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**Thesis: Developing e-marketing tools**

**Case company: CASTA Ltd.**

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<p>This Bachelor's thesis topic is developing e-marketing tools for the B2C sector of CASTA Ltd. The final outcome is a set of online marketing tools guidelines that can improve business activities, especially marketing effectiveness. Based on the company's status as a novice in online marketing field, the thesis will focus on the basic level of three specific online marketing tools, instead of covering the whole e-marketing subject.</p> <p>The theoretical framework first describes the concept of e-marketing, its development and usage in business nowadays, then move on to the benefits and challenges that companies usually encounter when applying. The last part discusses three different online marketing platforms that are the most commonly used recently.</p> <p>The research method includes benchmarking and qualitative interview with the Executive Director of CASTA Ltd. The case studies proves the effectiveness of the chosen online marketing tools through concrete financial figures and organic traffic growth online. The interview on the other hand revealed the fact that the commissioning company is relatively weak and has no experience in marketing online. Based on the results, the recommended tools are designed and proposed to the commissioning company.</p>	
<p><b>Keywords</b> Online marketing, digital platforms, benchmarking, email marketing, QR code, search engine marketing</p>	

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# 1 Introduction

This chapter gives the overall view on the thesis. The chapter begins with the background studies which led to the option for the topic, followed by a discussion on the project objectives and tasks to write the thesis. Additionally, the chapter will continue with the demarcation of the topic, introducing the commission company, as well as the stakeholders' benefits and the international aspects of the outcome.

## 1.1 Background studies

For the last few decades, the Internet has grown into an enormous network that connects people all over the world. In 2010, 27% of the world population was online, creating a massive market in the digital world for companies to get involved. People nowadays not only use the Internet to connect with other people socially but also develop their own network to search for information, entertainment and share experiences. The Internet, along with the new technologies that developed to enhance the online experience of customers, transformed the world into a boundless market, in which there is no geographic and time difficulties in reaching the consumers. Companies have been recognizing that the trend is significantly shifting the power from the sellers to the buyers, since in the digital world, opinions are shared with a lightning fast speed and transactions can be made in 1 click. Hence, more and more companies all around the world are making effort to be a part of the digital connected world to maximize their opportunities in operations, market expansions, reducing costs and improving customer relationships. (Strauss 2012, 32.)

Vietnam, an emerging market with a population of approximately 90 million people, has witnessed the rapid growth in the amount of internet users. In 2012, the online world welcomed 31 million Vietnamese users, which account for 30% of the population (Internetworldstats.com 2012). The number of smartphone and tablet users is also increasing year by year. According to the latest statistics of the Vietnamese Ministry of Industry and Trade, 85 percent of the medium and small sized companies have entered e-commerce, and 95 percent of large sized companies use email as an efficient channel to contact their partners. However, despite the strong growth of the

involvement of companies in interacting with customers online, the activities are limited to product showcasing and order transactions only. Hence, I decided to have this thesis to be product oriented with the final outcome a set of practical tools to help boosting the company's online marketing activities. The case company is CASTA, a manufacturing and retailing company operating in Vietnam.

## **1.2 Project objectives and tasks**

The objective of the thesis is to create a set of practical e-marketing tools guidelines for CASTA to apply in their business. Through these tools, the main marketing objectives to be achieved is improving customer service and communication. Below is the chart describing the tasks needed to be completed in order to fulfill the objective successfully.

The project are divided into four main tasks:

- PT1: The first task is to review the theoretical literature to provide the reader with the basic concepts regarding e-marketing concepts, e-marketing tools, and the benefits and challenges that e-marketing can obtain.
- PT2: The second task is to find information sources of companies from different industries in the world that have successfully improve business activities performances through implementing e-marketing tools, and find out what are the tools that are being used the most efficiently, then map out the most suitable platform to apply to the commission company case.
- PT3: The third task is to conduct a qualitative research through an interview with the commissioning company's representatives.
- PT4: The last task is to create a set of tools guidelines to apply for CASTA business based on the studies that have been done in task 2 and 3

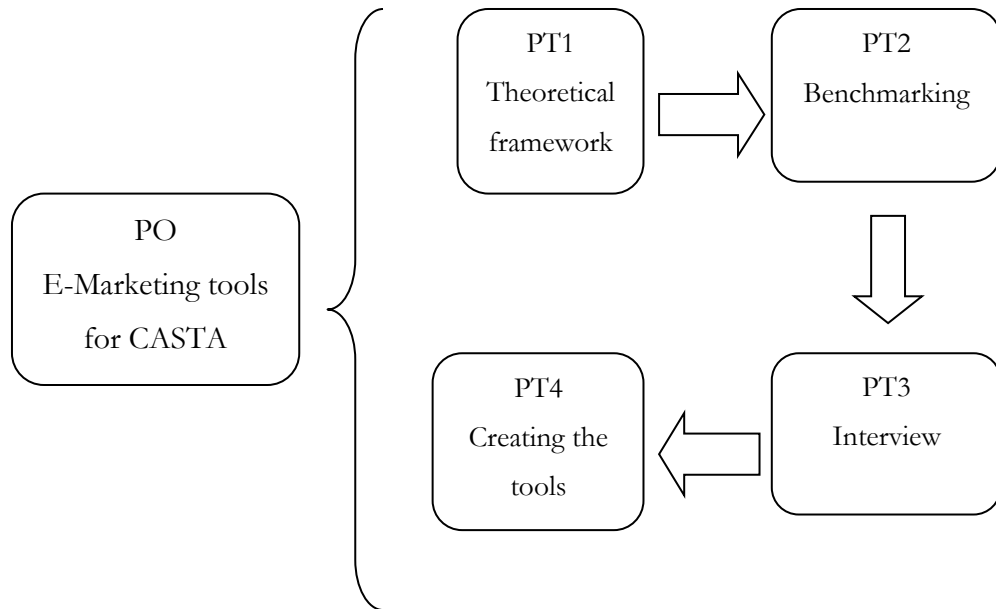


Figure 1. Thesis project objective and tasks

### 1.3 Demarcation

Regarding the business activities in the digital world, there are a few terms that define the interrelated fields that are illustrated below:

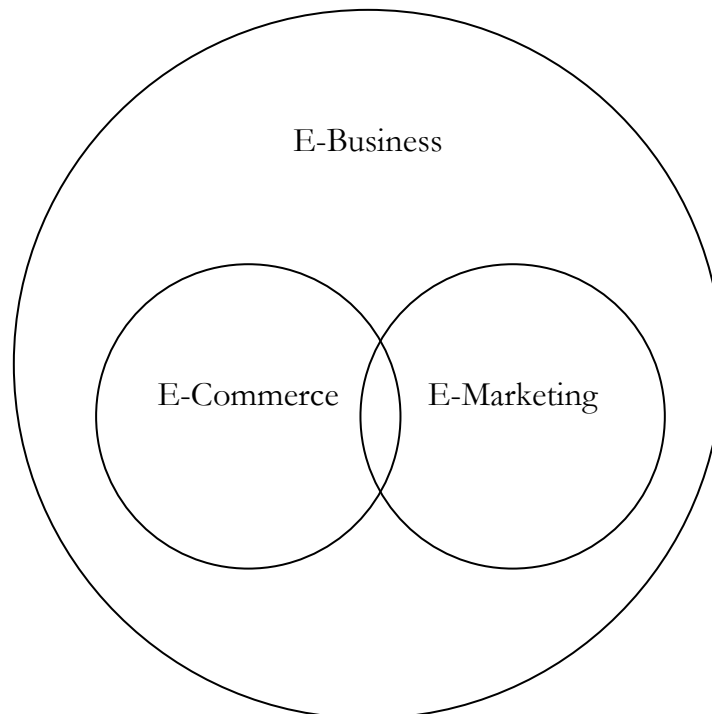


Figure 2. E-terms

E-business is the broadest definition regarding business activities online. It involves all the business processes in the value-chain – from the production phase, distribution channels and networks, marketing and sales services to billing and invoicing, etc.. On the other hand, E-commerce is mainly involved in online transactions and selling channels. This includes online banking and online shopping, where the money is actually wired between online accounts. The last term, which is E-marketing, is considered the heart of E-business. Its main mission is to communicate with customers, add value to the offers and improve sales volume through digital marketing tools. These tools include online advertising, direct marketing, email and mobile marketing, etc. (Chaffey 2012, 14-15.)

The thesis is focused only on the E-marketing field, considering the marketing objective of the product is to improve customer relationship management. Moreover, CASTA's main product is high-end furniture, which is retailed through showrooms and direct sale representatives only. Thus, online shopping is not considered as a possible channel to reach customers. Furthermore, the nature of the product requires a lot of consideration and incorporation between the designing company, the construction company, the contractors and the consumers, regardless of the sales volume. Adjusting the size, designs, appearance of the product to fit the needs and wants of the customers, needs to be done in a traditional hands-on process. Therefore, the scope of the thesis will exclude the concept of E-business and E-commerce, and focus on E-marketing, especially the tools planning phase.

#### **1.4 Case company profile**

The case company is CASTA. This company is a sector of ALC Corporation, which is a logistics company in Vietnam. CASTA was founded in 2001 in form of an exclusive showroom for luxury high-end kitchen cabinet from Spain. In 2002, CASTA was officially an independent brand for manufacturing and retailing kitchen cabinets. After over 10 years of operation, CASTA is one of the leading brands in the Vietnamese market, with the capacity of manufacturing 400 sets of cabinets per month from 3 factories based in Ho Chi Minh City. By assuring to bring the classy, elegant and luxurious elements of European design, CASTA has successfully claimed a high

position in the household furniture market in Vietnam. For the past few years, CASTA has earned numerous projects of manufacturing and installing kitchen and closet cabinets for approximately 11.000 villas and apartment complexes through out the country under the partnership with large sized real estate agents and construction corporations. CASTA is also the only official distributor of the Spanish household furniture brand TEKA for the Vietnamese market.

Below is the summary of the company profile:

Company name:	CASTA
Mother company:	ALC Corporation
Type of business model:	Family business
Year of establishment:	2001
Business sector:	Manufacturing and retailing
Products:	Household cabinets and major kitchen appliances
Manufacturing factories:	3 – Ho Chi Minh City
Employees:	300 workers at the factories, 50 employees and staffs at the main building
Turnover:	~10 million US dollars (2012)

### **1.5 Stakeholders' benefits**

The stakeholders for this project are the company itself, the staff and the customers. For the company owners, the e-tools will help improving the operation process, particularly in customer communication activities. The communication flow between the company and the customers will be kept constant and on a more efficient level compared to traditional approaches which are face to face meetings and telephone conversations. Starting from this basis, after-sales services can be improved faster and more focused on the customers' preferences. Moreover, the tools will help increase the professionalism of the company, considering the fact that CASTA is a large company having network with numerous large real estate agencies and construction companies in the country. Stepping into the digital marketing field can connect all the customers to a database that benefits both the company and their partners in managing communication.

The staff, on the other hand, will also benefit from the tools by accessing the online database, thus be able to manage the after sale services in a more efficient way. Based on the company business model, most of the contacting and communicating activities between the company and the customers are done through the sale employee system. The tools will provide an important fundamental to develop and improve not only the technical skills of the employees, but also the management skills. Digital marketing offers a chance to manage the customer relationship through a standardized system with less effort and more efficiency than the existing traditional management system.

Last but not least, the customers will enjoy a whole new experience of communicating faster and more effectively. Customers' needs and opinions will be heard and served without the hassle of setting up appointments with the sale representatives. Moreover, company's promotions, advertising campaigns, and added value offers can be accessed by the customers practically everywhere through their Pc, laptops, smart phones, and other electronic devices. Similar to the benefits that the company will receive, the customers will enjoy the advantage of being able to communicate with the company for better services.

## **1.6 International aspect**

The international aspect of this thesis comes from the fact that the benchmarking research is based on case studies of companies from different locations in the world. As online marketing is borderless and can be applied the same way in different countries regardless of geographic location, it is apparent that the research result will provide an international viewpoint for the commissioning company. Moreover, the designed online marketing tools will require partnerships with organization from outside Vietnam; hence, the international aspect of this thesis will be guaranteed.

## 2 Theoretical framework

The theoretical frame will be divided into three tiers (Figure 2). The first tier is to introduce the definition of E-marketing and its development throughout the years. The second tier is to give a better understanding on the benefits that E-marketing can create and also the common challenges that companies usually encounter when applying to their business model, hence explaining the purposes and strategies of using E-marketing to maximize the benefits. The last tier is to introduce the different most common E-marketing platforms that are used widely to provide the basis that this thesis would be based on and also the framework for task 3: creating the platform for the commissioning company.

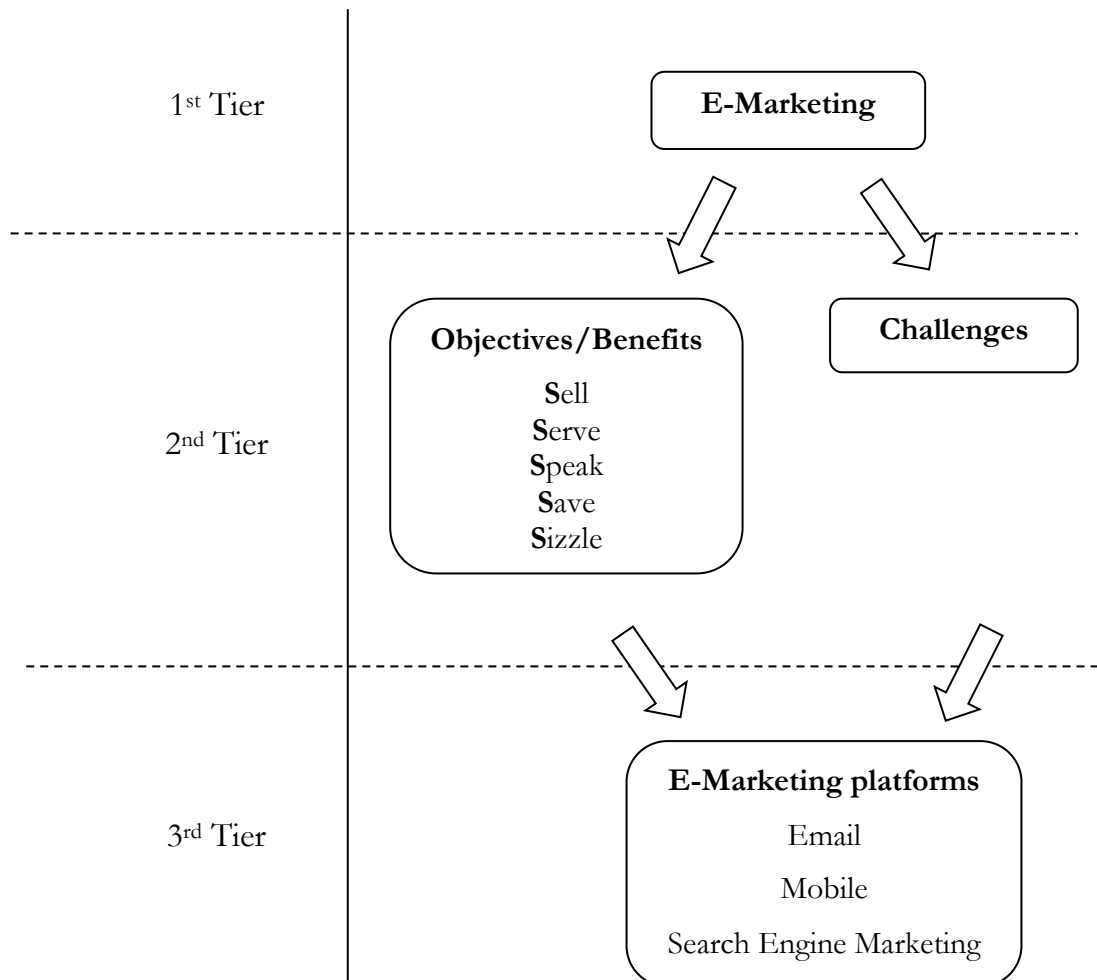


Figure 2. Theoretical framework

## 2.1 E-marketing: the concept

**E-marketing**, as briefly discussed in the Demarcation subchapter, is the most important part of e-business activities and also known as digital marketing, internet marketing, etc.. E-marketing uses the application of digital technologies combined with traditional marketing to achieve and deliver added values to the customers. Based on different specific marketing objectives, different applications of digital marketing are used: ranging from advertising mediums, email newsletters, distribution channels to relationship-building mediums. When it comes to the internet marketing applications, most people only consider Web sites as the main channel for the marketers to reach the customers. However, the Web is only one aspect of e-marketing and despite the common belief, e-marketing has been utilized far beyond the Web. First of all, hardware and software that are used in other administrative and business activities such as supply chain management, customer relationships management without the presence of web sites are also considered e-marketing technology. Moreover, the digital content of marketing messages nowadays can be effectively delivered over the internet or an internal corporate network and reach the customers on multiple types of appliances and smart devices in form of emails, text messages, barcode scan image, apps, video, etc. In other words, e-marketing includes all the marketing activities involving the application of any type of digital technology, both online and offline. (Strauss 2012, 28.)

On the other hand, e-marketing has been described briefly as marketing activities that needs interactive technology when implemented. In the *E-Marketing: theory and application* book, the authors have divided the e-marketing concept into three forms: marketing over IP, interactive marketing and mobile marketing. The differences between these forms of e-marketing are the channel of deliver the marketing messages and the communication tools used with the customers. Marketing over IP is the most well-known concept, as discussed above, since it relies on the Internet to communicate. If any marketing activity requires Internet connection, Internet-based systems, including non-web technologies, it is categorized as marketing over IP, or in other words, “marketing over Internet protocol”. Interactive marketing makes use of other technologies that is non-Internet-based such as demonstration devices, sample media, or interactive television to distribute large-sized files and downloadable data to customers or featur-

ing products. The examples for this form of e-marketing are videos, movies saved and encoded in CDs, DVDs, or presentation through projector, or interactive shopping show on television. Last but not least, mobile marketing is a unique form of e-marketing that focus on the use of wireless mobile devices, ranging from mobile phones, Bluetooth system to the latest trend: smart devices. This form of e-marketing is interrelated with marketing over IP since nowadays, mobile service owners can gain Internet access over their devices; however, mobile marketing doesn't necessarily include the Internet-based system to be able to function. (Dann & Dann 2011, 4-6.)

E-marketing has witnessed changes and development throughout the history since the foundation of the Internet in 1969. As the web pages started to witness tremendous growth in the 1990s, companies joined the trend of creating a web-based interface on the so-called World Wide Web 1.0 as it is user-friendly, accessible and fast to update. Although the presence of web pages attracted customers more effectively than any other medium, companies' eagerness of heavily investing and experiment with the new channel resulted in the "dot-com bust" in the late 1990s and early 2000s, where a large amount of online firms suffered from financial loss while controversially achieved huge sales growth and market share figures and had to shut down. When the second version of the World Wide Web was introduced (Web 2.0), a new era of e-marketing also came with the new wave of opportunities for marketers with the foundation of social media, online, storage, email account, sharing systems, etc. While these new elements offers marketers a chance to creatively utilize the internet and at the same time increase the benefits of using e-marketing, it also created challenges that would be discussed in later section. (Strauss 2012, 35.)

## **2.2 Benefits and challenges of E-marketing**

As the internet adoption worldwide has reached maturity with 27% of the world population has internet access in 2010, marketing now has gained global access, geographic boundaries has been erased and companies are offered the opportunity to be in the global marketplace instantly. Common email and web page use also allows any marketing message to reach any targeted customers wherever and whenever. High traffic internet environment along with the powerful Google and other search engines plays an

important role in e-marketing in improving the “relevance” to the users. Increasing the rate of appearing on search engines also means improving brand image, brand awareness, which would potentially result in sales figures. Furthermore, online marketing campaign has distinctive benefits compared to traditional marketing channel such as traceable and measurable results based on traffic rate on web page or response rate to email newsletter, ability to customize data offering for specific targeted customer groups, and constant service since online contents are active 24/7 and can be responsive at any time. (Strauss 2012, 35.)

E-marketing plays a very important role in benefiting the companies’ strategies. The “5S model” of e-marketing shows the benefits that it can possibly generate. The “5S” model consists of the combination of “sell-serve-speak-save-sizzle”. By marketing online, companies can include direct selling and distribution through online channels, thus increase revenue. Moreover, digital marketing opens a lot of new channels to add new values to not only give customers new benefits, but also get closer to them, understand their needs better and improve the relationship management. On the other hand, the cost on marketing in the digital world, compared to traditional marketing strategies is much cheaper and more efficient. Not only can the companies save on the staff costs but also the marketing medium since a lot of digital channels are available for free or at the minimum cost. Last but not least, the internet network connects billion of people around the world regardless of time difference and country borders; hence, brand building becomes a much easier task for companies to achieve explosive reactions with small efforts spent at the right time at the right place. (Chaffey, Smith 2013, 22-40.)

Digital marketing can encounter some challenges in strategies including unclear responsibilities, lack of specific objectives, insufficient allocated budgets, and mistreated online value offers for customers. Internet marketing requires thorough planned strategies with listed responsibilities for different marketing activities. Moreover, since the internet market has so many options for numerous distinctive goals, specific objectives need to be set beforehand in order to have a successful internet marketing plan. Even though Internet marketing is frequently used to save costs, many organizations are

commonly seen with the same mistake which is allocating the budget for internet marketing insufficiently. Bigger corporations can take advantages of that fact, and use their funds to exploit the more advanced digital technologies. Most of the time, a lot of companies treats the internet as “another distribution channel”, and misuses the true potential of the internet. Hence, the values delivered to customers are not evaluated right. (Chaffey, Chadwick 2012, 23.) Moreover, the rise of social media and online community not only allows companies to spread the message much faster and more efficiently but also is an obstacle for marketers to overcome. Customers has now owned the power of sharing their experience and connect with other people, brand image can be greatly improved or heavily damage in seconds. As a matter of fact, the power has shifted from companies to their individual customers as the internet users now has a tool to share, discuss, inform and control the way they perceive the marketing message together with other people, who appear to be more credible than the company itself. Depends on the marketing strategies as well as the campaign contents, marketers can either gain favour or criticism from their customers, which would be both in great amount in short period of time. (Strauss 2012, 36.)

### **2.3 E-marketing platforms**

There are different type of e-marketing platforms that are used nowadays to effectively utilize the developed Internet and other information technology systems to draw customers' attention, build the brand or improve sales. Among these platforms, email marketing, mobile marketing and search engines marketing are chosen based on the needs of the commissioning company as well as the likeliness of reception of the target market, which is Vietnam.

#### **2.3.1 Email marketing**

Email marketing, also known as permission or opt-in email marketing, is a very effective tool to build and manage customer relationships. In email marketing, the customers agree and authorize companies to send advertisements and other form of promotions and information regarding the interested products into their emails, on the condition that they have the option of “opt-out”, or in other words, stop permitting the

marketers to send the materials. (Blakeman 2013, 120-121.) Depending on the companies' goal towards their customers, there are several different opt-in email options for either acquiring new customers or retaining existed customers. To draw attention and attract new customers to the companies, marketers usually use (Chaffey 2013, 401):

- Cold email campaign: customers receive an invitation-formed letter with the opt-in option from a company who has access to an email address database that the customers has previously agreed to provide their email information for. Since the messages are sent "cold" without the customers being aware of, the content and especially "statement of origination" has to be carefully designed to avoid being considered spam or junk mail.
- Co-branded email: companies form partnership with each other and send the invitation-formed letter to their partners' customers, who have already given their permission to receive promotional emails. This type of marketing is more likely to have higher rate of response compared to cold email campaign because of the existing relationship between customers with one of the brands.
- Third party e-newsletter: companies set up ad placements or PR links in a third party e-newsletter. However, customers tend not to read the ads of other brands when the priority of the "hosting" e-newsletter is higher, this type of marketing can be costly.

Different options are also available for customer retention, they are similar in the ultimate purpose and the main difference lies in the time interval between emails.

These options include (Chaffey 2012, 529):

- Conversion email: Follow-up emails are automatically sent to the registered customers to encourage purchase or trial.
- Regular e-newsletter: Newsletters that inform updates of latest products/services are sent regularly to customers on a weekly, monthly, or quarterly basis depending on the companies' strategies.
- House-list campaign: periodic emails are sent after product launching, purchase transactions or to inactive registered members to encourage purchases.
- Event-triggered: Emails sent to inform a newly launched products or special offerings.

Email marketing is used very commonly in the e-marketing environment because of its numerous advantages. Compared to direct postal mails, emails are much more cost efficient and time saving. Since emails generally encourage customers to have immediate response, reception rate is higher and the campaign lifecycle is shorter than other traditional marketing channels. Moreover, since the content of emails is electronic-based, it is easier to customize and experiment with different customers targets. Email marketing can also be combined with different media such as mobile SMS or interactive television to increase effectiveness (Chaffey 2012, 530.)

However, there are some disadvantages of conducting email marketing that should be taken into consideration. Technical issues often come up as email can't be accepted or read because of firewalls or email reading systems. On the other hand, customers tend to have declining interest towards promotional emails overtime and they also have different preferences for specific type of offers which affect responsive rate. Although one of email marketing advantage is low-cost, it is only applied for physical costs. To be able to deliver personalized emails to customers, other technology resources are required Chaffey 2012, 531.)

### **2.3.2 Mobile Marketing**

Mobile marketing is an online marketing platform in which a mobile device is used to deliver the message of promoting or selling a product or service to a specific targeted group of customers in a proactive manner. This type of e-marketing platform is similar to the email marketing; however, it has higher level of the capability of personalization. (Blakeman 2013, 232.) The most simple and classic mobile marketing depends on short messaging system (SMS), multimedia messaging (MMS), Bluetooth, etc. However, the development of mobile devices has accelerated and handheld mobile phones can now function similarly to a PC or laptop in term of gaining Internet access, it is sometimes confusing to differentiate mobile marketing and marketing over IP, as discussed in previous section. Mobile marketing is now defined based on the devices used for distribution. There are five main types of mobile marketing devices (Dann & Dann 2011, 382-390):

- Mobile phones: simple device with the main purpose of making phone calls and sending text messages.
- Mobile phone plus: classic mobile phone incorporated with additional features such as cameras, navigation, basic applications, etc.
- Smart phones: handheld devices that function similarly to computers with Internet access, online storage systems, and online applications.
- Smart devices: any devices that offer Internet access; do not necessarily a mobile phone or a laptop (MP3, Kindle, gaming systems, etc.)

As a whole, mobile marketing is similar to email marketing in terms of advantages and disadvantages. It saves time and costs while the ease of access and personalization makes it feasible to target the customers. Moreover, for mobile devices, because of its nature of portability, the message can be sent, delivered and received from anywhere. Mobile marketing also faces technical issues coming from the device platform itself, customers' "attention deficit" and interest towards the messages which decline over time, and the needs of additional technology resources. (Blakeman 2013, 153-156.)

One of the most important features of mobile marketing nowadays that is getting more and more popular is the QR code, standing for Quick Response Code. This square-shaped code was first introduced in 1994 by DENSO WAVE, a Japanese company, as a solution for developing new barcodes that can hold more information than just 20 digits/characters. In 2000, it was approved as one of ISO's international standards and since then, the QR code has been getting more and more popular. Compared to the traditional two-dimensional barcodes, QR code is much more advanced, developed and convenient for both users and marketers. It has high capacity encoding data up to 7 089 characters of all type (alphabetical/numeric characters, Japanese characters, etc.) in 1 QR symbol. It is also dirt and damage resistant; it has the capability of error correction even when the symbol is partially dirtied or damaged. QR code can also be divided into smaller symbol (maximum 16 symbols) without changing or damaging the inside encoded information and vice versa, several QR code can be combined into one single data symbol. Moreover, QR code also has other convenient features such as readable from any direction in 360°, small print size that is space-saving. There are five

different types of QR codes depending on their usage and technical features such as data size, readability restriction or logo/colour incorporation. (QRcode.com 2013.)

QR codes nowadays are used widely in many businesses. The main purpose of the QR codes is to keep track of product flows and inventory control. According to the homepage of the QR code introduction, the code is used the most in manufacturing, warehousing, retail, medical and event businesses. (QRcode.com 2013.)

### **2.3.3 Search Engine Marketing (SEM)**

SEM is a form of marketing on the internet, based on a transaction between the marketers and search engine companies. The search engine companies provide service in form of pushing the search key words on top of the searching list to increase the rate of hits to the marketers' links. On the other hand, the marketers compensate in the form of payment. (Blakeman, R. 2013, 113). Customers greatly rely on search engines when they need to find new products, services or simply just for information. Along with the power of the largest search engines such as Google, Bing or Youtube, SEM has become one of the most critical tactics for marketers. There are two types of SEM that has their own distinctive advantages and disadvantages: search engines optimization (SEO) and paid per click marketing (PPC).

When we type in the key words in Google or any other search engines, we tend to click the links that appear in the first pages, the higher position the link, the more likely we would chose to visit. That is the ultimate goal of SEO, described as a tool to achieve high position in search engines listing pages for given key words. The figure below describes the importance of high ranking in search engines listings for improve popularity and site traffic.

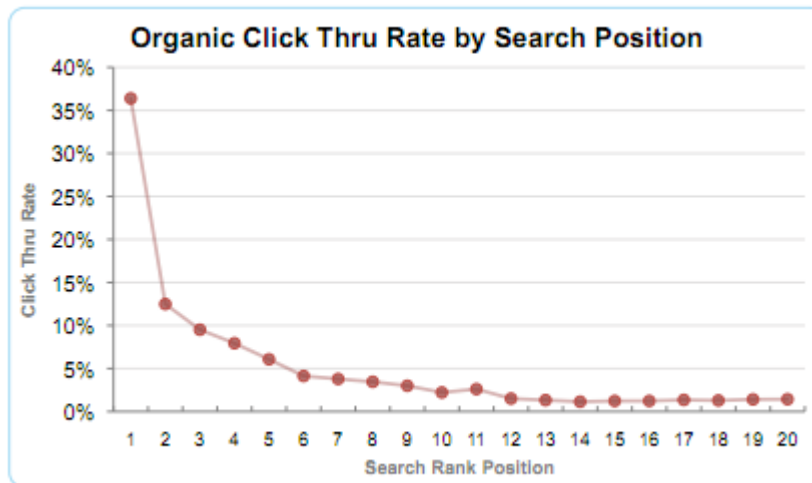


Figure 3. Organic click through rate by search position (SmartInsights 2012)

The click-through rates depend heavily on the position in which the links appear on search engines pages. The rate greatly diminishes only after the first page and fell under 10% for links appear on the third page. This result shows the critical reason why marketers choose SEO as the core of their e-marketing strategies. SEO possesses several benefits regarding attracting attention. A study from Smart Insights showed that 27% of traffic to a particular website is driven by search engines if successfully organized. SEO is also highly targeted as the customers intentionally search for the link to the company site, which also means they are qualified and highly potential buyers. Furthermore, SEO is easy to tracked, measured and has real time results. However, SEO also has some disadvantages that marketers have to carefully consider. The return on investment for SEO is unpredictable since the competitiveness is high. SEO might sound attractive in the beginning but as the implementation is carried on, the time interval between the investment and results is generally long. Moreover, SEO requires constant investment to develop and improve content while it cannot be used to attract new customers' attention since they have to be familiar with the brand or initially have the intention to proactively find the brand in order to search for it on search engines pages (Chaffey 2012, 494-495.)

Pay per click marketing (PPC) is a form of marketing where companies put up text ads and the links to their web sites on the “sponsored ads” section of search engines pages when a specific keywords or phrases are typed. This type of SEM is highly relevant in a

highly competitive environment, where the strong players all competing on the first pages of search engines listings. Compared to SEO, PPC has similar benefits, plus some others. When it comes to searching based on keywords, PPC also is highly targeted and measurable. The marketers do not have to pay for the displayed ads but only when the links are clicked; hence, in compare with traditional marketing, PPC is more cost effective. Moreover, PPC is more predictable, stable and does not require technical complex effort to conduct as in SEO. PPC also achieves results much faster and instant after website revision while SEO needs months to get the desirable results. PPC also has positive impact on branding as the customers would likely notice the ads in the process of searching (Chaffey 2013, 369.)

Of course, PPC is not perfect, its disadvantages include high cost, time consuming and irrelevancy to customers. As mentioned above, PPC is usually used in a highly competitive market; hence, price per click can be pushed to very high level as companies rush to compete with each other in bidding. This is also a reason for smaller companies with more limited financial budget for not being able to compete. Because of the competitive nature, PPC require hourly and daily monitoring to stay in the competition and up-to-date, which is very time-consuming. Last but not least, as a matter of fact, many internet users don't click on the ads when they are trying to find other specific links and the "sponsored ads" are irrelevant to their purposes (Chaffey 2012, 502.)

## **2.4 Theory summary**

E-marketing has been utilized more and more along with the development of the Internet. It can be simply described as traditional marketing activities that need technology applications to be conducted. These applications are normally misunderstood as the World Wide Web only, but in fact, they include a wide range of devices also, from PCs, laptops, smart phones to CDs, DVDs and interactive TV.

Investing in e-marketing brings a lot of benefits as well as challenges for businesses to overcome. As the world population gets more and more involved with the Internet and search engines in particular, effective marketing online ensures borderless brand awareness growth. Moreover, it also helps increase revenue through online transac-

tions, improve customer values through online customer relationship management and at the same time save marketing expenses since a lot of online tools are provided with minimum or free of charges. On the other hand, e-marketing also introduces the challenges such as lack of specific objectives, insufficient allocated budgets, mistreated online value offered to customers and the shift of power from the sellers to consumers because of the rise of online social community.

The three e-marketing platforms that will be focused on are e-mail marketing, mobile marketing and search engine marketing (SEM). E-mail marketing is used where the customers give permission to receive promotional information and materials from the sellers and also have the option of stop using the service. This type of tool is widely preferred and anticipated by both parties since it is easy to manage, cost-effective, and it works based on customers' consent. Mobile marketing is an online marketing tool that uses any type of mobile device to deliver the marketing messages to customers. Its nature is similar to e-mail marketing, however it has higher level of personalization and it covers numerous ways to reach customers including e-mail. QR code is one of the most used features of mobile marketing that proves its effectiveness and cost efficiency. The last tool discussed in this chapter is SEM. Since the dominating power of search engines such as Google or Bing, SEM became one of the most important tool for marketers nowadays where people heavily rely on search engines to find information. It helps increase organic traffic growth and brand awareness through pushing the search keywords on top of the searching lists with the help of Google softwares.

### **3 Project design**

The project proceeded based on the information obtained from an interview with the company representatives and desktop studies on previous success stories of companies in the world. The interview was focused on which platforms the company wants to focus on at the moment in terms of financial and technical ability. The interview was conducted via Skype and emails after the completion of the benchmarking research. The idea was to seek the optimized solution for both the company and the thesis writer to be at a right scope and capability of both parties. Both the interview and the benchmarking studies focused on finding out all the available platforms that are being used in the market and how the tools can be utilized to obtain the marketing objective in the most efficient way.

After the studies and interview were completed, a set of e-marketing tools guidelines were designed as the final product. The tools were analysed and divided so that the final product will contain the specific task to build the platform, the necessary technical skills and the cost and possible partnership online to deliver the platform. When the tools were fully designed, the company representatives received the thesis as a report on the developed e-tools and assessment was made. Further modifications and finalization were possible before submitting the thesis to the writer's thesis advisor.

## 4 Benchmarking research

Ever since the Internet was introduced and the development of technological devices, companies from different industries have been including online marketing tools into their business plan to improve their business activities performances. Based on the case studies that will be discussed below, the main objective companies usually aim for when using online marketing is to build brand awareness and attract customers' attention, which eventually reflect through the increase in sales revenue and profits. Because this thesis only focuses on a few specific online marketing tools such as email marketing, mobile marketing and search engine marketing, the case studies are chosen based on their previous successful campaign using these tools. Most of the cases are recent; the only exception is the case of the Australian wineries, extracted from a research in 2004.

Table 1. Benchmarking study cases

Company	Year	Tools used	Carried by	Results
Australian wineries	2004	Email	Wineries owners	Increase in sales and amount of customers
Homebase, UK	2013	Email newsletter	eCircle Company	Increase in click-through rate and sales
E-mart hyper-market chain, South Korea	2012	QR code campaign	Cheil Worldwide	Increase of membership, sales and media coverage
Epic Cruises (River Gambler), Canada	20013	Search engine marketing	Green Lotus Marketing	Improvement on conversion rate, click-through rate and online traffic

### 4.1 Case 1: Australian wineries

The first study case chosen is the adoption of email marketing of Australian wineries, a research conducted by Dr.Carmine Sellitto, lecturer of the School of Information Sys-

tems at Victoria University in Melbourne, Australia. The study was published on the International Journal of Wine Marketing in 2004, the early stage of Web 2.0. This research focuses on how email marketing is pursued among Australian wineries and the benefits it generated in terms of both sales and business operation. The reason for choosing this case study in spite of the difference in nature of industry and product offerings with the commissioning company is because of the beginning stage of using online marketing as well as the simplicity of the tool used, which are similar to CASTA Ltd. Current situation.

The research results were obtained from the answers of 225 wineries that are listed in the Australian and New Zealand Wine Industry Directory, excluding the ones that are located in Victoria region. According to the survey, the wineries started adopting internet quite early, starting in 1994 and by 2003, 91.8% of the wineries in the research sample has integrated internet marketing into their daily business activities. Most of the wineries have email, information search and website brochure as their e-marketing tools while only 27.1% includes online transactions with suppliers, which makes the case study fit the purpose of the benchmarking process since the commissioning company does not want to add online transaction into their online marketing plan at the moment. Regarding the level of using email for distributing newsletter, 82 wineries were willing to give figures indicating the percentage of newsletter distribution that email is accounted for. According to the figures, the majority of wineries distribute less than 50% of their newsletter through email (table showed below). However, despite the low figures result in the level of using email newsletter, gathering email addresses from customers proactively through events, festivals, trade shows or as soon as the customers visit the facilities are specifically prioritized, stated by many wineries representatives. This action of actively involved in email permission marketing also reflects in the achieved benefits despite the low proportion of email newsletter distribution.

Table 2. Proportion of Newsletter/mail order distribution using email (Sellitto 2004, 65).

E-mail channel as a proportion of newsletter/mail order distribution	Number of wineries
1-10%	28
11-20%	9
21-30%	14
31-40%	5
41-50%	12
51-60%	3
61-70%	1
71-80%	3
81-90%	1
90+	6
Total	82

By adopting email marketing, Australian wineries has witnessed significant improvements. As discussed earlier regarding the general advantage of email marketing, time and costs used for business operation are saved and utilized more effectively. Approximately 80% of the wineries experience the time savings on documents deliveries and order processing. Customers as well as partners and suppliers can receive the newsletters, sending orders or offers in an instant, making business transactions easier and faster to process. By using emails, many wineries are able to cut costs for physical transportation, stationery material, printing, postal services (75.1%) and also telephone costs (43.6%). Emails also allow wineries to update, manage, store, and trace business documents electronically (58.2%). Moreover, email marketing also has impact on the relationship with suppliers as 42.2% wineries obtain orders from their existing suppliers much easier and 29.8% get direct offers from new suppliers with better products. On the other hand, regarding sales activities, 46.2% wineries achieved new sale inquiry and 18.7% acquire more sales with their existing customers. These figures prove that email marketing play a very critical role in strengthening customer relationship as well as building customer database. Hence, it is cleared that email marketing has brought powerful achievement in terms of efficient performance and finance.

Furthermore, the nature of being borderless of email marketing also helps spread the brand awareness, thus expanding the area of selling activities. On the sample of 100 wineries, 66% gained new customers from the local area, 79 wineries had new sales from the interstate region and more importantly, 50 out of 100 wineries passed the geographic border and reach the international market. The result suggested that by optimizing email marketing, companies can obtain the “global” status and quickly expand their area of operation and generate revenues. On the other hand, the research also analyze the relation between email marketing is integrated with web sales. The commissioning company may take this into consideration in the future, even though web sales are not available, payment or after sales additional services could be added online. According to the result, the higher the increased percentage of new web sales, the higher the proportion of wineries that used email newsletter distribution (table shown below). Although only 10 out of 90 wineries participated in the survey achieved over 5% increase in web sales, the fact that 90% of these wineries include email marketing alongside with web site selling may lead to the conclusion that email marketing has potentially strong ties with direct online sales and if planned strategically, these two tools can enhance the online financial performance.

Table 3. Wineries web sales and email newsletter/mail order distribution (Sellitto 2004, 68)

Winery Web sales as a percentage of annual wine sales	Wineries achieving Web sales (N=90)	Wineries using e-mail for customer mail order/newsletter distribution (N=90)	Proportion of wineries using e-mail customer mail-order distribution
<1%	47	21	44.6%
1-2%	17	9	52.9%
3-5%	16	9	56.3%
6-10%	7	6	85.7%
>10%	3	3	100%

Through the result of this study, it is cleared that the Australian wineries have successfully integrated email marketing into their business strategies and achieved significant improvements both effective-performance-wise and financially. Not only did the participated wineries reduce operation time and costs, they also improve the communica-

tion flow both upwards and downwards in the supply chain by strengthening relationships with existing suppliers and customers and attracting offers and orders from new ones. Moreover, by using emails to erase the geographic boundaries, these wineries are able to penetrate the wine market abroad and transform into global firms.

## **4.2 Case 2: Homebase Company, UK**

The second study case is the successful implementation of email marketing campaign at Homebase Company, a retailer company based in UK, conducted in 2013. Homebase is part of Home Retail Group (HRG), the leading retailer group in home and general merchandise in UK. Among different retailing brands of HRG, Homebase offers home and garden furniture and other enhancement products such as decorating, lighting and homeware appliances. Homebase is now one of the leading retailers in the UK and Ireland, with 19 000 employees and generated 1.5 billion pound sterling (£) in 2012. This study case is chosen because of the similarity between the range of offered products as well as targeted customer segments between Homebase and the commissioning company for this thesis, CASTA Ltd. Both companies offered a range of high end luxury kitchen furniture, including cabinets, worktops, storage and other enhancing kitchen appliances. For both companies, purchase decisions are only made after visiting the store outlets/showrooms and meeting with designers; hence, it is important to draw the customers to the store after visiting the web site. Studying Homebase previous successful email marketing campaign will give a more in-depth experience for building the e-marketing tools in the later chapter.

The ultimate strategic goals of Homebase were to showcase their range of kitchen products and generate more sales without the previous voucher offerings tactic. Because of the price range and the image of the products, Homebase also needed to effectively identify and target potential customers, who would be both interested in and financially able to make the purchase decision. Based on these goals, Homebase partnered with eCircle, a digital direct marketing supplier, to plan a “targeted triggered email campaign” to target their customers in right timing. The email campaign aims to identify the customers who express interest specifically in kitchen product range among the existing and already subscribed customers. This is done with the help of

“categorized link tracking”, in which customers will be automatically added in the “Kitchen Trigger” program and follow up emails will be directed to this customer database.

There are three follow up messages that will be customized for three different objectives and sent to the identified customers one after another to trigger the purchase decision making. The first message is mainly for showcasing product range, installation services and catalogue to raise brand awareness, draw interest and prompt consideration from customers. This first email would be sent only after 24 hours after the customers are added to the Kitchen Trigger program and have the “call-to-action” link (CTA) to direct the customers to the Homebase online catalogue along with other CTAs for customers that had made the purchasing decision. The second trigger email’s purpose is to encourage appointment booking in store. This stage is important since only customers with the intention or consideration to make a purchase would want to book an appointment with the kitchen designers. Usually in this second message, only the CTA for appointment booking is visible and it would direct the customers to the specialized designed booking page. Last but not least, the third email is sent to reinforce the message of the previous two trigger emails and “trigger” the customers who have not made the decision. Many CTAs are included in this email in order to affect the customers’ decision making process in many aspects: from option to browse the online catalogue, to book an appointment, watch expert or representative video or reviews from previous customers.

The result achieved from the email campaign was impressive. Each trigger email had their distinctive figures of improvement and impact. The first trigger email has the highest level of engagement from the customers, reflecting on the email open rate of 45%, which is 15-20% higher than other usual email marketing campaign. By putting the CTA links in the email, the click through rate also reached 8.4% and 70% of the customers who clicked through moved onto book an appointment. Among the customers that booked the appointment, 6% made direct online order and 7% made a reservation for later pick up. The second email also achieved positive result with 35% of open rate and 3.5% click through rate. 5% of customers at this stage clicked the

CTA and 36% of this amount of clickers booked an appointment. After the appointment, 4% made direct online order and 1% made reservations. This fairly low figure, as claimed on eCircle report, is expected since in this email, only one CTA is visible. On the contrary, the last trigger email includes multiple CTAs encouraging customers to engage in purchasing; hence, this third stage achieved open rate of 34% and 5.25% click through rate. This last follow up email had the highest booking rate of 84%, among which 8% ordered online and 4% reserved for pick up.

This study case introduced an interactive and personalized communication tool online that brought back impressive result. According to Ms.Jennifer Wright, Online Marketing Manager at Homebase, this Kitchen Trigger Program has helped directing customers through the sales funnel strategically as planned and gain 45x return on investment (ROI) for the company by itself. Ultimately, the email campaign was successful and exceed every primary goals with 48% booking rate, 40% purchasing rate after booking and a financial boost with more than 1 million £ revenue. The main factor of the success of the campaign lie in the ability of identify the customers who are in the considering stage before making purchasing decision and provide customers with necessary information at right timing.



Figure 4. Sample of the trigger emails (SmartInsights 2012)

### 4.3 Case 3: E-Mart retailing stores, South Korea

The third case is the implementation of creative QR code campaign for the lunch hour sales of the E-Mart hypermarket stores in South Korea. E-Mart is the leading hypermarket in South Korea area and belongs to the retail business sector of Shinsegae Corporation, and 80-year-old prestigious organization in the Korean distribution industry. The first E-Mart store was opened in 1993, and since then, E-mart has been able to achieve significant growth in terms of expansive network: in 2012, E-mart owns 146 locations across South Korea and 16 locations in China, strongly competing against Wal-mart in the South Asian region. E-mart is divided in 3 different business areas: hypermarket, specialty stores that target specific needs such as pet shop, health and beauty, pet, toy, electronics, etc., and online mall. This particular QR campaign was design and applied for the E-mart hypermarket stores.

The reason to activate the campaign was the low sales figure achieved during the lunch hour: 12pm to 1pm, and the sales hour did not perform as well as expected, in fact, the supposedly the rush hour turned out to be the lowest sales revenue point during the day. The mission of E-mart was to increase the sales as well as customers' attention. The marketing team addressed the core idea of the campaign is to provide their customers with a unique experience that is only available during lunch hour and at the same time, impressive enough to draw their attention in that small time frame. The creative 3D QR code was introduced.

They designed a large-sized panel with different shaped blocks on it and placed these panels in different locations in the Seoul City. The shadows that the blocks casted on the panel along with the blocks themselves created a 3D QR code that can only be scanned from 12pm to 1pm due to the angle of the sunlight. This campaign was called Sunny sale. The idea is to attract customers to notice the code that only appears during the 1-hour lunch time and scan it with their mobile devices. Once the code is scanned, customers will be directed to the Sunny Sale mobile homepage automatically. The sales program offered various special discount offers including a 12\$ coupon awarded when log in and purchase. Customers can then make purchases on the E-mart application and the products will be delivered directly to the registered addresses.

The result was successful. Customers enjoyed the uniqueness of the code display and anticipate the lunch hour break to witness the casted shadow and scan the code. Because of the good response from the customers, the Sunny Sale QR code was installed in 13 locations in Seoul city in the period of the first two months of 2012, and then expanded to 20 more locations.



Figure 5. Sunny Sale Shadow QR code panel. (Source: adsoftheworld.com 2012.)

The financial figures also proved the success of the creative campaign. After the launch of the campaign, over 12 000 Sunny Sale coupons were sold and in February, the E-mart membership increased 58% compared to January. The primary goal of increase sales was also successfully obtained as sales during lunch hour increased 25%. The campaign also received viral responses from the customers and media coverage on the campaign during the following months on various channels: blogs, newspaper, TV news section, facebook posts, etc. Furthermore, the campaign also got recognition from international organizations as it received awards from the London International Awards, Cannes Lion and Spikes Asia in 2012 for its achievement in creativity in mobile campaign. (E-mart Sunny Sale Campaign – 3D Shadow QR Code 2012.)

#### 4.4 Case 4: Epic Cruises, Canada

The last case is a case study of Epic Cruises, a part of River Gambler's product range in Toronto, Canada. River Gambler is a Canadian company that specializes in providing boat rental party venue in the last 30 years. Their product range includes cruises for different purposes and events such as wedding, corporate events, graduations & proms or casual parties. They also have complementary services along with their luxury cruises at the Toronto Harbor: in-house DJ & MC, catering services, open deck floor, etc. According to Alison Rogers, Director of Marketing at Epic Cruises, the mission of conducting the SEO campaign was to increase visibility and leads, maximize marketing budget as well as improve competitive advantage.

Green Lotus was the marketing agency that carried out the SEO campaign for Epic Cruises. The campaign started in early April 2013 and continued in four months. The idea was to implement a hybrid search engine marketing strategy including both non-paid and paid search services along with traffic tracking and keyword analysis. Based on the requirements from Epic Cruises, green Lotus made an extensive marketing and competition analysis and pointed out three strongest competitors that also provide boat rental services in Toronto area. The mission is to create a list of competitive keywords to improve search ranking online for the non-paid part of the campaign. Since the competitors' services are somewhat similar to Epic Cruises, the keywords need to be specific with combination of services names. After the keyword analysis was completed and established, the SEO campaign moved forward as planned and the results achieved were significant. Epic Cruises' ranking were in the top 3 for important keyword search such as: "event boat rental toronto", "corporate boat cruise rentals" or "wedding boat cruise rentals", compared to their competitors who only got to the 8<sup>th</sup> position max. The Organic Keyword Ranking increase 281% in less than four months and 40% of total website traffic is gained from Google search. Moreover, the amount of email and phone call leads generated were also impressive, as 5.4 emails were obtained per day and more than 40% of the phone calls were longer than 2.5 minutes.

## Competitive Keyword Ranking

Google.ca - Toronto, Canada	Competition	Epic Cruises	Mariposa	Empress	Schooner
Events boat rental Toronto	1 750 000	1	47	-	36
Proms party Boat rentals Toronto	1 580 000	1	8	-	-
Boat cruise rental Toronto	1 570 000	2	6 ↓	8 ↓	-
Corporate Boat Cruise Rentals	20 600 000	3 ↓	13	15	-
Public concerts Boat Cruise Rentals	16 300 000	1	-	-	-
Business Boat Cruise Rentals	14 000 000	2	-	-	-
Engagement Boat Cruise Rentals	11 300 000	1	85	-	-
Corporate cruise rental Toronto	10 400 000	2	7 ↓	10 ↓	47
Wedding Boat Cruise Rentals	7 150 000	1 ↓	13	4	-
Rent a party cruises Toronto	6 190 000	1 ↓	40	23	30
Party cruises rental Toronto	4 670 000	2	37	40	27

Figure 6. Keyword ranking for Epic Cruises. (Search Engine Marketing Case Study 2013)

On the other hand, the paid search part of the campaign (pay-per-click) was also successful as it optimized the landing page for the ads and added multiple conversion points to increase click-through and conversion rate. The pay-per-click strategy also included the geographic targeting tool to narrow down and target specific group of clients based on different parameters such as locations, languages, traffic hour to better improve the campaign effectiveness. The paid campaign also brought back significant figures. Based on their keyword and competitive analysis, the paid campaign achieved the conversion rate of 5.2%, almost double the rate of the industry (2.8%). The Ad click through rate on Google search engine also reached 3.3%, a lot higher than the industry rate of 2.1%

The overall website performance after the launch of the campaign reached its peak with 114% increase in overall visits. For non-paid search engine visits, 415% increase was recorded and the conversion rate of 5.2% was the highest rate that Epic Cruises had ever achieved. Furthermore, 700 leads in total (email and phone calls) were generated in less than four months at the cost of 56\$ per lead, Green Lotus has proved its campaign's efficiency and effectiveness.

## 4.5 Cases analysis summary

The case studies are chosen based on the tools chosen as well as the effectiveness the marketing campaign achieved. The purpose of the research process is to showcase the results that can be obtained by implementing three out of four cases are conducted very recent, the first case of the Australian wineries were chosen to be part of the research because of the wineries beginning stage of using online marketing, the basic level of investment that are similar to the commissioning company's current situation and requirements.

Two cases are chosen for the e-mail marketing: the Australian wineries and the Kitchen sector of Homebase Company in the UK. As mentioned earlier, positive results can still be achieved without heavy investment and complex technical skills. The two cases play the role of “then” and “now” scenarios of CASTA if e-mail marketing is implemented. At the moment, while the effectiveness of e-mail marketing has not yet proved, the commissioning company can slowly start with basic steps by sending out newsletter or catalogue via emails to subscribed customers. In the future, if email marketing proves to bring back growth in sales, further complex improvement can be made similarly to the Homebase case study.

The E-mart retailing store case study shows how QR code can be creatively used to boost both sales and brand awareness. Since the amount of smart phones users in Vietnam has been increasing, it is time to try bringing QR code into the big picture. For retailing stores, it is common that customers prefer to be in the stores physically and check out the items before actually making purchases. Similar to E-mart, CASTA can utilize QR code to “spread the words” faster and make it more convenient for the customers to approach the stores' promotional activities without being at the stores.

Last but not least, The Epic Cruises case study shows some similarity with CASTA in terms of the luxurious nature of products offered and the limited number of competitors in the domestic market. Keyword search on Google has been used in CASTA, however, the involvement is very low and the potential has not yet been realized. The

case study's purpose is to show that further investment on the SEM can bring desirable results: brand awareness improvement, online traffic growth and competitiveness.

## 5 Interview with CASTA's Representatives

The questions are presented to Mr.Minh Nguyen, CASTA's Executive Director. Based on the result of the interview, the commissioning company shows the lack of experience and knowledge in online marketing. When asked about CASTA's targeted customers, since the B2C sector is fairly new and the nature of the product does not require a detailed occupational, gender or age segmentation, they are aiming for upper-middle class and higher customers with stably high income and are looking for renovating or rebuilding their homes with European inspired designs.

CASTA's marketing channels are mainly focused on the exhibitions in showrooms. Mr.Nguyen stated that they also join the furniture expo that goes one once a year to showcase new products. Other marketing tools are also used but not so effective or emphasized: newspaper ads, PR, TV ads on InfoTV channel (real estates related asvertisement channel), Google search, website, facebook page.

As a result, their showrooms are the one that performs the best in terms of marketing and cost effectiveness. On the other hand, their website and facebook page are the ones that does not work since their staff is not assigned in regularly updating and improving the pages. The information posted is not recent or relevant. He also admitted that they are having trouble with the quality of the staff in the marketing department so they currently shift their focus to the physical exhibition through showrooms.

The next question is about the budget allocation of CASTA for their marketing tools in order to better understand their financial ability and willingness to invest in oline marketing field. As expected, budget for their showrooms accounted for more than 70% of their total marketing budget, the second position is their expo activities. They spend approximately 500 000\$ on three showrooms and about 100 000\$ on the annual expo. Other marketing channels are not emphasized, hence, they only spend about 15000-20000\$ per year in total for ads on newspaper, TV, PR, etc., of which only

2500-3000% per year is paid for Google Search to improve rankings. Facebook and Website pages costs are minimal.

The Director claimed that they are very open to any possibility when it comes to online marketing since he also noticed the trend of using smart devices among their targeted customers. He also stated that the company Is willing to invest and definitely develop further and deeper into online marketing field if they achieve the positive results through the improvements that this thesis recommended.

## **6 E-Marketing tools design**

Based on the results obtained from the benchmarking process and the qualitative interview, it is evident that the proposed tools should be easy and simple to implement. Moreover, since the company is now taking the very first steps to marketing online, the level of investments in terms of finance, technical skills and human resources should be kept at minimal level. The tools chosen, as discussed in the theoretical framework and the benchmarking chapter, are e-mail newsletter, QR code for mobile marketing and pay-per-click system for search engine marketing.

### **6.1 E-mail newsletter system**

**Objectives:** The purpose of the e-mail newsletter is to attract customers' attention and encourage purchase decision. At this beginning stage of getting accustomed to sending out newsletter, it is better to start with simple newsletter template instead of complex HTML interactive template.

**Implementation:** Since the act of acquiring email from customers in Vietnam has not been a regular activity for both businesses and consumers, at the beginning, emails from customers should be acquired manually through customer service at showrooms and phone lines. The list of emails from existing customers and new customers should be updated regularly to make sure the newsletters are sent to the correct targeted group.

The newsletter design is completed by the thesis writer. Based on the benchmarking on Homebase (UK) previously in chapter 4, the newsletter template for CASTA included links to encourage customer to visit the page and contact the distribution points. These links are organized in the manner similarly with Homebase' trigger emails.



Figure 7. Completed newsletter design for CASTA

The first link is written to attract customers' interest by introduce the image of the favorite product of the month and the link to the product online catalogue. Brief description on how the products are categorized in the catalogue is supposed to draw attention from customers' with different preferences. The second link serves the purpose of encouraging customers to contact and get physically involved in product speculation. This step connects the sales forces at the showrooms and the online marketing platform to improve the effectiveness and urge the customers to make purchase decision. The last link is used to invite customers to be part of the online customer community. This step not only builds brand awareness but also builds the customers' contacts database for future use.

The skills required for managing this tool are MS Office skills, especially MS Publisher and Excel. Since the company is the very beginning stage of sending out newsletter to customer, information on promotional activities and product range images are enough for these first newsletters. An HTML interactive email template is possible to be developed in the future, when the newsletter campaign has proved its effectiveness and more human resources of the IT department is available. Of course, the option of outsourcing the designing email newsletter to outside marketing agencies is also available.

However, this would be a more appropriate option when the CASTA has more involvement in online marketing.

The email list acquired from the customers can be manually imported into an Excel file for easier editing and tracking. The email newsletter template designed in MS Publisher can be sent to all the emails in the list by using the Mail Merge action. This step can also be applied if the email list already exists in other MS program such as Outlook, Access or Word. Email newsletter will be sent simultaneously to every recipient in the list.

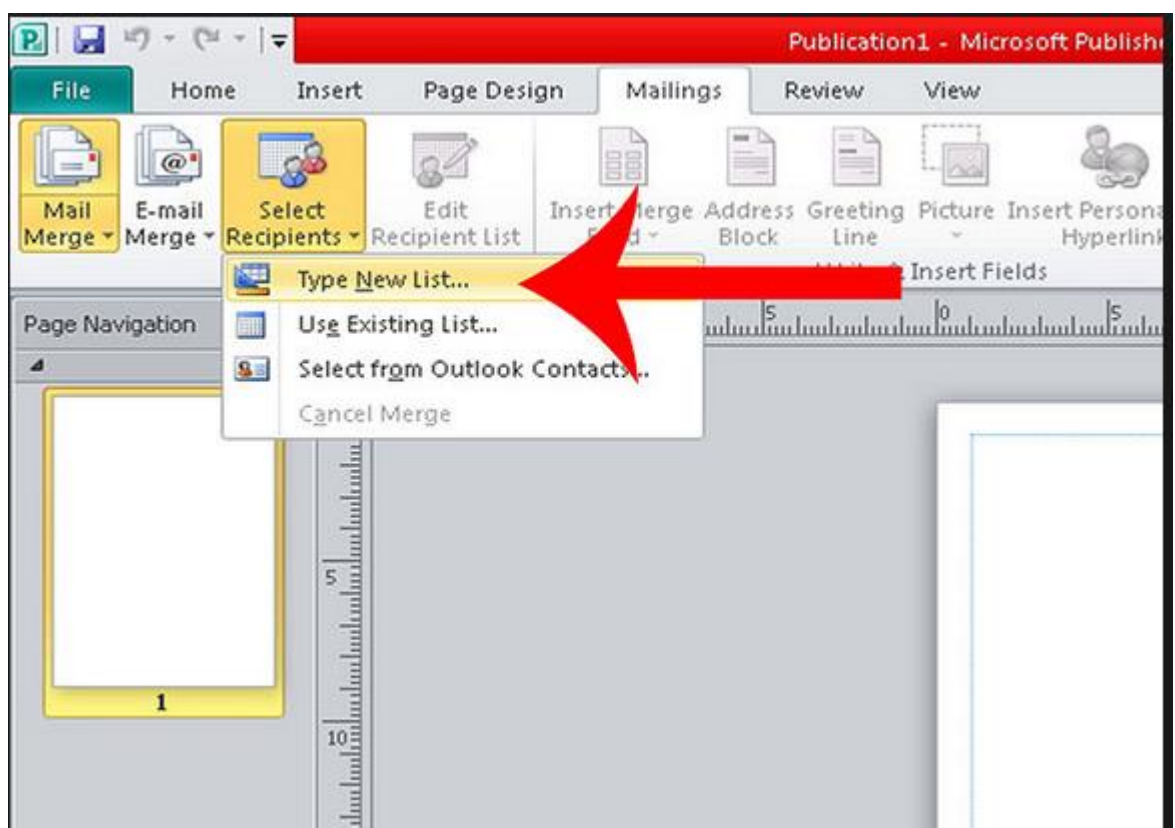


Figure 8. Illustration of using MS Publisher to send email newsletter to existing list

Control instruments: The open rate can be recorded and tracked by selecting the function of announce when the message is seen through Outlook when sending emails. On the other hand, the link to CASTA's homepage or Facebook page can be attached in the newsletter. The traffic performance to the pages can be recorded by Google Analytics.

## 6.2 QR code generator

Objectives: The purpose of generating the QR code is to increase brand awareness and provide customers with more convenient access to company's promotional campaign. Through the utilization of the QR code, company can also use this chance to improve their performance on their facebook page and web sites.

Implementation: There are several web pages online that allow company to generate their own QR code without being charged. However, these free QR code generators have some limitations as it only allows a specific number of scan that the generated QR code can have. For example, the basic package that most of the QR code generators offer includes under five different QR codes and approximately 500-600 scans. Other QR generator providers do offer unlimited scans for their free starter package, however, the tracking, reports and analytics are not included, which makes it difficult for the company to check the effectiveness of their tool.

After considering different code generator online, I recommend using the web page [www.qrcode.kaywa.com](http://www.qrcode.kaywa.com) This web page from a company in Zurich, Germany, provides several tools to customize the QR code based on company's needs. QR code can be linked to a website, facebook account or other channels such as reward coupons, personal contacts, etc.

A QR code has been created by the thesis writer. This code will automatically redirect customers who scanned the code to the list of CASTA's agent contacts. The code would be attached to every product models at the showroom so that the customers can contact and get in touch with the point of distribution immediately. At the moment, since no budget has been spent, the code is at basic level with no tracking instruments. However, instructions on how to acquire these complementary tools will be provided later in this chapter. At the moment, for experiment purpose, CASTA can put this code into use immediately as it is completed and can be downloaded and printed unlimitedly at once.

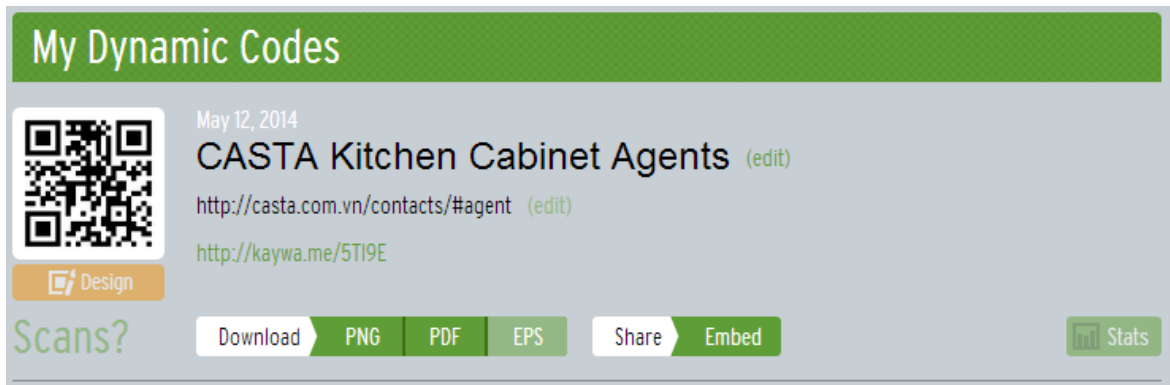


Figure 8. Completed QR code for CASTA

Moreover, the sales force also do not need to prepare an amount of print catalogue to present and give out to potential customers anymore. QR codes attached to the product model labels can be scanned and saved in customers' electronic devices and be used instead of printed paper catalogue, which saves time and money for both customers and the company itself. Another use for this code is for their annual furniture expo. As a matter of fact, presenting at an expo is to mainly showcase new products and attract new customers. Introducing QR codes to the audiences at the expo can increase awareness in shorter time.

Below is the instruction on how to create new QR code for different marketing purposes that commissioning company can use in the future to develop it into a comprehensive QR code campaign.

Step 1: Create an account to easily save, print and change the design of the QR codes

Step 2: Choose the type of information would be stored in the QR code. In this case, it depends on the company's will to choose between URL (company's homepage) or Facebook account. The action of generating the code is very easy, as the user only needs to copy-paste the link of the pages they want to encode in the QR code and then click generate. The code now is ready to saved, downloaded and printed.

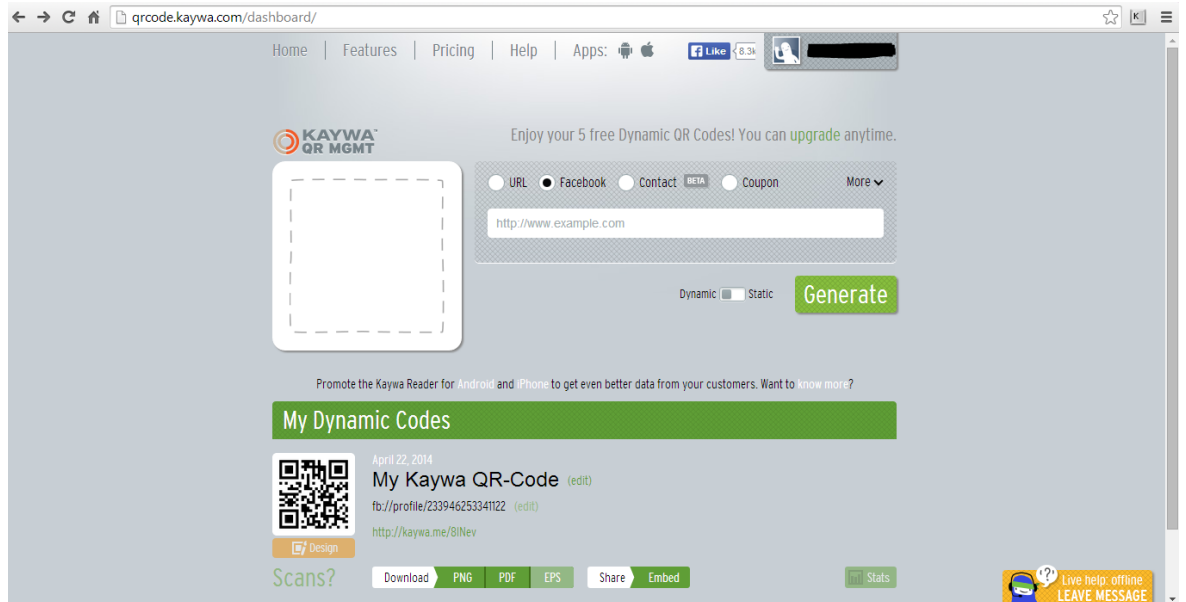


Figure 9. Illustration of generating QR code (qrcode.kaywa.com 2014)

Step 3: As mentioned before, the free package has a lot of limits that it would hinder the effectiveness of the tool. The commissioning company is recommended to sign up for the starter package on Kaywa web page. This package costs only 13.75\$ per month which is 165\$ per year for 5 different QR codes, unlimited scans and QR code Tracking and Analytics are also provided.

	CURRENT PLAN	FREE	STARTER	MOST POPULAR ADVANCED	PREMIUM	PREMIUM+
		\$0.00/mo	\$13.75/mo billed annually	\$37.50/mo billed annually or \$45 month-to-month	\$75.00/mo billed annually or \$90 month-to-month	\$150.00/mo billed annually or \$180 month-to-month
	pnpp_planActiv		Upgrade	Upgrade	Upgrade	Upgrade
Number of Account Users		1	1	1	3	5
Number of Dynamic QR Codes		5	5	50	250	500
Number of Static QR Codes		Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Number of Scans		Unlimited	Unlimited	Unlimited	Unlimited	Unlimited
Download as PNG & PDF		✓	✓	✓	✓	✓
Download as EPS (Print)			✓	✓	✓	✓
Changeable QR Codes			✓	✓	✓	✓
QR Code Tracking			✓	✓	✓	✓
Contact Codes & Analytics <b>NEW</b>			✓	✓	✓	✓
Facebook Codes & Analytics			✓	✓	✓	✓
Coupon Codes & Analytics			✓	✓	✓	✓
Design QR Codes DIY (PNG)			✓	✓	✓	✓

Figure 10. Illustration of signing up for more advanced QR code generator package (qrcode.kaywa.com 2014)

The code now can be changed and design freely. Because the nature of the products requires customers to go to the showroom and check out the product range carefully, it is possible that customers have to pay several visits to the showrooms, which can be time consuming and tiring. The QR code can now be printed out and attached to company's promotional materials such as newspaper ads, PR articles, products' labels, etc. On the other hand, discount programs can also be promoted through specifically designed QR code. The codes can be changed regularly based on the promotional activities; customer hence can be directed to the discount programs homepage as soon as they scan the code.

Control instruments: Code tracking and analytics are included in the starter package that Kaywa web page provides. These instrument will keep track and record the times the code has been scanned, from where and which devices as well as if coupon has been redeemed, in case QR code for coupon is used.

### 6.3 Pay-per-click

Objectives: The purpose of using the pay-per-click tool is to improve visibility of company's web page on search engine, in this case, Google Search. CASTA has already been using Google keyword ranking SEO services, incorporate PPC is also a good chance to improve their web page traffic further. Since it only costs money if a customer click on the ad, it is more cost effective than other marketing tools.

Implementation: The program that will be used for this tool is Google AdWords, an advertising tool from Google. A PPC campaign has been set up through CASTA existed Google account by the thesis writer. A list of keyword search was generated to enhance the effectiveness of the campaign. The cost-per-click however is left blank based on CASTA's request to have further discussion. Once the cost is set and put in the GoogleAdword system along with billing information, the ad campaign is ready to activated immediately and Google Analytics would start keeping track of the online traffic to the company's website.

**Ad preview:** The following ad previews may be formatted slightly differently from what is shown to users. [Learn more](#)

Side ad

[CASTA Kitchen Cabinet](#)  
casta.com.vn  
European Design  
Book now to get 5% discount

Top ad

[CASTA Kitchen Cabinet](#)  
casta.com.vn  
European Design Book now to get 5% discount

Figure 11. Ad preview of PPC ad for CASTA (Google AdWords 2014.)

As the commissioning company requested, below is the instruction on how to create a PPC campaign from scratch.

Step 1: Log on to <http://adwords.google.com> and follow instructions to select campaign settings. The default settings are usually the best option. Google search engine networks and partners are already chosen so the possibility of attracting customers will be at its highest level.

At the bottom end of the setting page, bid strategy should be added. This part is recommended to be manually added by the company since it is best for the company to decide on its budget for the advertising in advance. Ad extension can also be added to provide more information for the customers such as locations, phone number, web page links. It is recommended to include company customer service phone number and the company's home page for easy redirection.

The screenshot displays the 'Bid strategy' section of the Google AdWords campaign setup. It includes a 'Bid strategy' dropdown menu with a help icon, and two radio button options: 'I'll manually set my bids for clicks' (selected) and 'AdWords will set my bids to help maximize clicks within my target budget'. A yellow warning box states, 'You'll set your maximum CPC bids in the next step.' Below this, there are input fields for 'Default bid' (with a Euro symbol) and 'Budget' (with a Euro symbol and 'per day'), each accompanied by a help icon. A note below the budget field says 'Actual daily spend may vary.' with a help icon. The 'Ad extensions' section follows, with a sub-header and a link to 'Take a tour'. It lists three options: 'Location', 'Sitelinks', and 'Call', each with a help icon and a checkbox to 'Extend my ads with...'.

Bid strategy  Basic options | [Advanced options](#)  
 I'll manually set my bids for clicks  

⚠ You'll set your maximum CPC bids in the next step.

 AdWords will set my bids to help maximize clicks within my target budget

Default bid  €   
This bid applies to the first ad group in this campaign, which you'll create in the next step.

Budget  €  per day  
Actual daily spend may vary.

---

Ad extensions

You can use this optional feature to include relevant business information with your ads. [Take a tour](#)

Location   Extend my ads with location information  
Sitelinks   Extend my ads with links to sections of my site  
Call   Extend my ads with a phone number

Figure 12. Illustration of setting PPC campaign. (Google AdWords 2014)

User will then be directed to creating an ad group. Here, the ad that would appear on top of the first page will be designed depending on the company's will. Below is an example of a top ad and a side ad for CASTA business.

The ad extension section in the settings will allow the company to include their contact information or attach some of their product images.

Next step is the keyword listing. These keywords will indicate when the ads appear. The more keywords are included in the list, the better. Brainstorms session is required from the marketing department of the commissioning company to define a list of approximately 20-30 keywords that are specific, highly targeted and relevant to increase the possibility of attracting customers.

The last step is to decide the highest cost per click (CPC), which is the highest price the company is willing to pay when a customer click on the advertisement. This information will be considered by CASTA after reviewing the whole thesis. Hence, the cost will depend on company's budget. This number can be revised in the future based on the performance of the ads and the traffic performance.

Control instruments: Reports provided by Google AdWords can be retrieved when log on. Moreover, the commissioning company can also sign up for Google Analytics, which is a free tracking program that will report the traffic performances on the web page that has the tracking code attached.

## **7 Conclusion**

### **7.1 Key findings and outcome**

The results of the benchmarking process give us a glimpse on how powerful online marketing can be. The impressive results achieved by the companies in the chosen case studies suggested that if CASTA decides to invest in online marketing, it would be greatly beneficial in the long run. The real scenario for CASTA in the future if choose to pursuit online marketing might not be as impressive as the case studies in the benchmarking research, however, it is believable that online marketing will bring boost in sales, customer communication and brand awareness.

On the other hand, the answer acquired from the qualitative interview revealed that CASTA has been neglected online marketing and there is no previous experience or knowledge regarding marketing online. This fact drives the thesis to another direction compared to the initial idea. Since CASTA is basically taking baby steps into the online marketing field, the complexity of the tools offered has to be kept at minimal level and the staff should have no difficulty in managing and control the tools.

### **7.2 Project evaluation**

The purpose of this thesis is to create an online marketing tool set guidelines for the commissioning company CASTA Ltd, which is completed. The requirements of the outcome is to keep it simple and easy to conduct so that the company as a beginner in online marketing field can manage the process easily without affecting other prioritized marketing channels. The project is completed successfully and fulfilled the requirements of the case company. As a matter of fact, the tools are kept at basic level and manageable by any marketing department personnel with intermediate computer skills. The extra costs of conducting all three tools is also at minimum level, the exact amount depends on the bid price the company decides to set for their pay-per-click campaign. Control instruments are also provided by the proposed partners, which make it easier for the staff to keep track of the campaigns' results.

### 7.3 Recommendation and own learnings

There is always room for further development. My recommendation is to observe the result throughout the first six months of implementation. If growth is achieved and the company wants to be more involved with online marketing, interactive e-mail newsletter can be used to improve customers' experiences and encourage purchase decisions. Outsourcing online marketing to marketing agencies were also brought into consideration in the interview. In the future, for more professional and effective solutions, outsourcing might be a good idea since the company's directors themselves admitted that their marketing department personnel are not as skilled as expected.

After the process of researching and writing this project-based thesis, I have acquired a substantial amount of knowledge regarding online marketing. Before approaching this topic, I was confused with online marketing and thought it only involves setting up websites and sending email newsletter. When gathering theories for the theoretical framework, I also studied the concepts and basic knowledge regarding different online marketing tools and channels, which is a great benefit since I have always wanted to head for online marketing, advertising and branding direction. I also gained myself skills of gathering, researching and analyzing case studies. The difficulty I have encountered during the thesis writing process is the scarcity of reliable case studies on e-marketing. The examples of successful online marketing campaign are plenty, however, concrete figures of achieved results and detailed information of the campaign implementation are rarely published. Luckily, I find myself overcome it and complete the project successfully.

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## Attachments

### Attachment 1. Project timeline

<b>Tasks</b>	<b>Date</b>	<b>Information sources</b>	<b>Methods</b>
Case company profile Thesis commission agreement	18/1/2014	CASTA representatives	Skype inter- view
PT1: Theoretical framework	20/1/2014 – 20/02/2014	Course books, articles, Internet sources	Desktop stud- ies
PT2-1: Benchmarking data gathering PT2-2: Data analysis	21/02/2014 – 05/04/2014	Course books, articles, Internet sources	Desktop stud- ies
PT3: Interview	05/04/2014 – 15/04/2014	Company's representa- tives Course books, articles, Internet sources	Email inter- view Self-study
PT4: Building tools	15/04/2014 – 28/04/2014	Thesis advisor's feed- back, Company's feed- back	Skype and email interview
PT4: Finalizing the tools	28/04/2014 – 02/05/2014	Company's feedback	Self-study and email interview

## Attachment 2. Gantt Chart

THESIS ACTIVITY GANTT CHART			Calendar weeks															
PT	Tasks	Subtasks	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
1	Theoretical framework	1.1 Finding literature	█	█														
		1.2 Gather necessary information		█	█	█												
		1.3 Writing chapter			█	█	█											
2	Methods	2.1 Finding case studies					█	█	█									
		2.2 Analyzing cases					█	█	█									
		2.3 Writing chapter								█	█	█						
3	Interview	3.1 Design interview with commissioning company											█	█				
		3.2 Conducting interview												█	█			
		3.3 Analyze answers													█	█		
4	Building tools	4.1 Drafting e-tool platform																
		4.2 Finding operating resources																
		4.3 Writing chapter														█	█	

Attachment 3. Interview with Minh Nguyen, CASTA's Executive Director, conducted in Vietnamese, translated by the writer.

**Q1: Who are the targeted customers for CASTA?**

CASTA's product range includes high-end and luxury kitchen cabinet as well as other appliances, the prices ranging from 20-30 000\$. At the moment, the B2C sector is still quite new so we don't have detailed segmentation for our customers. Generally, we aim for upper-middle class and higher customers, over 30s and with stably high income and are looking for renovating or rebuilding their homes.

**Q2: What are the marketing tools that are currently used to promote CASTA B2C sector?**

We mainly promote through exhibitions in showroom. At the moment we have three different showrooms, 2 in Ho Chi Minh City and 1 in Hanoi. We also join the furniture expo that goes one once a year to showcase our new products. Other marketing tools are also brought into the picture though they are only accounted for very small marketing activities: newspaper ads, PR, TV ads on InfoTV channel (real estates related asvertisement channel), Google search, website, facebook page.

**Q3: Which one performs the best and which one does not work as expected? Why?**

We noticed the best performance comes from the showroom. That is quite an obvious result since we invested heavily in that section and it is also our main focus for now. The website and facebook page are the ones that does not work. The reason is we don't have the staff to regularly update and improve the pages. The marketing department at the moment is quite weak on that part so we shift our focus to the physical exhibition through showrooms.

**Q4: What is the current budget allocation for CASTA's marketing channels?**

As I mentioned, the showrooms are the one that we invest in the most heavily, then comes the expo. Generally we spend approximately 500 000\$ on our three showrooms

and about 100 000\$ on the annual expo. Other marketing channels don't cost much compared to our first two priorities. We pay for Google search 2500-3000% per year to improve our ranking, other ads on newspaper, TV, PR, etc. cost totally about 15000-20000\$ per year

**Q5: Do you see the future of online marketing for CASTA's B2C sector?**

As a B2B business, we are one of the strongest players in the national furniture industry, but on the other hand our B2C sector is new and hasn't improved as much as we want it to be. We are open to every solutions, especially the online marketing channels. Customers nowadays are getting more and more involved with digital marketing so I think the sooner we include it in our plan and develop it the better.