

# **The importance of Digital Marketing to Customers Behaviour in Tourism and Hospitality during and post COVID19**

## Abstract

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Title of the thesis <b>The importance of Digital Marketing to Customers Behaviour in Tourism and Hospitality during and post COVID19</b>		
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Abstract <p>Due to the pandemic crisis, digital marketing became a trend that most of every business had to work on to gain the best performance for their business. The primary purpose of this research was to find out about the role of digital marketing in customer behaviour in Tourism and Hospitality during and after COVID19.</p> <p>With two parts going along together, theoretical and empirical parts are given the full views of the practice of digital marketing and the reality of how restaurant owners applied to their business through in-depth interviews. The qualitative research method had been applied as the main method of this report which allows participants to give open answers about what they had been through and changed to adapt to the new situation of digital marketing</p> <p>The study confirmed the importance of digital marketing toward customer behaviour during and after COVID-19. Without digital marketing, it would be a hard situation for every business to attract their potential customer due to safety and restriction. In the “new normal” life, investing in digital marketing is an important way to build a brand for customers.</p>		
Keywords Digital Marketing, Tourism and Hospitality, Customer Behaviour,		

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## 1 Introduction

With the crisis of COVID-19, we could probably agree that Tourism and Hospitality is one of the most damaged industry for all over the world. The pandemic has presented unprecedented challenges to all businesses and driven many of them into a hard situation to recover during and after the COVID19. The constantly changing restriction and “stay at home” orders are still applied in numerous countries, from small to large scale businesses, who want to survive and potentially thrive and grow, they need to adopt the new business model especially digital marketing and practices it's to fit with consumer behaviours. Thus digital marketing has been applied for years, it is time to amplify the marketing strategy which would be the most latest important trend in the Tourism and Hospitality industry.

Before the pandemic begin, digital marketing has been used and applied for many businesses however there are many of them still relied on the traditional forms of marketing. Besides, some of them have not gotten the idea of how digital marketing could affect their customer behaviours. Fairly said, the crisis of COVID-19 being as leverage for e-commerce growing stronger than ever and putting a strain on the traditional brick-and-mortar stores. Now with the pandemic, investing in digital marketing would bring countless benefits to get the customers back during and after COVID-19. With this report, the author will show how the digital marketing world works and the impact on customer behaviours in tourism and hospitality especially the hotel and restaurant aspects.

### 1.1 Research questions and the aims of the thesis

Regarding Tracy (2019, 19), to present excellently the aim of this study, the main research question is proposed:

- “What is the impacting of digital marketing on customer behaviours during and after COVID-19?”

Digital marketing is no longer a new topic to discuss but it is becoming a big hot trend especially due to the crisis of COVID-19. The research will show the overview knowledge of digital marketing, and also the advantages and disadvantages will be given to help the business owners get the ideas of the approach. Moreover, being damaged by COVID – 19, many businesses have to face the financial issue and how to get customer behaviour while still keeping safety and following the restriction, the answer from this research will be a valuable key to winning the business.

## 1.2 Delimitations

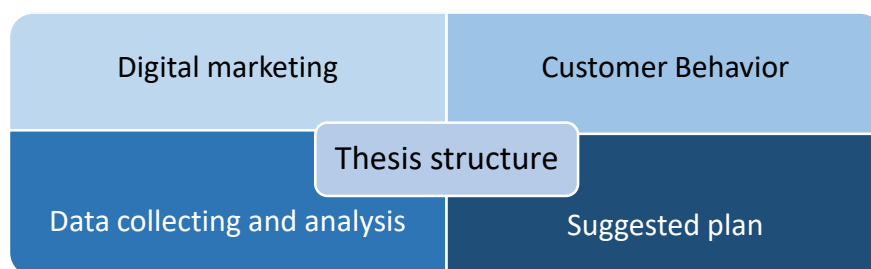
To gain the trustfully and convincingly for the thesis, discernment needs to be set out to study in detail the key issues and objectives of the thesis. The primary focus will be customer behaviours in Tourism and Hospitality field, especially in the Restaurant sector for the empirical research. Moreover, several factors have been listed which affect directly or indirectly customer behaviours but the thesis will be focusing on digital marketing only. The Restaurant field is considered as one of the industries which have been damaged a lot from COVID-19, several businesses have been closing due to financial issues and restrictions so the research will be a helpful key in this situation. Moreover, to narrow the scope of the thesis, the researcher focuses specifically on the Finnish market. The main target participants for data collection are restaurant owners and people who live in Finland. The author aims to research and analyze the Finnish business point of view to create a suitable and productive idea and plan to recover after the crisis of COVID 19.

## 1.3 Research methods

Due to the aim of the thesis, observing the changing in customer behaviours, the author will interview restaurant owners in Finland. They are the key to finding out how customer behaviours intends, and what the reality is. The restaurant industry is always in the process of adopting and changing to fit with customer behaviours so it would be a valuable key to have a different point of view from different restaurant owners.

To collect the data, an in-depth interview will be applied with the participants. Due to the restriction and safety, the interview will be held through the internet such as Zoom, Skype, or Email. A series of open questions allow the participants to answer freely based on their experiences, abilities, and duties. The record will be done since the conversation start to get full information and it will be provided through Google Drive in the reference list of the thesis.

## 1.4 Thesis structure



### Figure 1. Thesis structure

The thesis is concluding 6 Chapters to clarify the issue and answer the set-out thesis questions. Context of COVID19 and the situation of Tourism and Hospitality will be briefed introduced in Chapter 1 with information that has been collected and updated till earlier 2022. Moving to the first main Chapter of the research, the viewer supposes to get the basic idea, of the concept of digital marketing to prepare for its affecting in the next Chapter. Customer Behaviour will be shown in Chapter 3, what customer behaviours are and how digital marketing affecting on the process of changing especially in the middle of a crisis period. The ongoing data will be collected and discussed in Chapter 4, the analysis of data would bring out the total point of view from both parties. Then, Chapter 5 – Suggests some digital marketing strategies will be given as a valuable key for business owners could establish their detailed and suitable plans. In Chapter 6, the author suggests the sales and marketing alignment approach to maximize the performance of the business. Concluding, Chapter 6 would be given a clear answer to the research question and a summary whole thesis from the research theoretical to empirical research and result.

## 2 Digital marketing

### 2.1 The evolution of Digital Marketing

According to Steckel and Brody (2001)'s article about the importance of the comprehensive history of every field, stimulating the exploration of genealogical roots brings out the full acknowledgment of what, how, when, and where the field evolves and also prediction where it is headed.

Lately, in the 18th century and long into the 19th century, Industrial Revolution started, which was the rapid changing of sciences and technological industries. In the new modern era, trading has been easier than ever, and mass production, and infrastructure for transportation... were created to respond to the needs of customers. The competition started to become intense in the early twentieth century which demanded a better way to reach more customers and increase sales. The idea of marketing techniques has been used to develop the brand, approach, and persuade consumers.

Numerous marketing definition has been given, thus a classic definition of marketing has been mentioned at all time by the "Father of Modern Marketing – Philip Kotler", "Marketing is getting the right goods and services to the right people at the right places at the right time with the right price from the right communication and promotions". Since the idea of marketing began, traditional marketing has been used until the 1990s, the term "Digital marketing" has been appearance based on the evolution of the internet, web, and websites. People getting communication to further the world through the internet and it getting an idea for companies to create a new era of marketing.

Even though digital marketing has been used since the 1990s still many unsure about how it works and its effects. Later, the very first clickable web-ad banner from Hotwired went live (1993) and its success which showed the potential approach for marketers at that time, also marked the beginning of the digital marketing era. In a nutshell, Digital marketing, also known as online marketing, is an approach to marketing through the internet and other digital communication forms. Compared to traditional marketing, digital marketing takes the advance of numerous people using the internet in today's life which consider the best way to approach the customers. Many people believed that Digital marketing puts a strain on traditional brick-and-mortar marketing thus two types of marketing of them still work together and auxiliary each other.

## 2.2 Digital Marketing components

In this sector, to achieve a deep knowledge of Digital Marketing, the main components of digital marketing will be given. There are countless approaches related to digital marketing, the author only focuses on the strategies which are bringing out the most effective result for the Tourism and Hospitality industry.

### 2.2.1 Social Media Marketing

In Maslow's hierarchy of needs, a sense of connection play a vital part in human society. Social media has been invented to meet the need of humans through digital relationships and online platforms. In today's life, social media are presented daily around us include: Facebook, YouTube, Instagram, and Snapchat... those platforms have been designed to fulfil the need for human connection but not for businesses (Buton, 2020, p6). Still, more and more people consider social media as an indispensable thing in their daily activities, they share more about their interests and private life which inadvertently creates an advantageous environment for the marketers promoting their products or services.

With the great content advertising of Social Media Marketing, the company could draw a huge amount of traffic (new or existing one), get more attention in their conversation about the company, engage and loyalty the relationship, and build brand authenticity... which will boost the sales automatically. The social media world is changing constantly which means marketers have to update the news all the time to catch up with the customer's desires. To accomplish the set goals, go with the effort of marketers, there are several tools for Social Media Marketing such as: collecting data, and analysing the effect...

### 2.2.2 Content Marketing

People argue that: "Marketing will be a failure without good content marketing". Fairly said, content marketing plays an integral part in every marketing campaign. According to Profit well report data (2018), nearly 50% of customers have viewed 3 to 5 contents campaign of the company before they made the decision. Moreover, compared to the non-content strategy business, which company using content marketing has a growth rate of 30% more.

Content Marketing is specified as a process that develops and distributes the most valuable and relevant content to new and current customers through any form of advertising, social media, podcasts, or blogs... (Mailchimp). Besides, Content Marketing is also defined as a marketing strategy about storytelling to get attention and persuade the viewer to action (Neil Patel, 2021).

### 2.2.3 Search engine optimization (SEO)

SEO which appears as “search engine optimization”, is considered a process of optimizing both the qualitative and quantitative organic traffics to websites (Moz, 2022). Regarding Peter Kent (2019, p5), there are many sites where people can search such as Google, Bing, and Yahoo... In most of the world, Google is leading the first site where people are believing for searching information. In today’s life, almost all businesses try to use SEO to make their websites more quality in Google to get a high rank and attract the customer from their first search (Mangools, 2022). With a good combination of other tools and methods, SEO could gain a solid number of traffic and increase your business as you desire.

SEO is including 2 types of activities: On-page SEO and Off-page SEO. On-page SEO is more focused on the traffic which directs to the main websites to improve the ranking compared to other resources. With this type, optimization techniques will be used such as keyword research, title tag, and internal linking... About Off-page SEO, even their technique will not be direct to the main websites but it still builds the quality to show the customer that the websites have authority and value through guest blogging, email outreach, broken link building... Both on-page and off-page are important to combine and work together to make a successful strategy (Mangools, 2022).

In SEO, there are 2 tactics called Black Hat SEO and White Hat SEO. As a White Hat SEO is a proper practice that follows the guidelines and rules. Considering a long-term strategy, White HAT SEO provides useful, well-written content, and natural links... to build the quality of the brand and relationship with customers. Opposing to White Hat, Black is always present for “bad” factors, it is a short time tactic to get the websites into the top rank of the research through hidden text, link manipulation, cloaking, and sneaky redirects... This approach tends to search engines, not on the human audience as White Hat SEO (Geeksfor-Geeks, 2021).

### 2.2.4 Pay-per-click advertising (PPC)

With Pay-per-click advertising (PPC) or Cost-per-click model, the traffics to websites will be boosted through online advertising by an individual or other corporation (Laia Cardona, 2021). With this model, the company paid the publisher not when the customer sees the link but only when the customer “clicks” on the link which drives them to the company websites (Ken, 2011, p5). The main reason many companies tend to this model even though they have to pay for only a “click” is that since the viewer decided to click the link which means they are interested in the products or services a high chance to convince them to

purchase. For instance, if the company has to pay 2 euros for each “click”, but in exchange, the customer purchased up to 200 euros, it would be a huge profit for them.

Search engines or keyword research are the primary concepts of PPC. Most businesses would be investing in keyword research, Google Ads is one of the best examples for PC. Since the viewer searching for the keyword, the link to your website will appear in the first place and will catch your attention. The model is considered a win-win business for both advertisers and publishers. For the advertisers, this model is placed in the right place for the right and potential customers, who are likely to purchase the product or services, which is cost-effective compared to the value of the “click” paid. Moreover, each “click” is considered the primary revenue stream of their income (Corporate Finance Institute, 2021).

Frankly said, since people use the Internet, they are a customer from the PPC approach at least 1 time in their life. PPC model appears everywhere such as Google, Bing, or social media, it is a common advertising model that every company is interested in.

#### 2.2.5 Web design

Since the invention of the Internet, the website has been popular with the business for many decades. Fairly said, every company from small to large scale surely has its websites from the beginning of a business. In Alan Charlesworth’s (2018) point of view, Web Presence plays a vital role as a portfolio of digital assets. Thus, Nielsen (2000) argued that the website is only made based on what the designer wants the customer to see not what they want, he believed that the “website is time-consuming and made confusing but still has not satisfied the customer needs”.

An unattractive website could indeed drive the potential customer away and never come back. Still, a good management web design will take a great number of traffic and attract customers to come back over again that we could not be denied. The basics of the web include the appearance, layout, and content... Many factors decide on the good websites, easy to use is the first concern. In today’s life, everyone uses their computer or smartphone... daily but some are still not comfortable with the Internet, a hard and complex web will make them confusing, and do not want to see the website again. Besides that, an effective web design should focus on customer insight as Alan Charlesworth (2018) mentions “*When you’re inside the bottle, you can’t read the label*”. Placing as a visitor outside of the “bottle”, the designers could see countless aspects which will be more helpful to promoting your company than only focusing on the insight of the company.

A successful web design will bring out a great result for the company. First of all, first impression count – a clear and catchy web will keep the customer stay to exploring more

about other aspects of the company. Besides, great user experiences affecting to the buying psychology with good image and content (search engine optimization, conversion rate optimization...). Moreover, the website could reach two goals at the same time which are business to business and business to customer (Nielsen Norman Group 2018, 123).

In addition, web design plays an integral part in the marketing campaign, it should be taken seriously care of and have to be fresh and updated frequently. Most people online or offline have a habit to check the main website of the products or services so it does not matter if your other campaign is successful, while the web design fails to lose the customer, it means we do not afford to get them back.

### 2.2.6 Email marketing

As opposed to other components, Email marketing tends to approach individuals who have the potential to persuade. Many people question the effectiveness of email, is it useful in the development of social media? Thus, the statistics (Statista, Radicati, 2021) has shown that over 50% of the population in the world use email in 2020 and 95% of them check email every day which is a large number. Moreover, in a research survey by Adobe Digital Insights (ADI) in 2016, they have collected the number of people and their preferred method of hearing from the brand. The survey has shown that 59% of responders tend to receive information and promotion through email more than other approaches. Moreover, from the statistics of Consumer Email Tracker (2020), the responders were exciting to hear from the brand through email because of the promotional offers and their relevance to them personally. Additionally, compared to Social media, SEO, and affiliate marketing, Email marketing is still rated as the most effective marketing channel.

#### **Concept of Email marketing**

People are acquainted with the "Email" term for a long time ago it has been used for communication through the internet and working as well. Thus, what exactly is Email Marketing? Email marketing is the act of sending promotional emails to people in mass quantities who allow receiving email communication from you (Damian Ryan, 2020). Typically, Email Marketing contains advertising which drives sales or builds brand recognition. Promotion of a hotel room, discount offer for a flight, restaurant new dishes lower price... could be used as a good example for email marketing. Especially, unspeakable rule of Email Marketing is that the messages need to be a connection with the brand and treated differently from any campaigns from other channels (Damian Ryan 2020, 14)

Email Marketing considers a Call-to-action (CAT) approach, we persuade the reader by the AIDA concept – Attention, Interest, Desire, and Action (Alan Charlesworth, 241) to purchase

our products. Even though we do not have any specific goal of driving sales, still, Email Marketing is also a good way to maintain and enhance general brand engagement such as increasing brand awareness, keeping engagement, and boosting customer loyalty... (Neil Patel, 2021).

### **Advantage and disadvantage**

Same as other marketing strategies, Email Marketing also has advantages and disadvantages. Firstly, the undeniable benefit of Email Marketing is affordability. Compared to other channels, it is cost-saving and still brings the most effective reaction to customers. Besides that, a business email account will give you full control of the platform. Moreover, accessibility is also a benefit factor, not everyone is acquainted with digital works but most people understand how email work and likely check their email daily basis.

As many advantages we could achieve from Email Marketing, it is easy for everyone to use this type of marketing which leads to tough competition. Numerous email marketing could make potential customer boring, it demands creative content to ensure the email get noticed and opened. Moreover, an Email list has to determine which campaign will be suitable for each segmentation. Also, the tricky rules and regulations affect, the rules that have been given such as GDPR, and CCPA... could not send unsolicited emails (Emma Fanning, 2022).

Being one of the most effective ways to maintain a healthy relationship with your customer, email marketing will achieve a high ROI which both consumers and marketers love (Mark Ash, 2018). Moreover, development along with Email Marketing, Artificial intelligence (AI), and automation are amplifying the channel as more hyper-personalized and dynamic than before.

### **2.2.7 Affiliate Marketing**

In the context of COVID-19, the “Affiliate Marketing” term is not strange at all for numerous people. Due to the restriction, people could not go out to work, and most of the face-to-face businesses have delayed which lead to “stay-at-home” people discovering and getting acquainted with the new business type which only needs Internet – Affiliate Marketing.

### **Concept of Affiliate Marketing**

Affiliate Marketing is a type of business that involves a third party. Instead of selling straight from the company to customers, this advertising model promotes the company or product through the affiliates - a commission fee will be paid while the buyer makes the purchase (Investopedia, 2021). The paradigm in Figure 2 will show the basics of this concept:

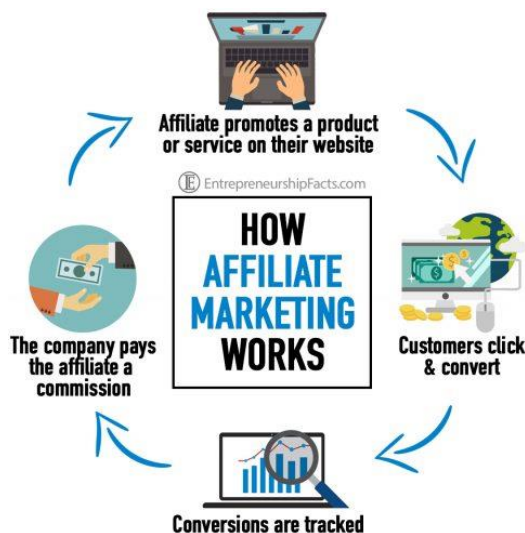


Figure 2: Affiliate Marketing Model (Entrepreneurship Facts, 2019)

The affiliate process works based on three parties: Merchants, Affiliates or Advertisers, and consumers, those three complex relationships are a key success to boosting sales and a win-win solution model (The BigCommerce Blog, 2022). The affiliate marketer is promoting and offering the products or services they are interested in through their websites, and social media... to persuade the potential purchases (Ted and Paul, 2019, P6). The indispensable factor for affiliates is the Internet and the creative way to attract customers, anything such as manufacturing, or packaging... is none of their concern. Through the unique affiliate links, while purchases have been made, pieces of profit will go straight to their account.

Affiliate Marketing is total benefits for the Affiliates Marketer through the question here "How the company could get benefits from that while they have to share the commission?". The company only plays the vital role of handling the process while the sales were made and delivered to the customer, the expenses for a commission are only a small part compared to expenses for marketing by themselves. Any software, tools, domain registration... for searching the potential customer will be on Affiliates shoulder (Ted and Paul, 2019, 5). The fact that more and more company are love Affiliate Marketing, based on the "21 Astonishing Affiliate Marketing Statistics" (2021), "Bloggers bring out more than 65% of traffic to the company". Moreover, many big companies such as Amazon, PC Flowers, and Gifts... show that the Affiliate Marketing program is a total benefit for both parties.

## 2.3 Digital marketing planning framework

### 2.3.1 5C's framework

To accomplish great content marketing, Stephanie Diamond (2015, 6) suggests using the 5Cs framework to cover all the aspects of the strategic plan:

- **Company focus:** Marketers need to understand clearly their company, the set goals that need to be achieved, and how to do it.
- **Customer experiences:** Getting out of the company role, it is important to act and think like a customer, how they want to interact, and how they think and feel. Collecting the data, creating personas, and developing customer journeys will help to define the right target customer.
- **Channel promotion:** Variables of channels should be chosen carefully. Building a details plan for each channel to take full advantage of them.
- **Content creation:** Quality content has to be created, for each segmentation. It demands a specific plan and strategy to take the full effect of marketing to the potential customer.
- **Check-back analysis:** It is essential to frequently monitor the effect of the content and make sure the company will achieve the set goal or make revisions as needed.

### 2.3.2 TOWS matrix

Mostly every business is familiar with the SWOT analysis which stands for Strength, Weak, Opportunities, and Threats. Not only used for the analysis of the company aspect, an “Extension version” has been developed to examine both the administration and marketing of a company. In 1982, Heinz Weirich gave a framework that showed an overview of the combination of external and internal factors (Strengths, Weak, Opportunities, and Threats) (Trade Brains 2019).

## TOWS MATRIX

		INTERNAL FACTORS	
EXTERNAL FACTORS		Strengths (S)	Weaknesses (W)
	Opportunities (O)	Strengths/ Opportunities (SO)	Weaknesses/ Opportunities (WO)
	Threats (T)	Strengths/ Threats (ST)	Weaknesses/ Threats (WT)

Figure 3: TOWS Matrix Analysis (Trade Brains, 2019)

As illustrated in Figure 3, the four fields of SWOT have been included in the TOWS matrix, which links external and internal factors through the following fields: Strengths, Weaknesses, Opportunities, and Threats. Beyond the conventional analysis, the external and internal have been linked together through those fields: SO – Strengths/Opportunities, WO – Weaknesses/ Opportunities, ST – Strengths/ Threats, and WT – Weaknesses/ Threats. With the TOWS matrix, the company has to take the advent of the internal and external aspects to fruitful marketing strategies, against the threats, and awareness of the potential opportunities. (Trade Brains, 2019).

- SO – Strengths/ Opportunities: Also known as the “Maxi-Maxi Strategy” (Mind Tools, 2021). Taking advantage of the utilization of internal strengths to benefit the external opportunities is a fundamental aim of this strategy.
- ST – Strengths/ Threats: Besides the opportunities, the potential real threats are always around every business. The “Maxi-Mini strategies” is employing all the internal strengths of the company to minimize and avoid the major threats from the external.
- WT – Weaknesses/ Threats: The internal Weaknesses would be an observation of the Threats coming. The “Mini-Mini” strategy will focus on “How can a business avoid the potential threat by minimizing the internal weaknesses as well as possible?”
- WO– Weaknesses/ Opportunities: The aim of “Mini-Maxi” is to fix the internal weaknesses by taking advantage of the external opportunities. Correcting the weaknesses and making them potential opportunities is always wise decision-making. (Trade Brains, 2019.)

### 3 Customer Behaviour

#### 3.1 Introduction of customer behaviour

Customer behaviour is a sequence of actions from the awareness stage to the decision-making stage which could be affected by many factors. Each customer segmentation has its wishes and desires, and several sciences such as psychology (customer emotion, mental...), biology, chemistry, and economics are influenced directly or indirectly by their behaviours. For every business, studying their target consumer behaviours is extremely important, the marketing of the product has to be in the right place at the right time to attract and persuade them to make the purchase.

#### Customer Behaviour Process

#### The Consumer Buying Process



Figure 4: The consumer Buying Process (Business 2 Community, 2014)

Being a marketer, capturing customer psychology, and marketing the product are different in each stage. From the beginning stage, Problem Recognition – some customers recognize their needs or desires due to the differences, in reality, indeed, some need to be influenced to realize. Shane Jones suggested that it would be an opportunity to “create a problem” with content marketing such as the facts, testimonial... to stimulate the demand of the customer. (Business 2 community, 2014). Pop-up advertising about restaurants would be a good example of stimulating customer problems.

To solve the problem, the information search is required to fulfil the desires or needs of customers. Multiple alternatives have been referenced through the internet or even some options that are already in their memory place before (Sallie B Ph.D. – ToughNickel, 2020).

After collecting enough information and options, it is time to compare and evaluate the alternatives. Even though there are many competitors in the market, the better rating you get, the better chance to make a consumer purchase.

Moving to the purchase decision, this stage seems more falls than other stages. Even if they decided to make the purchase but also they could walk away really easily. Providing more information that supports the customer to make the purchase. For example, a discount or voucher will be a good motivation for a customer in the restaurant field.

The purchase phase in the restaurant field could be placing a reservation for dine-in or takeaway. In this stage, the final process is supposed to be quick and less complicated as possible.

After purchase, post-purchase evaluation is a must, from the feedback good experiences will inspire more people to visit your restaurant or something should be improving better so make sure to give your best to customers

### 3.2 Customer behaviours in the COVID-19 context

Due to the pandemic, most restrictions have been ordering people to stay at home for a long period which leads to out-of-home advertising becoming meaningless. The screen time daily of each person is increasing significantly which leads to more ads and restaurant channels have been established and paid more attention than before. From Datareportal, 5.39 million internet users stood at 97% of the total population of Finland in early 2022. The number of people using the internet is nearly 100% which would be leverage for digital marketing being as a trend.

Moreover, Finland recorded that 2.32 million people order food delivery via online platforms which increasing 21.2% compared to the previous year (Datareportal, 2022). In which, two main third-party delivery apps - Foodora and Wolt - have been popular more than ever, during the pandemic many restaurants took part in marketing their products and showing the user their presence. With the significant change in customer behaviour to digital behaviour, business owners, especially in the restaurant industry, have to adopt digital marketing more seriously to attract more customers and build a trustful and strong brand.

### 3.3 The importance of digital marketing on customer behaviour

#### **Online Research and Business Competition**

In today's life, almost everyone uses the internet daily and it becoming a normal behavior before customers decide to purchase something. Similarly in the restaurant industry, conducting information to make sure that the purchase will be worth the value. Building good digital marketing online would be a strong source for the customer to refer that we have much more things to offer than others. Besides, the more we are active in digital marketing, the more trust you will gain from a customer that we are not only offering a good meal, but we also care about customer perspective.

### **Keep Customers updated**

Post pandemic, many businesses have to close due to the financial situation so it would be a good reminder to customers that your business still running. Besides, restrictions are changing constantly so it would be a plus to help customers know the opening and closing times without surprising when they arrive at your restaurant. Building a long-term relationship with customers by updating the news or promotion through digital marketing to remind them and encourage their loyalty to the brand.

### **Word of mouth approach**

One of the strong marketing approaches is word of mouth also known as influencer marketing. Customers are more likely to make a decision based on the recommendation from others' reviews, comments, and, testimonials... It is important to keep your brand in a healthy word of mouth marketing, good reviews will help to gain their trust and increase their purchases. Still, Terry Goodkind said "There is nothing that exists that has only one side, even a piece of paper..." since too many negative reviews will make them rethink and your brand name will be placed in a bad memory that they do not want to come at all.

### **Empowered Customer Experiences**

After making the purchase, digital marketing encourages customers to share their opinion, interesting experiences, or their contributions to help improve the brand. Since we have a place to interact with customers' opinions even directly or indirectly, it made them feel empowered and respected which will make them get closer to the brands. There is nothing more valuable for a business than a happy customer, the positive energy will spread widely to others

## 4 Empirical research and data analysis

### 4.1 Data collection

With the qualitative method, there are 3 interviews (one-on-one) held online due to the safety and restriction with the responders who are restaurant managers in Helsinki, Finland. The conversations were recorded with important information which has been well documented by the author. For time-saving, the author will briefly the contents and point out the highlight of each business. To get the most details about consumer behaviours changing the author chooses 3 different types of restaurant models in the following order (The code A, B, and C will be given to each manager to remain their anonymity)

- Manager A: Finnish Dine-in restaurant ( Restaurant A)
- Manager B: Japanese food restaurant (Restaurant B)
- Manager C: Sushi restaurant (Restaurant C)

The author will transform the range of data form which include video, recording, and notes into the transcriptions. With the aim of the thesis to find out about the digital marketing trend, the comparing and contrasting method would be used to emphasize the differences, similarities, or contrasts of different types of methods. As a result, the experiences and opinions of the interviewees are the most authentic and realistic situations that would help us to get closer to the key to answering the main question of the thesis.

Moreover, not only getting information from the business view, understanding clearly about customer behaviours plays a vital part, it is important to get a closer touch with customer opinions. The internet survey was published on Social media (Facebook, Instagram...) for the customer to share their experiences and opinions about the effect of digital marketing on their behaviour. The survey is for those who live in Finland and has no limit on other information. To get the most fairly and honest answer, the participant's personal information is not required and their sharing opinions will be anonymous. Since the survey data will reach a large number (more than 100 people), the specific program would be applied to analyze the answer and give the exact number and opinions of customers. Listening to customer desires and needs would help to achieve the best performance for every business.

## 4.2 Result and discussion

### 4.2.1 Managers and organization background

Over many years of business, the Finnish restaurant business still maintained its popularity with the high-quality authentic food and a friendly environment not only with Finnish people but also with foreigners. With the formal atmosphere inside the restaurant and the pleasant terrace, it is perfect for every group of customers especially: tourists and business people. In charge of managing the restaurant, manager A has been working for about 5 years in there, he follows through with every detail of the business including the marketing field.

Being one of the most famous chains of Japanese Restaurants (Ramen) in Helsinki, B has been in charge as the manager of two stores for about 2 years. With her outstanding knowledge and good ability, she could attend the marketing meeting to discuss and give ideas to create an effective strategy.

Different from other fast sushi buffet models in Helsinki, the Sushi Restaurant the author has interviewed is towards the enjoying experiences with the freshness and tastiness of sushi. Operating in 2017, manager C who is also a restaurant owner has shared that the restaurant has run a good image and built a strong and friendly brand to Finnish customers.

### 4.2.2 Marketing goals and channels before the pandemic

Going backward to the period before the crisis of COVID19, all three managers admitted that they did not pay much attention to digital marketing in a serious way. No marketing department or marketing agency has been used, only a professional photographer for the main website's pictures and social media page. With the basic marketing approach, websites, Facebook and Instagram are their (all three of them) main channels to customers. Due to the stability of customers, main changed and updated news through websites in meanwhile social media is a sharing place to connect and reminded customer's loyalty. With social media, the post is about the seasonal menu and some temporary change or events, and it posts totally depending on the change and not on any timeline planning before and mainly be done by the manager.

#### **Attracting new customers**

Being the main theme as an authentic and formal restaurant, restaurant A is more tends to dine-in models more than take-away food. Also, the tourists and business people are their main source of income. From that point, manager A intended their goal to attract foreigners

or tourists who visit Helsinki so the main channel they use is through recommendation websites which are Trip advisors and Table Online...

Different segmentation with restaurant A, restaurant B, and C have the same potential and target customer – officers for lunchtime and pleasure customers. Since both managers B and C claimed that the marketing is through third-party partners including Foodora, Wolt, and Edenred lunch ticket. When it times for lunch break, the promotion and suggestions of restaurants B and C will pop up on the main page of Foodora and Wolt which is a good way to catch customer attention. Even though there would be a share commission through every purchase but it brings out numerous new customers from nearby areas. Also, many companies in Finland use the Edenred voucher ticker for their employees, marketing the partnership with Edenred Company encourages the customer to choose the restaurant partner to save money but still get quality food.

### **Boost brand engagement**

Besides that, building a strong and long-term relationship with customers is also the main goal that all restaurant managers attempted to achieve. Three restaurants manager mentioned using the basic approach such as gift cards and pop-up promotions through websites and social media to maintain the relationship with customers. Also, the seasoning menu was updated frequently on main social media which encourage old customers to come back and remain a long-term relationship with the restaurant.

Among the 3 restaurants, restaurant C has more programs to keep a healthy and happy relationship with loyal customers. Her restaurant made accumulated points for loyal customers, the program allows them to earn points per every 10 euros through their number or email, and when they get enough points they could exchange them for a free dish. Furthermore, Manager C shared that to show gratitude to customers, they have special promotion occasions every 2 months which lets the customer know that we care and appreciate them.

### **4.2.3 Challenges during COVID**

Since the pandemic hit strongly to humanity, the restriction more strictly and affected every business, restaurants need to close for a quite long time, the dine-in model did not allow for a while, and taking away food was the only way to keep the business going. Manager A said that “The crisis of pandemic is the worst nightmare of all time for his restaurant at all time”. Changing to take-away food was a big challenge for restaurant A, even though they have offered to go food before but it is a small amount and rarely because people are love to enjoy the atmosphere in the restaurant. At that time, deciding to close the restaurant was a hard choice for manager A , they had to accept the lowest cost damage.

Meanwhile, it is a good chance for restaurants B and C to increase sales. They already have joined the delivery apps so the only challenge is that many competitors also have joined due to the restriction too. Manager B has discussed that marketing strategy during COVID19 through delivery apps are really important, they have to measure and decided with the right approach in a short time which would bring the best result for the company. Besides, restaurant C, they have more advantages than other restaurants because they have online orders to pick up on their websites before the pandemic so they used pop-up promotions to attract customers to buy directly from them. Manager C claimed that since they hired a marketer for their pop-up advertisement strategy, there are numerous customers have been reached and made the purchase. Through a hard time, both managers B and C admitted that digital marketing play a vital role in increasing sales through delivery apps, it is being the only way to save the business from the crisis of the pandemic COVID19.

#### 4.2.4 Future plan

After the restriction has been taken off, people believe that digital marketing will be a trend and every business should apply to survive among the number of competitors. Mentioning future plans, all of them have the same opinions, it is time to invest and build a realistic digital marketing plan. Post pandemic, three restaurants have to update and changed their set goals to achieve the best performance. Manager A had already made some first moves by working with influencers to market the new customers from local to global. B and C restaurants are improving their marketing approach through social media post-planning details and blogs to get closer to customers. After the crisis, a “new normal” life is open, same with almost every business owner, three managers agreed that digital marketing will be an indispensable part of the business.

#### 4.2.5 Conclusion

In addition, even three restaurants had run a good strategy before but since the pandemic changed everything, strongly into the customer behaviours, it would be a hard job for restaurant owners to redefine their marketing goals. To succeed in the business, they have to adapt to the situation and update constantly the customer behaviours and order factors. It could be said that three managers are strongly confirmed that due to the challenges of COVID19, they could see the strong effect of digital marketing on customer behaviours more than ever.

## **5 Suggestions for digital marketing strategy after COVID19**

With the theory and empirical data given above, the author collected and analysed some suggestions on digital marketing strategies to help business owners. In addition, the focus was on the restaurant industry. Numerous digital marketing ideas could become a trend as customer behaviours change

### **Investing in customer data collection tools**

First of all, investing in collecting customer data is important for the business to redefine its marketing goals. Without the main target of segmentation, it is meaningless while the marketing come to wrong and uninteresting customers. Since the data has been collected, customer personas are easily built. With the personas profile, marketers could place themselves into customers and create a suitable approach to address the right customers. Moreover, customer data help the call-to-action work in the right place, creating the desire, need, or problems to encourage them to take action immediately. (Bloom Intelligence 2021).

### **Leverage social media**

Since the pandemic has come, people are more likely to spend a great deal of time in front of the screen and their engagement with social media has been increasing. According to Datareportal (2022), compared to the 2020 period, the number of internet users has increased by 6.1% which was equivalent to 85.2% of the total Finland population. With a large amount of social media users, social media are effective platforms to attract and engage with customers. Good relevant content will get the customer to interact with the brand which means they trust in the brand to meet their desires and needs.

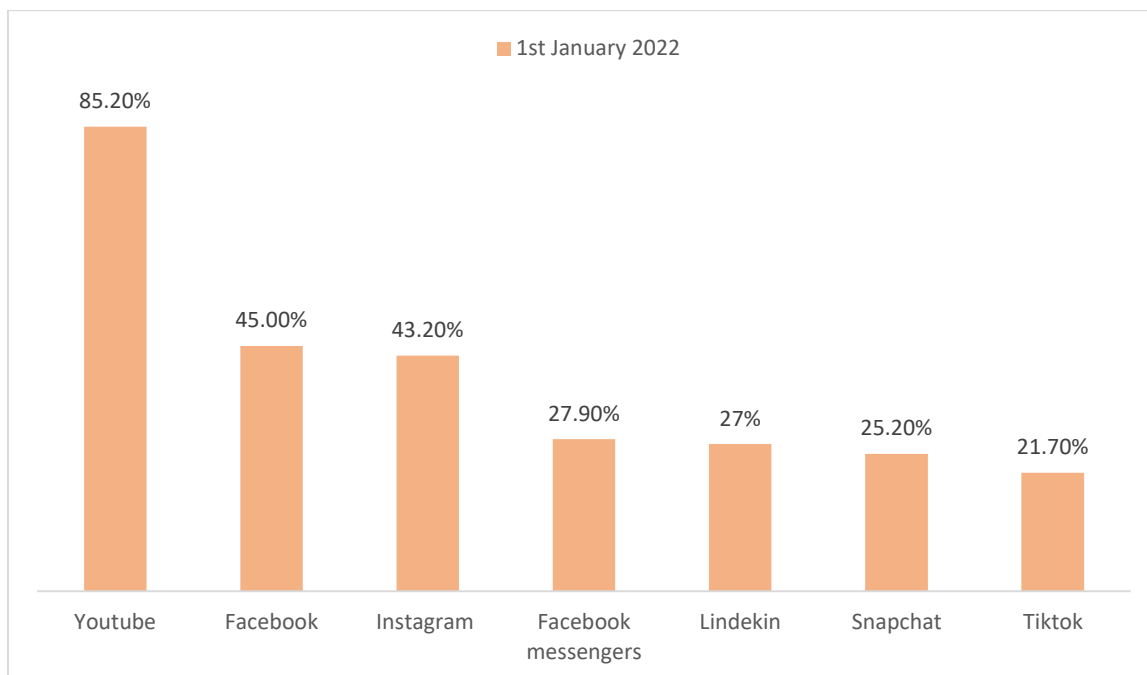


Figure 5 Percentage of social media ads reach the users compare to the total population (Datareportal, 2022)

According to Datareportal (2022), the author synthesized the number of social media advertising reach users compared to the total Finland population. Figure 5 shows that Youtube is the most potential social media for advertising in Finland, 85.2% of the population has been reaching through the ads. The author provided the realistic number to the marketers so they could consider and choose the best options for their social media

### **Partner with influencers**

With a lot of time staying at home which had made many influencers through social media, partnership with influencers is a win-win approach for both parties. People are more likely to use the product or services their influencers had recommended. Through the TikTok platform, a short video about a new opening restaurant could reach a million people from all over the world and they are willing to try it when they have a chance due to the trustful of their influencers.

### **Seamless and touchless experience**

Post pandemic, the awareness about safety and hygiene getting more attention, and customers are more likely to avoid direct contact, especially with strangers. Thus, this will be a good time to synchronize the restaurant services in a seamless and touchless. Not only attracting customers by the food and the environment, but the caring about customer safety also gets a high numb experience of attention. Since the most restaurant had an online reservation, it could be extended to the online menu, ordering system, paying through App

(Apple pay, MobilePay...), feedback, and review. Building an easy and friendly online menu and ordering system would help customers enjoy dine-in in security way and not worry about their health.

### **Focus on the present customer and increase customer value**

To achieve this goal, reviews and feedback from customers are the key solutions. Through their sentiment marketers could use their opinions to improve the experiences better. The marketers should encourage customers through email or phone when they leave, asking about their experiences, they could rate the business straight from Google, social media... if there is any negative feedback about their bad experiences, they could contact directly into the higher position person to fixing about it. Showing that we are interested in their opinion and suggestion will make them feel more valuable and more likely to engage with the brand. Moreover, offering a loyalty program is the best way to start a good relationship with potential customers.

### **Online delivery**

As it is already increasing in people using the delivery method, the delivery approach will not cool down at all. To compete with other businesses, it is important to create various ways for customers to order in an easy process. Besides, partner with third-party delivery apps and create more promotions and campaigns to attract customer attention.

### **Identify and bring back lost customers**

As a business, it is much more expensive to get a new customer than bring back the lost customers. Since they were already interested in your business once, it is possible to attract them again by improving the bad experiences they had. In today's life, the development of technology is helping to identify the churning customers who are not likely to go back so it could save a lot of time and effortless. Bloom Intelligence is a recommendation system for saving lost customers, the percentage of the lost customer returning is 38 percent which is a good effect for every business.

### **Local vs global marketing – the value of community**

Since there are still some restrictions, traveling to other countries is also a hard decision for people. Otherwise, it is good to take full advantage of increasing localized awareness. Through the customer data collection, the restaurant could target the local communities and create good SEO content to attract them such as exceptional customer service or products for locals. Sponsoring a local event, targeting nearby social media users, and cross-promote with other local businesses... would be a good strategy to get local attention.

## 6 How to achieve a good sales and digital marketing alignment

Before the pandemic, digital marketing was not used effectively and did not bring that much of customers, mostly, it depended on the out-of-home advertising and word-of-mouth marketing approaches to bring sales to the business. Now, since marketing is an indispensable part of business, it is important to put together the sales and marketing together.

Each of them has their role in the business and also supports each other in achieving the best goals. The alignment of sales and marketing will be a good way for the team time-saving to understand customers about their feedback, and opinions... Moreover, since two teams working together, the company system is connected more firmly and this relationship can increase 32% of year over year revenue growth (Wheelhouse Advisors)

With five-step planning marketing and sales alignment, it would help optimize the function of sales and marketing as a whole cycle:

- Step 1: Common terms definition. This is the basic first step for every beginning start of any relationship. Defining the common term help both teams could easily follow and avoid unnecessary controversy.
- Step 2: Share the common goals and strategies. There are three keys that both teams have to define include: lead scoring, generation, and agreements.

Lead scoring which also could understand as a methodology for ranking the potential customers based on their interest customer to the brand or the customer position compared to buying cycle... By lead scoring, the revenue cycle will be improving only when marketing and sales align.

Lead generation metrics will clarify 3 different groups of leads which are: a marketing qualified lead who has qualified enough to be a good and potential buyer which is defined by the marketing team, a sales accepted lead – true with name, the sales team will be in charge of act upon and a sales qualified lead is a most potential group which likely to make a purchase.

Lead agreements: with different phases of the revenue cycle, different agreements need to be made to serve the right performance of the level. It would be more effective for the marketing team to demonstrate their marketing qualified lead.

- Step 3: Revenue cycle – instead of the traditional sales funnel, the revenue cycle allows both teams to update and analyse constantly about customers to create the best approach to reach the potential customers while traditional sales funnel only

from marketing team works to attract customers without knowing what is the sales made out of them.

- Step 4: team structure is important to have, even if both sales and marketing teams align together but each team needs to define its role and positions. The marketing team must have the generation lead, and marketer for product and content while the sales department needs exclusive for reviewing, contacting..., account executives, and sales development representatives.
- Step 5: unison moving forward from both teams would increase the effectiveness of the work and also increase sales and revenue of the business while the cost will be cut due to the alignment of the two teams.

In general, sales and marketing alignment is good for almost every business and especially for the restaurant industry. Due to the development of technology, it is important to update the new trends so the business could be achieving the best performance.

## 7 Conclusion

### 7.1 Answer to research question

To serve the main purpose of the thesis, the research question had been defined from the beginning. The author synthesized and analysed every aspect to give a full view of the objective of the questions. During the pandemic, digital marketing plays a vital role in attracting customers and increasing revenue, especially in the restaurant industry. Without digital marketing, the takeaway restaurant could not reach the potential customer and it would be a strong hit the financial issue. With the right strategy for the right potential customers, it would help to attract new customers, increase sales, making customers engage with the brand... The great proof of the importance of digital marketing is that almost every restaurant improving its online marketing and more advertising on food delivery apps. Moreover, post COVID19, digital marketing will be a big trend for every business to build their position again in customer mind and gain them back. People agreed that digital marketing will be an indispensable part of every business from large to small scale.

### 7.2 Summary

In conclusion, the thesis report went through every aspect of digital marketing and customer behaviour. With the theoretical part, the details about marketing components have been given to help the business owner could consider applying to their business. Moreover, the customer behaviour process allows the marketer to use the right strategy and approach to the right customers. Going together with the theoretical part, the empirical research provided more proof about the reality is when customer behaviour changes it reshapes the future of digital marketing. Also, the author synthesized news trends about digital marketing in the restaurant to readers after the empirical research to help them get more ideas to start with digital marketing. The author hopes that the research will be a good source for Tourism and Hospitality or the Restaurant industry in particular. It will be time-saving for the owners to be updated about the situations and put the right methods to their business.

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## Appendix: Interview questions

What are the challenges and difficulties your restaurant has to deal with during the pandemic COVID-19?

What is the biggest change in customer behavior due to the restriction and safety in your business?

Have you ever used digital marketing for your business?

1) If yes,

What goals do you have for your digital marketing?

What is the target audience that you are aiming for?

Do you have your department for marketing or what agency are you using?

What kind of channels, advertising, or strategy are you using?

How you can monitor the effectiveness of your channel or digital marketing strategy in your business?

Do you think that digital marketing helps to maintain the number of customers, helps them keep updated with the news, or gets new customers easier?

Which channel do you find the most effective so far?

Did you find any difficulties or challenges in digital marketing?

What is your future goal?

2) If not, why?

Do you know what digital marketing is (ex: components, channels...)?

Have you thought about using digital marketing when the situation nowadays there are many restrictions and it is hard for customers to keep up with the news in the traditional way?