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SWEDISH MARKET ENTRY STRATEGY UTLIZING INTERNET MARKETING

The utilization of Internet marketing in a cost effective and efficient way to market a virtual world onto the Swedish market

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Abstract

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ABSTRACT

The purpose of this thesis is to review published literature both printed and electronic on the subject of Internet marketing. This will aid to provide guidance on how a newly started virtual world company would be able to conduct as cost effective and efficient Internet marketing as possible with focus on entering the Swedish market. The theory part of the thesis will review the most relevant technologies and marketing concepts for the commissioner of this work. The empirical part of the thesis is a qualitative research based on interviews among other Internet marketing experts in order to establish guidelines for a future Internet marketing strategy. The empirical part also serves to identify potential co-operative partners for the commissioner and identify possible competitors as well as presenting an overview of the target group situation in Sweden.

Internet marketing is in essence the marketing of products and services over the Internet. The dynamic aspect of Internet marketing makes it relevant that information sources are up-to-date in order for the provision of accurate information. Technology changes occur rapid and swiftly and in order for a marketer planning an Internet marketing strategy to be successful it is essential to have knowledge about technologies and tools available. The rapid digitalization of society has made it almost a necessity to have an online presence for businesses thus making it relevant to have a proper Internet marketing strategy. This thesis will show as I believe that having a strong online presence for businesses will continue to be important. Also keeping up with the development of the different concepts and technologies is essential for businesses to have a leading edge on its competitors.

Key words: Internet marketing, virtual World, viral marketing, buzz marketing, search engine marketing, social media marketing, Web 2.0, social networks, blogs, search engine optimization, Internet marketing strategy.

Contents

1 Introduction

In this chapter the background and objective of the research area is presented as well as the commissioner. This chapter intends to present to the reader why the study is conducted as well as setting delimitations in order to narrow down the study and emphasize where the focus of the thesis will lie.

1.1 Background & objective

The background and objective of this thesis is to present to the commissioner, Fantastec Oy a theoretical overview of Internet marketing and propose guidelines for a new market entry strategy utilizing Internet marketing. The guidelines will aid to market a Virtual world named Santa's Playground onto the Swedish market with as cost effective and efficient methods as possible utilizing Internet marketing. The Internet marketing strategy guidelines will rely on theory proposed and gathered in this thesis by the author as well as information retrieved from interviews among industry professionals working within the field of Internet marketing.

The purpose of the thesis is also to present possible Swedish co-operation partners that could be incorporated into the virtual world or used as online intermediaries and potential competitors based in Sweden which are localized on the Internet. Of particular interest to Fantastec Oy are winter holiday resorts in Sweden that possibly could be featured inside the virtual world. The thesis will also try to provide an overview of the target groups of interest to Fantastec Oy in Sweden.

With this study at hand this thesis has three main purposes that it intends to present to the commissioner:

- Present a theoretical overview of Internet marketing.

- Propose guidelines for a Swedish market entry strategy utilizing Internet marketing methods. Guidelines are based on data derived from interviews (primary data) and theory (secondary) obtained by the author of the thesis and should indicate how, where and why to market the virtual world in Sweden.

- Identify possible co-operation partners localized on the Internet and an overview of target groups from Sweden. Present an overview of the competitor situation in Sweden.

The commissioner

Fantastec Oy was founded, August 2009 by Juha Väisänen which also acts as company CEO after years of research and networking. Main headquarters is located in Oulu, Finland where the company develops 3D virtual environments and services in co-operation with some of the leading companies and organizations in Finland. The company focuses on project management, innovations and marketing. Currently Fantastec Oy has two virtual world services in development with the working title Virtual Lapland & Santa's Playground and an unnamed project about 3D politics. (Fantastec Oy, Oulu. 2009. Date of retrieval 04.03.2010.)

Virtual Lapland & Santa's Playground is a virtual world experienced in a three dimensional edutainment environment for children and their parents and by edutainment hence education and entertainment combined. It will be accessed by the user through browsing to a specific website where the virtual world is located and while logged in the user is able to experience the real Finnish Lapland depicting authentic locations such as Levi, Kemi Snow Castle and Snow Land of Iso-Syöte among others with fantasy locations such as Santa's Playground. (Fantastec Oy, Oulu. 2009. Date of retrieval 04.03.2010.)

Santa's Playground is an imaginary village in Virtual Lapland where Santa clause lives; here children can experience different educational and entertainment environments improving social and communicative skills. The environment is a society itself where its inhabitants can freely move, learn and communicate with others. The target groups of Virtual Lapland are children between the ages of 4-9 and their parents. Schools are also a target groups as it is possible to utilize Virtual Lapland to educate children in a fun and cost effective way. (Fantastec Oy, Oulu. 2009. Date of retrieval 04.03.2010.)

Through Virtual Lapland and Santa's Playground, Fantastec Oy aims to offer an effective marketing channel used for targeted marketing campaigns, PR, sales promotion etc. The virtual environment enables companies to directly market to certain segments by utilizing new Internet technologies, CRM-databases and other media. (Fantastec Oy, Oulu. 2009. Date of retrieval 04.03.2010.)

1.2   Research problem

The constant evolving and fairly new introduction of Internet as a marketing channel is a challenging task for a marketer to master. Having continuously new digital technology tools introduced and the many marketing concepts and techniques revolving around Internet marketing has made it difficult to pin point where and how a marketer should focus its effort in order to successfully plan and conduct its Internet marketing.

A different research problem from the commissioner's point of view has been that the new market entry is on the Swedish market where lacking knowledge about the market and a certain language barrier exists. As the author of the thesis originates from Sweden the language barriers are eliminated enabling more efficient information retrieval with better market knowledge.

1.3   Delimitations

This study will focus solely on what from the author's point of view after familiarizing and studying the subject at hand are the important aspects of Internet marketing relevant to Fantastec Oy's situation. The standpoint will be to conduct as cost effective and efficient Internet marketing as possible enabling them to break into the Swedish market and identifying potential co-operative partners from the Swedish market with an overview of Swedish target groups.

The theory part of the thesis will only provide basic theoretical information on market entry strategies and Internet marketing as the topics themselves are exceptionally large and complex. The theory of Internet marketing relates to a large amount of marketing concepts, technologies, methods and tools, therefore, the theory will focus on the concepts of relevance when establishing the proposed guidelines in the empirical part.

The search for possible co-operation partners will be concentrated to the northern part of Sweden with focus on identifying companies within the winter travelling industry and organizations promoting the Swedish tourist industry.

2   Literature review

This chapter intends to present the theory of the thesis to support the empirical part and provide to the reader adequate amount of knowledge to understand the different concepts being discussed. The intention is to provide the main theory behind market entry strategy and Internet marketing with a deeper approach on the concepts that will be used for the empirical part of the thesis.

2.1   Virtual world

An introduction to what a virtual world is needed to ensure that the reader of this thesis will grasp what Fantastec Oy aims to market into Sweden. The definition will only provide general information and no further information is intended to be discussed on the topic of virtual worlds throughout the rest of this thesis.

A virtual world is a digitally created environment of which users can interact and socialize with others (Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 373). The environment is either displayed as three-dimensional (3D) or two-dimensional (2D) (De Mesa 2009, 11). Users are represented as avatars, a character created by the player to inhabit the virtual world in order to interact with other avatars (Charlesworth 2009, 311). De Mesa (2009, 173) explains avatar as a term from Hindu mythology for the temporary body a god inhabits while visiting earth. De Mesa (2009, 173) continues explaining that in virtual worlds, an avatar is a visual representation of the user that interacts in the world.

Virtual world users

A misconception about what a typical virtual world user is exists as De Mesa (2009, 19) denotes that they're not all geeky pubescent teens and college students who may see the light of the day once a week. On the contrary, De Mesa (2009, 19) states that many are inherently social by nature and truly believe in the power of social media connecting people together in a way that improves life. What De Mesa means is that virtual world users originate and represent all corners of society that is depicted upon age, profession, family status, income. A virtual world user is not necessarily the stereotype person being described earlier in the paragraph in contrary to many

believes. The reasoning behind this conception is because virtual worlds have not yet fallen into the acceptance of the mainstream audience. Emergences of a new technology trends in many cases imply change to its intended user. This imposes several cycles of adoption and patterns before ultimately ending up in the hands of the mainstream audience, if ever (De Mesa, 2009 9-12). Charlesworth (2008, 312) makes an interesting point stating that the most successful branded virtual worlds are those targeted towards children, he mentions toy manufacturer Barbie, Bratz and Disney's Club Penguin among the more popular ones.

2.2   Market entry strategy theory

As the commissioner behind the thesis is interested in entering the Swedish market, the basic background theory of what market entry strategy is provided to the reader.

The selection of which market to enter is a key strategic decision for a business. It refers to either the selection of multiple countries or a specific country and in some cases even a market segment. In principle every country in the world is a candidate for a market entry and it is of essence that the possibilities in each market are researched and narrowed down in order to be manageable. (Benneth & Blythe 2002, 184.)

Benneth & Blythe (2002, 184) identify two approaches to localize probable countries or market segments: first by defining characteristics of the target consumers and examine countries that contain the sufficient amount of consumers with matching characteristics that is suitable and worthwhile for the new market entry. Secondly they discuss the probability to determine the markets to which the product will be sold easiest and adapt the marketing effort from the company to serve those markets (ibid, 185).

The concept of entry mode discussed by Hollensen (2007, 295) revolves around the institutional arrangement needed for entering a new foreign market. The decision to enter a new market is the result of anticipating the strength and direction of several differing forces (ibid 297). There are four main factors believed to influence the entry mode decisions; internal factors, external factors, desired mode characteristics and transaction-specific behavior (ibid, 297-298).

Further on in this chapter, market entry strategies in an Internet marketing context will be discussed. This will further help the reader to familiarize with the approaches available to enter a new market using Internet marketing.

2.3   Internet marketing

With the introduction of Internet profound changes has been imposed to the business landscape, changes that have affected marketing in a dramatic way. Consumers and businesses have access to immense amounts of information making product range and services wider and more approachable. Both product quality and customer service demands are high making it easy to search and change suppliers after needs. These changes in the business landscape in particular marketing means that marketers must master this new medium to meet customer expectations and at the same time remain competitive. (Roberts 2008, 25.)

What makes Internet marketing unique is its very dynamic environment; meaning, that technology; tools and trends are likely to change in a rapid pace as new technology is introduced. This creates great challenges for the Internet marketer to constantly master the different innovations relevant to their marketing strategy and assess which that is suitable to integrate with the traditional marketing for the specific companies' marketing campaign. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 3-5.)

Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 9) define Internet marketing as: *"the application of the Internet and related digital technologies in conjunction with traditional communications to achieve marketing objectives".* This definition signifies that Internet marketing successful rate is very much dependent upon the integration of traditional media such as print media. On the other hand this would also imply that all business utilizes traditional marketing techniques which are not always the case since a business in present time may very well operate only online and therefore the need of traditional media is not a necessity. The importance of the conjunction of both digital marketing communications and traditional is further acknowledged by Ramos & Cota (2008, 26) which states that traditional marketing and online marketing are merging into one and that online marketing will be a part of general marketing.

As with any business, specific objectives need to exist in order to prosper and be successful, this is equally true for Internet marketing. There are several reasons to why many businesses fail when the decision to go online without having proper objectives for it. When IT departments 'owned' web presence in the 1990s to insufficient knowledge of the new marketing medium to the separation from other more traditional marketing activities are among the more known. In regard to marketing there are three objectives to any Internet presence or activities: Brand development, revenue generation and customer service and support. (Charlesworth 2009, 28-29).

An organization objective of brand development means that an online presence compliments the offline branding efforts while the objective of revenue generation is to aid in increasing revenues into the organization. Online presence is utilized for customer service and support with reduced costs in a more effective way. The possibility of addressing all of these objectives is determined by the nature of the business at hand and it is possible that a business is more concentrated towards one of these objectives. (Charlesworth 2009, 28-29).

Roberts (2008, 12-13) discusses a different but equally important approach in regards to objective and goal settings as she declares that marketers dealing with Internet marketing attempts to achieve four separate generic goals. These four goals include customer acquisition, conversions, retention and growth in customer value.

- Acquiring new customers is a common goal for all businesses and marketers and with the addition of Internet adds a new channel with new techniques to acquire customers.

- The conversion of potential customers from just contacting a company through the e.g. company website to a purchasing customer.

- Retaining new customers turning them into loyal customers as it is cheaper to retain a customer than to acquire new ones.

- Improving the value of the customer base by tracking customer behavior and calculating the profitability of individual customers since not all customers are equally profitable.

Multichannel marketing and integrated marketing

Multichannel marketing is the combination of traditional and digital marketing channels at different points of the buying cycle and is most effective when integrated with other communication channels according to Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 12).

A similar approach of Internet marketing and its integration with traditional marketing channels is discussed both by Ramos & Cota (2008, 10) and Charlesworth (2009, 340) as integrated marketing which in essence is the integration of two or more marketing channels to sell a service or a product. When deploying an Internet marketing strategy it is vital to the marketer in planning how these marketing channels, both traditional and digital are able to contribute and support each other. This means analyzing both its strength and weaknesses so that they are able to balance of each other and strategically integrate in order to meet customer expectations.

2.4   Marketing in the Internet

The capabilities of the Internet have affected marketing in many different ways. As an interactive medium it allows for dialog opportunities between the marketer and potential customer as well as tailoring of marketing programs in ways not possible before. (Roberts 2008, 82.)

There are four significant characteristic of the Internet identified by Roberts (2008, 82) that affect marketing. By providing interactivity, easy communications are without difficulty set up with potential customers through various Internet enabled technologies. Marketing activities conducted on the web has the potential of being information driven, meaning that activities conducted by prospective customers are potential data to be utilized in different promotional activities targeted towards a specific target group. Internet also enables immediacy in that way that immediate responses to customer queries or seasonal campaigns are easily deployed if needed to. Internet also provides a sense of involvement for potential customers by making them participate in online games or stream videos. (Roberts 2008, 82.)

To comprehend and monitor the environment a business operates within could be fundamental to the success of a company. The business climate is faced constantly with changes, changes that need to be monitored and responded upon accordingly. Such understanding of an organizations environment is a concept known as situation analysis. With the situation analysis an organization is able to shape their strategies more efficiently by collecting and reviewing information of its external environments and internal processes and resources (FIGURE 1). (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 49.)

The internal resources and assets are influenced by corporate objectives and strategies. The external analysis should provide information of the customers on how the demand and structure on the market is. Who are the competitors and what kind of strategies do they have? The importance of monitoring digital technology evolvements is necessary when conducting a situation review. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 214.) ´
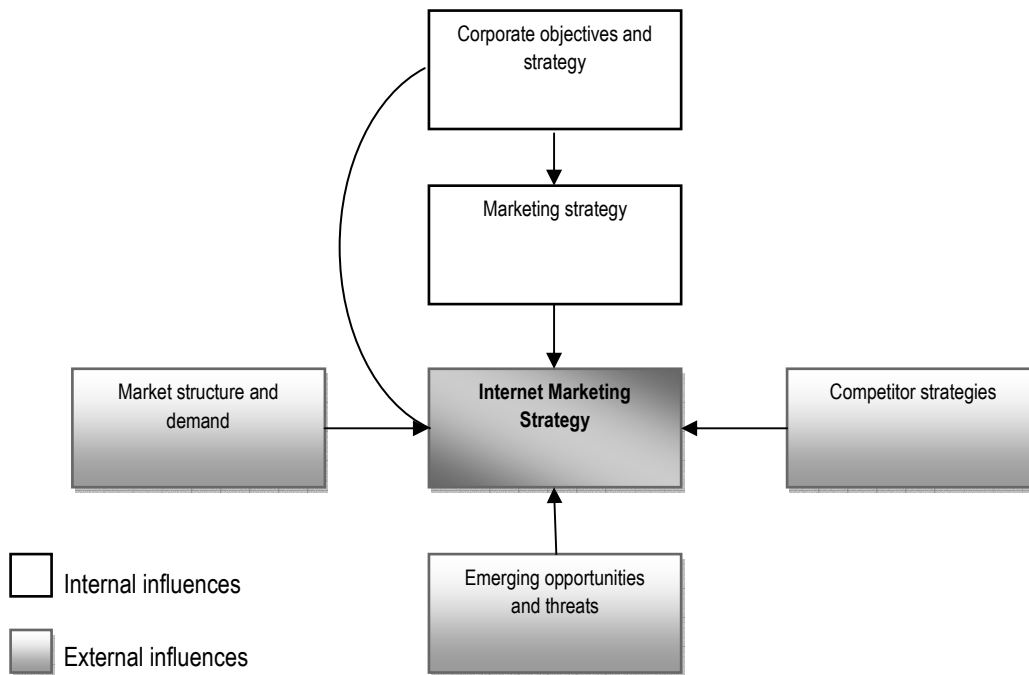
FIGURE 1. The internal and external influences according to Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 202.)

The Internet micro-environment

The Internet micro-environment sometimes known as the operating environment is significant when developing an Internet marketing strategy. It refers to the effects suppliers, competitors, intermediaries and customers have upon the organization. This involves assessing the probable utilization of electronic communications for an organization which is vital when developing an Internet marketing plan. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 49-50.)

Performing an analysis of the online market place a business operates within helps to make it clearer of the main types of online presence that a company could have. The online presence describes the consumer behavior between search engines, media sites, other intermediaries to an organization and its competitors. Since search engines are the most probable tool when potential customers are searching the web for information it is essential information for a company to understand key phrases that are entered in search engines which is relevant to the company. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 53-54.)

To better understand the environment a business operates in, an online market place map is a helpful guide (FIGURE 2). The online market place map reveals the importance of the different online intermediaries in the marketplace. The online marketplace map is described by Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 54) and contains four main elements; Customer segments, search intermediaries, intermediaries and media sites and destination sites**.**
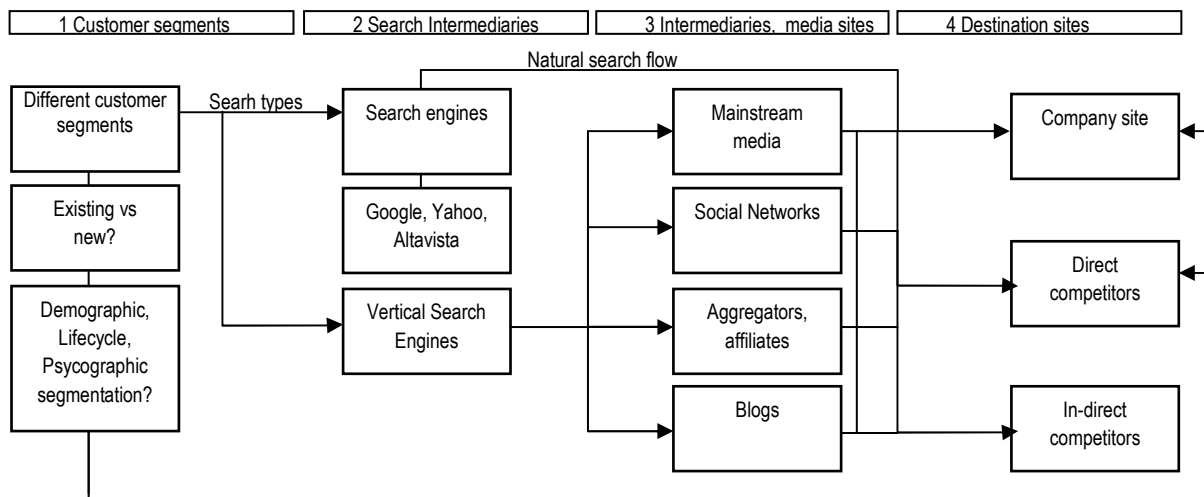
FIGURE 2. Simplified online marketplace map (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 54).

In order to efficiently perform an online market place analysis there is an array of resources available on the internet that are both free and paid services.

Online marketing intermediary sites are firms that provide aid in order to help a company in marketing its products and services. The provision of destination sites linked to a companies' products and services help connect companies with its customers. The destination sites are usually provided through portals such as Google, Yahoo! among others. Type's of online intermediaries vary and can represent a vast array of different businesses such as auction sites, online social networks, forums, price comparison sites, search engines. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 91-95.)

2.5 Internet marketing mix

With digital media the utilization of the marketing mix has enabled new opportunities for the marketer to vary it in order to create a marketing strategy. The marketing mix consists of the classic 4 Ps which is an abbreviation for Product, Price, Place and Promotion. A problem that is recognized by Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 277) about the 4 Ps is the fact that the concept originates from the 1960s and is of more a product orientation where the message is pushed to the customers and thus limiting customer involvement.

The digital era and Internet has made the role and interaction of the customer increasingly important where customers are more in an active role then a passive. Customers search information, compare products and prices and formulate their own opinions before a decision is made. Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 277) suggest that to mitigate this effect and consider the 4 Ps from a customer perspective the utilization of the 4 Cs framework should be used. The 4 Cs frameworks is an abbreviation of; Customer needs and wants, cost to the customer, convenience and communications. The 4 Cs frameworks takes the 4 Ps and considers it from a customer oriented perspective which is more suitable when developing an Internet Marketing strategy since the role of the customer is more active. This means that when the marketing mix is used with a customer approach, knowledge of customer behavior is essential which is usually obtained through market research. What type of online presence intent a business has is a factor when the marketing mix is used and clearly the 4 Ps need to be adapted accordingly to that.

Product

The Product of the 4 Ps refers to the characteristics of the product. The decision making regarding product characteristics is commonly made by conducting market researches in order to gain knowledge of what customer's needs and wishes are from a product. Since this thesis handles the Internet marketing of an online virtual world the theory part will not be discussing the product as something physical. Instead focus will lie on branding the product on the Internet.

Branding the product on the Internet is how a potential customer perceives the product or service offered. Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 289) have identified three main characteristics of a brand that need to adapted to the online environment. The first definition is that the "*brand is dependent on customer perception*". Second definition is that *perception is*

"influenced by the added-value characteristics of the product". Third and last definition is that the *"added-value characteristics need to be sustainable"*. This means that if a customer has prior positive or negative knowledge about a brand the customer will perceive that brand accordingly to those experiences and it is the added-value characteristics of the product that have an effect on this.

For a business to avoid a potential customer not having negative experiences of a brand and turn to a competitive company, the added-value characteristics of the product must be sustained always so that the competitive edge will not be lost. The switching of brands among customers is likely to occur more commonly when customers has the possibility of researching and comparing different brands over the internet. This is a major reason to why the sustention of the value-adding characteristics of a product is of importance. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 289-295.)

Price

Pricing refers to what pricing policies a business has of its product or service and what kind of pricing model will be utilized for payments. The pricing is commonly in relation to the product or service offered by the company and in what stage of the product lifecycle it is in. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 295.)

An important aspect of pricing is to be aware of the price transparency defined since the availability of pricing information is more apparent due to the Internet. The provisions of similar or identical products or services on the Internet enable customers to quite easy make comparisons of the prices and make a decision upon that. The disregard or the lack of precaution to these factors that customers are having access to the possibility of comparing prices may very well lead to the loss of a potential customer for a competitor. The need to emphasize a strategy for dealing with price comparison is to highlight other features of the brand so that cost is not the differentiator when a purchase or a comparison is being made. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 296-297.)

Pressuring the prices downwards is caused by the increased transparency further enhanced by comparison sites and the increment of competitors as well as the role of the Internet (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 299). What approach should a marketer of a virtual world would take is dependent upon what type of business model it has. A suitable approach

would be to look at competition-based pricing as a common online approach. This would mean investigating what kind of business models other virtual worlds have that are competing for similar customer groups when decision upon the pricing method is made. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 303.)

Place

Place is the element of the marketing mix that discusses how the product is distributed to the customers. This is more relevant in an offline context where the actual product is something physical being transported from point A to B. In an online context Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 306) discuss that due to the ease of navigating from one site to another, "*the scope of Place is less clear since Place also relates to Promotions and Partnerships*". They further state that in order reach a potential audience a company need to look towards third-party sites used by their target audience in order to promote themselves and increase their visibility.

Third-party sites are related to search engines, different portals in relation to the product or service being offered and comparison sites. The utilization of the concept known as long-tail is an effective way of maximizing reach and attracting quality visitors to its website. The concept is based on utilizing third-party sites whereas the head is a few sites that account for the main portion of the visitors that a company is interested in reaching e.g. Google. The tail is third party sites of smaller size but larger in quantity thus making them equally important as the head, and enables a firm to potentially reach more niche market segments. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 307.)

When the intention of reaching the global markets is part of a company's business objectives, the company needs to take into consideration that the website could need specific tailoring in order to support the customers which may possibly not be acquainted with language or the cultural differences that exists. Localization may include cultural adaptations, language differences or different product needs and each of them are of equal importance when doing business outside of the company's home country. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 310.)

Promotion

Promotion is the element of the marketing mix that refers to how the company communicates with its customers or stakeholders about its products or services. The promotion element of the marketing mix consists of several different ways to communicate with customers and stakeholders. This mix of tools is known as the promotional or communications mix. Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 314) summarize the main elements of the promotional mix and display its online equivalent (TABLE 1).

TABLE 1. Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 314)

Communications tool	Online implementation
Advertising	Interactive displays, ads, pay-per-click, search advertising
Selling	Virtual sales staff, site merchandising, chat and affiliate marketing
Sales promotion	Incentives such as coupons, rewards, online loyalty schemes
Public relations	Online editorial, blogs, feeds, e-newsletters and e-blast
Sponsorship	Sponsoring an online event, site or service
Direct mail	Opt-in e-mail using e-newsletters and e-blasts
Exhibitions	Virtual exhibitions and whitepaper distribution
Merchandising	Promotional ad-serving on retail sites, personalized recommendations and e-alerts
Packaging	Virtual tours, real packaging is displayed online
Word-of-mouth	Viral, affiliate marketing, e-mail a friend, links

Selecting the appropriate mix of these tools and utilizing them correctly when planning the strategy for a company's Internet marketing communications enables a high probability for optimal reach for companies to convey its message to the correct target market. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 314.)

7 P's

Since the introduction of the 4 P's concept of the marketing mix, three additional elements have been introduced. These are people, process and physical evidence elements. They are closely related to customer relationship management and online presence maintenance, aspect which

with no reservations is likely to have an impact upon customer loyalty and word-of-mouth. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 276-277.)

People

The people element of the marketing mix refers to how the employees of a company interact and communicate with its customers. In an online context the people element refers to how the roles of a company's staff have changed when a customer is purchasing or requesting service for something. This would mean that there is an importance for companies to research how the customer service is conducted and how to implement the online applications most effectively. As an example would be when creating FAQ (frequently asked questions) where a problem might arise if the questions and answers are insufficient and there is no other way of getting in contact with a representative from customer service. This would most likely result in an unsatisfied customer that will change its perception about the company and in turn go elsewhere. The best approach to deal with this is for a company is to have well thought out plans in order to maximize the customer relations efforts. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 316-317.)

To increase understanding how consumer behavior on the Internet functions, Roberts (2008, 115) presents a model of Internet consumer behavior (FIGURE 3). The model starts by the consumer reaching a stage of awareness, awareness that could have been obtained from either offline or online mediums. In terms of search behavior two basic types are identified; the goal oriented which has an objective of some kind, either a task or an objective to be solved or information searches in relation to a specific product or service. The other type is the experience oriented where search activities are not task oriented such as information accumulation and recreation. Task completion means that a successful outcome of a consumer behavior has been reached. In the physical world this is defined as a consumer reaching a purchase. In the Internet environment the purchase from a marketer's perspective is seen only as an intermediate step for the consumer in becoming a repeat user or a loyal customer as shown in the number of repeat visits. The use and consumption behavior of a product, service or information gathered over the Internet is not something that is destroyed as a physical product over a period of time. This is especially true in regards of information obtained through the Internet as it is often shared among individual. (Roberts 2008 114-123.)
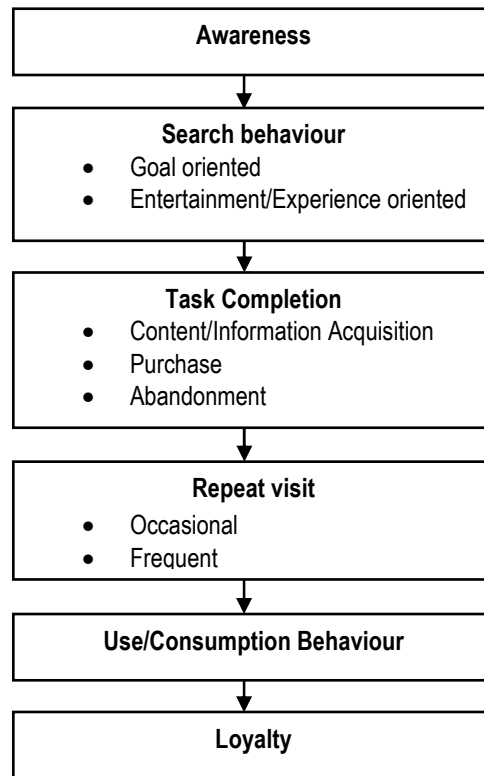
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┌─────────────────────────────────────────┐
│               Awareness                 │
└─────────────────────────────────────────┘
                    │
                    ▼
┌─────────────────────────────────────────┐
│            Search behaviour             │
│   •  Goal oriented                      │
│   •  Entertainment/Experience oriented  │
└─────────────────────────────────────────┘
                    │
                    ▼
┌─────────────────────────────────────────┐
│             Task Completion             │
│   •  Content/Information Acquisition    │
│   •  Purchase                           │
│   •  Abandonment                        │
└─────────────────────────────────────────┘
                    │
                    ▼
┌─────────────────────────────────────────┐
│              Repeat visit               │
│   •  Occasional                         │
│   •  Frequent                           │
└─────────────────────────────────────────┘
                    │
                    ▼
┌─────────────────────────────────────────┐
│        Use/Consumption Behaviour        │
└─────────────────────────────────────────┘
                    │
                    ▼
┌─────────────────────────────────────────┐
│                Loyalty                  │
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FIGURE 3. Internet consumer behavior model as suggested by Roberts (2008, 114).

Process

The methods and procedures that businesses utilize in order to achieve and fulfill its marketing functions are referred to the process element of the marketing mix. These methods and procedures could be promotions, sales and customer service among others. The process variable is used for such operational activities as improving customer service by suggesting a company preferred contact channel such as only by e-mail and then try to minimize the average time of response hence cutting costs. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 318-319.)

Physical Evidence

In an online context the physical evidence element of the marketing mix refers to the customer's experience of the company through the Internet such as the company website or a virtual world accessed through the Internet. Usability, availability and performance issues are relevant to the customer and important for a business to understand since these issues would easily discourage a potential customer and in the worst case scenario the business looses that potential customer. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 319.)

2.6   Internet Marketing Strategy

The provision of an Internet marketing strategy is needed for businesses in order to stay competitive. Its role is to support other marketing and business objectives so that a clear direction exists where the business is heading. The strategy is very much similar to traditional marketing strategy in the sense that it includes a goal setting, situation review, a strategy formulation and where resource allocation occurs and the monitoring of it (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 201-204).

So how would a business know where to put its marketing efforts and set the scope of its Internet marketing strategy? First it must be aware that having an Internet marketing strategy revolves more around than just improving the functionality of the company website. There exist many other key issues necessary to handle such as what online intermediaries to utilize, search engines, redesigning business processes and the way communication with co-operative distributors and other partners have been handled and so on. It is apparent that the importance lays in how to satisfy online customers the best using both Internet as a marketing channel and more traditional channels (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 201-204).

Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 207) identify differences in how media selection occur between traditional marketing strategies and Internet marketing strategies. They reckon that it becomes a more strategic decision for an Internet marketing strategy as media investments or the techniques utilized are continuous activities. This occurs on a year round basis as opposed to traditional marketing where media is generally utilized as appropriate for each campaign.

It is a must to be aware of what the most efficient strategy approach is when developing the Internet marketing strategy. This is especially true considering the swift technology and markets place changes that occur among businesses operating today. Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 212) discusses the differences between having a prescriptive strategy and emergent strategy approach. The emergent strategy approach is when the strategic analysis, strategic development and strategy implementation are interrelated and developed together. The benefit of having an emergent strategy approach and why it is relevant in an Internet marketing context is that it enables quick and efficient response in sudden changes such as in technology or legislations. Unexpected changes may enable the opening of strategic windows when opportunities arise through considerable changes in the environment a business operates in. The

danger with having an emergent strategy approach is that mistakes are likely to happen more frequently when the need for a rapid response due to an e.g. change in technology is needed. The reason for this is that evaluations and implementations might not be properly done due to its rapidness which could cause a negative customer perception of the company. The importance of a well developed Internet Marketing Strategy is to approach it in a planned and structured way in order to minimize risks and to take full advantage of the digital communication channels available. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 212.)

Strategic goal setting

The goal setting when creating a strategy should revolve around what business objectives Internet is able to help achieve. When assessing the incorporation of an Internet marketing strategy, a marketer need to investigate in what way it can help a business better achieve its business objectives. Is there a need for the business to improve and strengthen its brand image, could the incorporation help to reduce costs or increase sales and leads or is it possible to improve the way a business conducts its customer service? (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 222.)

In order to assess future risks and strategies a useful strategic analysis approach called scenario-based analysis could be utilized. The scenario-based analysis approach involves the creation of models from future environments developed from different starting points. This helps marketers to elaborate and discuss with different future scenarios that might occur and enables them to experiment with different strategies. The strategies are developed in conjunction with probable scenarios that are likely to take place in a future perspective thus making the company better prepared for what the future might hold. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 223-224.)

When elaborating with the assessment of future risks and strategies it is useful to investigate the benefits, both tangible and intangible that the Internet provides as marketing channel and turn them into corporate objectives (TABLE 2). (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 224.)

TABLE 2. Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 324)

Tangible benefits	Intangible benefits
Increased sales from new sales leads giving:	Corporate image communication rise due to increased revenue from:
• New customers, new markets	• Enhanced brand
• Existing customers (repeat selling)	• More rapid, more responsive marketing communications including PR
• Existing customers (cross selling)	• Improved customer service
Cost reductions from:	• Learning for the future
• Reduced time in customer service (online self service)	• Meeting customer expectation to have a website
• Online sales	• Identifying new partners, supporting existing partners better
• Reduced printing and distribution costs of marketing communications	• Better management of marketing information and customer information
	• Feedback from customers on products

Strategy Formulation

Formulating a strategy based on goal settings and situation review enables the marketer to define how a business will commit its marketing efforts to the Internet. This involves setting the correct online value provision (OVP) for customers of the website defined by Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 16) as: *"A statement of the benefits of online services that reinforces the core proposition and differentiates from an organization's offline offering and those of competitors."* This definition compels the importance of a customer's experience of a brand through high quality content, design, the interactivity and its rich media such as videos and music. Strategy formulation also involves how businesses take advantage of new markets with latest and existing products and how new distribution channels can be utilized. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 232.)

Resource allocation and monitoring

The scope of an Internet marketing strategy varies noticeably depending on the size and needs of a business. The important factor is to know where to allocate and concentrate the marketing efforts in the strategy. An approach towards developing the website functionality is a natural step in a strategy but, in order to truly gain as much as possible from an Internet marketing strategy it

is essential to investigate the possibilities in other online intermediaries and marketing concepts such as blogs, social networks, buzz marketing and Search Engine Optimization (SEO). The selection of technologies and concepts available are many and it is up to the developer of the strategy to have extensive knowledge upon these concepts and technologies in order to align the Internet marketing strategies successfully. Essentially having clear objectives and strategy on how Internet marketing is able to contribute positively to a company's business objectives and marketing strategies is what differentiates other business from each other and enables them to have a competitive lead on the market. An important factor of a successful Internet marketing strategy is for a business to have knowledge about how to segment its customers and to target and position them. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 202-207.)

Key features of Internet marketing strategy

Key features of an Internet marketing strategy as a channel marketing strategy means that it needs to be aligned together with the overall business strategy. This is done by having clear objectives for the business and brand development and the online contribution of leads and sales for the Internet or other digital channels utilized. Consistency among the types of customers that use the Internet is also of importance since these potential customers are the ones of interest that are possible to effectively be reached through the Internet. To do so, there needs to be a well defined differential value proposition offered and effectively communicated to the customers and a specified mix of online and offline communication tools. The mixes of tools are then used to attract visitors to interact with the company brand through the channels offered and the company website. Throughout the buying process the requirement of support is of importance at the different stages of the online customer lifecycle such as attracting prospective customers to the website, converting into real customers then retaining and growing them to become loyal customers. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 16.)

Challenges with the development and management of an Internet marketing strategy

The challenges with the development and management of an Internet Marketing Strategy are many although some are more common than others. The more noticeable deals with the non specific objectives set for an Internet marketing strategy and the unclear responsibilities for its activities. Budgeting for an Internet marketing strategy is a challenge in the sense that it could be insufficient due to the underestimated customer demand for online services and wasting budget

because of unsuccessful experimenting with other tools and suppliers without achieving economies of scale. This in all could potentially lead to competitors gaining market shares through more efficient online activities. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 23.)

Other challenges include the development of the new online value propositions for consumers as Internet as a marketing channel is treated without reviewing its opportunities. This could possibly lead into an experimental approach instead of a planned one so that e-communications are poorly integrated between online and offline marketing. This possibly makes Internet as a marketing channel insufficient without being able to measure or reviewing it properly in order to improve its effectiveness. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 23.)

2.7   Digital marketing communications

Digital marketing communications refer to the online communication tools or media channels that a marketer can utilize in order to deliver content. This ranges from conventional websites, search engines to newly introduced techniques such as microblogs. For practical and strategic aspects of Internet marketing the provision of key differences between traditional vs. digital media communications is necessary. The reason for this is that digital media communications has different approaches and outcomes by allowing new forms of interaction and information exchanges. Therefore it is of importance for an Internet marketer to be aware of these differences. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 31.)

The interactivity aspects between a marketer and customer have changed drastically with digital media communication techniques. Traditional media utilization is known to have a push effect, meaning that a marketing message is pushed towards a customer thus limiting the interaction between the company and marketer. When taking new digital media communications into consideration both a push and a pull mechanism occur. Often it is the customer that initiates contact by searching and browsing on the Internet predominately using search engines. The aspect of digital media communications used in marketing is that it should promote dialogue between company and customer and not a monologue where there is only one actor pushing a message. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008. 31-32.)

Whereas market research is required in order to gather business intelligence when working with traditional media communications, digital media communications enable low cost methods in

collecting business intelligence. Statistics, customer behavior are easily retrieved and tracked through websites by utilizing web analytics tools. (Mayer, Chaffey, Johnston & Ellis-Chadwick, 2008 32.)

The provision of tailored marketing communications is a great advantage when using digital media communications. The utilization of traditional media pushes the same marketing message to all customers at once while digital media communications enable a marketer to individually tailor the marketing message often based on intelligence collected about potential customers. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 32.)

Integration further denotes the importance of multi channel marketing when incorporating digital media communications with traditional. Outbound Internet-based communications revolves around how the Internet is able to assist the other marketing channels in order to promote products and services of a company to new and existing customers. Inbound Internet-based communications discusses how Internet is used as a complement to other marketing channels to deliver customer service. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 33-35).

When developing an Internet marketing strategy and thus defining the company's new communications strategy invokes a change in its industry. Two concepts are of relevance when this occurs according to Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 35) which are disintermediation and re-intermediation. Disintermediation is defined as *"the removal of intermediaries such as distributors or brokers that formerly linked a company to its customers"* and re-intermediation defined as *"the creation of new intermediaries between customers and suppliers providing services such as supplier search and product evaluation"*. What is of importance in this aspect of digital media communications is that there is a realization of what intermediaries that the company should be represented on and how competitive it is in comparison to its competitors. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 35.)

Digital media communications has enabled companies independent of location by increasing its reach immensely. An opportunity to penetrate international markets at a low cost allows for businesses to expand and seek new markets that has not been able before have increased with digital media. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 35.)

Challenges with digital communications

There is a great misconception regarding the usage of digital media in terms that it is easy, quick and cheap when deploying it. The complexity of the tools and methods available may require expertise help or the need to outsource certain tasks since that expertise is not available within the company itself. Responding and monitoring competitor behavior as well as having the edge lead on technology changes are strategically an important approach of a business in order to reach a successful outcome when managing a digital marketing campaign. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 38.)

2.7.1 Online Public Relations

The digital age has changed the role of PR and the way information is transmitted to the masses. In a historic perspective PR people were perceived as gatekeepers of information where information would pass through them and onto the public whereas of today the fast spreading of information has made it available to all interested in finding it and thus limiting the power of the PR people (Charlesworth 2009, 326). Harden & Heyman (2009, 149) suggests that online PR practitioners are encouraged to think like word of mouth marketers in order to reach individuals on the web and influence them without having to rely on the more traditional marketing channels. The key questions that need to be addressed are what do we want to say and where and to who do we want this information to be available to?

Web 2.0 has changed the way public relations (PR) functions, consumers are choosing how, when and where they get news and information that is important to them. Online public relations are closely related to other communications techniques such as the Web 2.0 approaches, Search engine marketing, Viral and Buzz marketing among others to aid in pursuing business objectives. (Harden & Heyman 2009, 148.)

Online public relations invokes favorable mentions of a company, brands, products or websites on third-party websites that are likely to be visited by its target audience. With online PR it is possible to extend reach and raise awareness of a brand and generate backlinks valuable to a company's Search Engine Optimization (SEO) and be utilized to support viral marketing activities in other media. This indicate that the main aspects of online public relations are the media relations used in an online context that are utilized to influence those in the marketplace. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 523.)

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The positive aspects of online public relations are the ability to reach mass audiences or niche markets at a low cost; this would be further emphasized if it was surrounded by a buzz. Enhancement of a brand and increasing its credibility are also positive side effects of successful online PR where positive comments in forums, blogs and so on could influence the perception of a brand. As there are positive aspects of online PR obviously there are negative aspects of online PR as well. The downside is unfavorable media mentions such as negative comments and reviews from forums and blogs. If possible and resources are available the best approach is to actively participate in the discussions and provide counter arguments to this although this could be risky. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 524.)

There are several approaches to the management and planning of online public relations. They include establishing good communications with media such as journalists. Examples include onsite areas specifically intended for press releases and the option to provide feeds such as RSS or podcasts. In addition increasing the visibility on third party sites and providing backlinks related to the company website will increase visitor traffic thus improving the company's SEO (Search Engine Optimization) and by establishing and managing Web 2.0 content such as blogs, social network sites among others. This will make it possible to turn previously passive consumers into active contributors with user generated content. Managing and planning online public relations is also sustained by utilizing Viral or Word-of-Mouth marketing methods through the creation of buzzes and how it is presented on third party sites. How a brand is presented on third party sites relates to monitoring how the brand is mentioned on other sites and how to deal with it e.g. through services like Googlealert, Market Sentinel, Nielsen Buzzmetrics among others. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 525-534.)

2.7.2   Social media marketing

Internet empowers consumers with the ability to discuss and share experiences in either a positive or negative manner about a company's products or services utilizing social media. The social media will in this remark either strengthen or diminish Internet marketers marketing efforts by enabling the participation possibilities of a consumer. Social media is according to Evans & Bratton (2008, 34) *"a collaborative process through which information is created, shared, altered and destroyed",* these processes occur on various online social media channels utilizing the spectra of available Web 2.0 techniques such as blogs, social networks, forums, wikis and video sharing sites among others and are likely to develop and change with time as new channels, trends and technologies are introduced. Social media enables effective information gathering

about how a brand, product or service offered is perceived in the social media environment. (Evans & Bratton 2008, 32-34.)

The decision to engage with social media from a company standpoint is generally not entirely in the marketer's hand. Social media is in many ways already including companies in that way that there are consumers already engaging in conversations about a company's product or services with the marketer having little control over discussions unless its followed, monitored and responded upon accordingly (Evans & Bratton 2008, 36-38). This is further supported by Charlesworth (2009, 293-294) which addresses consumer generated content (CGC) as when *"...the content suggest that the writer has experienced the product, organization or service and whishes to pass that experience on to others"* and continues by stating that *"the most significant impact that CGC has had on marketers is in the way it encourages the general public to write their own comments about products and services that they have experienced"*. Assuming that this is correct means that Internet marketers has to have the ability to influence the consumers engaged in social media and by so enable themselves a strong market position by listening (comments, ratings, voting), tapping into conversations, learn from them and respond.

Influencing an audience through the utilization of social media means being transparent with disclosure issues already sorted out and by being sincere. With disclosure issues meaning with what are you willing to share concerning the motives behind the marketing campaign. The influence should arise from something that makes the crowd want to participate and engage in discussions in a positive manner and continue it (Evans & Bratton, 2008, 36-38). An important factor in influencing an audience is being able convey trust by being transparent as Evans & Bratton (2008, 20) make the point *"advertising is a great way to hear about something new, but the information presented is not, by itself, considered "trustworthy. Hear about it in an ad, but then ask your friends if it's any good"*. In order to convey an marketing message within social media and thus being perceived as "trustworthy" is essentially by providing transparency as Evans & Bratton (2008, 20) continues by stating the obvious that *"If I am willing to disclose my own self-interest, then there is a good reason to consider 'truthful' the balance of what I might say."*.

Charlesworth (2009, 299) makes a good point when discussing about new product launches and reaching the influencers, members of the consumer community that has the ability to influence other consumers purchase decisions. Previously it was difficult to reach and identify these influencers, but with social media in particular these influencers reveal themselves e.g. through blogs and social networks enabling easy monitoring and assessments of them.

Web 2.0

The Web 2.0 concept was coined in an article published in 2005 by Tim O'Reilly**.** The concept of Web 2.0 is that through interactive technology tools and social communications techniques will facilitate interaction between web users and participation which in turn leads to user generated content (UGC). This is the main purpose and idea behind the concept of Web 2.0. The user generated content is intended from a marketing perspective to have a viral effect with the implication that the content generated by a web user will be discussed both in an online and offline context. Charlesworth (2009, 292) states that consumer generated content CGC, a term closely related to UGC, suggests that the writer of the content has experienced the product, organization or service and wish to pass on this experience to others. Tools and techniques that facilitate Web 2.0 include blogs, social networks, microblogs, vlogs, rich media, wikis and RSS feeds among others. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 12-14.)

Social Networks

Communication and interactivity is a fundamental cornerstone to social networks operating as a site that provides peer-to-peer communication within groups or between individuals. Social networks aid to the creation and development of user-generated content and the possibility to communicate through messages and comments. What essentially makes up a social network is for users to sign up and create profiles that will enable communication, exchange of content and maintaining and building relationships. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 11.)

Social network sites have seen an exponential growth in the last years and have turned into a very popular place for people to spend time as Shih (2009, 81) points out that: being aware of where prospective and real customers spend time on the Internet is of relevance to marketers and this happens to be on social networking sites which in numbers reach hundreds of millions active users on sites such as Facebook, MySpace and Hi5.

As a marketing channel, social networks provide more personal marketing possibilities with higher precision by directly being involved with customers. This also means putting the company brand in a vulnerable position as customers are participating in a more active role discussing products. This could either strengthen or weaken the brand image and the only way for the marketer to mitigate this effect is to have an active participation with the customers by responding in an appropriate manner and thus learn from customers at the same time. The concept of

customer engagement has been increasingly important due to the emergence of digital communication channels. The necessity of including the customer through involvement and interaction provides valuable knowledge to marketers. The customer engagement management is synonymous with social networks, blogs and forums. Both positive and negative feedback needs to be managed accordingly depending on its nature and could provide valuable information to a company. How a company decides to react or respond to customer engagement depends ultimately on the marketer managing the campaign. It could have a positive effect and strengthen the credibility of a company and its brand or have a devastating effect. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 38-39.)

Worth to be noticed concerning social networks is that among the most popular ones such as Facebook and MySpace the revenue source comes from advertising. Although this is proven to be successful for these particular sites an Internet marketer planning an advert should be aware that the response rate on adverts inside of social networks tends to be low since focus is on interaction among users and not on the actual ads (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 373.) This is also recognized from Shih (2009, 82) that when a user logs into a social networking site there is a feeling of being with friends where communications has been more relevant than purchase intent.

From an online PR perspective social networks are useful in assessing current trends and opinions. They help e.g. assisting in recommendations of products or services to other peers where it has first been discussed on the social network site. The social network is also able to act as a feedback channel for the marketer where feedback has either been requested or observed from discussions. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 531.)

Blogs

A blog is described as an online diary created and maintained by a sole or several persons, company or an organization. It provides a way to present content such as text, images sounds and links in a personal way and making it capable for readers to leave comments and feedback. The interactivity through blogs is usually sustained with the addition of comments as a mean of discussions and feedback. A posting is varied from blog to blog for the reason that it is intended to be personal and represent the author of the blog in its own way. As a marketing channel having maximum effectiveness is to ensure that what is communicated through the blog is of

interest to your customers. How frequent updates occur depends upon the owner of the blog. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 527-528.)

Business blogs or corporate blogs are a valuable tool to show the capabilities, developments and know-how of a company and functions as a valuable channel of which networking and learning about customers and the company itself is provided (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 527). Providing transparency throughout the corporate blog is a key to its success since the point of the blog is predominately to maintain a free exchange of information from its followers. Having a paid blogger or a fake blog also known as a slog is risky as such that if being exposed it could lead to negative publicity and disclosure problems (Evans & Bratton 2008, 211).

Microblogs

Closely related to blogs is the microblog which to date is an important tool of social media and Web 2.0. A microblogs intention is to facilitate thoughts and communication in a shorter and more compressed way than for instance an entry on a blog in a context among people who are interested of the thoughts of others. The most common and know microblog service is currently Twitter with most users available. Other possible microblog service available on the Internet includes Seesmic, Tumblr, Pownce and Plurk and it is up the responsible Internet marketer in deciding which service is the most suitable for them. With the utilization of a microblog such as Twitter a very personal contact is able to be established with its followers. To be noticed is that people or consumers choose to follow a microblog such as Twitter which means that spamming and flooding them with post that bare no relevance will be at risk of losing followers and gaining a negative reputation. Realizing this and balancing this fine line of interaction and relationship building offers an effective tool to interact, influence and learn about its customers (Evans & Bratton 2008, 174, 211).

Widgets

A widget is a small software application intended to provide functionality or real time information feeds. They are usually incorporated into a website or a social network such as Facebook with its endless amount of applications by its owner and are a relatively new concept associated with Web 2.0 and Internet marketing (Mayer, Chaffey, Johnston & Ellis-Chadwick, 2008, 532-533). Shih (2009, 38) states a benefit regarding social networks and widgets which is that when a

similar platform application widget is installed on a social network site it facilitates as a channel to interact with all other friends that have installed the same widget thus connecting people and encourages people to engage with a brand

Widgets enables republishing or spreading of material about a company brand in a fairly trouble free and controllable way as long as they provide something of value to its user. It should be of relevance and useful to the target group and spawn relationship building with communication exchanges as results (Harden & Heyman 2009, 106-107).

Wikis

A wiki is a similar approach to a blog as it is also participative. The main difference from a blog being in a sequential order facilitating a collective conversation is that an entry in a wiki reflects a collective consensus. A wiki revolves around owners and readers whereas blog postings occur in a sequential order mainly with date deciding the order of the entries and with the possibility for readers to post comments. With a wiki, posts and comments occur differently as such that both readers and owners are able to modify posts. The entries on a wiki evolve over time with the collective consensus from both owners and readers. For business purposes a wiki is able to effectively convey product or service information and company information and let customers participate and collaborate in building and develop the wiki based on their collective experiences. There is also the possibility to utilize a wiki for internal purposes in a company where the company owns the wiki and employees develop it. (Evans & Bratton 2008, 57-58.)

2.7.3   Search Engine Marketing

Search engine marketing is the usage of a search engine to increase the click through rates to a specific website. This is made possible by placing messages on a search engine that is then matched to the words or phrases a user types when performing a search. Turning to the major search engine providers such as Google, Yahoo!, AltaVista or MSN Search has become something of a natural step when consumers are seeking products, services or entertainment. This has made search engine marketing into an increasingly important aspect of Internet marketing. It is arguably in many senses that search engines functions as gateways leading and guiding people, users or potential customers to websites which means that mastering search engine marketing will be highly relevant to businesses in order to stay competitive. Two key

techniques relevant to search engine marketing are known as search engine optimization (SEO) and paid search marketing. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 506.)

Search Engine Optimization (SEO)

Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 27) defines Search Engine Optimization as "*a structured approach used to increase the position of a company or its products in search engine natural or organic listings (the main body of search results page) for selected keywords or phrases*". Charlesworth (2009, 178) further defines search engine optimization as "*the practice of making a website attractive to a search engine by presenting its code and content in such a way that the search engine will assume that it will address a specific inquiry from a (human) searcher*". The later definition clarifies that it is not the search engine being optimized which could be a misconception when looking at the term but instead it is the optimization of the website that in turn leads to improved ranking in search engine result pages (SERP) and consequently potentially reach more customers.

The SERP is the page that shows the results of a request on a search engine. On the major search engines the SERP are listed or divided into two columns where the left column displays the organic listings (unpaid) which are the result of the search engine optimization and on the right side column the sponsored listings also known as paid ads. On most major search engines the structure of the SERP is not so strictly divided and tends to blend the results as it not only searches for web sites but also images, videos, maps (Charlesworth 2009, 183). For a marketer it is important to be aware of search engine behavior among searchers and the importance of having your website highly ranked as visitors decrease the lower the website is ranked. Studies indicate that companies that appear high in both organic listings and paid listings will be perceived as more attractive and therefore increasing the amount of leads and sales. (Charlesworth 2009, 185.)

SEO revolves around keyword matching which means that the selection of keywords when optimizing a website is highly relevant. The reason for this is that keywords are matched by the search engines with the keywords a searcher utilized when he/she is using a search engine. The issue that occurs when deciding what keywords to match the website with is that the Internet marketer must think outside the box and try to get into the head of the potential customer and essentially figure out the possible search keywords being typed by the searcher into the search bar. First of all when considering keywords is that they should be highly relevant to your business

and site and secondly the search volume should be high meaning that the terms being searched for are things that searchers actually look for. (Charlesworth 2009, 185-187.)

There are three types of searches that the Internet marketer should be aware of and they relate to what kind of information a searcher is looking for as suggested by both Charlesworth (2009, 187) and Ramos & Cota (2008, 140) which are:

- Informational searches, where the searcher is looking for a specific information concerning a fact or a topic e.g. text information, how-to video, instructions.

- Navigational searches, related to something specific e.g. a company website, a person, organization.

- Transactional searches, related to information that could result into buying a specific product or service, watch a video or listen to a specific song, download a file.

Charlesworth (2009, 185) found that the involvement on SEO is determined by the organization's marketing objectives and is divided into three business categories where category number one, pure play category was of most relevance to a virtual world existing only online. The pure play business is according to Charlesworth (2009, 185) dependent on the web for its income, therefore featuring high in the SERP is essential. If the decision has been made especially by an organization belonging to category one that prioritizing SEO is not relevant the immense efforts must be committed into other ways of creating sales and leads.

Is it feasible to perform your own SEO or should it be outsourced? Ramos & Cota (2008, 170) states that it varies on the size of the website and what competence the holder of the website has itself. Since SEO itself can become a full-time job and requires extensive knowledge both from a technological aspect as well as from a business aspect it is wise to consider outsourcing the SEO, especially if the website is critical to a company's revenues. When a decision has been made to outsource the SEO, selecting the appropriate SEO company is a process that needs to be well thought through since the level of quality may vary. It is wise to look at well established SEO companies with a solid list of clients. Using LinkedIn.com or VendorRate.com is a good approach at finding consultants or SEO companies and while in the process of contacting ask for references and contact them. If the SEO company is not using analytics in their SEO it is not advisable to hire their services since without the usage of analytics the focus on the SEO is of more traditional nature which means the focus is more on the technical aspect and not the business goals of the company which utilizing analytics provides Ramos & Cota (2008, 140-141,

170). Analytics are explained by Ramos & Cota (2008, 10) as software utilized to manage Internet marketing campaigns and enables for tracking and analyzing of results and enabling segmentation and profiling of customers.

Paid Search marketing & Pay-per-click (PPC)

Paid search marketing is a similar approach to conventional advertising where a simplified text ad with the link to the company website is displayed next to the organic search engine result pages (SERP). Pay-per-click (PPC) is an effective way of improving a company's visibility on search engines. Combined with SEO it is able to strengthen a company's competitive position. Compared to traditional advertising PPC is a more cost effective way of advertising since cost only occurs when a person clicks on the paid ad hence pay-per-click leading to a company's website. As with SEO the usage of keywords occurs also with the PPC methods which enables for highly targeted advertising and thus enables better leads since the interest tends to be high. The benefit with paid search marketing such as PPC is that it is technologically easier than SEO and does not require long term commitment from the responsible representative of the company. Set up time is also faster compared to SEO which depending on site complexity can take everything from weeks to months. There are a few aspects of paid search marketing that Internet marketers need to be aware of such that it is a competitive and in many aspects expensive marketing tool due to its popularity. Since bidding is the method behind obtaining keywords or phrases bids could tend to be driven up to levels out of reach for companies with less marketing budget thus making it an inappropriate marketing channel from a cost perspective. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 507, 517-520.)

Charlesworth (2009, 232) points out the difference between SEO and paid search marketing or as he phrases it, search engine advertising that with SEO keywords are placed on web sites whereas with paid search marketing keywords are purchased by the advertisers through bidding. Worth noticing as Charlesworth (2009, 232) continues is that the amount that the advertiser purchased the keyword or phrase for is also the amount that will cost the advertiser every time a person clicks on the link on the advert. If an inexperienced bidder has ended up in bidding war where prices have been driven up to unacceptable levels it could prove to be a costly mistake for the company.

Although PPC is not as advanced as SEO it still requires specialist knowledge about the bidding systems and configuration. It is also a time consuming field of work monitoring biddings and keeping up-to-date with changes which in turn requires trained personnel. With that in mind it is wise to consider whether or not the decision to outsource the service. Larger companies may have the resources to do this in-house while smaller firms need to look into possibilities of outsourcing or the disregard of this marketing channel. Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 517-520.)

The main search engines currently present on the Internet have each their own paid advertising programs available which are:

- Google Adwords (http://adwords.google.com)

- Yahoo! Search Marketing (http://searchmarketing.yahoo.com)

- Microsoft adCenter (http://adcenter.microsoft.com)

Display advertising (paid advertising)

The usage of display ads is to create brand awareness and increase purchase intention among potential customers. A display ad is merely an ad containing static graphic content or rich media content. Rich media is content on a website or an advertisement which is not static, meaning; it contains either sounds, animation or provides interactivity for the user. Rich media is widely used in today's Internet Marketing since higher Internet connections are offered. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 539-540.)

Ad serving is an important process when displaying an advertisement on a website. What ad server platforms provide is ways to place the advertisement on other websites through special software that enables monitoring and tracking as well as management of ads used in campaigns. The advertisements are usually served from a web server different from where the actual ad will be served. Google and Microsoft are among the leading ad serving platform providers when they acquired DoubleClick an Aquantive. (Harden & Heyman 2009, 178.)

2.7.4 Online viral marketing, word-of-mouth and buzz marketing

Word-of-mouth marketing is a concept related to viral marketing also sometimes referred to 'buzz marketing' but wider in context. Word-of-mouth marketing in essence facilitates conversations to

take place and presents people with a reason to discuss a company's products or services (Mayer, Chaffey, Johnston & Ellis-Chadwick, 2008, 556). Using an array of different media techniques a message is possible to be conveyed quickly from one person to another. Online viral marketing is used with the intention to spread messages rapidly by taking the advantages of the network effect of the Internet and thus maximizing reach to a larger mass in a cost effective way (ibid). An important point made by Charlesworth (2009, 318) suggest that viral marketing is merging together with social media marketing since it relies heavily *"--on people using the various elements of social media in order to forward the message"*, he also points out that *"--like many aspects of SMM – effective viral marketing is strategic, and not something to be left to individuals to conduct on an ad hoc basis"*.

As the Internet network effects are key components to Viral marketing, social networking sites are used to effectively amplify those network effects by offering a communication environment that facilitates ideal conditions for sending and receiving messages (Shih, 2009, 99). Viral marketing enables Internet marketers a possibility with low budget to convey a marketing message to a large mass assuming that the message conveyed will have a viral effect or create a buzz. The risk with a viral marketing approach is that there are no guarantees that the campaign will become viral and a buzz will be generated thus the effort and investment in the campaign will be lost. (Mayer, Chaffey, Johnston & Ellis-Chadwick, 2008, 559.)

The empowerment of the recipients in a viral campaign is also a drawback with viral marketing since there is lack of control and the transparency of information. Once a campaign has been launched, controlling how the recipient of the message has perceived it is a difficult task for the marketer and requires active and conscious participation in discussions. A buzz is not anything complicated as Rosen & Créwe (2009, 2) clarifies it as *"--person-to-person communication about someone or something"* where *"--the basic building block is a comment"*. But, in order for this to occur something in the marketing message must trigger the conversation making the message go viral. In practice the campaign ought to contain something that makes the receivers of the message want to pass it along to its peers whether it would be simply forwarding e.g. a video containing a political message received in an email or discussing the video when meeting a group of friends. Not only does the campaign message need content that's creative whether it would be a text, video or an image, an Internet marketer also must have knowledge where to initiate the spreading of the campaign message. Required identification of blogs, websites and other people relevant to the campaign message with influential power upon mass individuals are good places to start the campaign. (Mayer, Chaffey, Johnston & Ellis-Chadwick 2008, 560-561.)

3   Methodology

The purpose of this chapter is to present to the reader the research methods used for obtaining the necessary data in order to conduct this thesis.

3.1   Selection of research problem

The selection of the research problem originated from the commissioner Fantastec Oy. The commissioner intends to market its virtual world, Virtual Lapland & Santa's Village into the Swedish market utilizing Internet marketing and identifying possible co-operation partners from Sweden. This implies that there are two distinctive research problems that need to be separated and researched apart from each other.

- The research problem of providing market entry guidelines based on Internet marketing for the Swedish market.

- The research problem of identifying possible co-operation in Sweden for Fantastec Oy and presenting an overview of the target groups and competitors.

The author found it interesting to explore to possibilities that Internet marketing can possibly offer to enter this market and by researching the potential co-operation partners found there since the author originates from Sweden. As a channel to conduct marketing through, Internet offers an array of technologies, tools and methods as well as marketing concepts to keep track of. The selection of research problem was also to make this clearer and provide an overview of Internet marketing with the assumption that it is a topic interested to many and well worth further research as it constantly evolves.

3.2   Research purpose

Classifying research according to its purpose means it could be described as exploratory, descriptive, analytical or predictive. Exploratory research is used when the research problem has few prior studies behind it and the aim is to look at patterns, ideas or hypothesis. Descriptive research is conducted to describe a phenomenon as it exists by identifying and obtaining information on the characteristics of a particular problem or issue. (Collis & Hussey 2009, 5.)

The purpose of this study as stated in chapter 1 was to:

- Present an overview of Internet marketing

- Propose guidelines for a Swedish market entry strategy utilizing Internet marketing methods. Guidelines are based on data derived from interviews (primary data) and theory (secondary) obtained by the author of the thesis.

- Identify possible co-operation partners localized on the Internet and an overview of target groups from Sweden. Present an overview of the competitor situation in Sweden.

Therefore the combination of exploratory and descriptive approach was chosen as it intends to explore, explain and describe the research problems at hand. The accomplishment of the study will be proposed guidelines for a Swedish market entry strategy using Internet marketing and identifying possible co-operation partners. This will aid Fantastec Oy in reaching its business objectives to enter the Swedish market.

3.3   Selection of research method

Research is something that is fundamental to both the business and academic world. The general consensus is that research is a process of enquiry and investigation which is systematic and methodical and aims to increase knowledge. This suggests that in order to collect and analyzing research data appropriate methods are required and the application of them needs to be meticulously applied. (Collis & Hussey 2009, 3.)

In order to deal with the research problems in this study a research method needs to be selected. The main approaches to collecting data in research purposes are qualitative and quantitative. Depending upon the nature of study and scope the approaches are utilized either as separate methods or in conjunction as they are able to incorporate elements of each other and be complementary in reaching an understanding regarding the study. (Collis & Hussey 2009, 7.)

Qualitative research

A qualitative research approach involves collecting qualitative data and analyzing them using interpretive methods according to Collis & Hussey (2009, 7). Data derived from the qualitative research are in nominal form such as words and images (ibid, 63). The research involves

interviewing of people in groups or individually with the aim to explore issues underlying beliefs or behaviors that will aid in the development of products, brands, services or communications with the public (Marks 2000, 7). The sample of research should be limited and represent the key element of that universe to be researched in order to better understand it for useful and valuable insights (ibid). Marshall & Rossman (2006, 97) identify four typical methods for qualitative research data: participating in the setting, observing directly, interviewing in-depth and analyzing documents and material culture.

Interviews conducted with a qualitative research method are based on a topic guide with open ended questions and techniques (Marks 2000, 7). This enables the respondent to discuss the matter at hand more freely in a way meaningful to them not affected by a questionnaire (ibid, 8). Open questions allow respondents to answer in their own words which affect the examination of respondents answer to the degree that key words, phrases and themes need to be identified. (Collis & Hussey 2009, 200.)

The contribution derived from qualitative researches represents a number of areas. Of interest in relation to this study as Marks (2000, 24-26) elaborates are the possible contribution of the identification and provision of insights into target groups and the assessment of the influence of new technologies and its guidance.

As the nature of this thesis is to provide guidelines on a market entry strategy into the Swedish market using Internet marketing and the provision of identifying possible co-operative business partners in Sweden, a qualitative research approach is chosen with open questions. The author believes that this method will provide more insight to analyze and understand the topic being researched.

3.4   Qualitative Data Collection

Researching using different methodologies and methods will result in two types of data to be collected and analyzed namely primary and secondary data (Collis & Hussey 2009, 73).

Primary data

Primary data refers to data generated from original sources such as surveys; own experiences, interviews or focus groups (Collis & Hussey 2009, 73).

In relation to structuring the market entry guidelines utilizing Internet marketing the primary data from this study is derived from interviews conducted with Internet marketing professionals and companies in Sweden. The decision of selecting the particular Internet marketing professionals at hand is to ensure high quality of data to be analyzed and compared in order to structure the guidelines properly. The selection of interviewees is based on their location to ensure proper market familiarity and that their knowledge of Internet as a marketing channel is sufficient. A list of the contacted people and companies is found in Appendences 1.

The data collection method for obtaining primary data to support the creation of market entry guidelines using Internet marketing will be through a questionnaire sent by email to the selected respondents. The questionnaire is formed as such that it is based on theory combined from market entry strategies theory and Internet marketing theory.

Secondary data

Secondary data refers to data collected from an existing source such as publications, databases, internal records and are possibly available in hard copy or on the Internet (Collis & Hussey 2009, 73).

Secondary data in relation to the market entry guidelines utilizing Internet marketing are collected through various hard copy books and Internet sources. Books concerning the study has either been purchased by the author of the thesis or borrowed from Aalto University Library, School of Economics in Töölö, Helsinki.

When researching possible co-operative partners in Sweden as well as presenting an overview of Swedish target groups, secondary data to support the study will mainly derive from the Internet. The information retrieval will come from visiting websites related to the potential co-operative partners of interest to the commissioner as well as organization providing statistic information to be analyzed.

Designing the questionnaire

A questionnaire is a list of structured questions that serves to gain reliable responses from a specific group of people. The questionnaire is utilized to collect primary data and is completed by

the respondent. The purpose with the questionnaire is with the help from the responses to address the research questions at hand. (Collis & Hussey 2009, 191-192.)

Designing the questions concerns with what types of questions, the words used to formulate them, its order in which they are presented and the reliability and validity of the responses. In order to ensure this, explaining the purpose of the study to the respondents is necessary. This could be accomplished by starting the questionnaire with a paragraph or a covering letter explaining the purpose. (Collis & Hussey 2009, 193.)

When determining the research question, the researcher needs to come to terms what he/she wants to find out regarding the selected topic (Holliday 2002, 31). The questions in nature are able to be varied relating to the topics and scenarios being investigated (ibid). The initial stated questions should be associated to the research problem and the importance of the study with a connection to the literature provided. (Marshall & Rossman 2006, 39.)

Two risks of conducting research utilizing questionnaire is recognized by Collis & Hussey (2009, 19) which are questionnaire fatigue and non-response bias. These issues should be considered when taking into account the use of a questionnaire as respondents may be reluctant to answer them due to the reason that they will not accept unsolicited requests by email, post or telephone. Or as with unreturned questionnaires which pose the problem of the data collected not being representative of population being questioned (ibid.)

To eliminate the risks of questionnaire fatigue and non-response bias, the initial contact with the respondents will be by telephone to the extent that it is possible. This is done to ensure a sense of trustworthiness between the author and the respondent participating in the survey. This will make certain that the probability of receiving sufficient amount of responses will be enough to properly represent the data collected towards its population and effectively deal with the research problem.

Since the main research question is to find out how a business could enter the Swedish market utilizing cost effective and efficient Internet marketing. The probability of receiving sufficient answers might be low because of the nature of information that is asked to be given from the interviewees. The information might be valuable and something that the company/person would normally invoice customers for in exchange for it.

3.5 Validity and Reliability

Reliability refers to the credibility of the findings in a research. To ensure credibility the research should not show any differentiation in findings if it was conducted again. As for validity in relation to research findings it should accurately reflect the phenomenon under study. (Collis & Hussey 2009, 64.)

In terms of validity, known Internet marketing professionals have been selected to ensure accurate and valid grounds to base the findings upon when conducting the interviews. The selected interviewees have also been selected from the criteria that they originate and operate in Sweden ensuring sufficient market knowledge. When collecting secondary data to identify potential co-operative partners in Sweden the validity of the findings are enforced since the author of the thesis originates from Sweden thus providing sufficient market knowledge with an elimination of language barriers.

The reliability of the study will be ensured by attaching the questions (appendix 2) from the interview so that if a similar study would be carried out, the results and findings would show little absence in differences.

3.6 Methodology critique

As Internet marketing is very dynamic in its nature, technologies, tools and methods are very trend sensitive which means that they will differentiate and change through the course of time. With this in mind, the reliability of this study findings are not 100 percent accurate which should be taken into consideration if an attempt to conduct the study again.

There is also a concern regarding the assurance of correct information being retrieved as the research in conducted through e-mail which does not guarantee that the actual recipient of the email is the correct respondent answering the questionnaire.

4 Empirical research: Market entry strategy guidelines

The purpose of this sub-chapter is to present interview results retrieved from respondents of the questionnaire to aid in the construction of the Swedish marketing entry strategy. The accomplishment of the finalized guidelines would thus give hints or indicate how, where and why to enter the Swedish market utilizing Internet marketing. The guidelines are constructed by the author from theory knowledge as well as results derived from the interviews.

4.1 Presentation of interview results

As mentioned in sub-chapter 3.4 there are two identified risks when conducting the research, questionnaire fatigue and non-response bias. In order to minimize that for mentioned risks would occur; telephoning all the respondents, presenting and discussing the research intentions was done in order to gain the recipients approval before the questionnaire could be submitted by email. In total 18 respondents were contacted this way and approved to the given opportunity to answer the questionnaire.

The type of information that was requested from the respondents in order to support the construction of the guidelines was also a risk that had to be taken into consideration. This was, after speaking to all respondents over the phone the risk that would possibly cause most difficulties in receiving answers to the research. As mentioned in sub chapter 3.4, the nature of information asked for would normally be of value to the person or company answering the questionnaire as they would most probably invoice its customers to convey this sort of information.

The outcome of the questionnaire was that all risks unfortunately occurred after contemplating what went wrong. As mentioned previously, the initial contact was by telephone in order to establish a personal relation with them, ensuring that they were willing to participate in the research. The initial conversations that occurred over the phone were overall very positive and the recipients had no issues in looking at my questions and answering them. They were also given a reasonable time frame to answer the research questions of two weeks. The reasoning for giving two weeks was to ensure that the respondents would not have too much time and possibly

postpone or forget answering the questionnaire. The plan was that after one week of waiting for the answers to come back I a reminder would be submitted to the respondents.

To conclude the research and questionnaire would be that it was a failure, despite the planning and precautions taken to minimize the occurrence of risks happening. The outcome was one received answer out of all the respondents which is not sufficient in order to use and support the creation of the market entry strategy guidelines. The greatest fault behind the non-response was the nature of information being asked for and lack of time or noninterest from the respondents although they did not indicate this during the telephone sessions. This noninterest could derive from the fact that many of the respondents told that they often were contacted by students to participate in surveys or questionnaires of this nature. Some respondents also mentioned while speaking over the phone that they were uncertain that they wanted their information to be associated with the thesis work of the author and the commissioner since they had only minor knowledge about them. An attempt to discuss this matter with them was made suggesting that they would be able to read the finalized thesis report before it will be published in order for them to approve it or not which was accepted.

Although there were insufficient amount of responses to the questionnaire, an attempt to construct the guidelines will be made. The guidelines will be based on the authors own thoughts and ideas throughout the learning process of writing this thesis as well as from the compiled theory.

4.2   Analysis: Presenting the guidelines

In order to start constructing and presenting the guidelines, it is essential to look at the main research question.

How could Santa's Playground enter the Swedish market utilizing cost effective and efficient Internet marketing?

Analyzing the question at hand tells that: with the help of Internet marketing the commissioner of the thesis work would like to enter the Swedish market as cost effective and efficient as possible. Firstly, what needs to be determined is what strategy approach to take and which that would be of cost effective and efficient nature.

In this case it is suggested focusing an emergent strategy approach where the analysis, development and implementation of the strategy are interrelated. This strategy approach enables

fast responses to changes in environment the commissioner operates in and would therefore help them adapt to technology, legislation or competitor changes more efficiently.

In my opinion, before embarking on creating a strategy it is important to start researching the new market, in this case Sweden. The research will help institute a clearer picture of the target group, competitor situation and market which in turn simplifies what sort of challenge that lies ahead when the overall strategy is founded. This will be further discussed in chapter 5 where target groups, co-operative partners and competitors will be presented. I believe that establishing a solid foundation of the strategy is crucial before analyzing what channels to use so that the right communication platform adapted to market strategy is utilized. Otherwise the lack of knowledge of the new market could possibly lead competitors gaining the competitive edge and target groups not being reached properly.

In terms of localization, the marketing of the virtual world intended to be launched should be adapted to the Swedish market. I believe this is an essential part of the strategy, mainly enabling communication of the marketing message more clearly in the same language as the target groups but also to convey trustworthiness and professionalism. As the target groups of the virtual world are children between the ages of 4-9 and their parents there is a question to whom the marketing should be concentrated to. Some of the aspects to be taken into consideration are that if the language is not adapted to the market particularly concerning children there will certainly be communication issues to deal with. This obviously concerns parents as well although the issue of not understanding the marketing message would probably not apply here as most Swedish people are familiar with the English language. In the parents case it is more about how trustworthy and secure this virtual world would be in order to let their children use it. I believe that, to gain parents trust you must both speak the same language therefore all marketing when launching the virtual world should be conveyed in Swedish. It could, as an example, be so that if Fantastec or Santa's Playground have a corporate blog written in English this could be translated into Swedish so there is consistency in what information is conveyed to its target groups. To further emphasize the importance of having a mutual language, in this case Swedish is that, from the educational standpoint parents probably associates the Swedish language with Swedish educational standards. In my opinion, this will further increase credibility of the educational aspects of the virtual world making parents not view it reluctantly.

So to whom should the marketing efforts be concentrated towards? I reckon focus should be on reaching the parents of the children. The parents are the caretakers of their children and

ultimately the responsible adults making decisions on what their children are allowed to do and what not to do. Reaching and convincing the parents is thus the key in order to market this virtual world into Sweden. To convince parents' means ensuring security and reliability inside the interactive learning environment that will in turn benefit their children in a positive way. Assuring someone, in this case parents that a virtual world to be used by their children is secure and reliable place is a great challenge. Overcoming this challenge is in my opinion transparency, showing that no hidden agenda exists.

Transparency means disclosing types of information that will affect parents' perception of the virtual world in a positive manner. It should be very clear before initializing the Internet marketing campaign what motives are behind it as parents will most certainly scrutinize it with very critical eyes. Key in this aspect is to envision what parents find to be important information and qualities in order for them to trust a website or a virtual world. I believe that engaging the parents to participate in dialogues with Fantastec e.g. through Social media utilizing a corporate blog or a forum is what will affect parent's perception into trusting Santa's Playground to the extent that they will let their children use it. By not pushing marketing messages through hard targeted campaigns and instead create two-way dialogues with parents will provide valuable feedback as well and in best cases have a viral effect. The viral effect will thus be that parents talk to other parents spreading the word which further increases the virtual world's reputation. Obviously making the decision to disclose as much information as possible is a high risk. Situations with negative publicity will certainly occur and it is essential to have highly educated and professional staff maintaining the relations with the parents or customers of Fantastec.

It is a sensitive topic when children and commercial interest are combined under the same forum. The greatest challenge is to find the balance between the educational and safety aspects towards children's usage of the virtual world so it will not collide with the commercial interests of Fantastec. Otherwise parents will quickly in my opinion notice it and negative publicity will be inevitable. If marketing efforts towards reaching children is still applied then it is worth noticing that children are protected differently than adults in Sweden when it comes to advertising.

According to the Swedish consumer agency there are certain rules and praxis that have been established by the Swedish International Chamber of Commerce when advertising to children. It states among others that, advertising shall not take advantage of children's or youth's naivety or lack of experience or underestimate skills and age that normally is needed to use a certain product. The advertising cannot contain depictures in words or pictures that may cause children

or youth's to be subjected to physical harm or be affected negatively in a physiologically or morally matter. Also, advertising shall not give the impression that possession or use of a certain product will give an advantage towards fellow peers. It shall not either undermine parent's authority or responsibilities or contain direct urging to children or youth's to convince parents to purchase the advertised product for them. Of interest to the commissioner is the part regarding marketing over the Internet directed towards children which states: The general standpoint is that the marketing should not be formed in such way that it resembles games or is integrated into games. Also games and similarities to games shall not be interrupted by advertising either. It is also of importance that companies need to inform that children are not allowed to sign agreements. Furthermore, e-commerce companies should not collect personal data of children. (Konsumentverket, Reklam till barn. Date of retrieval 2.5.2010.)

As there are numerous ways to market over the Internet, it is not possible to address every single option available on it. In the following sub-chapter I will try to give brief concrete justifications to where I believe that Fantastec should focus it Internet marketing strategy. This should give an idea of how the virtual world and Fantastec should be marketed, where marketing efforts should be concentrated and finally justify why.

How, where and why?

In order to determine how to enter the Swedish market using Internet marketing, clear objectives is a necessity. Clear marketing objectives enable solid directions for Fantastec to market its virtual world into Sweden. In this case, clear objectives would be to enter the Swedish market using cost effective and efficient Internet marketing. The goal setting would thus be establishing Santa's Playground in Sweden and acquire new Swedish customers such as parents with children between the ages of 4-9. Acquire co-operative partners within the Swedish tourism industry, Internet intermediaries such as educational organs or websites for parents.

Defining what online value proposition Fantastec and its virtual world Santa's Playground should convey to its target groups would be the next thing to establish among the staff involved in the Internet marketing campaign before proceeding. This means determining what the brand of the virtual world should convey to its customers and why it is better than its competitors. The online value proposition of Santa's Playground would be to present a virtual world with high quality educational content and entertainment in an interactive learning environment with high security standards to parents and their children. For businesses and other co-operative partners the

online value proposition would be to offer an interactive marketing tool with cost effective targeting possibilities within an interactive learning environment.

As important it is to have clear marketing objectives, dividing responsibility areas between staff is equally important. Fantastec must in this regard have suitable and devoted staff/s with clear responsibility areas that meet the requirements to manage an Internet marketing campaign to enter the Swedish market. Suitable staff would be having corresponding educational background to be able to conduct Internet marketing and Swedish language knowledge along with Swedish market familiarity. Language knowledge is of particular importance as it facilitates the necessary communication in order to meet the needs of customers and users of Santa's Playground.

Selecting an appropriate mix of online communication tools and methods that aids to reach the marketing objectives and goal settings would now be suitable to establish. There are many Internet marketing methods to choose from and in my opinion settling for only one is not a wise decision as it limits the ways of how to market Santa's Playground over the Internet. I would suggest selecting a mixture of communication tools relating to social media and viral marketing and search engine marketing together with Search Engine Optimization (SEO). The communication tools mix should also correspond to the foundation of knowledge among the staff managing the Internet marketing campaign. This is to ensure that the staff has sufficient knowledge to manage and handle all aspects of the campaign in a professional and effective way. Otherwise this could impose high costs and a failed market entry attempt. Therefore, before selecting the communication tools mix, establish aspects of the campaign that the staff would be able to manage by themselves and look for ways to either outsource or further educate staff within those areas that are not manageable. A good example would be within the field of SEO, an exceptionally complex and continuous time-consuming work in order to receive high placing in the organic listings of search engines.

The first selection to review for a possible incorporation in the communication tools mix would be social media marketing. Social media is today widely used as a cost effective and efficient method to market and communicate over the Internet. To utilize social media means creating, sharing and participating in conversations with the potential users, customers, critics and media among many others. The most common channels available to market through social media are blogs, microblogs, social networks, forums, video sharing sites and wikis. Before specifically analyzing what channels to focus on it is worth noticing that social media requires time investment. By time investment meaning that is not enough to set up accounts on the most

popular social media sites and expect that customers will automatically find you. Social media marketing or Internet marketing requires vast amounts of time to be invested in order to keep up with the fast paced environment. It is of outmost importance to realize that if you market through social media encourage employees to participate in it as well. Let them be present in the dialogues and comments that are actively being discussed in the areas where you have presence and where target groups are located.

The first Social media channel that I suggest looking into would be the social network, Facebook. On Facebook, Fantastec could firstly make use of all employees to add Fantastec as their employer. Secondly, establish fan groups for both Fantastec and Santa's Playground where all employees join and their friends are invited to join with the encouragement to participate and take part in the discussions being held in the groups. For location purposes, a separate group for Santa's Playground written and maintained in the Swedish language is encouraged to be established. Depending on the staff maintaining and the vastness of their contact net on Facebook, meaning the amount of friends they have, status updates and sharing news with your friends should be encouraged as well as active participation with wall postings and discussions held within the groups.

Facebook advertising is also a helpful tool to highly targeted marketing. What is helpful about advertising on Facebook is that it allows for geographical segmentation and high accuracy to target the right target groups in terms of social statuses, age, gender and interests. The interface for setting up the advert is very simple and allows for easy optimization and tracking possibilities. Something to bear in mind is the probability of people actually paying attention to the advertisement. In my opinion users of Facebook do not come there to look at advertisements, they are there to socialize with friends and exchange information. Therefore, before setting up an advertisement, evaluate if it is necessary to create one and investigate if there are other possibilities to reach the intended target groups. Other possibilities that Facebook offers could be to develop an application that is integrated with the virtual world of Santa's Playground. This application would be intended for the parents whose children are using Santa's Playground so that they can monitor their children's progress from Facebook.

Simon Sundén, a known Internet marketing specialist from Sweden writes in his blog that Swedish Facebook users have increased by 1, 2 million new users in 10 months. He reckons that the primary social network in Sweden is Facebook and that it is a place for companies to invest in the possibilities it can offer. (Join Simon, Facebook Sverige 2010. Date of retrieval 3.4.2010.)

Setting up a corporate blog should also be initiated. From here, information is conveyed to users and customers of Santa's Playground. I believe that allowing interactivity, transparency and information through a blog will strengthen Santa's Playgrounds brand image as a sincere virtual world. Through the blog it would be possible to integrate it with other social media channels such as the microblog service Twitter and also repost all blog posts into the Facebook groups. Active participation, blog posts relevant to the target groups and staff knowledge on how to manage the blog are key aspects to a successful blog. It would be a good idea to educate and have common guidelines among the staff of Fantastec and Santa's Playground on how to behave when both negative and positive mentions, comments and blog posts are posted. For example, everyone should be aware of how transparent the blog can be, uncertainty should be discussed with managing person before acting to answer upon negative publicity or other inquires. Also, do not answer immediately to comments or other blog posts before carefully contemplating what to answer in order to ensure that correct information is conveyed. This could be applied to blog posts, answering comments or engaging in other discussions. Realize that your activity generates reactions from followers in form of other comments and that it is important to follow up what others are saying about Santa's Playground and Fantastec.

Establishing relationships with other bloggers is a good way to increase favorable mentions of Santa's Playground. People who blog often write and link back to things they find interesting in their blog posts. In Sweden there are many blog portals where it is easy to find blogs maintained by people within the target group of Santa's Playground such as the parents. Having presence on these blog portals is also a good strategic move in order to further expose the corporate blog of Santa's Playground to others. Suggestions to blog portals from Sweden:

- www.knuff.se
- http://blogsearch.google.se/
- http://www.twingly.com/
- http://bloggtoppen.se/
- http://bloggportalen.aftonbladet.se/BlogPortal/view/Category?id=8
- http://soclog.se/p/kategori/Föräldrar/

Charlesworth (2009, 318) states that viral marketing is a part of social media marketing since it requires techniques from social media in order to be successful. In many ways I agree with this statement since social media channels are often used in order to virally spread a marketing message. Therefore in these guidelines I reckon that viral marketing and social media go hand in hand as they rely on each other to convey its message. How Santa's Playground and Fantastec

should tackle viral marketing is hard to give an exact answer to. The first thing to consider would be in what format the message and over which channel it should be conveyed through. For instance, create a video and upload it on YouTube with such content that it would generate a buzz and spread virally. Release a statement in a blog or press release with such content that other readers or viewers would repost it on their microblogs, social networks and so on.

To strategically think of how to effectively start a viral campaign over the Internet there are some aspects that in my opinion should be considered. Firstly there need to be content that appeals to recipients in a way that makes them want to spread it. This content should be trustworthy and non offensive so that negative publicity will not be virally spread. Secondly, through what channels and in what format should the campaign be spread through? Thirdly, where should the initialization of the viral campaign take place? Should you utilize and encourage existing friends on Facebook or other social networks to help you spread the message? Research what blogs are writing about topics close to Fantastec businesses and see if they are interested in writing or posting your marketing message. How to spread a message virally are numerous and even if content is superb and funny or outrageous and shocking, there are no guaranties that viral effect will take place.

In summary, I would say it is a mixture of having the right content at the right place or social media channel at the right time influencing the right type of recipients that want to spread it among its peers. The spreading of the content is also something that needs to be enabled. Empowering the recipients to spread the campaign is facilitated by for instance providing social buttons. Social buttons are icons of popular social media channels such as Twitter, Facebook, YouTube and MySpace that are located on the same page as the campaign message which allows for the recipients to easily repost the campaign message on their preferred social media channel. The risk with engaging to spread an Internet marketing campaign virally is that once the message is out there, there is not much control over the message from the originator of the campaign. Imagine if a video released which was intended to contain a funny marketing message instead was perceived as offensive. Then imagine if this was spread to forums, blogs, social networks and video sharing sites on a global scale. The efforts it would take to engage in all discussions around the globe to try to correct the mistake of offending viewers of the campaign would virtually be impossible. Sure the campaign spread virally but on a global scale with bad publicity as a result which would be considered as a failed campaign.

Both search engine marketing and search engine optimization are areas where certain expertise might be required and therefore I would suggest to looking into the options of outsourcing this to a specialized company. However, I believe that search engines, in particular Google, play a very important role in driving potential customers to a website. Therefore investments should be made into improving presence on search engines. To optimize Santa's Playgrounds website for Swedish search engine searchers, keywords in Swedish are needed in order to match phrases and words typed in the Swedish language.

Suggested keywords and phrases in Swedish used for search engine optimization:
- Virtuell värld för barn
- Digitala lärresurser
- Digitala läromedel för barn
- Online-spel
- Lek och lärspel
- Virtuellt Lapland för barn
- Snö, skoj och lek i Virtuellt Lapland
- Tomtefars virtuella lekplats (Santa's Playground)
- Lär ditt barn språk, matte (matematik), goegrafi, skriva och läsa i tomtefars virtuella värld

As the topic of search engine marketing and search engine optimization is too complex I will not go any further into writing any guidelines. The best help that I would suggest is to investigate what outsourcing possibilities that is available.

Other online intermediaries that I would suggest looking further into is wikis. After searching Wikipedia, probably the most known wiki of today, I compared the English written article about "*Virtual World*" to the Swedish equivalent article called "*Virtuell verklighet*" and "Virtuella Världar". Studying the English article reveals an extensive written article covering many areas of virtual worlds which included a paragraph about education which is of interest to Fantastec and Santa's Playground. In that particular paragraph other virtual worlds where mentioned as well. Going back to the equivalent Swedish written articles of "*Virtual World*" shows that there are only a few sentences written about the subjects at all. My suggestion would be to continue writing the Swedish articles and by so further expose Fantastec and Santa's Playground. I would also suggest editing the English article of "*Virtual World*" and its education paragraph and add all necessary information about Santa's Playground since other competitors are mentioned there. In another article found on Wikipedia called "*Virtual Learning Environment*" good possibilities exists

to further increase exposure for Fantastec and Santa's Playground. There is also an equivalent article in Swedish which could be further developed.

4.3   Reflections

Chapter 4 should have been written with the support from the answers of the questionnaire that failed due to non response. This should be taken into consideration when reading this chapter as it cannot be ensured that all information would lead into a successful market entry for Sweden using Internet marketing.

I do believe that time investment is probably the most important factor when conducting Internet marketing. Awareness of generating exposure, researching, actively participating in conversations with customers or generating new ones takes a lot of time and effort. Fantastec should consider these aspects when planning to market Santa's Playground into Sweden.

Fantastec should also beforehand have clear directions on what channels and concepts to use in order to market Santa's Playground. The way I see Internet marketing is that the immense amounts of information about all the concepts, channels and tools is that there are too many, which could be a problem. I suggest unless a company operates in a niche segment, utilize the major Internet marketing channels such as Facebook, blogs and microblogs and stick to concepts that do not require technological programming wizardry from your staff in order to manage. Mixing marketing concepts such as Viral, Social and Search Engine marketing to a manageable degree and devote time into it would be in my opinion a sane way to approach Internet marketing.

In terms of localization and language usage, I strongly believe in utilizing the Swedish language. It will enforce trustworthiness to parents and could also be used to cater the Swedish speaking Finns minority in Finland at the same time.

5 Empirical Research: Co-operation partners, overview of target groups and competitors

The purpose of this chapter is to present an overview of the possible target groups in Sweden and briefly describe the potential co-operative partners that might be of interest to the commissioner of this thesis work. A brief overview of the competitive situation will also be presented.

5.1 Swedish target groups

Sweden and Internet usage

Regular usage of Internet and its services increased in Sweden during 2009. The reason behind this is a steady increase of broadband and 3G connections. In spring 2009 it has been established that 89 percent of the Swedish population between the ages of 16-74 has Internet access and that frequency usage has increased mainly among women. (SCB 2009, 283.)

During the period of April 2008 – March 2009 it is reported that approximately 63 percent between the ages of 16-74 has made some sort of purchase over the Internet. Among the most common types of goods and services were travel arrangements, tickets, clothes and sport goods. Differences among the sexes are apparent as women mostly purchase clothes, computer-based learning tools, tickets among others while men mainly are interested in computers, home electronics, and computer games. When looking into purchasing products or services over the Internet the easiness, convenience and price range was of most importance to individuals. What could discourage from not purchasing anything were the lack of personal contact, security issues and the non need of purchasing anything over the Internet. (SCB 2009, 283-284.)

Usage and access to Internet distinguish from each other among the different groups of individuals in Sweden. Age, education, employment, family and income levels affect the access to Internet within these groups. Of interest in regard to Fantastec Oy and its target group of parents to younger children is that those with upper secondary education, 95 percent has Internet access at home. In general terms households with children has a higher rate of Internet access opposed to others. Individuals with higher income and education levels were more likely to use services associated to traveling and accommodation. (SCB 2009, 284.)

Swedish children and Internet usage

Swedish children today are exposed to Internet at an average age of 4 years old. Today's children are growing up in an environment where computers and Internet are part of daily life. In Swedish preschool simple games and videos is the more common content when Internet is utilized. By the time school starts, nearly all children have access to Internet and most of them use it. Differences between parents educational level also have an effect upon children's Internet usage. Children whose parents have higher educational levels also show higher usage of Internet at the rate of around 67 % during some point of the week. The corresponding number to children whose parents have a lower educational level the percentage rate for children using Internet at some points during a week was 25 %. By the time that Swedish children have spent a few years in school, they start identifying with other youths thus their own interest become more directorial and parents influence decline. Parents influence however does not vanish completely. If parents are heavy users of Internet then the likelihood of their children to use Internet further increases. (Medierådet, Unga Svenskar och Internet 2009, date of retrieval 1.5.2010.)

The Swedish Public Service Television program named Bolibompa is the most visited web page among preschool children. Besides Bolibompa, other toy and media companies are making efforts into reaching preschool children. (Medierådet, Unga Svenskar och Internet 2009, date of retrieval 1.5.2010.)

According to another study about Swedish children and their Internet usage, shows that children are industrious users of Internet. According to that study, all the children between the age span of 6-10 years of age had access to Internet at home. In the study, none of the children had access to their own computer in their rooms; instead access to several other computers in the home was quite common. Also, children describe either one or both parents as active users of Internet and that it is the parent who introduced them to the computer and Internet. One child describes that her father finds and decides what web pages she was allowed to visit; this situation was shared by many other younger children in the study. Among the older children, influence came from other peers in school. During this study it was also concluded that games was the most popular activity on the Internet. The three most popular game sites that the children visited where: Bolibompa.se, 123spela.se and juegosjuegos.com. Bolibompa.se was described by one girl, that it was fun visiting it because you could learn something from the games and videos there hence the educational aspects of these sites are appreciated among children. Interests in types of games differentiated between boys and girls in the study. Girls preferred puzzles, taking care of virtual

pets while boys enjoyed strategy, shooting and adventure games. (Barns Internet användande, En studie om hur och varför barn I åldern 6-10 år använder Internet. 2008. Date of retrieval 1.5.2010.)

The Swedish version of the virtual world Habbo is something that was mentioned among the older participants of the study. The virtual world was described as exciting because of the fellowship it involved and that it was perceived exciting to not know really who you where talking to since they had never met in real life and knew little of the other person. The author of the study makes an interesting point when she mentions that previous research has indicated that teachers are scared of utilizing Internet during lessons since they do not really know how to use it. The author further points out that, this should not be the case since children already at a young age seem familiar to computers and Internet. She reckons that what is missing could be a common tool to emanate from and that is probably what is missing nowadays. (Barns Internet användande, En studie om hur och varför barn I åldern 6-10 år använder Internet. 2008. Date of retrieval 1.5.2010.)

An interesting article written by Thord Eriksson about how children are moving out on the Internet suggests that little knowledge on younger childrens Internet habits exists. The article states that if the knowledge does not exist within the academic world then it exists among those that develop web offers to the children. The difference between children and adults is that children are more eager to explore when they navigate the net as oppose to adults that are more interested in accomplishing something more concrete. In the article Thord Eriksson interviews Jens Peter de Pedro who was the project leader for the development of a popular children site for the Swedish Public Service Television channel SVT. He states that, children like surprises and having fun. In order to understand how the youngest children reason, SVT made regular visits to preschools where they asked the kids to visit the website and tell to them how they use it. The conclusion was that children consider the Internet as it was a physical place where they can maneuver around. That was the reason to why the website was developed as a city as children found it more fun and concrete when they had a world they could move around and explore in. (Vi föräldrar, Barnen flyttar ut på nätet, date of retrieval 4.19.2010.)

5.2 Proposition of co-operative partners

Criteria selection

The criteria for proposing possible co-operative partners are that they need to relate to the commissioner of this thesis and its intended product to be marketed. By co-operative partner meaning that the suggested co-operative partner will serve the commissioner and its product in such way that they act as either a marketing channel, possibly writes articles about the product or other favorable mentions. A possible co-operative partner could also be featured inside the virtual world or provide valuable feedback to further improve and develop the product. The author has therefore decided on certain criteria's that needs to be fulfilled in order to qualify as a potential co-operative partner. The main criteria's to be fulfilled are:

- There need to be a connection to education and learning as the virtual world encourages learning among children.
- There need to be a connection to tourism and traveling especially the northern parts of Sweden as the virtual world intends these aspects.
- A possibility to reach target groups where parents are of main interest.

Sweden and winter tourism

Despite the global financial crisis Sweden's visiting tourism grew by 6,3% in 2008 with an estimated turnover of 244 billion Swedish kronor making it a total of 2, 86% of the country's BNP. Sweden's indigenous tourism employed approximately 158 900 people in 2008 with an estimated growth of 6,2% compared to previous year. Most money spent among the tourists where on shopping, a total of 39 % and secondly transports, a total of 20 % from the total turnover of 2008. The smallest segment where tourists spent money was on recreation, culture and sports. Although this segment is the smallest one it has been identified as the fastest growing as it contributes with the attractions power to mainly drive the other segments forward. Of the total consumption, approximately two thirds were of native Swedes and one third were of foreign tourists coming to Sweden on vacation. (Svensk Handel & SHR. 2009, Besöksnäringen i Sverige. 2009.)

According to a press release from the Swedish Ski lift Organization the season of 2008-2009 for ski resorts was a record season with an estimated 1,2 billion Swedish Kronor in sales for ski

passes, an increase by 16 % from previous season. A record in foreign visitors to Swedish ski resorts also occurred in the same season where Åre, a popular Swedish ski resort saw every fourth visitor coming from abroad. (Svenska Liftanläggningars Organisation, 2009, Pressmeddelande 18 Juni 2009.)

As Virtual Lapland & Santa's Playground are situated and played with winter scenery and landscapes the possible co-operative partners in Sweden are those that embrace winter tourism with expansion possibilities into a virtual world as places to visit similar to the snow castle in Kemi, Finland. The following text will identify popular winter resorts and municipalities in Sweden based on the ranking from Besöksnäringen I Sverige 2009 of the top ten ranked municipalities in Sweden and other Internet resources.

The municipality of Sälen is a classic and popular winter resort in Sweden, ranking second on the list compiled in the report Besöksnäringen I Sverige 2009. Well known ski areas include Kläppen, Lindvallen, Sälenstugan, Högfjället, Tandådalen, Hundfjället and Stöten. This resort places itself highest among the other winter resorts in the report about Besöksnäringen i Sverige 2009 with high scores in total restaurant turnover and stay over nights reaching over a million nights per year. (Svensk Handel & SHR. 2009. Besöksnäringen i Sverige. 2009.)

- Official website of Sälen: www.malung.se

Sälen holds the largest market share among ski resorts in Sweden during season 2008-2009 with 32,7%. Its total turnover increased by 13,7% to 379,6 million Swedish Kronor. (Svenska Liftanläggningars Organisation. 2009, Pressmeddelande 18 Juni 2009.)

Åre, a well known Swedish ski resort situated in Jämtland where tourism is the predominant source of income and vast investments in infrastructure, hotels, ski lifts and cottages have been made. Total turnover among hotels and camping sites are the highest in the country reaching approximately 650 000 guest nights/year. This resort ranks as third on the list compiled in the report Besöksnäringen I Sverige 2009. (Svensk Handel & SHR. 2009, Besöksnäringen i Sverige. 2009.)

- Official website for Åre: www.areturistbyra.se

Åre holds the second largest market share among ski resorts in Sweden during season 2008 – 2009 with 18, 6%. Its total turnover increased by 8, 6% to 215, 2 million Swedish Kronor. (Svenska Liftanläggningars Organisation. 2009, Pressmeddelande 18 Juni 2009.)

Härjedalen ranks in as number five in the report Besöksnäringen I Sverige 2009 with ski resorts such as Vemdalen, Lofsdalen, Funäsdalsfjällen, Bruksvallarna, Tänndalen and Hamra. The municipality has the highest rank of cottages per inhabitant in Sweden. (Svensk Handel & SHR. 2009, Besöksnäringen i Sverige. 2009.)

- Official website for Härjedalen: www.herjedalen.se

Älvdalen with popular ski resort Idre is a well known winter attraction in Sweden which ranks in on number 6 in the report Besöksnäringen I Sverige 2009. Parts of the legendary ski race Vasaloppet goes through Älvdalen and scores high on guest nights per inhabitant. (Svensk Handel & SHR. 2009, Besöksnäringen i Sverige. 2009.)

- Official website for Älvdalen: www.destination-alvdalen.se

Tourism websites

The suggested web pages are possible co-operative partners that Fantastec could further investigate to see what kind of possibilities they can offer in order to launch Santa's Playground into Sweden. These web sites are relevant to the tourism aspect of the virtual world.

Web page address:	Description:
http://www.sweden.se/	Sweden's official publically funded website. Five organizations are behind Sweden.se: the Swedish Institute, the Swedish Government Offices including the Ministry for Foreign Affairs and the Ministry of Enterprise, Energy and Communications, Invest in Sweden Agency, the Swedish Trade Council and VisitSweden.
http://www.barnsemester.se/	Sweden's largest traveling website for families with children between the ages of 0-17 years of age. Very good advertising possibilities. It has been rewarded and nominated several times for best traveling site in Sweden. Has a big community where parents share information with each other.
http://www.investsweden.se/global/	Helps businesses with investments in Sweden. Their services also include matchmaking with other Swedish companies and inform about business opportunities. Practical information on setting up businesses and location advises. They have contacts within business service firms and other authorities.

http://www.visitsweden.com/sweden/	This is Sweden's official travel and tourist information website. Its purpose is to market the Swedish brand, destinations and experiences internationally. Direct advertising is offered to effectively reach a specific target group.
http://communityofsweden.com	The official online community for Sweden where free membership allows for photo, story and tips sharing among others. This is a beta version; perhaps co-operation possibilities are of interest as it is still under development?
http://www.swedishlapland.com/	Aims to promote information about attractions, activities, housing and travel destinations in the Swedish Lapland. This website has recently been aggressively advertised on one of the largest commercial TV channels in Sweden during prime time.

Education websites

Websites that could in the process of entering the Swedish market, help promote and further develop Santa's Playground educational features.

Web page address:	Description
http://www.regeringen.se/sb/d/1454	The official Swedish government of education department website. Good source of educational information and its state in Sweden.
http://www.skolverket.se/	Intends to rule, support, follow up and evaluate municipalities and schools work to improve results and quality in the different functions of education. Here is information on how to apply for government grants to promote education. Here are possibilities to discuss integrating virtual worlds into preschools as a learning medium.
http://www.pim.skolutveckling.se	PIM is an abbreviation for "practical IT and media competence" and intends to support and develop how IT is able to help in pedagogy.
http://www.skolguiden.se	Swedish school guide containing all collected information about school. Advertising possibilities such as banners. There is also a section about recommended websites.
http://skolbloggen.se	A website that enables educators and students the opportunity to blog and socialize in a simple and intuitive way. Similar to a social network between teachers and students. Advertising opportunities in the form of display

	advertising.
http://www.lararnasnyheter.se/	Its purpose is to cover everything related to school and education in Sweden. They also publish their information in an magazine and advertising possibilities exists in both mediums.
http://www.skolporten.se	Information portal for people working within the education professions. Advertising possibilities both online and in their magazine.
http://www.medieradet.se/	Swedish knowledge centre for children and young people using media. Aims to reduce risks with children's media usage and strengthen their media usage abilities. Co-operation possibilities from an educational aspect could be possible.
http://www.fsl.se/	Branch organization for Swedish learning aids producers. Good possibility for co-operative discussions about the educational aspects that Santa's Playground offers to children.

Parent's websites

The suggested websites concerning parents are sites that either could be used as pure advertising platforms or networks where participating in discussions through forums are a possibility. The intention to present the websites would be to show the possibility of how to reach the parents of the target groups of Santa's Playground.

Web page address:	Description:
www.familjeliv.se	Sweden's largest site about family life. They claim to be the biggest forum for women in Sweden. The site contains a massive forum with e.g. a section targeted towards dads that among others concerns games. There is also section in the forum about parents having children between ages 6-12. Contains good advertising possibilities.
http://www.alltforforaldrar.se/	Media and marketing company targeted towards pregnant women and families. Claim to reach approximately 80 % of all new and expecting parents. Has one of the largest communities on the web, women being the predominant visitor. In January 2010, the community had 200 000 unique visitors. They also have a magazine that is published four times per/year with approximately 80 000 readers. Good advertising possibilities.

http://www.alltombarn.se/	Claims to have the position as the leading editorial site within the family segment. Claims also to be largest site measured in unique visitors. Display advertising possibilities among others.
http://www.barnistan.se	A website and magazine for parents within the Stockholm area that aims to simplify finding activities to do together with children. The magazine is free and is published in 40 000 copies. They aim to be an effective channel for advertising and have good display advertising possibilities. The website contains activities divided into categories which make it easy for browsing. Co-operation possibilities to create a virtual learning category could be considered for discussion.
http://www.kanalen.org/foraldrar/	A web channel developed for parents by parents. Contains facts, discussion about parenting. Does not seem as a web site with huge amount of visitor, active registered member's amounts to 1888. Display advertising possibilities perhaps to a lower price than other websites.
http://www.farsa.nu/	Farsa in Swedish translates to dad in English. Claims to be the largest site in Sweden for dads. A website where fathers can share experiences, discuss problems and discuss questions from a male perspective. Good advertising possibilities and a fairly active forum. Good website for reaching such a specific target group.
http://www.viforaldrar.se/	Magazine and website that claims to have 30 000 visitors/week. The magazine is the oldest Swedish parenting magazine. Good advertising possibilities. They also have a specific segment about children from 6-12 years of age with facts, articles. There is a forum, own TV-channel and blogs.
http://www.svenskanamn.se/	Svenska namn in Swedish translates into English to Swedish names. This is a site targeted to parents and expecting to become parents that aim to help in name selections. Display advertising possibilities.

Blogs

Co-operative possibilities with Swedish bloggers that targets parents are suggested as they are able to influence readers in ways often not possible by companies. It is therefore advisable to research popular Swedish blogs written by parents or blogs that target parents and investigate advertising, favorable mentions and discussion possibilities.

Web page address:	Description
http://bloggportalen.aftonbladet.se/ http://www.bloggsok.se	Bloggportalen purpose is to lists the top blogs in Sweden among others blogs regarding parenting and children. Bloggportalen also have an affiliate site called bloggsok which enable blog searches from all the listed blogs connected to Bloggportalen.
http://www.mammapappa.com/om/	This is the largest Swedish speaking forum for Finnish-Swedish people in Finland. The forum has over 3700 members. They have two sections about schoolchildren, adverting and offers in the forum where virtual worlds and education could possibly be discussed.
http://busungar.com/	The website has been present on the web since year 2000. At the moment it is being reconstructed and will hopefully be up and running soon. The purpose of the website is to be a starting point for children on the web by collecting links to child friendly, good entertainment and information predominately in Swedish.
http://soclog.se	Collection of 175 171 registered Swedish blogs. Soclog stands for a social blog. It has a parenting section. Among the top three most visited blogs, two of them are mothers. Advertising possibilities in the form of display advertising.

Miscellaneous websites

These are helpful web sites that could be used in marketing Santa's Playground in Sweden.

Web page address:	Description:
http://sis-index.se/	A Swedish service that publishes visitor and traffic information of other websites. It enables site owners at no costs involved to reach visitors, advertisers, financers and other stakeholders by joining the website. There are also advertising possibilities in form of display advertising.
http://www.flashback.org	A very controversial forum in Sweden as it promotes freedom of speech and has a bad reputation because of this. Contains both controversial discussion sections as well as normal ones and should not be disregarded as an advertising channel since it is Sweden's largest forum. It has 408 663 members and as I am writing this almost 20 000 people are logged in. This is a forum in Sweden that should at least be monitored as it is important knowing what is being written about you and participate in the discussions if necessary.

5.3　Competitive situation

Criteria selection

Before researching the competitive situation in Sweden for Santa's Playground, certain criteria needs to be established. The first criteria would be to use the Swedish version of the search engine Google.se since this is most likely the place where searches for Virtual worlds would be as these results are the most relevant ones. A second criterion is to review virtual worlds that cater to a similar target group as Santa's Playground. The outcome would thus be to investigate the virtual world's presence on Google's search engine. The utilized search keywords used in Swedish were:

- Virtuell värld (virtual world)
- Virtuell värld för barn (virtual world for children)
- Virtuell värld online (virtual world online)
- Virtuell värld gratis (virtual world free)
- Virtuella upplevelser för barn (virtual experiences for children)
- Virtuella spel (virtual games)
- Virtuella läromedel för barn (virtual teaching aids for children)
- Online läromedel (online teaching aids)
- Digital läromedel (digital teaching aids)
- Virtuell turism (virtual tourism)

The outcomes after the searches where made indicate that there are great possibilities for Santa's Playground to increase presence high in SERP if investments in search engine optimization and search engine marketing are made. Out of all the searches that where performed only one virtual world showed to have some presence that would be a direct competitor with Santa's Playground. This virtual world was panfu.se which had high search engine page results on six out of the ten searches that where performed. Habbo.se and penningborg.se was mentioned in one out of the ten searches performed but with no direct link to the official website.

It is worth to mention that in chapter 5.2 where the proposed co-operative partners are presented, no advertising for other virtual worlds or similar learning environments as to Santa's Playground was visible. This could indicate several things and one can only speculate why it is so. Perhaps at

the time being when the co-operative partners where being researched, no Internet marketing campaign for any other virtual world was active. Or, there are no virtual worlds operating on the Swedish market with educational aspect for children who also have interest in the Swedish tourism industry and therefore there are no interests in advertising on these websites.

Virtual worlds in Sweden

Finding virtual worlds that compete over the same target groups in Sweden proved to be a challenging task. There was no user statistics to be found on popular virtual worlds in Sweden. Therefore I decided to describe the three virtual worlds that have been mentioned in some of the research mentioned in chapter 5.1 and that placed high in search engine page results in Google.se.

Panfu.se is the virtual world in Sweden that I believe compete over the same target groups and pose the biggest threat towards Santa's Playground's establishment in Sweden. The virtual world is developed by a German based company called Young Internet GmbH and is situated in Berlin. Panfu is described as a 2D-Multiplayer-online-game where children play, chat and learn without violence or advertising. They claim to co-operate with pedagogical experts the German Institute of Immersive Learning (GIFIL) in Hamburg in order to integrate their pedagogies for deeper learning possibilities. It is guaranteed to be a 100% child proof due to the anonymity and all the moderators constantly monitoring the world. It is also advertising free since the world is financed through members buying gold packages and things via mobile phone text services. It was launched 1st of December in 2007 and since then it has been locally adapted and translated for the Scandinavian market, Russia, France, Netherlands, Poland, Great Britain and Spain. They claim to be Europe's largest website for children with 4,5 million registered users. Worth noticing is that Young Internet GmbH announces that they are currently developing a new virtual world called Bollykids (www.bollykids.com) where children between ages of 4 to 10 years are able to play with their pet and learn things. It seems that the German version of the virtual world has already been launched but no indication when locally adapted versions of the world will be released exists. (Panfu, date of retrieval 15.5.2010.)

On the introduction page of Panfu are some useful links that gives an introduction to the visitor, these are; parents, playing, blog and help links. Of particular interest is the blog link which when visited shows high participation from users of the virtual world in terms of comments and that the blog is tailored to the market by being communicated in the Swedish language. The style of

language used in the blog is also interesting as it is written in a childish way in order to be more appealing to the users of the virtual world. The other links are well and easy written serving its purpose in my opinion and as I am writing this 1086 users are logged in. The notification on the main page of Panfu.se that indicates how many users that were currently logged in caught my attention. The reason was that it did not tell whether this was the total amount of logged in users for all countries that Panfu existed in or if it was locally as in only the Swedish part of Panfu. I tested to compare the amount of logged in users to the other local sites and it turned out that amount of logged in users displayed was for the specific local site and not all of them combined. The largest amount of users logged in at that time was for Great Britain with 2254 users followed by Germany and Poland with around 1200 users. Finland had 281 users logged in and where among the lower ones out of all the countries (Panfu, date of retrieval 15.5.2010).

Habbo is a virtual world hotel targeted mainly for teenagers to socialize by creating avatars called Habbo figures. It is owned and developed by Finnish based Sulake Oy. There are local Habbo sites around the globe and is visited daily by millions of users to chat, play games, meet new and old friends, decorate their own rooms and other activities. Registering and checking into Habbo hotel is free and only certain activities are paid for. Safety is ensured by having something called live helpers which constantly monitor the virtual world. There is also a language filter incorporated into the world where all chatting activities pass through. (Habbo, date of retrieval 15.5.2010.)

Something that I noticed about Habbo is that information about the actual site is hard to find and useful links are very small hard to see. There is an interesting feature in Habbo hotel where celebrities are invited to participate in different events inside the virtual world for the users and their avatars. Although Habbo hotel targets an older target group, this is something that could possibly be incorporated into Santa' Playground. Imagine for the Finnish children arranging a Christmas event inside Santa's Playground with Ti-Ti Nalle coming to sing or for Swedish children a similar concept inviting the popular child band Electric Banana Band. In my opinion Habbo Hotel and Santa's Playground are two different virtual worlds with different target groups and purposes. Therefore I would not consider Habbo Hotel as a direct major threat or competitor to Santa's Playground in Finland or Sweden.

Penningborg is an educational virtual world developed by Danske Bank (Danish Bank) for children between the ages of 5 to 9. Its purpose is to raise awareness among children of economy and investments in order for children to understand what money is so they are better suited to handle their own private economy in a future perspective. Leading experts within areas

relevant to this kind of e-learning has been co-operating into developing Penningborg. The virtual world is free to use and is in no way related to Danske Banks marketing operations and contains no advertising. (Penningborg, date of retrieval 12.5.2010.)

In my opinion Penningborg is not a strong competitor against Santa's Playground although both have educational aspects and serves similar target groups. Firstly, it is a two-dimensional world developed in Flash and it does not seem that there is a purpose for interactivity with other avatars inside the world. The emphasis is on learning and that by itself is also limited to a certain topic revolving around economy. Incorporating economy learning in the virtual world is very good idea and certainly something that parents appreciate. In this area Fantastec have a good possibility to include this learning activity into Santa's Playground. I noticed a good feature concerning Penningborg as well and its interface. Since children in their target group has often not learned how to read yet, Penningborg has incorporated a voice function that explains to the users how things work.

5.4   Reflections

The purpose of this chapter was to present an overview of the target group's situation in Sweden and propose possible co-operative partners online along with an overview of the competitive situation among other virtual worlds in Sweden. Reflecting upon the contribution of the facts presented, I believe that the commissioner has a good foundation and an overview of how to further proceed into entering the Swedish market using Internet marketing.

It is solely up to the commissioner of the thesis to determine what information is considered most relevant and that is of interest. By using the information provided, business objectives of Fantastec and Santa's Playground will be easier to pursue.

6 Conclusion

The main question that should have been presented with a solution of this thesis work was *"How could a Santa's Playground enter the Swedish market utilizing cost effective and efficient Internet marketing?"* In this case, the thesis has presented a solid foundation with background facts and guidelines for Fantastec to continue its work towards launching Santa's Playground into Sweden. It has also raised issues that Fantastec should take into consideration and hopefully presented new ideas to incorporate with Santa's Playground.

The failure of the empirical part of this study affected the outcome of the research to the extent that the proposed guidelines had to be constructed by the author himself. The initial intention was that the proposed guidelines should rely on both answers from the questionnaire and own thoughts and ideas. Naturally therefore, I cannot ensure that the guidelines would guarantee, together with the research in Chapter 5, a successful Swedish market entry.

When Fantastec initiates an Internet marketing campaign to enter the Swedish market, firstly, clear objectives needs to have been established. Clear responsibility areas among the staff should be divided early on as well, reassuring that they all have corresponding educational backgrounds in order to meet the requirements that the campaign demands.

Adaptation of Santa's Playground and its official website is in my opinion a necessity. This should be done to cater the Swedish market and enforce trust to the potential target groups and also increase the probability of understanding. After researching the competitive situation in Sweden, the number one threat to Santa's Playground, Panfu.se, has adapted the language to each of their local sites. If Fantastec wants to compete at the same level of Panfu.se, language adaptation to the Swedish market is highly recommended.

When investigating what to include in the communication mix, it has come to my realization that the utilization of Internet marketing in a campaign should not rely on only one concept or technology. I believe that it is of outmost importance to combine concepts and technologies since they all have very different outcomes and purposes. In social media there is the aspect of communicating with customers, the social side of Internet marketing, while with search engine marketing and SEO it is about improving presence on search engines.

Outsourcing should occur when insufficient amount of in-house knowledge is lacking. In my opinion this is particularly relevant when speaking of SEO and search engine marketing as it requires in depth technological and programming knowledge. Outsourcing could also occur when

speaking in terms of time frames. Internet marketing requires continuous devotion and monitoring, which should be considered before engaging in it.

The overview of the target groups in Sweden together with the suggested co-operative partners gives indications on where to reach the target groups. This in correlation with the guidelines could further improve the possibilities of successfully establishing Santa's Playground into the Swedish market.

The overview of the competitive situation indicates that there is not much presence of other virtual worlds that compete over the same target groups with an educational aspect. The one virtual world that does compete directly with Santa's Playground is Panfu.se. What differentiates them apart besides that one is 2-dimensional and the other 3-dimensional is what Fantastec needs to emphasize in their Internet marketing campaign to gain the competitive edge.

7   Discussion

There is a famous expression that goes; "*there are no right or wrongs*". When spending a vast amount of time thinking about the topic of Internet marketing with its related concepts and technologies. I can only come to the conclusion that this expression applies well in Internet marketing. Considering the vast amount of options available when engaging with it and its dynamic evolvement it is difficult to determine what strategy is most suitable and for what purpose.

Naturally I have not been able to research every single aspect of Internet marketing and have had to narrow it down into manageable proportions. This has meant that I have excluded certain concepts which I have not found relevant in terms of Fantastec's situation and wishes.

As Internet is becoming an ever increasing element of daily life, marketing through this channel will increase in importance. The empowerment that Internet has enabled people has also empowered businesses of today. Smaller businesses are able to make affordable Internet marketing campaigns with reach levels that was unheard of back in time without a considerable budget. I believe that within time it will be a necessity for businesses to have Internet presence. Those businesses that adopted Internet marketing early on and continuously monitor its evolvement are the ones that will have better chances of surviving in a longer perspective. Traditional marketing will still exist, although I believe that one or the other will be dependent of each other in order to compete in both aspect of marketing.

It is difficult to say exactly how Fantastec should enter the Swedish market with Internet marketing. The outcome of this thesis should in practicality be viewed as mere guidelines or tools for Fantastec to work with and base their own strategy upon it. The suggested strategy guidelines, proposed co-operative partners, target group and competitor overview would help in the market entry for Fantastec with ways that are already cost effective and efficient as the foundation and research of the strategy has been presented due to contribution of this thesis.

Assessment of the thesis

This bachelor thesis has required a lot of work in order to be realized. During the initial period when it started in September of 2009 a lot of time was spent collecting material for the theory. It proved to be quite challenging finding relevant books on the topic that where up-to-date from libraries, even in Helsinki. What ultimately happened was that I purchased around eight books in

order to get started with familiarizing myself to the theory. Then gradually with time more sources where added both digital and printed.

Changes in requirements from the commissioner occurred throughout the course of working on thesis. Initially the commissioner was interested of a market entry in the United Kingdom using Internet marketing. Throughout the autumn, slighter changes occurred and it was not until December that the final decision on the requirements where established. Important to point out though, was that the Internet marketing element was always present in the requirements.

When I planned the schedule for the implementation of the thesis I suffered from being time optimistic. Although the schedule planning could have been conducted better, it is also a difficult task due to the inexperience from anything similar before.

The unfortunate outcome of the questionnaire when researching the construction of the guidelines makes it fair to question the reliability of the study. This was a risk that was described as a possible outcome and when it occurred the decision to construct the guidelines on my own was made. The guidelines are based on my own thoughts and ideas after theory familiarization and spending so much time contemplating about the subject. None of a less, the guidelines should be viewed with a critical eye and not be taken literally.

My hope with this thesis is that it will aid the commissioner in one way or another to realize its business objectives and launch Santa's Playground successfully in Sweden. I believe that the results from the empirical parts of the study serve as a good foundation for doing so and I am myself pleased with the outcome of the thesis.

Own Learning Experience

In retrospect, many aspects of this thesis work could have been done differently but then again it is easy afterwards to contemplate about things like this. My own learning experience from conducting this research has been an increased knowledge about Internet marketing as a whole. If I would start up an Internet oriented business I would feel very comfortable in knowing how to increase its presence and market it over the Internet.

My knowledge of Internet marketing I consider very valuable nowadays and a great contribution to the programming skills that I have learned so far during my studies at Oulu University of Applied Sciences. This makes me well equipped for future career possibilities if I would decide for a career within web development.

My reading and writing abilities in English has definitely improved immensely throughout the research and writing process. Also I have become much better at phoning complete strangers and carrying a conversation with them when I was contacting all of the interviewees.

The process itself has also taught a lot about me and how I function under pressure or during times when motivation levels are at a low point. It has taught me how to compose myself and making myself realize that everything is possible, even during times when it does not seem like it.

All in all, doing this bachelor thesis has been extremely challenging but rewarding and certainly something that will benefit me in my future working career in one way or another.

Suggestions to further research

There are many areas of Internet marketing that could be suggested for further research. Web 2.0 that was described earlier in sub-chapter 2.7.2 is already on the verge of being replaced as Mayer, Chaffey, Johnston & Ellis-Chadwick (2008, 14) explains the Web 3.0 concept as the next generation web. It incorporates high speed connectivity, complex cross-community interactions and an intelligent or semantic web where automated applications can access data from different online services to assist searchers perform complex tasks of supplier selection.

Web 3.0 would thus be an interesting area of research in order to try to get a glimpse of what the future might hold for us both in a technological and user perspective.

Internet is also almost standard in mobile phones today. Researching how Internet marketing is adapted to mobile applications would be interesting to find out and probably very helpful to many companies.

This thesis has been overall very general on all concepts and technologies revolving around Internet marketing. Further in depth research on the concepts such as Social media marketing or Search Engine marketing together with SEO would be interesting. Comparing how other businesses work and to what extent they use them in their marketing efforts would be useful research to a lot of businesses.

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APPENDIX 1

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2. http://www.ogilvy.se/kontakt-contact/

3. http://walternaeslund.com/public-speaking/

4. http://www.getupdated.se/Om-oss/Vara-kontor/

5. http://www.ronnestam.com/contact-johan-ronnestam/ no

6. http://www.sokmotorkonsult.se/kontakta-oss

7. http://www.daytona.se/kontakt

8. http://www.pyramid.se/sv/About/Us

9. http://micco.se/

10. http://bjornalberts.com/kontakt/

11. http://www.snoobi.com/webbanalys/kontakta-oss

12. http://honesty.se/medarbetare/

13. http://www.joinsimon.se/om-simon-sunden/

14. http://www.sermoconsulting.se/

15. http://jesperastrom.com/about/

16. http://www.draftfcb.com/findus-detail.aspx?city=stockholm

17. http://www.edelman.se/kontakt/

18. http://www.wisely.se/contact.php

APPENDIX 2

Short presenting of the author

Mitt namn är Per Möller, jag studerar Business Information Technology vid University of Applied Sciences i Oulu, Finland. Jag bor för närvarande i Helsinfors där jag skriver min candidat uppsats som delvis relaterar till Internet marknadsföring med höga förhoppningar om att ta min examen sommaren 2010. Jag kommer ursprungligen från Eslöv, Sverige och flyttade till Finland för snart 3 år sedan för att leva med min fästmö som jag snart gifter mig med.

My name is Per Möller and I am a student within the field of Business Information Technology at the University of Applied Sciences in Oulu, Finland. I currently live in Helsinki writing my bachelor's thesis related to Internet marketing with high hopes to graduate by the summer of 2010. I originally come from Eslöv, Sweden but moved to Finland 3 years ago to live with my fiancé.

Purpose of research

The purpose of this research is to propose guidelines for a Swedish market entry strategy utilizing Internet marketing with emphasis on cost effectiveness and efficient methods, tools and marketing concepts related to Internet marketing. The commissioner of this thesis work is a Finnish based company called Fantastec Oy (www.fantastec.fi) that is interested in entering the Swedish market utilizing Internet marketing. The company is developing a virtual world called Virtual Lapland: Santa's World which will be launched soon. The marketing strategy guidelines for a Swedish market entry will be based on theory proposed and gathered in this thesis by the author as well as information retrieved from respondents of this questionnaire. The accomplishment of the finalized guidelines should give hints or indicate how, where and why to enter the Swedish market by the utilization of Internet marketing.

Interview questions

1. **Main research question: How could a business enter the Swedish market utilizing cost effective and efficient Internet marketing?**
    1.1. **What are the main aspects a company should consider when planning to enter the Swedish market utilizing Internet marketing?**

1.2. **If the main intention is enter the Swedish market with cost effective and efficient Internet marketing, what methods, concepts and technologies would be most relevant to utilize?**

1.3. **What kind of difficulties might arise when using Internet marketing to enter the Swedish market and how to avoid them?**

1.4. **In terms of localization issues, what role does the language have when marketing on the Internet? Could a global marketing message be used in English or should the message be in Swedish?**

1.5. **How probable is it for a company to conduct all its Internet marketing "in-house" without any outsourcing when planning to enter the Swedish market?**

1.6. **How will the future of Internet marketing look like and be conducted?**

Tell some about yourself.

- Who are you?

    o

- What is your position?

    o

- What is your Internet marketing experience e.g. how many years have you worked in the field?

    o

APPENDIX 3

The listed websites below have been utilized to research the potential co-operative partners in the empirical chapter 5.

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