

Bachelor's Thesis

Degree Programme of International business

NINBOS13

2016

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DEVELOPING DIGITAL MARKETING CHANNELS OF SME

– CASE: THE INNOVATION COMPANY

BACHELOR'S THESIS | ABSTRACT

TURKU UNIVERSITY OF APPLIED SCIENCES

Degree Programme of International business

2016 | 36

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DEVELOPING DIGITAL MARKETING CHANNELS OF SME

- Case: The Innovation Company

This thesis was made in collaboration with a company called The Innovation Company, which is a manufacturer of cosmetic raw materials. During the process of writing this thesis, the author was an intern at the company. The thesis is a functional study that provides suggestions and ideas to develop and improve two of the existing digital marketing channels used at the Innovation Company: email newsletters and Facebook.

All the other existing marketing channels of the company are also presented but the focus point is on newsletters and Facebook marketing. For both of these channels, the author first explains the current situation and then continues to present improvements to the use of the channels. The study provides tools to help the client company organize the use of these digital marketing channels, while also presenting very concrete ideas of the kind of content the company could create.

Research was done by looking into how a business-to-business company would get the most benefit from using email newsletters and Facebook in their marketing. The sources mainly consist of B2B marketing and social media marketing literature. The author based her work on observing and also participating in the work of the client company's marketing team.

KEYWORDS:

Business-to-business, digital marketing, social media, email newsletters, Facebook

Venla Saaristo

DIGITAALISTEN MARKKINOINTIKANAVIEN KEHITTÄMINEN PK-YRITYKSESSÄ

- Case: The Innovation Company

Tämä opinnäytetyö toteutettiin yhteistyössä The Innovation Company -nimisen yrityksen kanssa. The Innovation Company on ranskalainen perheyritys, joka valmistaa kosmetiikan raaka-aineita. Kirjoittaessaan tätä opinnäytetyötä kirjoittaja oli harjoittelijana yrityksessä.

Työ on selvitystyö, jonka tavoitteena on kehittää ja parantaa asiakasyrityksen digitaalisten markkinointikanavien käyttöä. Valitut kanavat ovat kaksi yrityksellä jo valmiiksi käytössä olevaa kanavaa: sähköiset uutiskirjeet ja Facebook. Yrityksen kaikki käytössä olevat markkinointikanavat käydään työssä lyhyesti läpi, mutta sähköposti-uutiskirjeet ja Facebook-markkinointi ovat pääroolissa. Niiden molempien käytön nykytilanne esitellään ensiksi, jonka jälkeen kirjoittaja esittää parannusehdotuksia kummankin kanavan käyttöä varten.

Opinnäytetyön tulokset tarjoavat yritykselle sekä välineitä, jotka auttavat organisoimaan sen digitaalisten markkinointikanavien käyttöä, että hyvin konkreettisia ideoita itse sisältöä varten. Työn tietopohjaksi kirjoittaja keräsi aineistoa, joka ottaisi parhaiten huomioon business-to-business yrityksen näkökulman digitaalisessa ja some-markkinoinnissa. Työharjoittelu asiakasyrityksessä mahdollisti tutkimusmenetelmiksi observoinnin sekä oman työn kehittämisen.

ASIASANAT:

Business-to-business, digitaalinen markkinointi, sosiaalinen media, email uutiskirjeet, Facebook

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LIST OF ABBREVIATIONS (OR) SYMBOLS

B2B	Business to business
B2C	Business to consumer
CEO	Chief executive officer
FB	Facebook
ROI	Return on Investment
R&D	Research and Development
TIC	The Innovation Company

1 INTRODUCTION

This thesis presents a plan for developing and improving the use of the chosen digital marketing channels of a French cosmetics raw materials supplier, the Innovation Company, where the author did her professional practical training in fall 2016. The purpose is to provide planning, guidelines and ideas for the use of the two existing digital marketing channels: email newsletters and Facebook. The newsletters have been in use for two years but the design and contents have lacked organization, which has caused stress to the employees and led to occasional mistakes in the content of the newsletters.

The Facebook page on the other hand has also existed for two years, but its use has been very infrequent and unplanned. However, there is a wish in the company's marketing team that the Facebook use would become more active but so far no one in the team has really taken the role to update Facebook. Personal interest of the author of this thesis towards social media marketing happens to coincide well to the company's need. The idea of adopting totally new digital and social media marketing channels was also considered but abandoned due to lack of time and manpower dedicated for marketing at the Innovation Company.

The client company, which was created in 1987 and originally named Créations Couleurs, is a family business located in Dreux, about 70km from Paris to the west. The facilities include laboratories, offices, production plants and warehousing, and the company employes 28 people. As the original name would suggest, the company was first only involved in colour care products but over the years they have broadened their range into skin and sun care products as well, resulting in the change of name to the Innovation Company. In practice this means that the raw materials which the Innovation Company produces and sells are for example emollients, moisturizers, texture modifiers, UV filters and other products used in cosmetics. (The Innovation Company, 2016)

However, the company does also develop formulations out of the raw materials that it supplies. The formulations are final products, and they are used to demonstrate to (potential) customers how the raw materials could be used in their product. The formulations play a relatively important role in the marketing of the Innovation Company as they present what the customers are in the end interested in, the final product. (The

Innovation Company, 2016) The formulations are showed to customers at meetings and at trade shows.

The Innovation Company has affiliates on three continents: Europe, America and Asia. According to the founder and CEO, the company “grows at a rate of doubling its turnover every five years”. As a modern and global operator, with customers all over the world, the Innovation Company could surely benefit from using social media but so far they have not really put much time and/or effort in it. During her practical training period in the Innovation Company’s marketing team, the author was able to observe how digital marketing activities are carried out at the company, and based on that, she could point out some factors that needed developing. Thus the topic of this thesis, which is improving the use of digital and social media marketing of the Innovation Company using the channels of email newsletters and Facebook. The goal is to provide tools for the client company to better organize their use of the two channels, while also explaining why it is beneficial for the company to use these channels.

At the beginning of this thesis, the client company is briefly presented, followed by descriptions of the current digital and traditional marketing channels used by TIC. The two channels chosen to be improved, i.e. email newsletters and Facebook, are discussed in their own chapters. Each one of these two chapters starts by explaining the present situation and then continues to provide solutions and ideas on how to develop and improve. Different sources from literature to online articles about social media marketing are used to back up and support the given solutions. The author intends to provide ideas that are specifically useful for B2B companies’ Facebook marketing, and some concrete examples for content are presented. In the conclusion chapter of this thesis, the author also recommends starting a business blog.

During the process of writing this thesis, the author tried looking into how competitors and other similar businesses use Facebook but it became clear that most of them do not use Facebook at all. The possibility of drawing inspiration from competitors and from what they are doing was therefore closed out, which is not necessarily negative. In fact, becoming active on Facebook can be one of the ways for the Innovation Company to differentiate itself from its competitors.

Qualitative data for this thesis was collected by observing and also participating in the work of the Innovation Company’s marketing team and discussing with the team members. Based on her observations and the team members’ points of view the author

was able to conduct this functional study, using relevant sources to back up her findings. The literature sources mostly consist of B2B digital marketing guidebooks (e.g. Bodnar and Cohen, 2012), additionally the author used online articles about B2B social media marketing, and also analysed the figures from the client company's MailChimp and Facebook accounts. The data collected from these two accounts forms a basis for many of the suggestions that this thesis provides.

2 CURRENT MARKETING CHANNELS USED AT THE INNOVATION COMPANY

The Innovation Company is a family business producing cosmetics raw materials in Dreux, France, where its facilities include laboratories, offices, production plants and warehousing. In the laboratories R&D, quality control and quality insurance are conducted, along with the formulating of final products. The offices are home for the administration, which includes customer service, purchasing and accountancy, and the marketing team that consists of the sales people and the marketing people, as well as the operations manager, technical director and CEO. (The Innovation Company, 2016)

Even though the term “marketing team” is used at the company, it does not mean that there would be a team dedicated only to marketing at the Innovation Company. On the contrary, what is referred to as the marketing team is in fact composed by the CEO, the technical director, the operations manager, the three regional sales managers, the graphic designer and the author, the marketing intern. All these people are more or less involved in the decision-making and execution of the company’s marketing materials, but most of the time the main ideas and decisions come directly from the CEO and the rest of the team then delivers the materials according to the instructions.

Currently, there is not any measuring of the ROI (return on investment), or basically any other measuring of the results in marketing at the Innovation Company. Obviously there is information and statistics available related to the newsletters for instance, but no one is really drawing any conclusions from the figures. On the contrary, everyone acknowledges that the newsletters should be short and adequately attractive for people to read them, but still the company sometimes sends out newsletters that are very long. This could be due to the fact that no one really has the time to take marketing efforts seriously, and make a proper plan for the marketing activities.

This thesis presents the marketing channels currently used by the Innovation Company, with the focus especially on the ones that fall into the category of digital and/or social media marketing. Therefore email newsletters and Facebook marketing are discussed in their own chapters.

2.1 UL Prospector

Prospector is a raw materials and ingredients data base and search engine for product developers and engineers, provided by a company called UL, which is a global independent safety science company that offers expertise in certification, validation, testing, inspections, auditing, education and advisory services. (ulprospector.com, 2016)

The customers send their product information to UL Prospector, so that potential customers and partners who also pay for UL Prospector's service, can view them. UL Prospector rules out the competitors so that for example in the case of the Innovation Company, other cosmetics raw materials suppliers are not able to view the company's materials. The Innovation Company mostly sends formulation sheets (see more on them in "2.4 Distributors") to UL Prospector but besides them also other material is sent to UL Prospector, which they can then forward. The Innovation Company also receives valuable information from UL Prospector about who has viewed the company's products, and more importantly, who has actually spent time reading the materials. This information the company can use to add people to its own database, which is actually the newsletter recipients' list. The picture below shows the UL Prospector search engine results for the Innovation Company.

The screenshot shows the UL Prospector search engine interface. The top navigation bar includes 'PROSPECTOR', 'Login', 'Register', 'English', 'Europe (EMEA)', and the UL logo. A search bar is present with the text 'Enter Search Keywords'. The main content area displays search results for 'The Innovation Company'.

Search Results Summary:

- Home > Personal Care & Cosmetics > The Innovation Company®
- 461 Results | New Search
- Sort By: Content Type

Company Profile: The Innovation Company®

Visit Company Website

The Innovation Company® is a researcher and manufacturer that offers an extensive range of cosmetic raw materials for the Personal Care and Cosmetics industry. This company has highly equipped R&D, QC and Formulation laboratories, and they specialize in colour cosmetics, sun care, and skin care products. Key offerings include Colourspheres®, Creasperse® Colours, Micromatrix® Fractile, Tefpoly®, and more.

Product List:

Product Name	Company	INCI Name	Description
Alphaflow® 20	The Innovation Company®	Hydrogenated Polydecene	Alphaflow® 20 is an Hydrogenated Polydecene, which is an excellent emollient for skin care, sun care and color care. Photostable and hypoallergenic. Alphaflow® 20 has the lowest viscosity. It is light on application and it has a soft skinfeel. Ideal for a... view more
Alphaflow® 30	The Innovation Company®	Hydrogenated Polydecene	Alphaflow® 30 is an Hydrogenated Polydecene, which is an excellent emollient for skin care, sun care and color care. Photostable and hypoallergenic. Alphaflow® 30 has a satiny, smooth feel similar to Vegetable Squalane. Ideal for day creams and lotions, L... view more
Alphaflow® 35	The Innovation Company®	Hydrogenated Polydecene	Alphaflow® 35 is one of the newest additions to our photostable Alphaflow® emollient range. It is colourless, odorless and tasteless material providing soft and smooth textures. Alphaflow® 35 providess softness, emolliency and lubricity while forming a non... view more
Alphaflow® 40	The Innovation Company®	Hydrogenated Polydecene	Alphaflow® 40 is an Hydrogenated Polydecene, which is an excellent emollient for skin care, sun care and color care. Photostable and hypoallergenic. Alphaflow® 40 is quite rich on application and it has a smooth feel. Ideal for colour care applications li... view more

Navigation and Filtering:

- I'm looking for...**
 - Ingredients (183)
 - Formulations (278)
- Company** (View all)
 - The Innovation Company®
 - Croda (1284)
 - Kobo Products, Inc. (1186)
 - BASF (938)
 - Lubrizol (737)
- Functionality** (View all)
 - Skin Conditioning Agents (37)
 - Colorants (35)
 - Surfactants (31)
 - Viscosity Modifiers (26)
 - Sunscreen Agents (22)
- Chemical Class** (View all)
 - Mixtures (143)
 - Inorganics (12)
 - Hydrocarbons (11)
 - Siloxanes and Silanes (10)
 - Synthetic Polymers (8)
- Formulations** (View all)
 - Skin - Moisturizers (109)

Picture 1. UL Prospector search engine (ulprospector.com)

2.2 Trade shows

Every year the Innovation Company participates in several professional trade shows all over the world, for example In-Cosmetics Europe as one of the most important ones. In the main ones, such as In-Cosmetics Europe, the company has its own stand and all the preparations are made by the marketing team, whereas in some other trade shows, the distributors handle everything. Even today, in the digital era, the trade shows are still very important in creating and strengthening contacts by presenting the latest formulations, technologies and innovations. Trade shows are also an opportunity to stand out from the competitors with a well thought display of the products and design of the stand itself, and also the colourful formulations and samples of the raw materials attract visitors to the Innovation Company's stand. (The Innovation Company, 2016)



Picture 2. Samples of raw materials and formulations at SCS 2016. Picture taken by the author.

Trade shows include a lot of work for the marketing team since the company gives out many different leaflets that need to be designed, printed and folded. In addition to the leaflets, there are posters and catalogues. Trade shows take a lot of planning and also require a remarkable budget, while the actual profit of attending them is quite difficult to evaluate. The names and email addresses from the collected business cards are added to the Innovation Company's newsletter list. As an example, more than 50 business cards were collected at SCS Formulate trade show in Coventry, England in fall 2016. Many of these visitors also filled out a request (see appendix 1) form so that they could receive samples of the raw materials or formulations, or more information about certain products that could be relevant for their own projects. (The Innovation Company, 2016)

2.3 Distributors and their marketing materials

The Innovation Company's distributors that are located all over the world also give out the various marketing materials. Some of these marketing materials are also brought to trade shows and other events. The materials include e.g. catalogues, PowerPoint presentations, application sheets, which give information of the raw materials, and formulations with written formulation sheets. The formulation sheets present the ingredients and qualities of the formulations developed in the Innovation Company's laboratories. The formulations are final products, in which the raw materials that the Innovation Company sells, are used.

The written formulation sheets consist of the ingredients list with the usage levels or the raw materials, pH level, main functions of each raw material in the product and the procedure to produce the formulation. In addition to this data, which is provided by the laboratory staff, there is a description of the formulation along with two to three of its key ingredients and short summaries of their qualities. This description -part is written by the sales people and it is meant to make the formulation sheet more commercial, instead of just involving the chemical data. Distributors have access to the Innovation Company's Intranet where most of the marketing materials, including the formulation sheets, can be found. Below an example of a formulation sheet for a product of TIC.

PF11219CS
9/2016



Pink Clearing Mask ISO 16128

Description :

With a pampering cushiony feel to it, the mask gently exfoliates the skin leaving it pure, fresh and matte.

Key Ingredients :

- Pelavie® Pink clay ISO 16128 consists of natural coloured bentonites that are able to absorb toxins from the skin. Besides detoxifying, it also acts as a firming and mattifying agent.
- Creascrub® Alumina is based on Aluminum Oxide, and is a powdery exfoliant. It intensely peels the skin, providing profound cleansing.
- Fiflow® BB 61 brings due to its chemical nature a third phase to the emulsion, creating this cloudy structured texture. With its unique skin volume technique, it provides an instant volumizing effect and works as a volume filler.

Ingredient		INCI Name	Qty %	Function
	A	Water	38,0%	
		Magnesium Aluminum Silicate	1,1%	
		Chlorphenesin	0,8%	
		Disodium EDTA	0,2%	
Hydrasoft® Cushion	B	Glyceryl Polymethacrylate (and) Butylene Glycol (and) Zea Mays (Corn) Starch (and) Preservative system*	18,1%	Rheology Modifier, Viscosity Modifier, Refreshing
		Glycerin	6,8%	
Creasil® ID CG	C	Isododecane	7,2%	Drying Agent
Creagel® EZ 7		Polyacrylamide (and) Hydrogenated Polydecene (and) Laureth-7	2,4%	Auto-emulsifier
Pelavie® Pink Clay ISO 16128	D	Bentonite	11,9%	Mattifying agent, Detoxifying agent, Firming agent, Colourant
Pelavie® Kaolin ISO 16128		Kaolin	1,3%	Mattifying agent, Detoxifying agent, Firming agent
Fiflow® BB 61	E	Perfluorohexane (and) Perfluorodecalin (and) Pentafluoropropane	10,0%	Anti-age, Increases microcirculation, Wound healing
Creascrub® Alumina	F	Alumina	2,1%	Exfoliant
		Rosa Damascena Flower Oil	0,1%	
		*Customer preservative choice		

Procedure: Heat phase A while stirring it constantly. When phase A is well inflated, let it cool while stirring. At room temperature, add phase B. Add the mix of A and B into phase C while strongly stirring. Add phase D. Put in Turrax for 5 minutes in 6000 rpm. Adjust the pH between 5.3 and 5.7. Add phase E. Put in Turrax for 2 minutes in 2000 rpm. Add phase F and keep stirring until homogeneization.

Important: Hydrasoft® Cushion is sensitive to heat and electrolytes. pH stable between 5 and 7.5. Creasil® ID CG cannot be heated. Make sure Fiflow® products are always cooled down before adding in the formulation. Store Fiflow® in cold. Use always airtight/airless packaging.

Picture 3. Formulation sheet. (The Innovation Company, 2016)

To conclude, the Innovation Company's marketing channels consist of email newsletters, UL Prospector's search engine services, trade shows, and marketing material spread by the company's distributors, and also social media channels: the company has profiles on Facebook, Vimeo and Youtube. The marketing team produces a lot of material, both traditional and digital, which is then spread through the above channels. During her practical training period, the author participated at SCS Formulate trade show in England as one of the Innovation Company's exhibitors, and this gave her the opportunity to point out that a large number of the visitors to the

company's stand did not want to take any of the printed leaflets to carry with them. Instead, the visitors browsed the leaflets at the stand after which many of them asked whether it would be possible to receive the materials in digital form to their email addresses, which in fact is possible.

Not having to first print and then carry around pieces of paper is one of the benefits of digital marketing materials but another one is the ability to give out materials as soon as they are ready. In the cosmetics industry, companies are constantly looking for new solutions and innovations, and trends change rapidly, which is why it can be beneficial being able to share the latest ideas in new product development instantly. Email newsletters and Facebook are both useful platforms for this purpose.

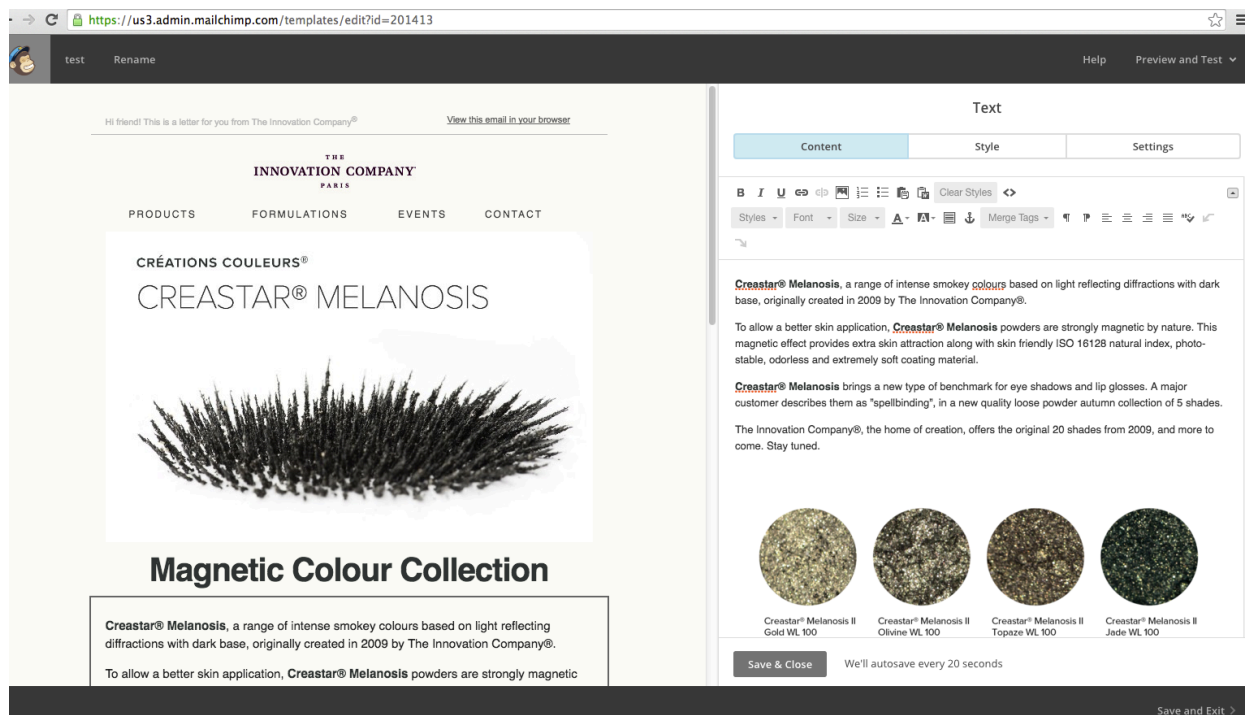
3 EMAIL NEWSLETTERS AT THE INNOVATION COMPANY

COMPANY

The Innovation Company has been sending out email newsletters for a few years, and they have become an important part of the company's marketing. This chapter explains the current process of creating email newsletters at the company and also suggests some improvements to the current situation.

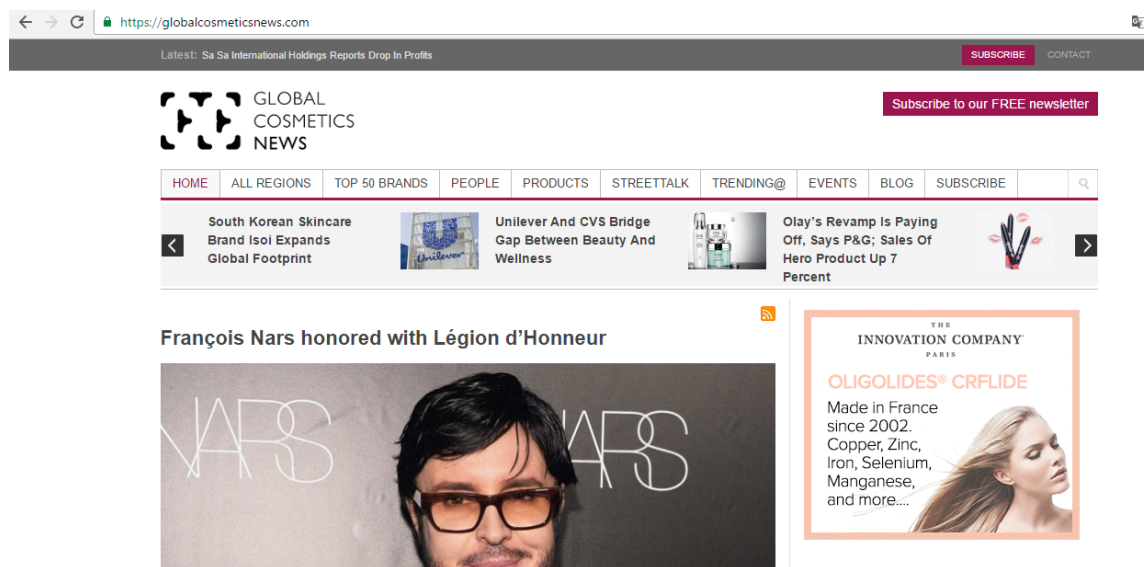
3.1 Current use of email newsletters

The Innovation Company has abandoned the magazines due to their high cost, and currently uses the paid media in the form of two monthly newsletters, sent out by MailChimp and Global Cosmetics News. MailChimp is the world's leading email marketing platform (mailchimp.com, 2016), and their newsletter template, showed in the below picture, is very user-friendly, which is why the Innovation Company chose it as their newsletter platform in 2014 (Kares, 2014). Global Cosmetics News is a digital publisher of professional information of cosmetics industry.



Picture 4. An email newsletter in MailChimp's newsletter template.

For Global Cosmetics News, the Innovation Company also provides a banner related to the newsletter of the month, and the banner is then played on the front page of Global Cosmetics News, normally for the duration of one week per banner. Sometimes an additional week is purchased. The banner displays in a few sentences the key information of the product in question, and it's also a link to the company's website. One of the Innovation Company's latest banners as played on the Global Cosmetics News website is shown in the picture below. The company has a database of contacts, which consists of the distributors, customers and contacts that are made at the trade shows, and the newsletters are sent to all these contacts. Almost 3,000 people receive the English language version of the newsletter and close to 500 receive the French one. (The Innovation Company, 2016)



Picture 5. A banner related to the Innovation Company's "Oligolides" newsletter on the website of Global Cosmetics News.

The subjects of the newsletters are usually decided by the CEO but mostly they are about novelty products and innovations, and sometimes about upcoming events such as trade shows. The English and French newsletters have exactly the same content, and there are direct links to the company website from the newsletters.

The process of writing and sending out a newsletter normally at the Innovation Company follows a certain way, i.e CEO or one of the sales personnel writes a text about a product or sometimes an event, then sends it to the rest of the team who makes corrections or suggestions about the contents and language, and the graphic designer searches a picture for it or takes a photo herself. Usually a few versions of the

newsletter are sent back and forth before it is actually sent out, or sent to the publisher in the case of Global Cosmetics News. The whole process is very time-consuming, yet according to the analytics of MailChimp, it does not seem to automatically lead to a higher number of clicks to open.

Teamwork is a good idea when all the team members are dedicated to the task i.e. creating and publishing an attractive and interesting newsletter. Conversely, when the members are not dedicated, teamwork can lead to a situation where everyone in the team assumes that someone else will take care of it, and then in the end no one really does. This leads into mistakes in the content or/and language of the newsletters. This situation came up at the Innovation Company during the process of writing this thesis, and it is a good example of inadequate planning that leads to poor commitment of the team members. As usual, the whole marketing team was involved in producing a newsletter, or in other words, the whole team was in copy when the different versions of the newsletter in progress was being emailed back and forth. So in theory, all the team members should have read the newsletter before it was sent out. However, none of the team members noticed a major grammar mistake in the very first sentence of the newsletter, and the newsletter ended up being sent out with the mistake. An error in the language certainly is not as serious as an error in actual content, yet it may still be harmful to the credibility of the newsletter as a whole.

3.2 Developing the use of email newsletters

What can be concluded from the above example is that proper planning should be implemented in the newsletter -delivering process. One solution could be to designate only certain people of the marketing team to be in charge of creating one newsletter. Newsletters come out every month and they are rather short in content, which means the projects do not necessarily require the whole team's attention and effort. Naturally, everyone in the team could still read it before it is sent out.

Another solution could be to allocate clear tasks related to each newsletter. For instance, one person, usually the CEO, comes up with the subject and writes a raw/finished text. Someone else from the marketing team reads the text and, if needed, makes the corrections in content or language. If the text is a very raw text with mostly technical data, such as properties of the product, the third person rewrites it in a more selling manner. Or conversely, if the text lacks technical data, this person provides it

on their own, or by asking for it from the person who can provide it. The graphic designer does the layout for the newsletter and e.g. takes or modifies pictures if needed, ideally without having to get every picture approved by *all* the members of the marketing team as this takes a lot of time. After that, the newsletter should be ready to be sent out.

A concrete schedule with dates for sending the next newsletters would certainly help organize the work. Global Cosmetics News have their own deadlines for when TIC should provide them the materials, and these deadlines have to be clearly and instantly communicated to everyone in charge of creating the materials. Deadlines should be set for the newsletters sent on MailChimp as well. Ideally, the topics are chosen according to what the customers are looking for at each moment, which means that the topics often do not stay current for long (The Innovation Company, 2016). This is why the newsletter should be sent out more or less as soon as it is done, yet trying to also maintain at least rough regularity, e.g. one newsletter per month, in the sending rhythm. One solution to make the newsletter creating process more controlled and efficient could be to come up with a plan for e.g. the next 6 months' newsletters. The topics for the next six months would be discussed and decided within the marketing team, possibly with the help of the formulation laboratory's staff. Even if a plan is created, it does not have to be set in stone. On the contrary, changes to the plan can and should be made according to e.g. sudden increase of demand for a certain product type.

Considering the content of the newsletters, they should be relevant to subscribers instead of sending emails just to keep regular communication going (Bodnar and Cohen, 2012, 101). This is sometimes forgotten at the Innovation Company, so special attention should be paid to actually considering whether the text attracts attention in the recipients or not. The topic of each newsletter should be carefully chosen. The sales people have a lot of information about what the customers need and are interested in at each moment and also about the upcoming trends, about *what sells*, and the topics should be chosen according to this information. Originally the idea at the Innovation Company was that each division of the company – colour care, skin care and sun care – would be the source of the newsletter topic sequentially, so that there would be variety in the topics. However, in practice this plan has not been implemented and more importantly, according to the sales people some customers have also requested to only receive the newsletters related to colour cosmetics, and not have the ones

about skin care and sun care. (The Innovation Company, 2016) This kind of segmentation would be sensible in order to not to lose subscribers who get frustrated with receiving newsletters that are not relevant to their business.

It should also be made sure that the subscribers do not receive the same message more than once: if a subscriber is receiving TIC newsletter from Global Cosmetics News, the company should not send the same newsletter to this subscriber on MailChimp. On Mailchimp it is possible to create several subscribers' lists, currently there are the lists for the English and French language versions of the newsletters, but the lists could be further divided based on which subscribers receive the Global Cosmetics News newsletter, and which do not.

To help create attractive newsletters, the subject line should already express the contents of the newsletter, in other words "use the subject line to set expectations for recipients. Let them know the contents of the email before they open it." (Bodnar and Cohen, 2012, 100) Today's office employees receive so much spam that it takes a remarkable subject line to cut through the noise, and if a company's newsletter provides a solution to a customer's problem, the solution should be written on the subject line of the newsletter (kb.mailchimp.com, 2016). The Innovation Company should adopt this practice instead of having the same standard subject line for every newsletter that's sent out.

Additionally, in order to the different marketing channels to support each other and to create consistency and integration between them, a link to the Innovation Company's Facebook page should be included in every newsletter, and vice versa: the Innovation Company's Facebook front page should have the direct link to subscribe to the email newsletter. Regarding TIC website, the place for the newsletter subscription link could be at some point reconsidered also. Currently the link is very well visible (see appendix 2) but first the website visitor needs to scroll down almost to the bottom of the page to see the link. Since the main menu of the website is displayed without any scrolling, it is possible that many people visit the page without ever noticing the newsletter subscription link. Also, the links in the newsletters and banners should lead directly to a related web page on the company's website such as product description page instead of the front page of TIC website.

4 CURRENT FACEBOOK USE OF THE INNOVATION COMPANY

According to Hubspot, State of Inbound Marketing Report (2011), 41% of B2B companies acquire customers through Facebook marketing. As the technical director of the Innovation Company puts it, it is commonly thought that B2B marketing has to be very serious and only about cold hard facts, nothing “extra”. B2B companies’ customers are businesses, which make e.g. the decision-making process very different and much more complex than for B2C companies, as there are usually many people with different motives influencing the decision. However, it is still the *people* influencing the decisions at the businesses, and people can be affected in B2B marketing the same way as in B2C marketing.

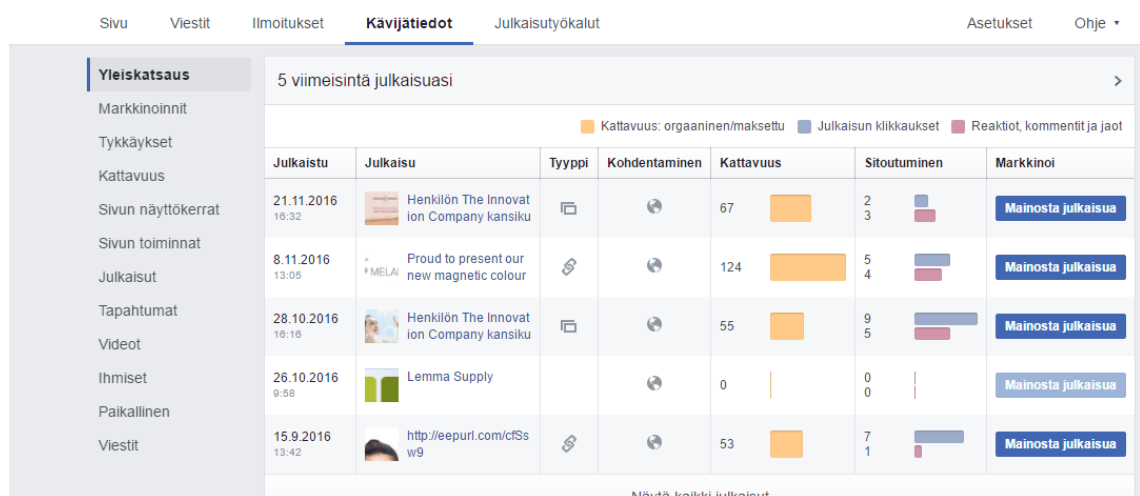
B2B is all about building and strengthening long-lasting relationships with customers (Vitale, Pfoertsch, Giglierano, 2010) and social media marketing provides a tool for that. Social media, especially Facebook, provides a platform to connect with the customers and partners in a more personal way. Unlike in e.g. the white paper texts, in social media the company can communicate in a much more informal manner, which in the best case scenario also creates conversation on the company’s Facebook page.

The company’s values, vision and mission can be presented in social media. As (Zarrella, 2013) points out : a Facebook page acts as a brand’s face to the social world. This could help in building trust and strong relationships, which are required, as B2B customers especially want to know who they are working with, since working together usually leads to a long-term commitment (Vitale, Pfoertsch, Giglierano, 2010). Investing in social media presence can also be recommended due to the fact that “people exposed to a brand in social media are nearly three times more likely to search for that brands products” (The Influenced: Social Media, Search and the Interplay of Consideration and Consumption, 2009).

Social media marketing, here more specifically Facebook marketing, is also suitable for B2B companies for the reason that B2B companies know their customers, and they are “closely tuned to the behavior, habits, and desires of their prospects and customers”. (Bodnar and Cohen, 2012, 15) In this sense, B2B marketers should be able to produce exactly the kind of social media content that their audience is interested in and can

relate to. This can mean e.g. providing solutions to problems that the company knows that the customers are facing. Facebook provides a platform for communication and conversation, and to help create both on their Facebook page, the companies should share content that is “bigger” than the company (Evans and McKee, 2010). What this refers to is posting content about e.g. current topics and events, which people can relate to, and not just praising the company and its products, the company website is enough for that (Bodnar and Cohen, 2012).

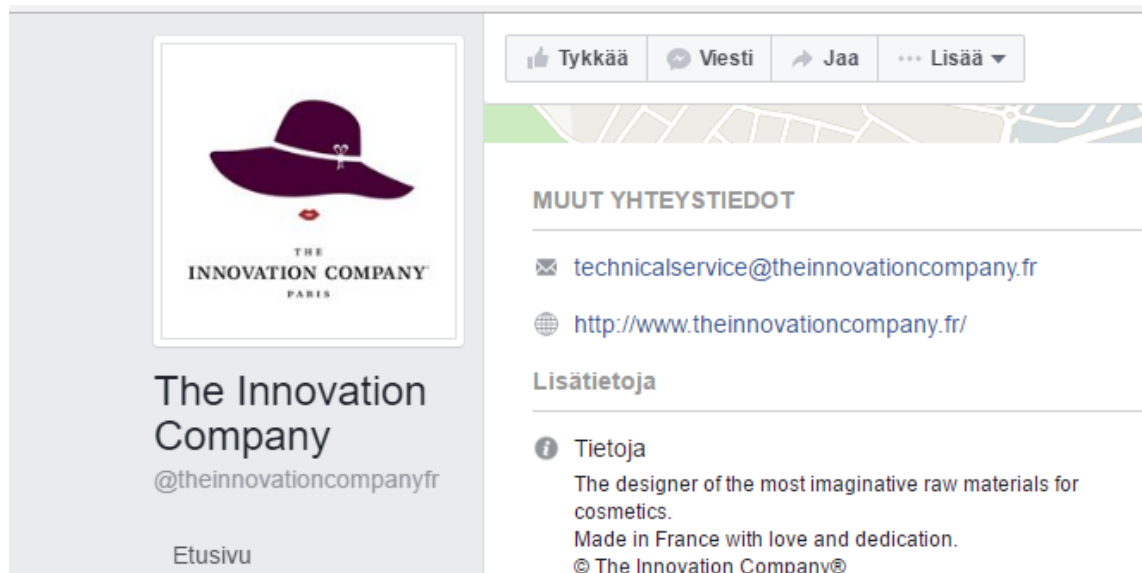
Social media marketing is inexpensive, at least to start with (facebook.com, 2016). Many small and medium sized B2B companies, the Innovation Company being no exception, have very limited resources allocated towards marketing but e.g. having an active Facebook page does not require any major budget. Even if Facebook ads are purchased, it is still very affordable, compared to traditional advertising or paid media as an ad visible for 700 Facebook users costs 2\$ (facebook.com, 2016). More than that, Facebook provides a lot of information about the visits to the page, engagement to the updates, etc., which does not cost anything. This information is a good start, but there are more comprehensive tools available, some of which are also free and others that are paid, e.g. Quintly (quintly.com, 2016). Clear and instant statistics of e.g. clicks to open and profile views can be obtained and analysed on Facebook, and concluding which kind of content is the most popular is easy this way, and future content can then be adapted to the information. The picture below shows the general analytics page of TIC Facebook page. Also, contact information of the company’s Facebook fans can be captured and then added to the database of contacts.



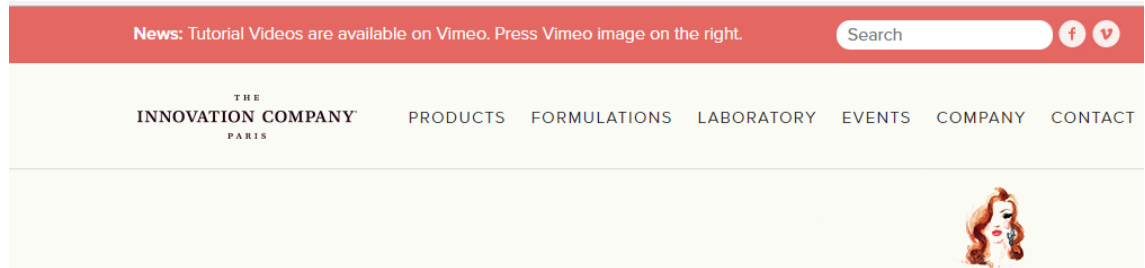
Picture 6. Analytics about the company’s publications that Facebook provides free of charge. (facebook.com, 2016)

The Innovation Company has had a Facebook page since 2014. The same year Vimeo and Youtube accounts were also created. However, after the beginning the accounts have not been used much and therefore the second focus area besides email newsletters in this thesis is the Facebook use of the Innovation Company. So far the Facebook use has been mostly limited to sharing the links to the newsletters, and there are some photos from trade shows on the page but none from the most recent ones. The page has currently 111 likes, which is a low number compared to the close to 3,500 contacts the Innovation Company has on their newsletter database of contacts.

A positive aspect is that the company Facebook page and the company website are well connected to each other, referring to the fact that the navigation between the two has been made very easy. There is a link to the company website on top of the Facebook page as shown in the picture below and, on the company website there is a Facebook icon with direct access to TIC Facebook page. Also the email signature of the Innovation Company's employees include a Facebook link. This interconnection is important to make it as easy as possible for the people to find their way on both the company website and the Facebook page. Also, links among the properties, "in both directions, help Google understand the reach and influence of your business" (Bodnar and Cohen, 2012) which is useful when information is desired about how people end up on the Innovation Company's website or Facebook page.



Picture 7. Direct link to the company's website from the company's Facebook page.



Picture 8. Facebook icon on the right top corner of the company's website. It provides direct access to the the Innovation Company's Facebook page.



Picture 9. Facebook link in the email signature.

Currently there is no plan or organization in the Innovation Company's Facebook use. As already stated above, the company Facebook page is rather empty, and very infrequently updated, usually by the graphic designer of the Innovation Company. The following chapter provides tools to develop TIC's Facebook use as a marketing channel.

5 IMPROVING THE FACEBOOK PRESENCE OF THE INNOVATION COMPANY

When looking into how the competitors of the Innovation Company use Facebook, it turned out that they do not use it. Only the large corporations had a Facebook page with more than just the company address on it, but most of the main competitors of the Innovation Company do not have a Facebook page at all. The results were very similar concerning the distributors of the Innovation Company and their use of Facebook: only two of them had an active Facebook page.

The fact that the competitors of the Innovation Company do not take advantage of Facebook does not mean that the Innovation Company should not do it either. On the contrary, being active on Facebook can be a way for the Innovation Company to stand out from its competitors, which the company is always keen to do. As the company's technical director puts it, "we're in the make up business, it should be joyful and not too serious or dry and boring". Facebook is a tool that gives the Innovation Company the opportunity to show the joyful side.

5.1 Creating content on Facebook

The most engaging content on Facebook are videos and photos, in that order, followed by links, status updates and likes. Bodnar and Cohen (2012) argue further that companies should post photos and short videos because they tell a simple story, which can be a product in action, customer solution, or behind-the-scenes material of the company.

Since the Innovation Company produces cosmetics products, they are often visual on their own. Moreover, they are well suited for creating content that is nice to look at, such as attractive pictures and videos that demonstrate the key attributes of the company's raw materials when they are used in formulations. The company's final products include some so called "special effects products", e.g. the Extra-Foaming Bubbling Mask (The Innovation Company, 2016), which would suit the above purpose very well. More than that, new formulations are created all the time, and they can provide continuous content. However, as mentioned earlier in this chapter and as Chad

Wiebesick points out (PWB Marketing Communications: BtoB Social, 2014), companies should create marketing messages that the customers request and not disturb them with interruptive messages which the customers will not find worth reading. Concerning the formulations, material should be published about the ones that include raw materials that customers are looking for at the moment, instead of just posting pictures of e.g each new lipgloss formulation as they're developed, for the sake of posting something.

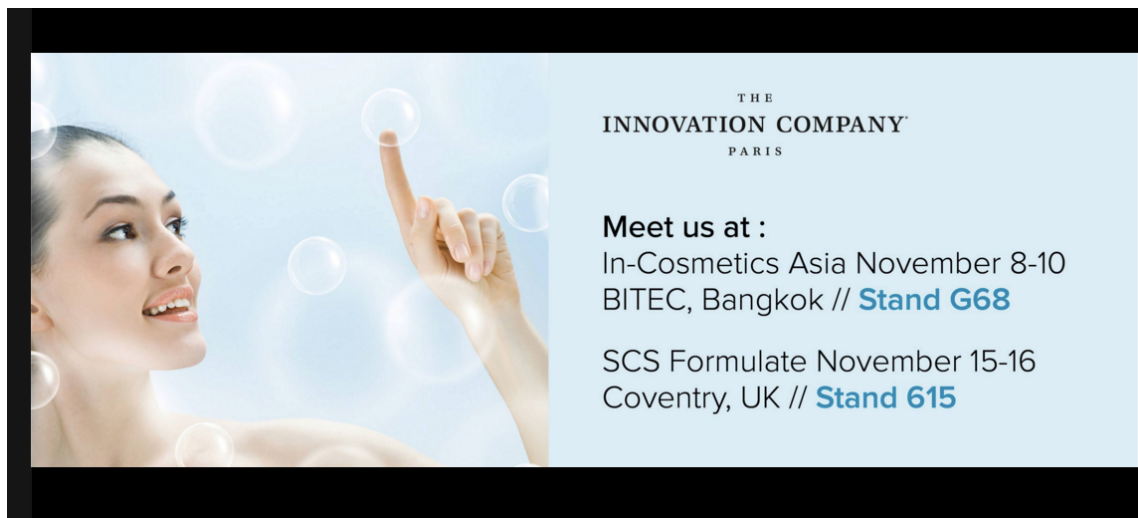
Behind-the-scenes content, in the form of short videos or just photos, should show the people working at the Innovation Company being happy at work, whether it is at the offices, the lab or the production hall. People want to work with happy people who seem devoted to and excited about their job (socialmediaexaminer.com, 2016), and behind-the-scenes materials are a way to demonstrate the good atmosphere of the company. These videos are also a way to display the technology and equipment that the company possesses, without actually having to point them out specifically, while also naturally taking care that no information that could be useful for the competitors is published.

Regarding the length of the Facebook videos, the shorter they are, the better. (thenextweb.com, 2014) According to the article of Yoav Hornung (thenextweb.com, 2014), analytics show that short videos (less than one minute long) get more engaged audiences since people are more likely to watch the whole video. The three videos which are currently on the Innovation Company's Facebook page are all very long, up to five minutes, in future the length should be kept at the maximum of one minute per video.

A concrete example of content that the Innovation Company could and should share on Facebook are the news of a B2C cosmetics company marketing a product with the Innovation Company's raw material in it. The sales people sometimes share this sort of information inside the company already. Bodnar and Cohen (2012) suggest talking about remarkable people on the company's social media channels to create attractive content as "remarkable content ... often connects to a person who is remarkable". Chanel and L'Oréal, both customers of the Innovation Company, surely are not people but as brands they could be considered as some of the most remarkable ones of the cosmetics industry. Making a connection to them or some other well-known B2C cosmetics brands could be a way to raise interest towards the Innovation Company. However, before publishing the kind of content described above, it may need to be

confirmed with the customers whether or not they approve the information being shared on social media.

The cover picture of the company's Facebook page is the first thing people see when they visit the page, as it takes a relatively big part of the page. Therefore the cover picture can be used to promote the latest innovations, or to let people know about an upcoming trade show, as the below picture does. Updating the cover picture also appears on the newsfeed of the Innovation Company's fans, which could lead to traffic on the page.



Picture 10. The cover picture that invites people to visit the Innovation Company's stand at the two upcoming trade shows.

So far the company has been posting pictures from the trade shows after the show is already over. Even though photos are good as such, they could be also used to encourage people to visit the company's stand at a trade show when the show has just started or is going on, to let people know that the Innovation Company is ready to welcome them. Trade shows are busy events but posting a quick picture of the sales people at the stand with some of the most attractive products would not need extra preparation.

As described above, a link to the company's Facebook page is already provided on the company website and also the email signature, but Facebook could also be mentioned on the traditional, printed materials, such as leaflets. This would help create integration between the traditional and digital marketing channels. However, instead of just adding a "Like us on Facebook!" in the corner of every leaflet or flyer, the benefit of liking the

Innovation Company's Facebook page could be briefly explained, e.g. "to see videos of this product in action, like us on Facebook".

When it comes to creating content that is "bigger" than the company (Evans and McKee, 2010), in the case of the Innovation Company this could mean e.g. sharing articles about new cosmetic products and innovations. The articles do not need to relate directly to the business or raw materials but instead the purpose is to create conversation on the Facebook page, which would then increase its visibility on people's Facebook news feed.

5.2 Frequency and timing of posting content

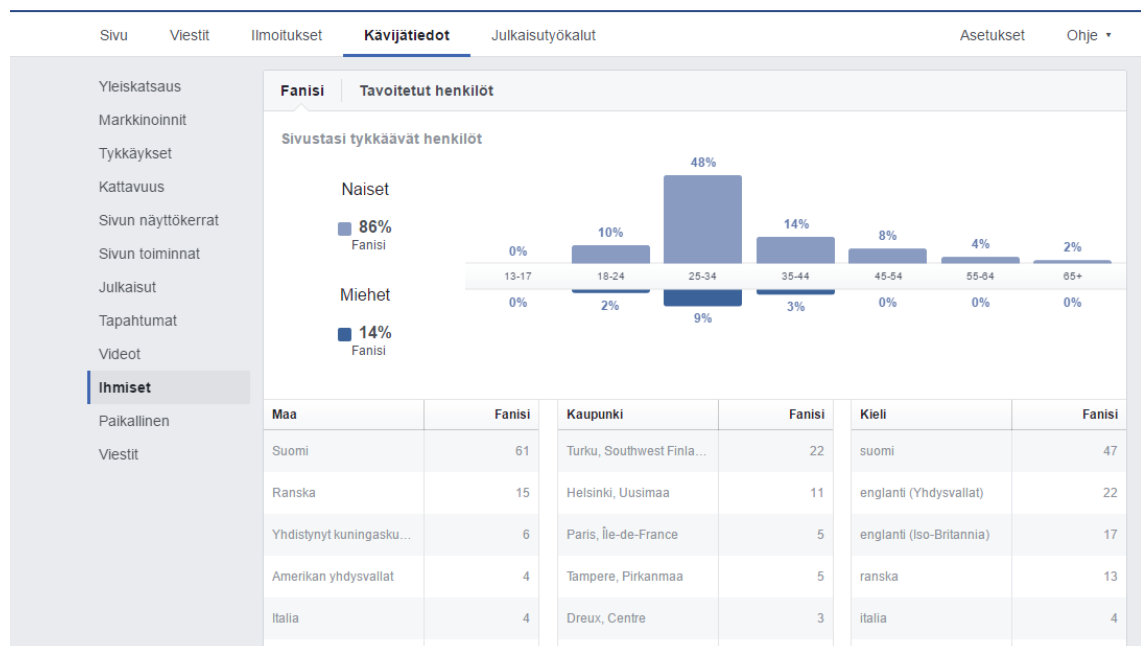
When looking into the appropriate frequency to publish posts on Facebook, different sources give different recommendations. A general rule to businesses is to post on Facebook twice per day (e.g. business2community.com, 2016) but it is also claimed that companies with less than 10 000 likes, such as TIC, should only post 1-5 times per month (forbes.com, 2016), if increasing clicks per post is desired. Since the Innovation Company's Facebook presence is currently very little, posting even once a week, or on the 1-5 times per month basis, would be a significant change for TIC towards being more active on Facebook. The link to the latest email newsletter is always shared on Facebook but besides that the company's monthly FB activities could include e.g. an article, a video, a reference to a brand using a TIC raw material and a reminder of an upcoming trade show.

The analytics provided by Facebook can be used to help deduct the best time in terms of engagement to post content. From Facebook analytics it can be seen whether a certain day of week or hour of publishing a post generates more views, likes and comments compared to another day or time. However, in the case of the Innovation Company that only has 111 fans, drawing conclusions from the analytics is not so simple as other factors may have affected on the popularity of a post, most important factor certainly being the content of the post.

In general, Thursday, Friday, Saturday and Sunday are referred to as the best days of week to post content on Facebook when wanting to reach as many people as possible (e.g. coschedule.com, 2016 and blog.hubspot.com, 2016). Several sources (e.g. adweek.com, 2015 and blog.hootsuite.com, 2016) state that during the week,

Facebook posts should be published between 12 p.m. and 3 p.m., and during the weekend between 12 p.m. and 1 p.m. On his blog post on coschedule.com (2016), Nathan Ellering also points out that “funny and upbeat content” is most suited to be published on a Friday afternoon (coschedule.com, 2016).

As the Innovation Company operates globally, there is also the time zone issue to be taken into account when posting on Facebook. As the analytics below show, currently most Facebook fans of TIC are located in Europe but if the company would wish to gain more likes to the page from e.g the United States, publishing Facebook posts should be timed accordingly.



Picture 11. Facebook fans of TIC sorted out by country, city and language.

Creating a Facebook activity calendar would help organizing and planning the updates and posts. In the calendar, the following points should be written down about the upcoming posts: the type of the post (e.g. a video, a photo, a link to an article), the subject of the post (e.g. a new raw material) and finally, who will participate in creating the content. Even if one person in the company is put in charge for updating Facebook, for some posts help from someone else may be necessary, e.g. in order to have some technical data, or simply just another pair of hands to help out.

Having a calendar dedicated to Facebook activities could also be a tool for better integrating the different marketing channels, especially if also a newsletter schedule is created and is then combined with the Facebook activity calendar. Creating and

keeping up with the schedule could be added in the job description for one or more of the members of the marketing team. This would make the tasks related to the newsletters and Facebook more important, and therefore much harder to neglect.

6 DISCUSSION AND SUMMARY

The aim of this thesis was to provide tools and ideas that would help the client company, French cosmetics raw materials supplier the Innovation Company, to develop and improve their use of the chosen digital marketing channels: email newsletters and Facebook. From the beginning of her practical training period at the company, the author saw the need for better organization and clearer structure for the digital marketing activities, which inspired her to write this thesis. The client company also recognized the need. The solutions and ideas presented in this thesis are meant to be used as a basis when creating email newsletters and Facebook content.

In addition to the marketing channels discussed in this thesis, the author would recommend for the Innovation Company to start a business blog. The company produces a lot of interesting material, such as reports and efficacy tests of products, which are not well suited for newsletters or Facebook, but would instead require a different kind of platform, such as business blog. The blog posts would be more thorough in content than newsletters but still would not demand massive amounts of additional work since a lot of the material suited for a blog is already being produced at the Innovation Company.

Bodnar and Cohen (2012) state that creating a business blog is one of the first and most important things B2B companies should do in their social media marketing. There are statistics saying that B2B companies that blog generate 67% more leads per month compared to the B2B companies that do not blog. (Hubspot, State of Inbound Marketing Report, 2010) The blogging should be integrated to the other digital marketing channels in a way that all the messages from different channels would best support each other. In practice this could mean that a blog post provides test results of a certain product, a newsletter briefly gives out the key qualities and benefits of the product, and a short Facebook video shows the product in use.

The author also suggests for the client company to spend more time analyzing the efficacy of the different marketing channels. Measuring ROI of B2B Facebook marketing or B2B social media marketing in general is not an easy task, as the buying decision in B2B is affected by a number of different agents, and it's difficult to be certain of which agent was the triggering one to lead to the purchase. The (potential) customers are talking to sales people, they're exposed to email messages and to the

company website, there are competitors and peers who affect the decision, and all these factors make it very difficult to associate a lift in revenue directly to social media (youtube.com, 2012). However, there are other kinds of figures which can be measured to estimate the value of social media marketing actions, such as numerical key performance indicators, the KPIs, which can be e.g. conversations or new registrations. (Evans and McKee, 2010, 144) This kind of data helps to determine e.g. what kind of digital marketing content generates the most response from targets, and future material can then be adapted to this information.

As the time for writing this thesis was rather limited due to the author's full time French working hours during the whole process, the author did not have time to actually implement or test the solutions described in this thesis. Therefore, the efficiency of adopting the practices discussed in this thesis is yet to be proved in the case of the Innovation Company. However, the practices will indeed be implemented as the author of the thesis continues her work in the marketing team of TIC as an employee directly after her practical training period. Completely new digital marketing channels such as LinkedIn and Instagram might be reconsidered once the current channels have been put under clear organization and planning.

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Request Form

THE
INNOVATION COMPANY
PARIS

Request Form

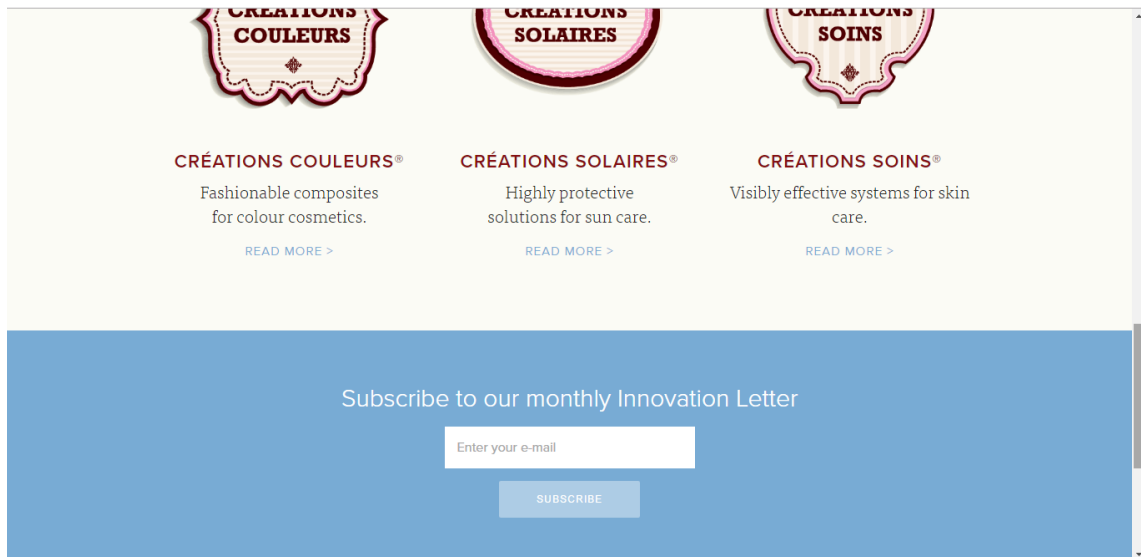
Company:
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Adress :
E-mail:
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Projects/ Interests:

Raw materials :

Samples	Documents

Subscribing to newsletter from TIC website



The screenshot displays a website layout with three product categories at the top and a newsletter subscription form below. Each category is represented by a decorative icon, a title, a brief description, and a 'READ MORE >' link.

- CRÉATIONS COULEURS®**
Fashionable composites for colour cosmetics.
[READ MORE >](#)
- CRÉATIONS SOLAIRES®**
Highly protective solutions for sun care.
[READ MORE >](#)
- CRÉATIONS SOINS®**
Visibly effective systems for skin care.
[READ MORE >](#)

Below the categories is a blue banner with the text "Subscribe to our monthly Innovation Letter". Underneath this text is a white input field labeled "Enter your e-mail" and a blue "SUBSCRIBE" button.