Best marketing practices for small online internationalizing companies in Finland 2022

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This thesis embarked to seek an answer to: what are the best and worst approaches for small and medium companies to bring success in 2022 using digital marketing tools? The answers were sought by doing research using qualitative research methods.

The research's goal was to answer to the following question: "Which digital marketing tools bring success to the companies?". The second objective was to identify: "Which strategies digital marketers used to reach and convert users using modern digital marketing tools?".

The research was successful in that sense that it resulted giving data that any business could use when planning their marketing for successful internationalization. It is good to keep in mind though that this research was very small. There were only three respondents. That makes the information that this research provided good for referencing but it is probably scientifically untrustworthy.

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1   Introduction

The world has turned digital. To achieve success marketers and business managers need to understand the online world and networking tools available. Even retailers like Ikea are enabling and promoting their online sales channels. Social media tools have enabled small companies to reach large audiences with little or no financial resources. So, it is the case with Instagram, TikTok and YouTube. Within these platforms small entrepreneurs can find networks related to their product or service. They can study, get feedback, and prototype ideas utilizing these platforms. Other tools and services have allowed entrepreneurs to open online stores and website with minimal or no need for coding. These factors along with access of information has contributed to the growth of online based companies who quickly escalate to the international markets. Wholesale and retail trade was the third biggest group in the enterprise opening statistics in 2019 according to statistics Finland (Statistics Finland 2019).

Since the year 2015 in Helsinki, Espoo, and Tampere areas there has been consecutive increase in business openings and slight decreases in business closures. 2018 being the biggest growth year showing 14% more openings than the year before. Since 2015 digital marketing tools began expanding and becoming available for the market to use, noted by the high rise of the ad spending in Europe as you can see in image 1. It is no surprise that the number of businesses in operation will continue to grow and there needs to be up to date information as to what is bringing success for them.

Digital advertising spending in Europe from 2006 to 2022
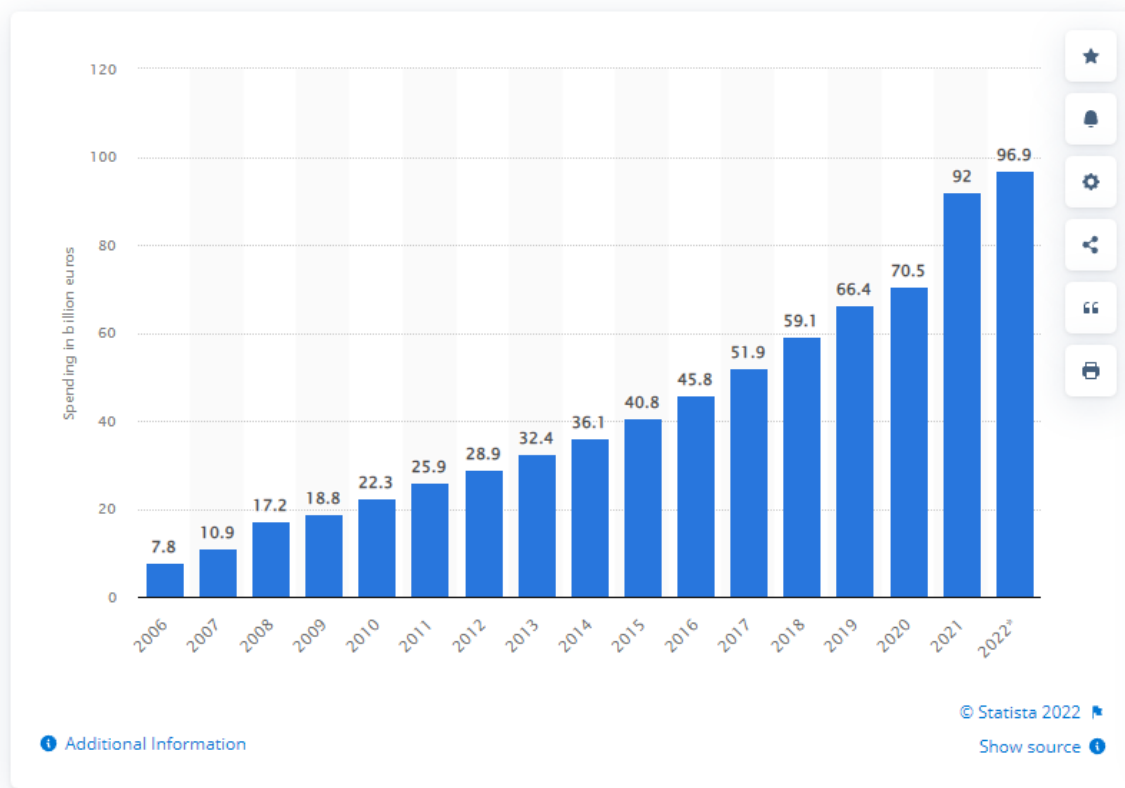*(in billion euros)*

Image 1. Digital advertising spending in Europe from 2006 to 2022. (Statista 2022)

The best practices and success factors in digital marketing and eCommerce changes every year. Therefore, success in online based companies depends on a manager's ability to keep updated about the changes in the environment and platforms that help them close sales online. Small businesses don't count with dedicated research teams that brings them information about these changes. In this thesis we will gain in-field understanding of international companies' usage of the different marketing tools and practices available. The research tries to find solutions to common small businesses in the process of internationalization.

This document gives a better understanding of the current practices employed by international companies and informs what currently works and what doesn't. Specifically, small born global companies will have an updated view of successful methodologies to acquire, engage and convert users into customers using digital marketing tools and practices.

Table 1. Overlay matrix (Escarraman 2022)

Investigative Questions	Theoretical Framework (Chapter)	Results (chapter)	Questionnaire Questions
What marketing tools bring success to digital marketers?	Chapter 3	7.3-7.4	
Wich acquisition strategy marketers use to reach the target market.	Chapter 5	7,5	
What conversion strategies brings success to the marketing funnels of the business?	Chapter 3	7,6	
What enables businesses to succeed in today's business environment?	Chapter 5	7,2	

Starting a business seems like an easy task compared to what it was in the early 2000s. The reality is contrasting since now there is a fierce competition in the markets. The users of the social media platforms are more educated and earning their trust has become a multi-step process that starts with engagement and ends with the creation of fans. The old advertising practices are decaying with great speed. Attention is a concerning factor since paid advertising is considered as intrusive and untrustworthy by many.

The use of digital marketing can be broken into 8 types which are: search engine optimization (SEO), pay per click (PPC), social media marketing, content marketing, email marketing, mobile marketing, marketing analytics, and affiliate marketing (Gustavsen 2022). These are the main tools that we will be analyzing in this research in order to find the best practices for small born global businesses in 2022.

The research to be conducted will be of the exploratory type where qualitative research methods will be implemented to understand in depth the challenges and solutions that bring success to the digital small and medium global businesses. The focus of this research is to identify what are the best practices used by these organizations in 2022 and how can new enterprises utilize them to achieve success in their respective business stage.

In the business literature that is available, the most books and research papers about born globals and their success are as old as 1997 and the latest relevant information found is dated to 2018. One reason why this happens is that publishing times are long, as digital tools and business environment have changed by then. Some research papers are available as recent as 2 years old. This research is necessary to update all information regarding to marketing strategies utilized by small international firms and answer questions that arises from current world changes that affects this business in 2022.

In this document I focused in finding What are the best marketing and sales practices used to achieve success in a small online business in 2022. Based on the available digital marketing tools and the external factors surrounding small online businesses. Using as a base for this research over a year of entrepreneurship and research manufacturing and exporting 3D printed art to the USA and Europe. I have gathered many questions and analysed business literature from the most recent books and research papers. In order to find supporting information to develop the company and give solutions to other small internationalizing firms. Amongst the questions that need answering for any start-up at the introduction stage. What are the best marketing approaches to reach an online audience? When to implement different strategies and tools? What internationalization methods and entry modes have been used by the internationalizing firm and why did management choose such mode?

2   Born global firms

This chapter explains in depth what are born globals. You'll also learn how internet has changed born globals.

2.1   Definition of a born global firm

A born global is defined as 'a firm that from its inception pursues a vision of becoming global and globalizes rapidly without any preceding long-term domestic or internationalization period (Hollensen 2016, 96). The born global firm in contrast to other SMEs does not follow an ordinary internationalization process. In the previous definitions of born globals it requires that a minimum of 25% of the sales must happen within international markets and that there is a 2-year limit for the company to enter the target market. It's important to remember that born globals are typically SMEs, these companies in difference to large corporations (LSEs) have less than 500 employees and annual sales under 100 million. (Hollensen 2016, 96.)

For over 10 years the Born global companies have gained attention from investors and governmental organizations, especially in high tech economies like Finland where internationalization is a must to cover the R&D costs of new technologies. For niche markets, born global approach is becoming the only way to survive since the local market would not suffice to keep the startup afloat. There are many reasons why the born global opts for internationalization since the very beginning. (London Business School 2008.)

It is the intention of a born global firm to see the world as a borderless market and develop strategies to penetrate the different barriers that are presented before them. Also, it is in a small internationalizing firm's interest to have a basic understanding of international markets and tools in order to develop their business model and strategy. (London Business school 2008.)

At the heart of a born global firm lies innovation and technology. To go to multiple markets simultaneously these small firms must concentrate on certain attributes that can be demanded by a selected audience across many countries. For this reason, it's important to them to master digital tools and new techniques to empathize and understand their global audiences in the hopes of engaging and converting them into customers. (London Business school 2008.)

2.2   Internet-based born globals

The value of a domain for a small business is far more important than they realize. Not only does is provide a foundation for one's home page but it can also be used to point to one's Facebook or other social media. (Forbes 2013.)

Born globals were not always internet based, they have existed since the 90s when they received the global start-up name (e.g., Oviatt and McDougall,1995). We can find them in countries with small domestic markets like Finland. The internet and digital marketing changed this forever as the economies become more open and trade regulations become bearable. For example, the one stop shop VAT rules introduced during 2021 enabled collecting VAT favorable for ecommerce as it eases challenges that raised from small shipment sales across the European union. (European Commission 2021.)

The spread of social media platforms has become an effective mean for born globals to create conversation and belong in societies that turns around the same interests. (Pardeep,2016) Thus, allowing them to network with their customers and learning more about them. Nevertheless, the usage of these marketing tools came with challenges as regulations such as the GDPR law now oversees that consumer data is protected and not abused.

These companies have limited resources, knowledge, international barriers, and logistical challenges to look for in order to begin internationalizing (Glowik,2016), these small companies are definitely not the easiest way into entrepreneurship but success for the abovementioned companies will depend on their performance in Marketing, Logistics, investments and amongst others, sales.

2.3   Internet and internationalization of born globals

It was prophesized that the internet would have a big impact in the dynamics of international commerce (Quelch & Klein 1996). In the actual business environment effective global communication enables access to a worldwide clientele, reaching an international customer profile is now feasible especially when approaching a niche market. Customers that have the same specialized need across international markets and similar goals might be the starting point of a small born global firm. Recently firms are keeping their sales share by owning a digital presence in the target country while adapting their distribution channel configurations according to each market. (Tamer Cavusgil & Knight 2019.)

In this research we take a focus on the sales and marketing strategies of the internationalizing firm. In order to begin international marketing, first the managers will need to design the global marketing mix. This is followed by the implementation of said design which today and in the future will involve as a main factor the use of digital tools and information technologies.

2.4   Internationalization marketing

A fundamental decision that managers need to make is whether they should standardize or adapt their global marketing mix (Hollensen 2016). Managers discuss the feasibility of entry in the market

selection process and once ideal opportunities have been identified then management proceed to choose their marketing program design

Standardization is the design of the marketing program in which all countries share the same marketing mix and adaptation is the said design in which each country/market has its own marketing mix. Standardization might be a good idea when a strong brand image wants to be achieved which is consistent in the worldwide market. This is optimal for niche markets and big brands such as Apple. (Hollensen 2016, 494)

Adaptation in contrast to standardization is the marketing program that will be designed in accordance with customer needs and desires, The management then proceeds to adapt the marketing mix to satisfy said needs and desires in each market they are participating. (Hollensen 2016, 494-495)

A side effect of born global sellers is the globalization of the markets as a whole. Customers are increasingly purchasing in a worldwide environment as more sellers become available and offering convenient transactional facilities, such as financing and fast shipping. While the internet has allowed the firms to reach an international market, it has enabled direct competition amongst many players worldwide. (Hollensen 2016.)

3   Online Marketing tools and usage

Digital marketing tools are categorized by strategy and online channel. These are (Gustavsen 2022):

1- Social media marketing tools.
2- Email marketing tools.
3- SEO (search engine optimization) tools.
4- Marketing Analytics.
5- Content Marketing.

Social media marketing as its name indicates comprehends all marketing activities that are conducted via social media channels with consistency and strategic approach (Investopedia 2022). Social media marketing tools can be categorized by organic and paid tools, organic refers to all traffic or marketing conversion that did not realize through paid tools such as Instagram or Facebook advertising services but rather as a result of high performing content and messaging. Paid tools as just mentioned comprehend any paid tool within social media networks and they can be used for reach, conversion, segmentation, and re-targeting. (HubSpot 2022.)

One of the main reasons for using social media marketing is for communication purposes as it makes the company accessible for the interested audiences that navigates in these platforms. Within social media marketing businesses can better understand and engage in conversation with the target audience in ways that were not possible before giving insight into consumer behavior in each stage of the purchase decision process. By far the largest benefit found from social media marketing is to reach much wider audiences than through the use of conventional advertising. (HubSpot 2022.)

 Email marketing is surprisingly still one of the most effective marketing tools according to conversion rates (Southern Hampshire University). Email marketing can be used within different approaches such as content marketing, re-targeting users who showed interest in a particular product or service, offering to already existing customers informing of discount offers amongst others. Email marketing softwares can offer varied analytics and clear key performance indicators to aware the marketers of performance issues. The most important KPI's are open rate, click trough rate and unsubscribe rate. (Mailchimp 2022.)

Modern email marketing platforms are highly integrable with websites and social media profiles enabling combined marketing strategies using social media marketing and landing pages. (Mailchimp 2022.)

Search engine optimization is the process of improving website's position in the search results in order to drive users to a specific webpage from search engines. The tool is of organic nature and seeks unpaid traffic from different types of search queries such as image search, video search, academic search, and industry specific searches. (Google 2022.)

Search engine optimization is often attributed to search engine marketing (SEM) a process that ties to position the company's website within a certain combination of keywords and ads with the purpose of appearing in the top result of search queries in specific regions. Search engine marketing depends highly on content creation and keyword research in order to deliver engaging and interesting value to internet surfers in exchange for click through. Landing pages from these links are often optimized to get as much value as possible delivered to the user and encourage them to subscribe to the email lists or make a purchase. SEM in contrast to SEO is not necessarily organic since paid per click and search engine positioning is available with keyword bidding. This allows higher budget marketers to reserve a spot for their brand in specific search results on the internet. (Microsoft 2022.)

Marketing analytics are the processes of tracking and analyzing data from marketing efforts, often to reach a marketing goal. The main goal of analytics is to gain insight of the information gathered from multiple sources to aid in decision making and optimize the marketing efforts. (Harvard Business school 2021.)

Analytic tools are often free and are found in each marketing platform. Marketing data can come from many places, for example, organic content such as Instagram posts, blog posts, videos or even emails. The platforms where organic content is shared often if not always provide the user with dedicated analytic tools that measure all interaction. The data can be categorized as first party data, second party data or third-party data depending on whose owns the database. (Harvard Business school 2021.)

Surveys can also be sent to customers and social media followers to further understand their interests and experiences. For example, asking previous customers what they liked about their purchase and would they purchase again to measure customer satisfaction. Amongst the most known and freemium tools are: Mailchimp, Google Analytics, Facebook's business suite, Google search console and HubSpot. (Harvard Business school 2021.)

Content marketing is the technique of creating and distributing valuable, relevant, and consistent content to attract and acquire a clearly defined audience. The content marketing approach is often described as marketing that your target audience wants to see rather than to avoid. In content marketing quality is important and the engagement will depend mostly on how easy it is to find. (Content marketing institute s.a.)

4   Success factors within digital marketing

Success in digital marketing is the precise moment when the business goals and specific channel objectives are met by the responsible unit. Once the business management has drawn a plan, specific sales goals are then given to a marketing unit after the corresponding marketing research has been drafted. Tracking success is usually hard for marketers since linking the sales to the marketing efforts has until now been particularly difficult. That's why marketers track conversions and not sales as their main goals. (LinkedIn 2016.)

Sales are a multi-step process that starts with prospecting and qualifying and then continues with pitching and finalizes the cycle with closure. Marketers include in their strategy this step and have set conversions when the audiences behave in a certain manner to identify what stage of the funnel, they are in. using channel bound metrics to identify the situation and how good performance the marketing efforts are bringing. (Salesforce 2021.)

A key performance indicator (KPI's) refers to a set quantifiable measurement used to gauge a company's overall performance. These indicators help the company to identify patterns and address them with a strategic approach. They specifically help a company determine their overall strategic, financial, and operational performance. (Investopedia 2022.)

The marketing KPIs are there to measure and identify how the actual and past campaign performance have been. The main objective is to understand the actions that customers and prospects have taken in order to response with adapted marketing inputs. (Investopedia 2022.)

Tracking the number of users in a website and what content they are interested in can be used to better understand if the user is following the sales funnel path or not. Success using this KPI will usually be bound to specific actions set in the website which qualifies a user as a lead, potential customer and returning user. A marketing team will estimate in the planning stage how much users should convert. (Investopedia 2022.)

Social media channels are also an excellent data gathering tool for marketing. This indicator tracks the views, follows, likes, shares or other interactions between potential customers and company's social media profiles. (Hootsuite 2022.)

Clickthrough rates measures the number of specific clicks that are performed on email distributions. It will measure how a customer opened an email, clicked a link and followed up to closing a sale with the company. (Investopedia 2022.)

5   Facilitating Factors and marketing approaches for online internationalization

In the following chapters we'll go through how digital and internationalized companies can perform better than local companies in terms of accessibility. Also, how businesses can reach these far away audiences and how accessible different the tools are especially for small businesses.

5.1   Technological Advances

The most critical facilitating factor for small firms' internationalization is the ease in which buyers and sellers can transact with each other over large distances in the same way (if not better) than with those of the local market. For example, it is easier nowadays to search for a particular kitchen tool by searching in Google and getting the most accurate response to your query as users can recur to big online retailers that specializes in kitchen tools. Within the digital tools available is search engine marketing (SEM), in order to rank in Google for the keywords that best describes a business product. Firms are constantly integrating information technologies into their value chains to manage marketing activities and production more efficiently. (Tamer Cavusgil & Knight 2019.)

Thanks to recent development and investment in internet infrastructure, banking transactions and communications around the world are easily integrable with most businesses and cost efficient for small companies. Communicating with hundreds of customers doesn't anymore require a team of professional salespeople but rather an email software such as MailChimp and some time to make an automated Email sequence. (Investorpedia 2021.)

The freemium strategy is utilized by many service providers such as said MailChimp and HubSpot. Salesforce and SurveyMonkey amongst others contribute to that the small business is capable of starting with minimal subscription cost and upgrading as they go. Marketers can now reach the customers using multiple touchpoints via mobile, desktop and tablet. Different tools are available, and we will review them in the **digital marketing tool analysis** in this project. Technological advances in logistics and transportation have contributed to the fulfilment processes of the small born globals by providing easy and ready-made integrations for the websites. (Investorpedia 2021.)

Until the 90s communicating with foreign suppliers, distributors and customers was costly or time-consuming. Finding, negotiating, and closing a deal with a provider was a task for a professional. Nowadays as more internet services becomes available the number of people in a marketing unit could easily be halved. (Tamer Cavusgil & Knight 2019.)

5.2   Globalization

There are some contrasts when the subject of globalization arises. Some authors claims that the major enabling factor for SMEs internationalization is globalization as it includes that the world culture is at a convergence, Lifestyle choices and purchase behaviors are becoming similar in the different economies and countries. Others claim that this change is mostly because of the connectedness in which we live, and that the online world is a place where all human beings learn and are exposed to similar trends and contents everywhere in the world. The media has a bigger impact on the decisions of the users a therefore when exposed to globalized trends a user can get influenced.

The ease of doing business with foreign partners enabled companies to trade with firms offering more specialized or cost-efficient solutions to their needs. Having suppliers from around the world is now one click away. Falling trade barriers and disappearing currency controls stimulate the free flow of capital across national borders. Globalization is the standardization of global markets, so customers in different countries find it easier to transact and follow the same set of rules and metrics. (Tamer Cavusgil & Knight 2019.)

5.3   Global Marketing Strategy (GMS)

According to Svend Hollensen in his book Global marketing (2016) all major internationalizing firms must address 5 steps in the design of their global marketing program. These are 1- Decision whether to internationalize. 2- Deciding which markets to enter. 3- Market Entry strategy. 4- Design of the global marketing program and 5- implementing and coordinating the global marketing program. (Hollensen 2016.)

Small internationalizing firms must meticulously study the feasibility of going international since an export adventure requires heavy financial investment and commitment from management as well as human capital to achieve these goals. Internationalizing firms conduct internal and external research in this stage to approve or decline their globalization plans. Many born globals in this stage are forced to internationalize due to low home market volumes and therefore this part is quite clear for them and their survival. A positive decision would mean that the management sees potential in the foreign markets and that the sales provided from those markets would bring sufficient resources to the company or other competitive advantages. (Hollensen,2016,15)

Once the Decision to internationalize have been made it is time to choose where to go, this step is better known as the market selection process. Executives must choose the target destinations as to whether adapt their marketing mix or standardize it. The big issue is not whether to go global but how to. In the market selection process management evaluates the attractiveness of different

countries based on how many entry barriers are there and Market attractiveness which usually is measured by market size, potential, growth, and competition, as well as trade barriers such as tariffs, Legal barriers, and cultural barriers. An optimal target country will be that which presents the best market attractiveness and the least entry barriers. (Harvard Business review 1986.)

As the managers choose their target destinations the question arises "How to enter the market" an international market entry mode is an institutional arrangement necessary for the entry of a company's products, technology, and human capital into a foreign country/market. (Hollensen 2016.)

Modern startups begin this journey by utilizing social media marketing approaches to reach a wide a geographically diversified audience. Commonly the startup will begin creating content that appeal to their specific target audience using organic mediums only. (Hollensen 2016.)

6 Research structure and approach

In this chapter I explain the objectives and approach for this research. I also clarify used data collection methods and go through reliability and validity.

6.1 Research Objectives

In this research we tried to explain what the best and worst approaches are in 2022 for small and medium companies using **digital marketing tools**, detailing which methods works and which ones doesn't for companies that are going through the same business stage. To compare performance and success factors we need to gather information about the usage of digital marketing tools in 2022. That's why in this research the main question was "**Which digital marketing tools bring success to the companies?**" in an attempt to understand and update the way that marketers acquire customers from their touchpoints online and convert them into paying customers in 2022.

As the internet based born globals are a rather recent phenomenon we explained in this research how they managed to enter the foreign markets despite their limitations in financial resources and human capital. We identified the type of internationalization and entry modes used by these companies and later classified them according to their choice. We also noted how the enabling factors helped them achieve market penetration. That's why the second objective of this research was to identify "**Wich strategies digital marketers used to reach and convert users using modern digital marketing tools.**"

International research literature states that there is a difference between theory and practice, therefore in this research we also collect data about unsuccessful practices, strategies, and tools that these small firms experimented with in order to better understand their experiences and justify what practices are best.

6.2 Research approach

Qualitative and quantitative research approaches help the researcher systematically collect and analyze empirical data and carefully examine the patterns in it . The approaches differs from each other in the following way: the research approach will mainly depend on the subject and the type of data available. Quantitative research approach assumes that reliable and standardized data is available in large quantities for statistical testing. Qualitative research is usually done in exploratory settings, that is, in studying topics that are recent in the field and under-researched, it is of vital importance to make sure the subject is truly novel and merits attention. Qualitative research studies appear as broad with panoramic views of an object rather than a micro-analysis. Qualitative research in contrast to quantitative research follows a non-linear research path which means that

researchers view the data in a case-to-case basis and apply logic to interpret and conclude the newfound information. Comparison of the strengths of the research methods is shown in table 2

Table 2. Comparison between research methods (lowik 2016)

Quantitative	Qualitative
Appropriate method for hypothesis testing	Appropriate method for hypothesis development
Useful for theory validity testing	Particularly desirable for exploration of a new phenomenon
High representativeness due to larger sample	Explains cause and effect of individual cases
Statistical robustness by measuring the correlation amongst variables	Better contextual validity of the research subject
Data objectivity because data is quantifiable	Flexible research method

To achieve this research's objectives, it is preferred to use qualitative research methods. Because the sample of this research will be studied as a case-to-case basis and each situation must be reviewed individually. Additionally, it provides more information, more flexibility and explains the 'why' of the answers. Qualitative research is an approach that allows the researcher to examine people´s experiences in detail by using a specific set of research methods such as in-depth interviews, focus group discussions, observation, content analysis and life stories (Hennink, Hutter & Bailey 2020). It's important for the researcher to understand the environment in which the respondents are placed to empathize with them and see how the environment has impacted their life and choices. The aim of qualitative research is not only to understand a problem but elaborate further on it by following up with the respondent and finding insight into the situation or problem.

6.3   Data collection method

Qualitative research begins with the formulation of a research question and study objectives and the next task is to select appropriate research methods to fulfil the information requirements.

Qualitative data collection methods are exploratory in nature and are mainly concerned with gain-ing insights and understanding on underlying reasons and motivations (Business research Method-ology). The choice of the method is directly bound to the research objectives and the information collected by them shall give a clear answer to the subject researched. A comparison of three quali-tative methods is shown in table 3. (Saunders 2015.)

Table 3. Comparison of three qualitative tools (Hennink, Hutter & Bailey 2020, 85)

	In-depth interviews	**Focus group discus-sion**	**Observation**
Objective	To identify individual perception, beliefs, feelings, and experi-ences	Identify individual per-ception	Observe how people act and interact in certain social situa-tions
Research Instrument	Interview guide	Discussion guide	Observation guide
advantages	Identify personal ex-periences. Gain in-depth information, identify context of par-ticipants lives	Discussion provides de-tail, justification, and clarification, large amounts of information collected quickly	Unobtrusive Sufficient contextual information Identify people's ac-tual behavior
disadvantages	No interaction or feed-back from others, indi-vidual perceptions only	Less depth of infor-mation, less suitable for personal experiences	Distinction between participation and ob-servation is needed

6.4   Chosen data collection tool

According to the comparison tool in table 3, in-depth interview grants me more flexibility to identify context and gain information about my research subject. The information being extracted would only be shared in a simple conversation where we try asking similar questions and see different answers. This would contribute to finding out different approaches to digital marketing in different

fields without social biases. The chosen data collection tool can be re-arranged depending on the answers provided by the respondents. Observation would not provide enough information since we are not learning about reactions or unplanned behaviors but rather, we are extracting strategical data that is also situational and rapidly changing.

6.5 Reliability and validity

Reliability and validity evaluate the quality and therefore the value of a research. Quality in qualitative studies generates understanding. Validity determines whether the research measures what it was intended to measure or how truthful the results are. (Stenbacka 2001, 551.)

Reliability assesses weather evidence is consistent and stable (Farquhar 2012). It's good to remember that reliability of a study might not be sufficient since it's impossible to perfectly replicate exactly same answers using semi-structured interviews as a data collection method. This happens as the conversation is allowed to be flexible and different answers can be given at different times. (Bryman 1988.)

Authors have different opinions concerning qualitative research reliability. Trustworthiness is crucial when assessing reliability of qualitative research. (Farquhar 2012). While establishing good quality studies through reliability and validity in qualitative research, states that the "trustworthiness of a research report lies at the heart of issues. In contrast according to Stenbacka (2001), "the concept of reliability is even misleading in qualitative research. If a qualitative study is discussed with reliability as a criterion, the consequence is rather that the study is no good".

While the terms: reliability and validity are essential criterion for quality in quantitative paradigms, in qualitative paradigms the terms Credibility, Neutrality or Confirmability, Consistency or Dependability and Applicability or Transferability are to be the essential criteria for quality (Golshani 2003)

The concept of validity is not a universal term but rather a complex mixture of intentions englobed in particular research methodologies (Winter 2000, 1). Even though authors indicate that validity is not applicable to qualitative research methods, they acknowledge the need for a quality assurance measures. Cresswell & Miller (2010) suggests that the validity is affected by the researcher's perception of validity within the research scope and framework. Therefore, the quality of a research is related to generalizability of the result and thereby to the testing and increasing the validity or trustworthiness of the research (Golshani 2003).

7   Analysis and Results

In this chapter I will present the data gathered through the previously mentioned interviews and find possible answers and conclusions. Firstly, I showcase the specifications of the respondents of this research.

7.1   Background of the respondents

The companies chose to remain confidential. Because of this we named them company A, B and C.

Company A

Number of employees	60-90
Internet based sales ratio	45%
Net sales 2021	€ 12,5 million
Sector	IT Security
Marketing type	B2B

Company B

Number of employees	21
Internet based sales ratio	90%
Net sales 2021	€ 350,000
Sector	SaaS Accounting
Marketing type	B2B

Company C

Number of employees	2
Internet based sales ratio	100%
Net sales 2021	15,000
Sector	Arts and crafts (Ecommerce)
Marketing type	B2C

The interviews took place in Finland during the month of November in the year 2022. The respondents of the interviews were employees at the companies above mentioned, Occupying positions in the marketing team and in full responsibility for its development. The purpose of this interview was to understand the successful and unsuccessful practices that these marketers experienced during the past year (2022) using digital marketing tools.

In this research we were able to discuss with Marketing managers in different business areas and situations. Despite all of them being completely different companies all of them seemed to have similar approaches to their digital marketing.

7.2   Findings

The findings of these interviews include the current performance that this companies are having, specifically which marketing activity brought success to their business operations. Also, we gathered information indicating unsuccessful practices employed by this companies which did not give results and therefore were discontinued. In an attempt to understand what works and what doesn't in digital marketing we evaluated each interviewee by their particular business goal and how well they performed in it.

The respondents where all startups that has straight link to foreign sales utilizing internet mediums as their main marketing approach. All the companies involved in this research are less than 5 years old and sell more than 15% of their net income outside of Finland.

Amongst the common factors we were able to identify all the businesses started their company with an online expansion that begun with changes in regulation and technology. The businesses involved in this research all utilize amongst other things email marketing, social media marketing and partner collaborations to increase their visibility, customer acquisition and promotional efforts.

7.3   Best performing marketing tools

The businesses best performing tools were search engine optimization and social media marketing. The criteria given for this was customer conversion rate and cost per user. Both mediums were organic mediums and helped the companies acquire interested audiences with moderate levels of commercial intent.

The results of the interviews matched the expectations provided by the literature of this document. The respondents of this research indicated that the tools used by them have their own key performance indicators and also that success is in no way measured in sales. Each marketer had specific and well-defined goals within their channel. A word that was commonly repeated during these guided conversations were: expansion and growth.

The pillar for success in social media marketing and search engine optimization was in all cases consistency in content creation and publishing times. A strong emphasis was given to the monitoring systems comprehended by KPI's, goals and approaches.

All respondents work with the sales funnel approach and adapt them to their own marketing needs and goals. each step of said funnel includes content, activities, desired outcomes, KPI's and. schedules.

Content creation was strictly bound to AB testing where contents are made to test performance in selected channels during specific times. The best performing content is taken forward to make new pieces continuously. The contents are time bound and followed a publishing calendar for the whole year, publishing dates are important since the commercial intent varies significantly from day to day and hour to hour.

The most important marketing advice that we could corroborate from our interviews is that in all sense of marketing, long term growth is always a priority and short-term growth is momentarily important depending on the time of the year.

7.4   Success factors in digital marketing

When asked **what tools brings success to their marketing funnels**, marketers couldn't reply clearly as they all were experimenting different strategies in each of their channels specifically the

B2B marketers struggled in this section. In order to gather more insight, we asked about paid and unpaid traffic as a commonly acknowledged success in digital marketing. The tool that brought the most unpaid traffic to marketers' websites was clearly search engines. In B2B marketing it is seen as a must to plan keyword positioning based on the searches that the target inputs. Content marketing plays a top role for the success in this marketing approach. One of the interviewed businesses indicated that they create only educational content that is related to their product and tries to position this in Google search results with the intention of increasing website traffic. Said strategy brought the most organic traffic to the business. "We are not expecting to find qualified leads within organic traffic, but we can see the potential in the long term" said the interviewee as he explained the success in Search Engines.

Different results were found in the B2C company. Most of the organic traffic they acquired came from social media organic mediums. The marketer indicated that traffic acquisition is possible thanks to partner collaborations and high engagement from the content provided. "We plan make twice as many collaborations in 2023 since it was our **best performing paying customer acquisition channel**". Surprisingly during 2022 this company managed to acquire a completely organic customer base having paid only for the social media collaborations. This confirms the trend in small companies' approach to low resources and sufficient exposure in social media.

Paid customer acquisition was only attributed to B2B marketers in this research, both respondents expressed how their sales depends on re-seller activities and their main digital objective is to maintain their presence online in an attempt to get contacted from possible leads. As the nature of b2b demands a strong and long negotiation process, marketers in this area do not expect to acquire customers from organic mediums and neither considers sales as a key performance indicator.

These marketers use the internet to get access to networks and sites where they can contribute and give free content that attracts possible leads. On the other side the sales department is assessing the leads acquired by them and moving forward with the ones that are more likely to become a customer.

7.5   Successful customer acquisition online

When we moved towards **user or customer acquisition strategies and approaches** the respondents all coincided that its utterly important to first identify interest from the inbound user. Whether is paid or organic traffic marketers in both B2B and B2C companies suggested to measure user behavior. Social media marketing, search engine optimization and content marketing all measures success by inbound traffic KPI's or website KPI's. The use of tracking tools was an important part in achieving success. "The default data provided by google analytics its insufficient" said an interviewee while explaining his data measures. He assured that data needs to be

identifiable, organized, and actionable. The main customer acquisition approach that brought success to the respondents was **content marketing in social media channels**, representing almost all the organic inbound traffic acquired by these marketers. Content is created by following trends and feedback from where posteriorly a performance assessment is made to optimize the engagement and virality of the content. In the B2C customer case they collaborated with content creators to produce content together and expose it to their completely organic channels for a low price or no price. "The user acquisition depends uniquely on the performance of our social media content, especially video content".

Customer acquisition was the result of follow up strategies to the user acquisition. Once users entered the businesses website the marketers arranged re-targeting approaches via phone, email, and advertisements. The B2C approach was to offer value in exchange of an email subscription this value could be for example a discount. Using email helps the businesses to create an advertising medium which is completely free and contains only highly interested users.

B2B companies in the other hand tries to guide the interested user towards recognizing the need and acting towards it. In that sense they have invested time and resources in making their website layout strategic, measurable and its main objective is to create and segment users attending to their unique interests and information needs SaaS businesses often sell the products as a gain or a pain reliever. "Identifying customer problems or success needs is crucial so that the sales team begins the prospecting part of the sales process".

For b2b marketers the most successful customer acquisition approach was content marketing, public relations, social media marketing specifically using LinkedIn tools and Facebook. Organic traffic was acquired using Search engine optimization strictly bound to a keyword positioning strategy and sufficient educational content. B2C marketers differed slightly in their approach since their main customer acquisition happened in social media, specifically Instagram organic and YouTube. Con-tent marketing was possible thanks to collaborations with other content creators since they could not afford or produce the amounts of content needed to gain sufficient exposure in social media channels.

7.6   User conversion and conversion rates

When an interested user has taken further steps that indicates action, that customer is believed to have converted into a pre-qualified customer or lead. We refer to this in this thesis as a **customer conversion.** When we talked about conversion strategies the B2B companies showcased their marketing funnels where they process interested users, find leads and send those leads to the sales development representatives whose job is to follow up with them and develop a sales qualified lead these then are sent to the sales executive who is trained to manage business sales.

"Marketing ends when the sales start" said a B2B respondent. "Our job is only to find interested users from the internet, personal and nonpersonal contacts, actively participate in events online and offline (public relations) and develop relationships that exposes our company to the target market. A conversion is any of those steps".

On the other hand, the B2C respondent showed that there are 3 steps for measuring conversion these are: interested users, returning users, and pre-qualified users. Each of these categories are measured using behavioral studies that they are able to do thanks to advanced user monitoring in their website. The tools mentioned were **Facebook events manager** and **google tag manager.** Growth for this business happened thanks to product development and social media performance witch they achieved thanks to the data collected from these tools. Classifying the customer according to their funnel stage and programming content for the different stages has helped this company increase their convertions substantially. "In each stage we have different contents and channels that we alternate to search for better performance". The approach used by this business relates to the literature in chapter 5, but according to their marketing manager such content creation is very limited since it takes a long time to produce.

Content production in small companies is a big question 2 of the respondents indicated this. Content creation is timely and most players in a small business have limited human and financial resources to create and publish content in multiple channels and couple audiences in each of those channels.

The first conversion reported by all respondents was website visitors which performance was measured with website traffic KPI's most common being source origin, engagement time, bounce rate as well as button clicks and website activity. Success in website traffic happens when the bounce rate is low or less than 35-40% of the user traffic, the user shows interests towards the products or services which is measured by time spent and content consumption which often is monitored by tracking the buttons clicked during a session. The resulting audience is regarded as aware or interested users who already knows the brand offerings and they are subject to retargeting. Marketers in b2c tries to use retargeting ads and emails to convince the user of the value proposition the brand has for them, this step is highly reliant on technology since the retargeting content must be personalized to each audience and their funnel stage. According to the respondents Facebook and TikTok has very good products available for this. The conversion rates for retargeting were mainly Click through rates (CTR), add to cart, contact page form submissions, and call to action button ads (CTA). Respondents had different measures depending on campaign, audience size and channel, some of them even make a different audience with those who added their product to cart or filled out a contact form and qualified them as "pre-confirmed for purchase" audiences

to whom they might offer discount in an x amount of time after the call to action (CTA) has been performed. This is as far in conversion as it gets for the B2B marketers interviewed in this thesis.

Following up with B2C marketers, the conversion rate for retargeting is purchase, returning customers and email subscribers. Using channel specific key performance indicators to monitor success. most common KPI's were successful delivery rate, open rate, click through rate and proceed to checkout button clicks.

Since content is so important for all digital marketing efforts we asked about their content strategies, unfortunately 2 companies in this research outsourced that to a third party and just the smaller company contributed with this. It was said that consistency in social media is more important than quality. Engaging content is made after a long period of AB testing. From which optimization happens. For them it's very important to optimize publishing time, video length, engagement tactic different short clips. A highly engaging video is such that the viewers take participation in comments, share content with their friends and click the links in description.

7.7   Research questions answers

The main question of this research was "**Which digital marketing tools bring success to the companies?**" As mentioned in "7.3. best performing marketing tools" The businesses best performing tools were search engine optimization and social media marketing. It was brought up repeatedly that consistency in content creation and publishing times are very important factors for the social media marketing to work.

The second objective of this research was to identify "**Wich strategies digital marketers used to reach and convert users using modern digital marketing tools.** Consistency in content creation and publishing times are important parts for increasing the social media marketing reach. Best performing content was taken forward to make new pieces continuously. Therefore, analyzing previous content was always a big factor in enhancing the reach. In search engines keyword positioning was experienced to be a good way for increased reach. Sometimes the reach was not immediately correlated to leads. But good reach had been proven good in the long term to provide leads to the companies.

"What conversion strategies bring success to the marketing funnels of the business?" The conversion frameworks for respondents were based mainly in the implementation of complex analytics and follow up strategies. This would measure performance with every step the users took, segmenting and classifying the users according to their commercial intent and/or how ready to buy they are.

What enables businesses to succeed in today's business environment? as mentioned before the two more significant business enablers are technology, such as internet and internet speeds and a global more unified and accessible economy. Most of the respondents sell their offerings abroad and uses modern payment methods to transact.

8 Reflection

In this thesis project we aimed to study the success factors in online companies who use digital marketing tools to sell online. The aim of this project was to either update or inform about changes in marketers' approach in their own markets. The research was very limited since appropriate sample could not be found. The respondents of this research matched the expectations provided by the literature in chapter 3, a special finding was conceived and its how all the marketers are switching to a more aggressive social media strategy and how primordial content marketing has become. Further research is content marketing and search engine optimization could help fill the gaps left by this research. Initially this research tried to gather as much marketers in born global companies but due to availability issues with the businesses involved we decided to interview marketers in different online companies who uses the same tools as small companies.

Further research on the born global companies could also contribute greatly to fill gaps related to long term planing and growth.

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Table 2. Comparison between research methods. Lowik. 2016.

Table 3. Comparison of three qualitative methods. Hennink, Hutter & Bailey 2020.

Image 1. Digital advertising spending in Europe from 2006 to 2022. Statista 2022.

Appendix

Interview guide

Semi-structured interview guide 1

Establishing Rapport and understanding context

Have you been interviewed about your marketing work?

Let's start by discussing What is your business about?

When did you start managing the marketing activities?

Understanding the motivators and enablers for small companies' internationalization

Why did you choose to go to international markets?

What countries did you hope to reach during your internationalization?

Why x and x countries?

Understanding the customer acquisition approach

Could you describe what steps you needed to take to gain customers online?

Wich marketing activities that you used helped you during this initial stage.

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Understanding Entry mode

Do you sell your products via third parties or just yourself?

Answer 1 (third parties)

Answer 2 (Own sales channel)

Answer 1 follow up

What kind of relationship do you have with the resellers?

Answer 2 follow up

Understanding Ecommerce Approach

Could you explain which tools or strategies helped you close sales online and which ones didn't?

Follow up 1

What steps did you take in the planning of this strategy?

Follow up 2

Why did this tool not work in your opinion?

Understanding Digital Marketing tool usage

How did initially reach your target market?

Follow up

Understanding Adaptation or standardization of the marketing mix

Did your company tailor its marketing each target audience or is your marketing strategy the same in all regions involved?

If business have third party, subsidiaries, resellers

Do you communicate to your target market via partners or your own marketing efforts?

How do you communicate your offerings in target markets?

Follow up

Do you tailor the marketing contents to each target audience?

Do you make these contents in-house or with third parties?

Answer 1

(In-house)

Understanding business mediums

Wich platforms best helps you reach and engage with your customers?

Paid, earned, or owned medias

Follow up

How do you measure success in these mediums or channels?

According to said metrics which medium brings you the most success?

According to said metrics which medium brings you the least success?

Understanding the sales channel

How does your customer buy your product?

(If answered they sell their products and not third parties)

Wich medium brings you the best conversion rates

Paid, Owned or Earned

Instagram organic

Instagram paid

Facebook paid

SEO (Google, YouTube)

TikTok paid

TikTok organic

Google Paid

Other blogs or forums

Understanding the usage of the channels

How do you manage these channels?

Content creation, feedback, engagement, click trough, tracking. Optimization

Follow up

Understanding unsuccessful practices

Wich mediums that you tried didn't work.

Do you remember what went wrong?

Why did you try this tool in the first place?

What were you willing to achieve with said tool?