-top-10-benefits-of-social-media-marketing/#63b0b252a4d2>
- DeMers, J. (2014, August 11). *The Top 10 Benefits Of Social Media Marketing*. Retrieved from Forbes: <http://www.forbes.com/sites/jaysondemers/2014/08/11/the-top-10-benefits-of-social-media-marketing/#96c64c12a4d2>
- Drucker, P. F. (n.d.).
- Esprit. (2016, May 24). *Profile*. Retrieved from Esprit: [http://www.esprit.com/company/about\\_us/](http://www.esprit.com/company/about_us/)

- Kampman, A. (2016, February 15). (L. Liiber, Interviewer)
- Lieb, R. (2009). *The Truth About Search Engine Optimization*. New Jersey: Pearson Education Inc. .
- Maguire, E. (2015, January 29). *Forbes*. Retrieved from Forbes Insights:  
<http://www.forbes.com/sites/forbesinsights/2015/01/29/6-strategies-to-drive-customer-engagement-in-2015/#2f333dac2f09>
- Mizerek, A. (2015, June 5). *Mashable*. Retrieved from 8-second marketing: How to craft content strategies for Generation Z: <http://mashable.com/2015/06/05/marketing-content-strategies-generation-z/#TR1KQtJn.sq6>
- Morrison, M. A., Haley, E. E., Sheehan, K., & Taylor, R. E. (2012). *Using Qualitative Research in Advertising: Strategies, Techniques and Applications*. Thousand Oaks: Sage Publications Inc.
- Nadaraja, R., & Yazdanifard, R. (2013, September). *Social Media Marketing SOCIAL MEDIA MARKETING: ADVANTAGES AND DISADVANTAGES*. Retrieved from Research gate:  
[https://www.researchgate.net/publication/256296291\\_Social\\_Media\\_Marketing\\_SOCIAL\\_MEDIA\\_MARKETING\\_ADVANTAGES\\_AND\\_DISADVANTAGES](https://www.researchgate.net/publication/256296291_Social_Media_Marketing_SOCIAL_MEDIA_MARKETING_ADVANTAGES_AND_DISADVANTAGES)
- Newman, D. (2016, January 12). *Social Media Is No Longer A Marketing Channel, It's A Customer Experience Channel*. Retrieved from Forbes:  
<http://www.forbes.com/sites/danielnewman/2016/01/12/social-media-is-no-longer-a-marketing-channel-its-a-customer-experience-channel/#d1f49d649672>
- Ozuem, W., & Bowen, G. (2016). *Competitive Social Media Marketing Strategies*. Pennsylvania: IGI Global.
- Philip Kotler, K. L. (2006). *Marketing Management 12e*. Prentice Hall.
- Quirk, R. S. (2013). *eMarketing: The essential guide to marketing in a digital world*. Quirk education Pty (Ltd).
- Rautio, S. (2015, November 5). *YLEX*. Retrieved from Äänestystulos: Tämä on suomalaisten suosikki-some:  
[http://yle.fi/ylex/uutiset/aanestystulos\\_tama\\_on\\_suomalaisten\\_suosikki-some/3-8433209](http://yle.fi/ylex/uutiset/aanestystulos_tama_on_suomalaisten_suosikki-some/3-8433209)
- Research, F. a. (2016). *Harvard Business School*. Retrieved from Faculty and Research :  
<http://www.hbs.edu/faculty/units/marketing/Pages/default.aspx>
- Samuels, G. (2015, November 6). *Benefits of Social Media for Business*. Retrieved from The Social Savior: <https://www.thesocialsavior.com/benefits-of-social-media-for-business/>
- Saunders, M., Lewis, P., & Thornhill, A. (2016). *Research Methods For Business Students*. Edinburgh Gate, Harlow, Essex: Pearson Education Limited.

- Shuttleworth, M. (2016, May 24). *Explorable*. Retrieved from Methods, Validity and Reliability: <https://explorable.com/validity-and-reliability>
- Solis, B. (2007, June 28). *Defining Social Media*. Retrieved from Brian Solis: <http://www.briansolis.com/2007/06/defining-social-media/>
- Solis, B. (2010). *The Essential Guide to Social Media*.
- Solis, B. (2010). *The Essential Guide to Social Media*.
- Solis, B. (2010). *The Essential Guide to Social Media* .
- Terrel, K. (2015, June 16). *The History of Social Media*. Retrieved from History Cooperative: A short history of nearly everything: <http://historycooperative.org/the-history-of-social-media/>

# Appendices

## Appendix 1. The Interview questions

1. Nimi?
2. Ikä?
3. Kerro tavallisesta päivästäsi? (Autetaan haastateltavaa kysymällä mitä hän tekee aamusta iltaan asti tavallisesti)
4. Minkälaisia harrastuksia sinulla on?
5. Mitkä asiat ovat sinulle tärkeitä elämässäsi?
6. Missä viimeksi ostit vaatteita? Miksi ostit kyseisen vaateen/vaatteen (mihin tarkoitukseen/mikä vaikutti ostopäätökseen)?
7. Onko sinulla sosiaalisen median käyttötilejä kuten Instagram, Facebook, Snapchat yms.?
8. Milloin viimeksi käytit sosiaalista mediaa tai nettipalveluja? Mitä somea käytit ja miksi?
9. Seuraatko sosiaalisessa mediassa julkkiksia, lempi kauppjasi vai muita kiinnostuksen kohteitasi? Mitä?
10. Milloin viimeksi some on vaikuttanut ostopäätökseesi? Kuinka ja mikä kanava/liike/palvelu oli kyseessä?
11. Oletko Esprit FRIENDS jäsen?
12. Seuraatko Esprit Porvoon Instagram tiliä?
13. Kuinka usein asioit Esprit Porvoon liikkeessä?

14. Miksi olet juuri käynyt Esprit Porvoon liikkeessä? Milloin viime käyntisi oli? Minkälainen kokemus tämä oli? Mikä oli parasta ja mitä voisi parantaa? Suositteletko kauppaa ystävällesi?
  
15. Miten haluaisit Esprit Porvoon olevan yhteydessä sinuun? Kuinka usein haluaisit saada tietoa Esprit Porvoolta esim. uusista tuotteista, kampanjoista, tarjouksista yms.?
  
16. Olisiko käyttämäsi some kanavat sopivia tapoja ottaa sinuun yhteyttä Esprit Porvoon puolesta? Miksi/Miksi ei?