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DEVELOPING A STARTUP BUSINESS PLAN FOR A DIGITAL  
MEDIA COMPANY IN THE FINNISH MARKET

Degree Programme in Business Management  
and Entrepreneurship

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The purpose of this thesis was to study and plan the key steps in preparing a business plan for starting a new digital media business in the Finnish market and to test the viability of such an idea through performing various analyses and tests. The objectives of the study involve not only the planning of the company but also determining the need in the market for such digital services.

The theoretical part of the thesis focused on identifying relevant tools that would help analyze the business idea, the environment that the business would compete in, the external factors affecting the business, and finally evaluating the competition. The theory collectively was based on a conceptual framework, made up of three different tiers. Each tier represented a checkpoint where previously collected data was combined to present the baseline for next tier's activities.

The research part of the thesis was driven by the conceptual framework itself, which started with the business idea that was put under the microscope through applying five different tests that aimed at identifying the conditions of the business and its environment. The information collected from this phase was used in the next tier, the results, which translated to tasks designed to analyze the business model itself. Qualitative interviews were held with selected small business owners and managers as well as representatives of the non-profit segment that the business would potentially work with. This gave updated real time data that identified the digital needs that each of the respective organizations had. This information collected together with the results from the research done in the first tier were used to construct the business plan and accompanying marketing communications plan, which represented the third and final tier of the conceptual framework.

The results of the thesis revealed that there is, indeed, a growing need for digital services to be provided even to the smaller businesses and non-profit organizations. Digital marketing is accepted as being generally more relevant than print media. It was also recognized that the role of social media is changing to become a critical channel for strengthening brand awareness and loyalty. Lack of time and competencies were two key factors that prevented businesses from addressing these issues themselves, revealing potential opportunities for digital media companies. The research also noted that there is the potential for a lot of competition in this space and thus, it is an area that requires decisive differentiation to be competitive as there is nothing proprietary involved in providing these services. The end results of this research revealed, however, that there is, in fact, an opportunity in the market for digital media companies to fill, making it viable for the subject company to be established.

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## 1 INTRODUCTION

Online consumption of media is on a fast-growing trend. People are going online more each day to find what they are looking for. With faster network services and the inception of smartphones, online content consumption has been rapidly increasing globally. Over 3.3 billion people worldwide are using social media and Finland's own national usage is impressive as well with over 66% (Website of Statista n.d.). With over 1.8 billion websites existing, relevancy of content is also becoming increasingly important and businesses are beginning to fall behind the rapidly growing trend or missing it altogether by continuing to focus on printed media as the primary medium for marketing (Website of Internet Live Stats, n.d.).

This presents a great opportunity for businesses to focus their marketing efforts towards taking full advantage of this growing trend. Putting focus on digital media marketing through websites and social media aids in expanding brand visibility and builds credibility. Brand credibility produces loyalty amongst the customer base and the higher visibility also helps increase that customer base, thereby driving revenues for the company.

What is the problem? The suspected problem stems from businesses not recognizing the importance of their place in the online space or it can even be as simple as the fact that the entrepreneur doesn't have enough time or know-how to address these issues or could even miss out on marketing opportunities completely. It also can also result in inconsistent attempts to communicate through sporadic messaging through a website or social media account. Many entrepreneurs multitask and cannot afford a hired hand for marketing their company, therefore leaving the company in a weak position with their brand that the customers are not able to develop a loyalty to which can affect company revenues.

This thesis aims at analysing a business opportunity for establishing a digital media company mainly in the Finnish market but can also be adapted for the international market. The company would have a unique business model focusing on providing digital service deliverables as well as providing flexible staffing-for-hire options for the

customer's digital marketing needs. The study will examine the current usage of digital media in the small business and non-profit sectors such as churches. It will also address potential opportunities in the market to address the viability of such a model which will result in a business plan and accompanying marketing communications plan.

## 1.1 Background

Media consumption is increasing globally at a rapid rate, nearly doubling every 25 years from 1900-2020. Media forms are moving from traditional media such as printed materials and moving heavily to the digital medium where a growing trend of more and more media are moving to the digital realm, estimated upwards to 80% by 2020 (Blanchard 2012). According to statista, people consuming digital media in the United States have spent on average 288 minutes per day in 2013 compared with 328 minutes. This is expected to rise further in 2018 to pass 360 minutes. (Website of statista n.d.) It is clear that digital consumption is a highly relevant topic and presents real opportunities for businesses.

This thesis focuses around the concept of monetizing the servicing of digitized content, which is defined as text, graphics, audio, and video that can be transmitted over internet or computer networks (Mullan 2011). The thesis is designed to aid in determining the viability of establishing a digital media company within the Finnish market. This includes a process of how to go about doing that with the end result being a business plan and accompanying marketing communications plan. While the potential to scale exists, the scope of the company would be initially small businesses and non-profit organizations.

### 1.1.1 Finland's small business sector

As with many countries, the small business sector is the engine for a country's financial health. Finland is no different. The country has a total of 283 563 enterprises and 98% of those have 50 employees or less. 93,3% of those companies have 10 employees or less and yet these small enterprises contribute collectively to make up approximately 50% of Finland's turnover yearly. (Website of Yrittäjät)

Many entrepreneurs struggle in the area of marketing. Several surveys have shown a common trend where about half of small business owners fail to see the value of having an active online presence. Additionally, while the product or service is the core of what the business is all about, it should be noted the impact that networking can have on the progress of the business as well. This includes both physical and virtual encounters. That is why interaction with customers and business partners is critical. It's part of the image of one's company and understanding how to leverage that also in the online world would help to boost awareness, integrity, and trust in the company. There is a large opportunity to leverage in this sector. (Website of Duct Tape Marketing)

### 1.1.2 Finland's non-profit sector

Per capita, Finland has a high level of non-profit organizations (or NPOs). The very nature of non-profit organizations, however, are that they are not allowed to conduct business in the sense of making an income and distributing that income amongst its membership, leadership, or officers. (Website of Infopankki) This can create an interesting challenge, however, as many non-profit organizations own existence and individual causes are not always well known by the wider public, putting their survival at risk. The importance of marketing also in non-profit organizations cannot be underestimated. It's important to have a plan of how to tell the story of the organization and why its causes are worth getting the attention and donations of people. The absence of marketing, even in a non-profit organization, is missing an important opportunity to connect with its customers. (Reynolds 2011)

### 1.1.3 The business idea

The business idea is to establish a consultancy company providing digital media and marketing services focusing mostly on small businesses and non-profit organizations. While digital media and marketing tend to be very broad terms, the company defines them as services related to website, blogs, SEO, infographics, social media, online brochures, video, and branding assets.

There are many other digital service companies existing but what makes this a more unique approach is that the company would not only provide consultancy services enabling the customer's business technologically but also offer services as a 'hired staff member' for specific tasks or projects. The implications for the customer are that they can delegate marketing related tasks to an expert rather than utilize their own expensive time trying to do it themselves. Additionally, it is cheaper for the customer to hire experts for specific tasks and projects externally than it is to hire a permanent employee internally and that may raise significant interest amongst some customers.

What makes this even more interesting is the relationship between the nature of the work itself and the internet. Physically it is not necessary to be present to perform tasks that are requested by the customer. It's possible to meet, discuss, and negotiate terms of an agreement through online conferencing and screen sharing programs. Most of the deliverables are digital in form and thus possible to deliver globally, making this business idea one that is unique in scope and has the added benefit of being location independent.

## 1.2 Purpose of the Study

The purpose of this thesis is two-fold. The first aspect focuses on the initial process of planning and building a digital media company aimed to be established in the Finnish market. As there are many digital media companies existing today, the idea behind this particular business idea is to focus on delivering services to the more diverse and dispersed customer segments such as the small business and non-profit organization sectors.

The second aspect is to evaluate the viability of starting a business in this field with a concept of hiring a creative staff, a skilled member of the digital media company, either by focusing on temporary project-based deliverables or through a consultancy, rental-type approach where certain agreed tasks are to be delivered either to the customer or on behalf of the customer on contract basis.

The outcome of those two aspects gives clearer validity of the viability of establishing a digital media company. The information gathered through researching the market as



well as getting direct feedback from local and national business owners and organization leaders aids in formulating the business model used to construct the business plan. The business plan describes how the business is to achieve its goals which are often financial and operational in nature. As an extension of the business plan, an accompanying marketing communications plan will be constructed to provide further marketing focus for the digital media company and helping it to concentrate on specific areas.

### 1.3 Objectives

The objectives of the study focus ultimately around the main question of whether it is a viable choice to consider establishing a digital media company in the Finnish market. To determine this, the following research objectives are set as follows:

1. How to plan for a new digital media company to be established to service both local and national customers?
2. How to determine the market needs for digital media services in the small business and non-profit organization sectors?
3. How to make a marketing communications plan that targets the right potential customers?

## 2 CONCEPTUAL FRAMEWORK

The theoretical framework of this thesis derives from a practical approach to bringing a business idea into a calculated plan of action, namely the business plan and marketing communications plan. Figure 1 below shows what can be described as a three-tiered process framework starting from the business idea. The framework's idea is that in order for the business idea to be proven viable, it must go through three tiers of tests that outline important aspects of the business.

Tier one involves the business idea being challenged by having to address four factors that are external forces to it. These four analyses, SWOT analysis, PEST analysis,

Porter's five forces, and competitor analysis are all external to the business itself but have clear effects on the business' ability and opportunity to compete and succeed. The fifth item, the business model canvas, represents a helicopter view of the business itself and aims to answer pertinent questions about the business itself and what it offers better or differently than its competitors.

Tier two involves both validity testing and further research. Validity comes from analyzing the collective results from the analyses performed in tier one and mapping those against the business idea, which is represented in the business canvas model. The interviews themselves are to be held with local and national small business owners and non-profit organization leaders. These results are designed to validate the business idea, specifically answering the question, "Why?" and giving opportunity to align the business idea collectively together with the results from tier one.

Tier 3 is the final stage in the framework where the business plan is formulated based on the combined results from tier two. The business plan summarizes the business idea with financial and operational objectives containing detailed plans of how those objectives are to be reached. Tier 3 will also produce a supplementary document called the marketing communications plan which is a document encompassing the business plan objectives and putting those into strategic goals of how the target customers are to be informed about the company's services.

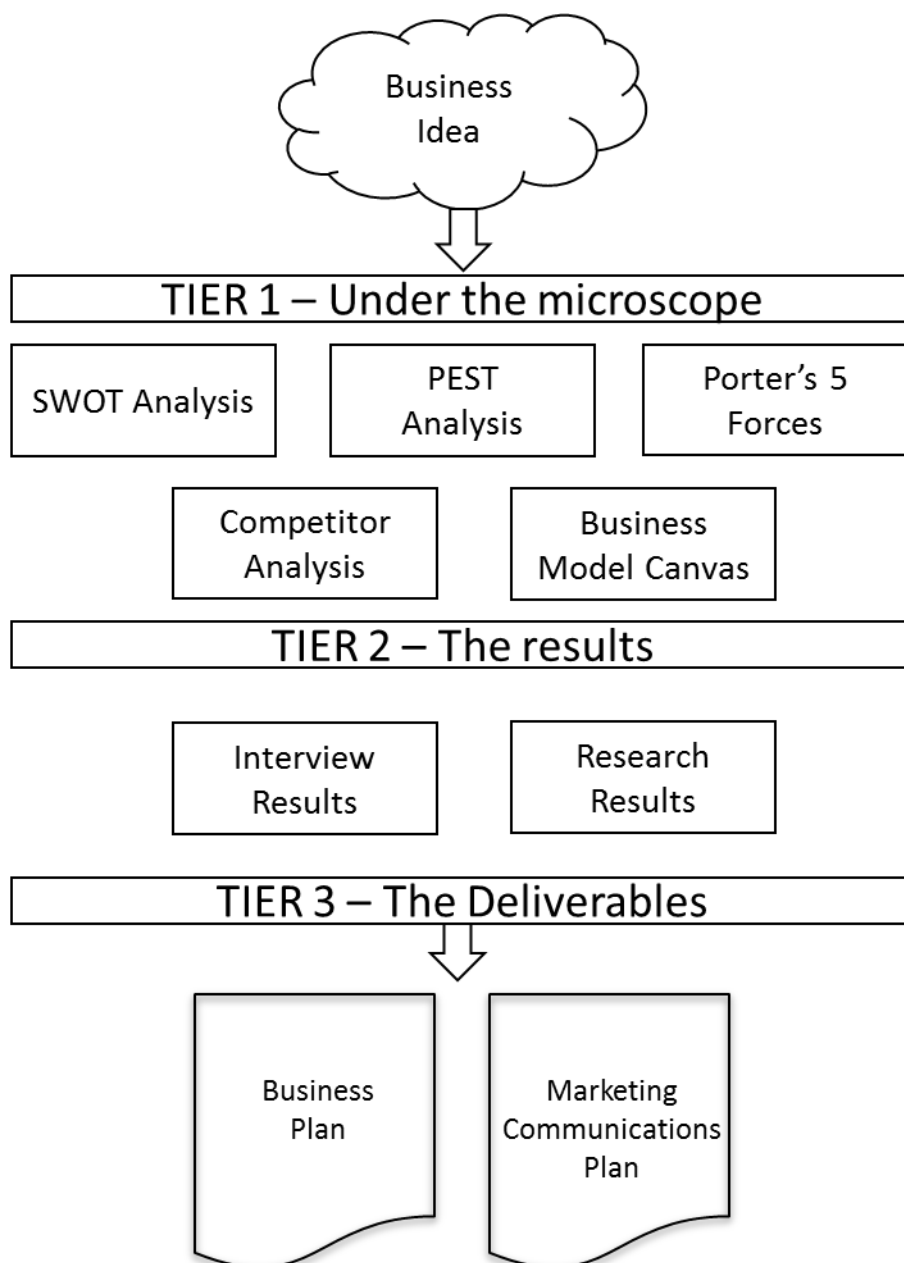


Figure 1. Conceptual Framework: From business idea to result. A three-tiered approach (Author)

## 2.1 Tier 1 – Under the microscope

### 2.1.1 SWOT Analysis

SWOT Analysis is a measuring tool that is commonly used to identify a current situation analysis in the company. SWOT stands for strengths, weaknesses, opportunities, and threats. This analysis considers both internal and external factors where internal factors refer to the organization itself and external refers to the influences from outside the organization. Internal factors refer to the identified areas of competencies that give the company a competitive advantage. External factors are those identified influences from the market that either presents ideas to grow the business or that can affect the company's operations. (Pinson 2014, 33)

The idea behind the analysis is to recognize the company's strong points versus its weak points and to map those against the foreseen opportunities and threats that exist (Gregory 2018). Doing this exercise gives the company a helicopter-like view of the situation in the company and provides the pieces from which to develop a plan to take advantage of the strengths with the opportunities while working to reduce the weaknesses and eliminate threats (Kotler & Armstrong 2018, 80).

### 2.1.2 PEST Analysis

This method of analysis addresses macro level influences that the company can be affected by. While there are other variables in addition to PEST, this thesis will focus on the basic form, addressing political, economic, social, and technological factors. Performing the analysis exposes any opportunities or threats that would require some form of action from the company but also gives an indication of what kind of potential exists in the market for the company to take advantage of. (Jurevicius 2013)

What's interesting about the PEST analysis is that identification of the various influences can be used to supplement the SWOT analysis in that the external factors identified in PEST can be mapped and assessed in the threats and opportunities part of the SWOT analysis. These two complement each other and gives the company further

reach in not only identifying factors affecting them but also assesses them. (Website of the Oxford College of Marketing 2016)

### 2.1.3 Porter's Five Forces

Michael Porter became famous in his 1979 article in *Harvard Business Review* for his thoughts and ideas regarding business strategy and it has helped countless companies in assessing industry competition. Porter's five forces is a tool used in analyzing an organization's competitive environment which aims to determine its attractiveness and potential profitability. The idea Porter had for companies was that in the scope of competitiveness, that they would look further than what the competition itself is doing and focus on other factors that may affect the company's business environment. (Website of Mindtools n.d.)

Porter's five forces essentially is a framework that organizations can work with that aids in evaluating its own balance of power amongst the various players in the market. The five forces focus on: competitive rivalry, supplier power, buyer power, threat of substitution, and threat of new entry (Hanlon, A. 2016). Competition rivalry refers to power a company has by evaluating the number of competitors and products and services they offer. Supplier power refers to how much a company needs and relies on the supplier to provide their goods and services as well as evaluating how many actual suppliers there are which determines the ease of switching suppliers. Buyer power refers to how much power a customer has in affecting prices through evaluating the number of customers versus how much it would cost for a customer to switch to a different company. Outside threats of substitutes refers to the how much customers rely on a product or service which could be distracted by other companies providing similar products or services at a cheaper cost. Lastly, new entrants to the market refers to problems that some new companies can create for another company if the costs and ease of entering the market is low. (Website of Investopedia n.d.)

#### 2.1.4 Competitor Analysis

What makes the company's product or service unique or better than the competitor's? This is the focus of the competitor analysis. In this method, the company evaluates the competition typically by placing them into groups based on how closely their offerings compare with the company's own offerings. Analyzing the competition is very important for the company to establish which opportunities it can take to gain an advantage over the competition. Essentially this method involves gathering intelligence to guide the strategic planning for the company. (Website of Entrepreneur n.d.)

It is important to identify the actual competitors and categorize them by assessing their objectives, strategies, strengths and weaknesses and then deciding which ones to focus efforts on competing with. This will allow the company to identify quickly some strengths and weaknesses, which can be strategically exploited to take advantage of. (Kotler & Armstrong 2018, 543)

This can be done not only by categorizing the competition, but also considering the competitors' own market situation, specifically what customers buy from them and how they make their offerings different from the rest. Pricing is an important factor in business and identifying the way competitors' price and sell their products or services could give the company a competitive advantage. Identifying the media they use to market their product or service provides insight into how they interact with their customers. Likewise, this gives an indication of what the competitors are posting, how often, and whether they are focusing on gaining more followers and engaging with existing ones to increase loyalty. Doing things such as these will help in identifying the how much of a threat the competitors are to the company and through that provide options to combat them. (Ferenzi n.d.)

#### 2.1.5 Business Model Canvas

The business model canvas is a popular and fresh method to map out a company's business model into a visual framework which is designed to illustrate how an organization creates, delivers, and captures value in the market. The model is separated into

nice different sections which are: customer segments, value propositions, channels, customer relationships, revenue streams, key resources, key activities, key partnerships, and cost structure. The use of the business model canvas gives organizations and teams flexibility to create different strategic directions in a more systematic way, detailing how the company is structured to be able to make money. (Osterwalder & Pigneur 2010, 15)

Customer segments refers to not only identification of the different groups that make up the segments but also addressing the needs of each of the segments the company aims to service. Focusing on both segment categorization and the needs of each segment aims to increase the perceived customer value. Value proposition refers to the actual value delivered to the customer. Identifying the problems to solve and the needs that need to be addressed helps to focus the services or products that a company offers to the specific customer segments. How are the customers reached? Which methods are used? How effective are they in relaying the message? These are issues to address with channels. Alongside that are customer relationships, which are important for a company to build and maintain. How the company identifies the customers and places them within the business model is crucial for ensuring a stable future with them. Revenue streams refer the costs structure of the company and the methods the company gets its money, such as licensing, subscription fees, renting, usage fees, or sale of assets. Key resources are identified in physical, intellectual, human, or financial forms that determine the company needs to make the business work. Key activities are supporting actions that aim to address the needs for value propositions, distribution channels, customer relationships, and revenue streams to help the company operate effectively. Strategic alliance, competition between competitors, joint ventures, and buyer-supplier relationships make up key partnerships existing to ensure the operations of the company address the deliverance of value to the customer and reduce the risk in doing so. Last is cost structure, which aims to identify the key costs that exist in the business. (Osterwalder & Pigneur 2010, 20-41)

## 2.2 Tier 2 – The results

### 2.2.1 Research Results

The results of the research implemented in tier one are to be collected separately as per the specific analysis done. The relevant research results will be used in conjunction with the results from the interviews in order to better establish a pattern or theme to understanding the reasoning behind some of the answers given by the respondents. (Taylor, Bogdan & DeVault 2016, 189)

### 2.2.2 Interview Results

The interview method is chosen to acquire information as part of qualitative research which is defined further in section three. As some of the contacts are from other parts of Finland, both personal and telephone interviews are used. International contacts may be included at a later phase of this thesis. However, the following businesses and contacts will be utilized for interviewing

Tinos Hair Design / Tino Soinen / Hair design

Leila / Krista Kaunisvirta-Varjo / Wellness and beauty

Suomen Vapaakirkko / Tommi Koivunen / Free Church youth work director

Rauman Vapaaseurakunta / Mehis Metsala / Rauma Free Church pastor

Paha Digital / Simo Kari / CEO Digital Marketing

MGNA Oy / Mikko Penkkimäki / Co-Founder of MGNA Oy

Café Sali / Linda Sallmén / Assistant Manager Café Sali

Rauma English Kindergarten / Marika Knuutila / Head teacher and head of staff

Rauman Repola Lastentarha / Petra Westberg / Head teacher and head of staff



## 2.3 Tier 3 – The Deliverables

### 2.3.1 Business plan

It is well documented that half of small businesses tend to fail within the first five years but more shocking is the further failure of small businesses during the first 10 years of existence (Desjardins 2017). According to the Bureau of Labor Statistics, in the United States alone, a shocking 70% of small businesses will fail by their tenth year of existence (Official statistics of the Bureau of Labor Statistics: Survival of private sector establishments by opening year 2017). In Finland, only every second company will exist in the next five years. The odds are stacked against the entrepreneur from the start and pressure to succeed is compounded by these facts of failure. (Website of YLE 2018)

Why are small businesses failing? A study done by CB Insights revealed that the number one reason of several reasons that were identified, stated that 42% recognized that there was a lack of market for their product or service. Other reasons stated were lack of needed capital (29%) or the need or lack of business model (17%) as well as poor marketing (14%) amongst several others (Griffith 2014). All the above examples are derived from a lack of planning during the early phases of planning the business itself.

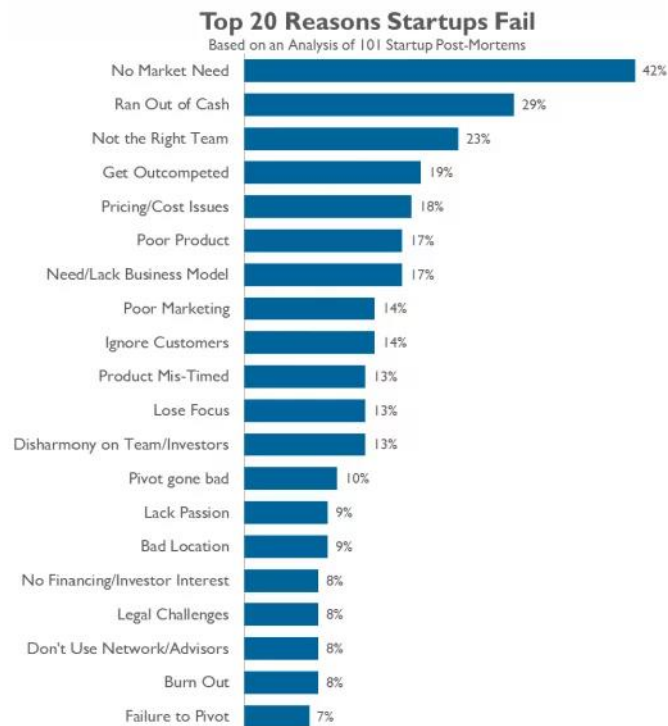


Figure 2: Top 20 Reasons Startups Fail. (Griffith 2014)

Mitigating risks through proper planning helps the small business to have the tools to succeed or at least to have measurable tools to help steer the ship if it goes off course. One of the most critical documents that an entrepreneur can have is a business plan. The business plan is a core document containing pertinent information regarding the business. It includes vital details related to the business itself, its competition, sales and marketing strategies, risk assessments, as well as financial figures including budget estimations of profits and losses which aim to help achieve desired objectives as defined in the business plan. (Ward 2018) The business plan is quite literally the blueprint of the business, giving direction towards its success by providing organization to how the business is to be set up, organized, and executed.

The business plan helps the entrepreneur to have clarity regarding the various elements of the business, allowing them to analyze their company's intended offerings in a structured and measured way. This eliminates assumptions that are often subjective in nature due to the personal desires of the entrepreneur wanting to make it work or even due to their own naivety. The business plan aids the entrepreneur to make more educated decisions based on factual information. Being excited and passionate about a

business is essential for an entrepreneur but passion without measurable goals and objectives runs high risk of failure as there is little ways of tracking results against goals that help move the company forward. The business plan helps with managing the business' cash flow as well since the financials must be outlined so that it is clear how to manage the collection of costs, sales, expenses, and debt. It is a dynamic, living document intended to help the entrepreneur maintain focus on the main objective(s) of the company while providing tools to take corrective actions should deviations occur. (Rashid 2017)

This thesis will define a business plan that consists of three main high-level areas of focus as highlighted in figure 3. These are the company, the financials, and the marketing communications plan. The company focuses on strategic elements will include the company mission, goals and objectives, services, strategy, and strengths vs weaknesses, risks and mitigation. The marketing communications plan focuses on all things marketing such as analysis of the market and trends, identifying competition and the advantages the company has over the competition. The marketing strategy is addressed which involves addressing marketing goals and how to address those with the extended marketing mix. Lastly, financials are included to address how much money is needed to setup the business, how much money is needed to be cover fixed and variable costs including taxes, and finally how much volume in sales is required to be profitable as a business.

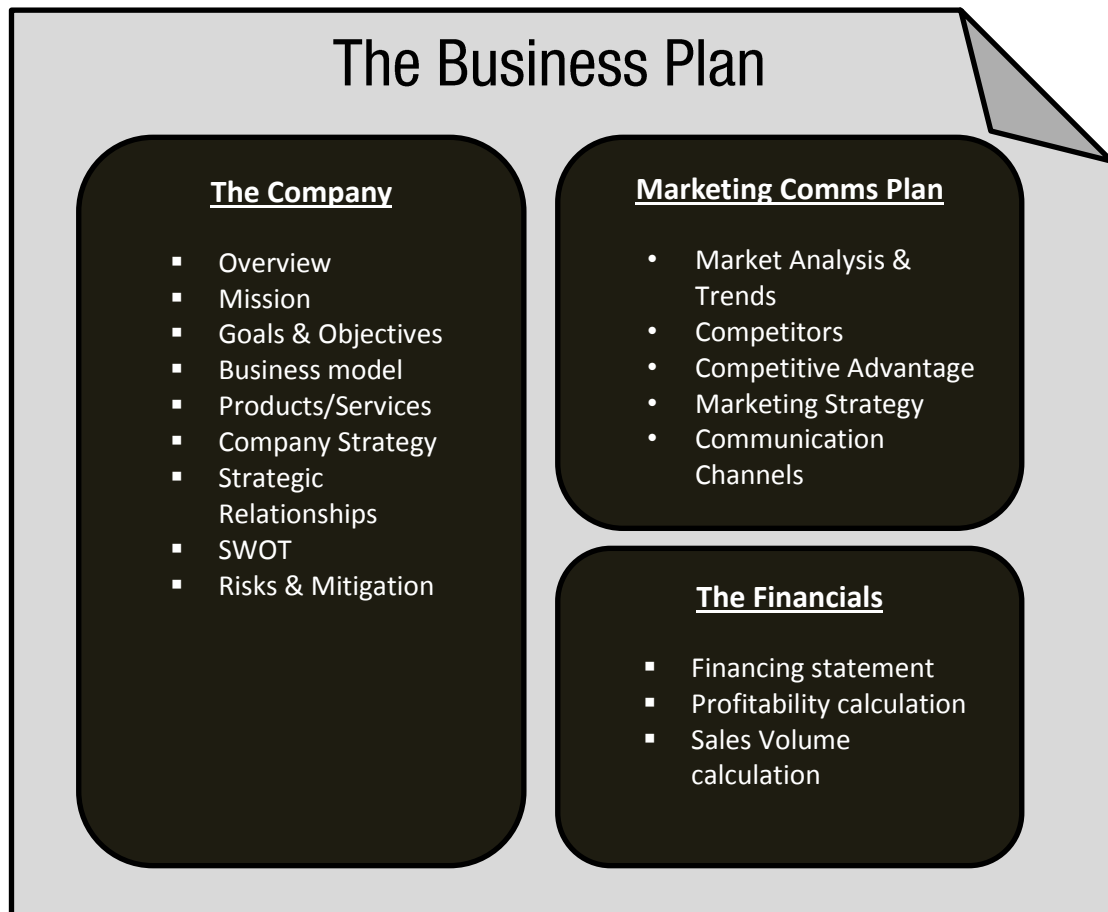


Figure 3. Key elements of the business plan (Author 2018)

### 2.3.2 Marketing communications

Marketing communications are a part of the greater marketing framework, covering the promotional element in the original four Ps of product, place, price, and promotion). As with the main point of marketing, it is designed to create a demand for products and services through building awareness and persuading customers into buying them. (Website of Medium 2018) It is the coordinated effort to communicate a unified message to the intended target groups of customers through one or more channels. In a traditional sense, the original marketing mix was intended to market products and thus, the marketing mix was created by E. Jerome McCarthy in 1960 (Quelch & Jocz 2008, 831). However, it was starting to receive criticism by scholars in the late 70s that the original mix was not vast enough to cover services, which was a sector that the original 4Ps could not properly address. As a result, three more Ps were added to the marketing mix, namely people, process, and physical evidence. This is now

referred to as the 7Ps marketing mix. (Akroush 2011, 3) In this thesis, a different adaptation of the marketing mix will be used, that adds an eighth P to the mix, which is productivity. In this case, productivity refers to the ability the company has to be able to deliver the product or service with the best quality possible (OSullivan 2014).

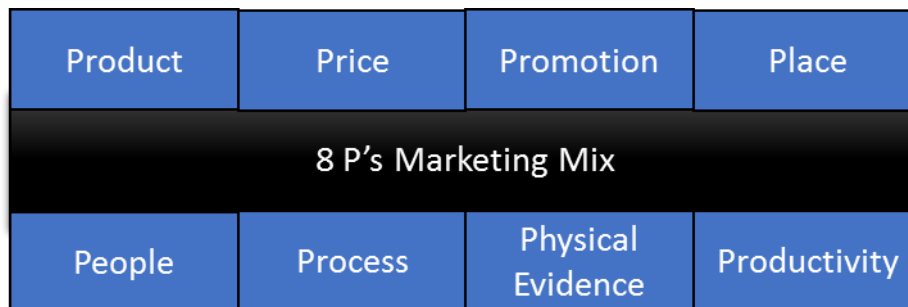


Figure 4. Adapted full service-oriented marketing mix with 8<sup>th</sup> P=productivity (Author 2018)

### 2.3.3 Integrated marketing communications

Media and technology have changed the landscape for marketers. Tools are now available that help the company to learn about and engage with customers through additional medium than only the traditional printed materials of the past. Integrated marketing communications (or IMC) is a concept that aims to combine company communications regarding the organization and its brand and delivering that through more concise, targeted, and consistent methods to engage with the customer. IMC is a way for the company to look at the whole marketing process through the viewpoint of the customer with the end result in mind and that is building strong customer relationships. (Percy 2008, 8)

This thesis will focus on five main elements of the integrated marketing process as shown below in Figure 5. These five areas are traditional advertising, social media, guerilla tactics, public relations, and digital media. Traditional advertising refers to printed materials, radio, television, and outdoor ads. Social media refers to the latest technology tools such as Facebook, Pinterest, Instagram, YouTube, and LinkedIn, along with many others. Guerilla marketing tactics refer to utilizing more unconventional but often more inexpensive marketing methods to gain attention from customers.

Public relations refer to the corporate communications side of the company that use press releases, event promotions, and broadcasts to deliver the company message. Lastly is digital marketing, which covers websites, mobile marketing, SEO, video marketing, and content marketing strategies. These five main areas represent the integrated marketing communications blocks that are intended to be consistent with the company's marketing communications strategies so as to better support it and the company's brand and image to the customer.

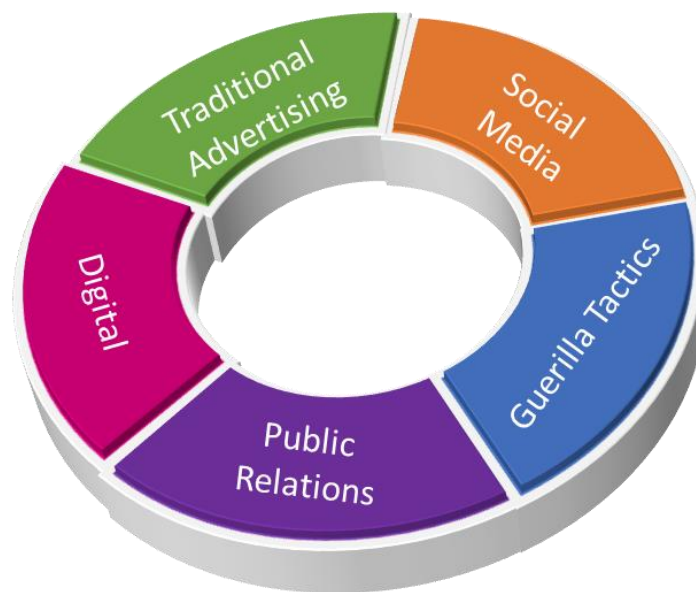


Figure 5. Five key elements of Integrated Marketing Communications (Author 2018).

### 3 RESEARCH METHODOLOGY

#### 3.1 Qualitative research

Due to the nature of digital media content and its perceived value in producing sales, its role in building and maintaining relationships, as well as its contribution to brand strengthening, this thesis will focus on qualitative research. Qualitative research is advantageous to use as it allows the topic(s) to be analyzed in greater detail than what statistics would be able to reveal. (Kothari 2004, 4) It is based on human experiences,

feelings and observations and with the often-intangible effect that digital media has in the marketing process, this type of research plays to that elusive deciding factor what makes people feel the way they do about a product or service. (Website of Vittana)

The research will be carried out via direct discussion or telephone using structured interviews as the main approach. The purpose of utilizing both in person and telephone is to ensure that potential customers from other physical locations can also take part which will also broaden the perspective to businesses outside of the more local Satakunta area. To get a broader perspective on potentially having international customers, selected international companies will be contacted via skype or discord in order to maintain consistency with the qualitative research process.

The research will concentrate on two different angles. These are the consumer's perspective and the organization or small business' own perspective. Both perspectives are represented in the discussions and is addressed to the organization or small business owner where a fuller understanding of their thought processes can be understood. The idea behind this is a theory that the small business owner or organization leader must think from both points of view but especially how they view consumer behavior will determine how they position their marketing efforts and choice of mediums. This obviously cannot be an exclusive statement as there are several factors that go into defining the marketing communication needs for a given business, but it sheds some light on the person's thought processes and thus could reveal how to go about selling services to these people in the future.

### 3.2 Data Collection

The data collection will focus on mainly primary data but secondary will be taken into account during the analysis. Primary data is the most critical data for the author, but to analyze the primary data, it is valuable to have some secondary data considered in the results. Primary data, of course, represents the interview results themselves. Secondary data refers to research results from tier one of the conceptual framework that could prove to provide valuable insight into why the interviewee answers in the way they do. (Kothari 2004, 95-100)

For this thesis, a structured interview is chosen so as to provide comparable data between respondents from different businesses and organizations. While the structured interview does not allow for much flexibility, it does follow a limited set of specific questions that allows easier interpretation of the results between different participants as there are no additional contributors affecting how the interviewee responds (Taylor, Steven J, 102). The questions are prepared prior to the interview and the interviewer is to be as objective as possible so as to not affect the outcome of the interview at any given point. (Website of Qualitative Research Guidelines Project)

The interview is handled using the one-on-one interviewing technique and is designed to include the following four key factors of what is called a good interview: non-direction, specificity, range, and depth. Non-direction refers to the allowance of answering without directing or leading based on the interviewer's own ideas and opinions. Ensuring that answers provided are not left to generalities, the interview is designed to facilitate answers of specific detail. Range ensures that a wide enough spectrum of the topic(s) at hand are covered in the interview. Lastly, depth refers to the deeper meaning behind the interviewee's initial responses. (Beuving & de Vries 2014, 93-96)

### 3.3 Data analysis

There are three main areas to discover through the interviews. The first is what type of media is used for marketing / communicating with customers and how it affects their decision-making to act upon it. Second is determining the efforts and actions the business or organization put into marketing themselves and whether that time is seen as effective versus the perceived results achieved. Lastly is to determine a pattern between their individual actions based on the perceptions of the customers' behavior.

Because analysis of qualitative data is not straightforward like quantitative data tends to be, there are challenges to provide unbiased results. Focusing more on themes or concepts that emerge from the data becomes something common place for the researcher. Analysis of data and data collection typically often go hand in hand when implementing qualitative research activities since the researcher needs to be aware of different ideas, while reading through the notes made during the interview they can



already be developing concepts and approaches to understand the data being provided. The interpretation of the data also can be aided by a researcher that happens to have experience with the topic at hand. This can also, however, present challenges in providing unbiased interpretations of the results. (Taylor, Bogdan & DeVault 2016, 159-161)

To perform data analysis is a thorough and more correct way, there are certain categorization steps involved. As qualitative data tends to lean towards themes rather than statistical answers, it becomes clear that a narrative should be sought from the data provided in the interviews. This involves coding the data into three phases: making the text manageable, hearing what was said, and developing theory. The first phase, making the text manageable, involves establishing a reference point, which is the theoretical framework, from which relevant text from the interviews are highlighted. Hearing what was said involves the grouping of that relevant text and categorizing them into themes and ideas. Lastly, those categories are developed into theoretical outcomes that are able to be mapped to the theoretical framework where final interpretation can be applied. (Auerbach and Silverstein 2003, 45-46)

The interview analysis is done largely according to the principles outlines by Auerbach and Silverstein. All text outcomes from the interviews are analyzed for relevancy to the topic. All relevant text is analyzed to find common ideas between the various respondents. These are outlined in list form in this thesis where several common but individual findings were seen from the interviews. The listings themselves, as well as the categorized themes they are applied to are then mapped to the theoretical framework to better ensure relevancy for consideration in planning some aspects of the business. (Auerbach and Silverstein 2003, 50)

### 3.4 Validity and reliability

Validating the data so that it is reliable and relevant is a challenge through qualitative research where the researcher is also experienced in the topics and field of discussion. While this is not exclusively wrong, there are risks of having data becoming tainted by more biased results and would be a candidate for data discounting. (Taylor, Bogdan & DeVault 2016, 179-180)

The number of respondents for this thesis is comparatively small due to the nature of the topic and chosen research style. Additionally, it should be mentioned for the record that the researcher's personal network is not as vast as some others that would conduct the interviews. All interviews are done on a one-on-one basis either in person or by phone so as to ensure that the interviewee would not be influenced by others if a different format would be used, such as a group interview.

Reliability refers to the researcher's own bias towards interpretation of the findings as he or she acts as the single point of observation for the data. While it can be perceived as a strength that a researcher performing the interview is also an expert in the field that the interview is covering, it is also a risk in terms of subjective interpretation which can lead to distorted and thus untrustworthy findings. (Website of Research Methodology 2018)

The researcher has experience and knowledge of the digital marketing and media industry. It's also recognized that the main focus of this thesis is to develop a business plan for a digital media company in the Finnish market. While a business plan's intent is to be a document from which businesses tend to be established, it should be mentioned that the preferred outcome of the thesis is to determine the viability of establishing such a business, comparing that against the research made, the interview data collected, and the business plan collectively. While the risk exists for distortion of the data, the genuine intent is to determine viability and that is the focus for the researcher.

## 4 SITUATION OVERVIEW AND MARKET ANALYSIS

### 4.1 Competitor analysis

With the business idea being more clearly focused towards providing a staff-for-hire concept to small businesses and non-profits, looking at competitors in the digital realm takes on a different meaning. While there are many competitors in the digital space, the question remains how to compare companies against a model that doesn't exist for

them. Therefore, the focus of the competitive analysis for this thesis will be on against four specific chosen competitors. Each of the competitors provide digital services, although some are different in scope. The companies include a service offering for continental customer base whereas the remaining three are services based in the Rauma area.

The four companies are: Creative Church Staffing (United States), Lovetus (Rauma), Bonde (Rauma), and Digitelakka (Rauma). Appendix 3 shows the SWOT analysis done with each of these competitors and how it relates to the subject company in scope of this thesis. Analyzing perceived strengths, weaknesses, opportunities, and threats provided an opportunity to see where the subject company would be sitting in the market amongst other competitors sharing the same digital space and competing to provide somewhat similar services.

To describe this in further detail, the subject company's focus areas of operations would be web design and development, digital staffing, graphical design, online communications and branding. Aims to provide custom built solutions requiring extensive coding knowledge are out of scope of the company in its initial phases as all web presence-related service engines would be based on models of standardization. Any custom-related deliverables such as visual design and branding are an exception as they would be delivered according to custom requirements using template designs rather than coding from scratch. This approach both serves as a convenience due to lower level of entry to the business for the owner as well as servicing smaller companies better than the typical custom-made designs that tend to restrict and cause more problems as time goes on. This approach tends to be easier to implement and cheaper for the customer as well. The subject company aims to focus on providing turnkey solutions.

Creative Church Staffing is a company based out of the United States, focusing mainly on digital services for churches, be it web design services, social media, specific web-related projects, and staff-for-hire. Their areas of focus for their customers are to accelerate the mission, build awareness, and boost efficiency. While they focus on digital services, the company provides service packages that can be purchased either for projects, staff assistants, or for providing consultancy aimed at a focus of strategy, vision,

and brand as to how it translates to the customers' communication channels. The company is well established and is in the single largest customer market area (USA), providing them a plethora of choice and opportunity. However, should they decide to expand to Europe, they could become an actual threat. The company has a large staff and are able to be flexible with resourcing for their various projects which gives them leeway to adjust as per their prioritization. This company can be either seen as a competitor or a company to benchmark from and adapt to the subject company.

Lovetus is a visual styling office providing services to make companies better, fresher and stronger. Established in 2016, this one-person company specializes in branding and company design, which translates into several service offerings including website design, graphic design, conference pop up design, as well as help with business' strategy and vision. Lovetus is a local company based out of Rauma, Finland and the skills and experience of the owner are quite vast in visual design work as well as having developed a good reputation in the Rauma area. The marketing of the company seems to be rather irregular and seems to focus its efforts through its website and facebook as a means to increase exposure. Lovetus's strength lies with the owner being very skilled in visual design and having an established portfolio to use when approaching new potential customers. Having said that, should the rather infrequent and inconsistent marketing continue, the threat level is manageable. Additionally, the company have no staff-for-hire concept which make their work largely project-based only.

Bonde is a digital communication company that is relatively new in the Rauma area, having been established in 2017. Bonde specializes in helping businesses with their branding, social media and website content management as well as provide training in social media usage for businesses. Additionally, the company provides a service called personal trainer which aims to work with companies to develop their marketing and communications objectives and goals. The company has developed a strong brand and is aggressively working to expand its exposure and competencies through acquiring more of the right kind of people. Bonde have clear competencies in marketing and communications which will certainly translate to aggressive campaigns to increase exposure of their competencies and service offerings. With the company being so new, they are still adapting to the changes within as they work to find focus for the company. Despite being a direct competitor in website design and social media content

management, their specialized competencies, in certain circumstances, could potentially act as a strategic partner on specific projects.

Digitelakka is an advertising agency based out of Rauma. The company has existed since 2016 and has a good footprint locally, having a breakthrough year in 2017. This company focuses on graphic design, responsive websites, webshops, video and photography services, as well as search engine optimization (SEO) services. The company provides both standardized and customized solutions to their customers utilizing powerful technologies such as wordpress and woocommerce. Digitelakka has already a proven ability to deliver based on their portfolio and aims to increase its growth through continuous development of their competencies. The company collectively have a good set of skills to deliver what the customer wants. However, the company is small and could find themselves in a volatile situation should outside changes and pressures occur. They offer no staff-for-hire concept and are seemingly running solely on a project-based approach. While seen as a clear competitor, in some circumstances, the company could be used as a strategic partner in helping to deliver larger, more complex projects requiring more know-how or resourcing than what Wild Rose Digital could provide on its own.

#### 4.2 Opportunity Analysis

Identifying opportunities for a business is good practice so as to not only protect the company but also to identify its place in the market and better forecast its potential success. To do this it's important to analyze the market and its opportunities. This thesis will utilize the PEST analysis and Porter's 5 forces approaches. PEST is a marketing theory which refers to political, economical, social, and technological aspects. Porter's 5 forces refers to a theory developed by Michael Porter and refers to addressing buyers suppliers, substitutes, new entrants, and existing rivals. These theories of analysis approaches are put into use from the point of view of the company that is seeking to enter a market, whether that is a startup company or an already existing one.

#### 4.2.1 PEST Analysis

##### Political

- Finland's general political environment is rather stable. With the political parties being organized so that no one political party can have complete control of the country, this forces Finland's political leaders to work closer together through building coalition governments to govern the country. With Finland celebrating its 100 years of independence during 2017 and it being a member of the European Union since 1995, Finland's trust in the politicians continues to be strong despite the political environment suffering some recent challenges in the coalition. (Website of Fund for peace 2018)
- Finland does have to deal with the problem of an aging population. This is very much a political problem in that the government must find a solution to address the birthrates versus death rate realities while coping with the pressures of continuing to lead globally in technology. Politicians are having to face controversial topics such as employment-based immigration to cope with the vacuum of jobs that will exist after the country's workforce is expected to decrease well over 100 000 by 2030. (Teivainen 2017)
- The European Union's recent implementation of the General Data Protection Act brings influences to how customer data is to be stored and managed. For the company's perspective, extra care must be implemented to ensure users' data is not misused or exploited. This can have an effect on the company from a CRM point of view as certain types of data can be kept with consent and for a specific period of time which must be agreed to by the individual. This should be taken into consideration when planning new digital services for customers as well to ensure GDPR compliance. (Website of the European Union 2018)

##### Economical

- Finland is highly industrialized country with a long history in forestry and forestry-related manufacturing. However, today's Finland is an exporter of technology, as well as put much emphasis on establishing startups in the information and technology, including gaming, clean technology, and biotechnology sectors. (Website of the CIA World Factbook 2018)

- Satakunta province has been seeing unemployment numbers decline significantly. More people are returning to work as the local economy improves, including increases to entrepreneurs establishing their own companies, which adds to the strengthening of the local economy. More businesses could mean more work opportunities for digital service companies as well. (Virolainen 2018)

### Social

- Finland's literacy rating globally is second overall with 100% literacy rate.
- Despite the aging population, Finland has a very high digital literacy with the onslaught of smartphones and tablets. The country has taken the technology a step further by introducing digital literacy into the national curriculum where children learn through information and communication technology. (Eskälä-Haapanen and Kiili 2015)
- According to Statista, in 2017, over three million people of the Finnish population were avid social network users, accounting for about 66% of social media penetration. It's estimated that 88% of Finns were users of video content service YouTube during the same year. (Website of Statista n.d.)

### Technological

- Finland has realized many years ago that it needs partners to survive and thrive. The politicians have had a long history of promoting technological advancements and as such has grown into becoming the technological superpower of Northern Europe (Website of Invest in Finland 2018)
- A study made in 2016 in Finland revealed that small businesses are investing more in digital services and have been benefitting from it more than ever. In the study, it also show a correlation between those companies where growth was realized and their investments in digital services. (Website of Yrittäjät 2018)

## Summary

The PEST analysis reveals that Finland is generally a positive place to establish business operations:

- Small business establishment in Finland is extremely well supported. The government provides new businesses with education and grants to be able to help provide the entrepreneur with the tools to succeed.
- Finland is a highly technological society where there is already high consumption of digital media
- With the declining emphasis on print media, the role of digital media is changing. More people are online daily and are on the lookout for things that interest them
- Finns have had a long-time problem marketing themselves, which lends opportunity for businesses to take advantage of this and assist them. (Finland Has A Shyness Problem... 2014)

Finland presents itself as interesting country to start a digital marketing company. There is a high level of digital literacy but there is an aging population as well. The next generations, however, are showing themselves to be more technologically robust and reliant people. This brings opportunities and challenges but they is good infrastructure with which to build from.

### 4.2.2 Porter's five forces analysis

The five forces will attempt to open up the market for analysis for digital marketing companies. Wild Rose Digital is not just a digital marketing company but a creative staffing company which business model is not well utilized in the field. The five forces will analyze the market followed by the interpretation of the analysis in the conclusion.



### Entry barriers

The entry barrier into the field of digital media and marketing is quite low. There are more people who are educated in digital media than ever before. The current young generation are using social platforms and multiplayer (gaming) social platforms that have had a natural effect of having a higher educated generation of people who know about video production, social media behavior, and to some extent even marketing before they even take part in any higher education. Threat level: High

### Threat of rivals

The fall of Nokia and the failure of larger scale outsourcing projects to foreign companies have resulted in many highly skilled and educated people vying for work. (Finland warming up... 2013) Many of these employees are not finding work and are thus inclined to start their own businesses, utilizing their education and skills learned from their previous work and putting them to work in an entrepreneur setting. Additionally, the government provides both re-education and financial support to anyone who wishes to start their own business, including the digital marketing realm. While certain aspects of the digital marketing and branding areas require specialized skills, there are many courses, free or otherwise, that people are learn new skills and compete with the more established companies. The most important factor in dealing with competition is to differentiate oneself and what benefits they bring to the table that would provide the customer with more perceived value than using anyone else's services. Threat level: Medium

### Threat of buyer bargaining power

The bargaining power of the buyers in the digital realm is reasonably high since there is a lot of choice and variance of choices available. There are large, established companies but there are even more smaller companies providing digital marketing services at fractions of the cost of others. While the service level might not be on par with others, for many, price is the main factor and there is certainly power for the buyer to change suppliers to someone cheaper. It should also be mentioned that many small businesses and non-profit organizations do not have the skill or knowledge to know

what they are looking for specifically, which also limits some of their bargaining power. Threat level: Medium

#### Threat of supplier bargaining power

The digital marketing arena has a lot of competitors also on the supplier side. While there are established players in the digital realm offering services from marketing, to branding, to social media-related products and services, very few, if any, are offering customized and specialized staff-for-hire approaches which can reduce some of the bargaining power of some suppliers solely on the basis of having to provide specialized resources to customers having specialized needs. Additionally, as much as price is important for the customer, the same can be said for the supplier who tend to compete with their rates depending on the size, profitability of the job, and covering of costs for the supplier. This can result in small businesses and non-profit organizations being left with the smaller suppliers that are perhaps more flexible to compete with their pricing models and time better than the larger suppliers are willing to. This leads to favourable conditions for the smaller supplier company but on the flip side, there are potentially more of the smaller companies to contend with. Threat level: Medium

#### Threat of Substitutes

Currently the only substitute for digital marketing and related services is print media. This is statistically already showing signs of steep decline in both usage and role. Digital marketing, branding, and communication-based services are going to stay in the digital realm for the foreseeable future. Having said that, different mediums may start to come such as augmented reality, which would change the delivery of such services but it still remains in a digital realm. While augmented reality has an eventual potential to disrupt the current digital media realm in terms of delivery platform, the technology is not close enough to begin recognizing it as a substitute yet. Threat level: Low

To conclude, it can be seen that there are clear opportunities to enter into the digital marketing market but there is also a low entry barrier to do so, making potential lower priced competition a threat unless a company could succeed in differentiating itself, portraying a sense of higher value to the customer. The younger generation have

capabilities earlier on in life that if put to good use, could become a threat unless consistent effort to improve skills and customer service are priorities put into actual practice as well. There is certainly opportunity to enter the market for the company willing to put the effort in to differentiate from the crowd.



Figure 6. Representation of Porters Five Force analysis of the digital marketing market

### 4.3 Business Model Canvas

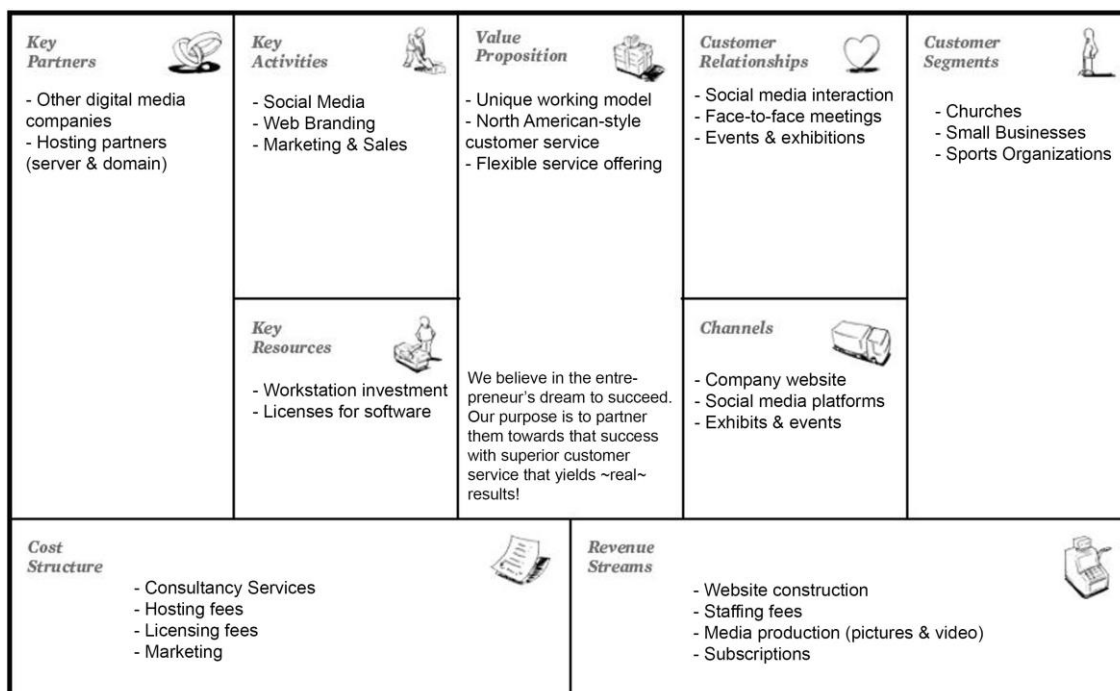


Figure 7. Digital Media Company's business model. A larger version can be found from appendix 1. (author, 2018)

### 4.4 Interview analysis

Several interviews were separately held with various individuals who are either entrepreneurs or are in decision-making positions at their respective organizations. The interview questions (Appendix 2) remained the same to ensure consistency and contribute to the overall validity of the results. The questions were split into two sections with the first section focusing on the individual as a consumer themselves and contained five questions. The questions focused mostly on how influential marketing is to them personally. The second section focuses on the individual's organization and the organization's view of marketing in the current situation and how they go about doing it and gauging whether they are satisfied with the existing efforts. The second section contained ten questions.

Nine people were interviewed from both small business and non-profit organizations and the following key points became clear from the first section:

- They are influenced by marketing advertisements if they happen to be interested in the products or services already
- There is a clear distinction between the influencing power of the advertisements depending on the medium, whether it is print or digital
- Price and perceived value are two key factors that influence someone to react from seeing market ads. Trust adds an additional factor that is important.
- There is a trend change of the perceived role between print media and digital media. Print is seen to be less influential on its own and more for casual reading if interest even exists. Digital media, however, is based on own interest in finding something.
- Unless there is a significant discount or if the advertisement is funny or plays on emotion and well made, sharing advertisements is not of any interest

The same nine people continued with the second section focusing on their organizations and the following key points were noticed:

- Lack of time is a major factor which impedes them from moving forward marketing-wise. Credibility is important
- Digital is clearly the overwhelming media to focus on due to its relevancy in the society today. Smaller investment in digital media = wider reach to targeted customers.
- Organization website is still the foundation but specific ads through facebook and google are increasingly used and gaining focus. YouTube is also seen as a source for marketing opportunities
- Marketing and communicating with the customers through social media platforms is recognized as important but lack of time and/or competency is a factor
- Gauging effectiveness using analytical tools is not widely used. Most measurements of success are based on comments directly from the customer that chooses to comment.
- Strengthening brand awareness and relationships (credibility) with the customers as well as providing relevant content are desired elements of focus

- External expertise are needed, either in directly marketing on their behalf or in a co-operative nature where the external is taking the lead in helping strengthen the company brand and credibility in any platform they use

There are further points of interest to note. One is that marketing for some respondents is a rather personal and intimate issue. It is something they are proud of and protective of, resulting in a reluctance to outsource their marketing tasks either in whole or in part, even if they recognize that they don't have the time to dedicate to it. This was an interesting finding because of its conflictive nature.

Another interesting finding was from the non-profit sector where depending on the organization, there are varied needs for marketing. Both kindergartens that were interviewed see marketing as something that is not necessary for them due to the fact the organizations both have a long history in the city and have developed a very good reputation which seems to be enough for them. Word-of-mouth has been by far the driving force for ensuring full slots each kindergarten year and as such, marketing would do little but add to a waiting list that they already have.

Alternatively, within the Evangelical Free Church circle, both respondents admitted to being behind in marketing and communication about their respective organizations. Both recognized that not enough time and effort was being used for marketing and communicating to their respective members. They also admitted that their face to the community is behind the times and felt the need to do something about it but lacked the competency. While they both recognized their organizations cannot attract *customers* as businesses can, both recognized the influencing power of marketing and communicating to the community and their members and wanted to do something about it through hiring someone to help.

There is also a clear correlation between individuals' opinions regarding digital media being the clear frontrunner for advertising relevancy and effectiveness and some of the businesses exploring targeted advertisements via facebook, google ads, or via some other online sources. There are linkages there that show clearly the effectiveness of those online, cheaper targeted ads and the comparative ineffectiveness of far more expensive printed media, presenting evidence that the future is digital.

## 5 BUSINESS PLAN

### 5.1 The Company

Wild Rose Digital is a trade name company owned by Christopher Klemm. The company focuses on digital branding and marketing, website creation, social media engagement, SEO, video, as well as graphical design services. It will be aiming its efforts towards mainly small businesses, non-profits, and churches. The company is a new company and will be established officially during the fall of 2018. The company will start as a trade name and will modify the entity type should business need to be expanded.

#### 5.1.1 Mission

We believe in the entrepreneur's dream to succeed. Our purpose is to partner them towards that success with superior customer service that yields real results. We implement a unique working model combined with North American-style customer service where our clients feel truly valued and important.

#### 5.1.2 Goals and Objectives

The following are goals and objectives are to be established for Wild Rose Digital:

- Create and aggressively promote awareness of the company
- Become a trusted partner company to work with for customers mainly in the Satakunta and Varsinais-suomi regions
- Become the main supplier of choice for digital marketing services within the Evangelical Free Church circles in Finland
- To reach 200 000€ of annual sales by the end of the third year of plan implementation

### 5.1.3 Strategy

Wild Rose Digital will address its goals and objectives by aggressively marketing on social media platforms in order to reach out to its unique customer base. The company will focus its efforts in becoming a dominant brand within the small business industry and especially the Church circles mainly in the Finnish market. This is done through developing an online presence comprising of website and social media presence as well as through showcasing an existing portfolio coupled with providing a service quality unlike what is normally experienced in Finland.

While the market is smaller in comparison larger commercial markets, these businesses and non-profit organizations have real and unique needs to develop and enrich their own brands and relevance to their target customers. There are real consequences for these customers and they need to rely on a trustworthy partner to help them achieve their goals. Wild Rose digital will be that partner.



#### 5.1.4 Analysis and risk mitigation

SWOT ANALYSIS
<p><b>STRENGTHS</b></p> <ul style="list-style-type: none"> <li>• North American-style customer focus</li> <li>• Able to translate customer needs into real deliverables</li> <li>• Small company, therefore the need to satisfy the customer is paramount</li> </ul>
<p><b>WEAKNESSES</b></p> <ul style="list-style-type: none"> <li>• Lack of experience</li> <li>• New company. No operation history.</li> <li>• No brand awareness</li> <li>• One-person company. Pricing must be affordable. Therefore, the need exists for many customers but only one person to fulfill requests.</li> </ul>
<p><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"> <li>• Staffing-for-hire concept provides opportunities to carve a niche in the Finnish small business and non-profit sectors</li> <li>• Global potential to deliver services through use of technology</li> </ul>
<p><b>THREATS</b></p> <ul style="list-style-type: none"> <li>• More established companies implement a similar working concept</li> <li>• Limited initial skillset leading to limited initial offering for the customer</li> <li>• Potential international competition through local partners</li> </ul>

Figure 8. SWOT analysis of Wild Rose Digital. (author, 2018)

In order to be that trustworthy partner, it is responsible and transparent to take a look at the company's abilities through evaluating its strengths, weaknesses, opportunities, and threats.

#### Strengths

**North American customer service** – this is the key defining differentiating factor for this company. Particularly in the Finnish market, there exists a very low standard of customer service. While this is obviously a statement many companies make, Wild Rose Digital aims to go above and provide a full customer experience, which starts

from the very first moment a potential customer finds out who Wild Rose Digital is. The strength comes from the owner being raised in Canada, being exposed on a daily basis to high quality customer service, it is seen as a competitive advantage in Canada, a differentiating factor between similar companies or companies offering similar products or services. Wild Rose Digital aims to bring that to Finland, where the customer feels important, listened to, and understood from start to finish.

**Able to translate customer needs into real deliverables** – This is an extension to the North American customer service as well as combined with a broad understanding of technical capabilities. The ability to hear what the customer is really after in terms of end product is a skill in itself. Often times the customer can describe a technology they need in order to fulfill something they want. Likewise, a technical engineer could understand the business need in a totally different what than intended. The ability to decipher what the customer needs often reveals something different than they originally thought and that takes skill, which the owner has. This is done through asking questions and understanding how to get to the bottom of those questions that eventually reveal the true need of the customer. At that point, addressing the technology issue becomes far easier and the customer is much more satisfied with the outcome as the technology addressed the actual problem. Understanding both technology and business helps immensely in planning discussions and as a result, the customer gets the deliverables they were really expecting.

**Small company, therefore the need to satisfy the customer is paramount** – While customer satisfaction should be in the best interest of any company providing products or services, this isn't always the case. As Wild Rose Digital would be a very small company, the need to please becomes actually paramount to its survival and continuity. How this is a strength is in the owner's drive to please the customer and building a relationship with the customer that goes beyond a simple transaction of services. Wild Rose Digital aims to go above and beyond because to the owner, brand and reputation is everything to this business's future survival.

### Weaknesses

**Lack of experience** - Wild Rose Digital is intended to be established in fall of 2018 and thus has no official history to draw from. The owner has not worked formally in

digital marketing, and thus there are gaps in running a business in this industry. Mitigation efforts can come via education designed to strengthen the competencies of the owner of the company in running a business and doing market research to best understand the immediate area's competitive businesses.

**New company. No operation history** –The owner has a limited portfolio of delivered services from which to draw upon and build credibility from. This weakness can have a detrimental effect on some customers who are looking for who they perceive to be a trustworthy supplier. Having something to show is important to build the brand and the belief in the company's ability to deliver. Mitigation of this comes in doing more work to build the portfolio and in building awareness of the company's capabilities, utilizing not only the portfolio but customer references from people who have used the company's services and have been satisfied with the deliverables.

**No brand awareness** - The company itself is new and has had no exposure through official marketing channels and as such is unknown, which is a hinderance to attracting new customers and retaining them. Brand, while an intangible thing, is something that people in high esteem due to perceived quality, credibility, and trustworthiness. Building a brand is a process and something to be planned systematically. To mitigate the risk, the company will focus on specific advertising campaigns to build raise awareness and build an exposure of the company's existence and portfolio of services.

**One-person company** – Having a one-person company affords the owner with choice and certain flexibilities. When the owner does not need to answer to anyone but the customer for his chosen times and methods of working, it can be somewhat perplexing why this is perceived to be a weakness. However, one person can only do so much work at a time. One person is also the single point of failure should the owner become seriously ill and not able to deliver as agreed. This is also a weakness in that if skills are not enough to deliver, there are no skills in house to draw upon to solve problems. To mitigate this weakness from becoming a risk, the company will make strategic partnerships with other companies that can deliver the same services. These companies will act as backup resources in the event that the one-person company becomes a bottleneck for itself.

### Opportunities

**Staffing-for-hire** – This concept allows customers to choose if they need a one-time project to be completed or a person to help them on a more regular basis achieve their goals and objectives that could not be done on their own without the added expense of actually hiring a person to their own company, increasing costs and employer responsibilities. This is an opportunity to differentiate from the competition by working through this concept. This is particularly useful in organizations such as Churches where the needs are vast, but the resources are few.

**Global potential** – As the owner is Canadian, there are little barriers to expanding one's business area to an international or even global reach since technology makes it possible to work from wherever and whenever. The global market is made easier with technology and digital marketing solutions could potentially be provided physically from Finland and yet delivering physically to customers abroad. This presents real opportunity to expand the reach of the company if it's deemed to be a strategic choice to pursue.

### Threats

**Competition** – Wild Rose Digital operates in a competitive environment with competitors that are larger, more established, and even international competition can become a reality. There is potential for foreign companies to enter the market and compete. While this is possible, it's unlikely due to language challenges and perhaps not enough profit to enter the small business market. To mitigate the risk, the company focuses on small businesses and non-profits where larger companies tend to charge more for their services than customers are willing to pay. Additionally, personalized North American style customer service and attention to detail is what will set Wild Rose Digital apart from the competition.

**Limited Skillset** – The owner does not have experience in utilizing some of the software used to deliver end products and solutions to customers. There has been no formal education and the experience thus far have been through doing projects and improving along the way. In areas where this lack of experience exists, mitigation of the comes from prioritization of getting education specializing in using the various software so as to improve on time of delivery and quality. Additionally, the owner intends to take

into use strategic partnerships in competency areas that are missing in order to ensure that the deliverables for the customer are met.

**Potential international competition** – Due to the global market, there exists a potential threat from an outside company wishing to enter the Finnish market, either directly or through local suppliers. These can take on forms of mergers and acquisitions or then through a strategic partnership contract. This can be a threat due to increased competition, potential price wars, and possible larger pool of resources. Mitigating this threat is a challenge as the likeliness of a company acquiring a digital marketing company from Finland with the purpose to enter the small business and non-profit organization markets is very low. The only way is to beat them by being better in all areas, through the entire customer experience. Wild Rose Digital's whole existence and success is founded on that must believe that it can compete, even against international competitors.

#### 5.1.5 Business Model

Wild Rose Digital is modeled as a creative staffing company delivering internet-based services focusing mainly on the small business and non-profit sectors. The company will focus on two main channels of services covering both design and strategy and brand. Making the business model unique is the combination of either a hire-for-project or a staff-for-hire concept which allows customers to choose if they need a one-time project to be completed or a person to help them on a more regular basis achieve their goals and objectives that could not be done on their own without the added expense of actually hiring a person to their own company, increasing costs and employer responsibilities. Lastly, this would all be done providing superior North American-style customer service, which is not common in the Finnish market, piquing interest and gaining credibility in the process.

#### 5.1.6 Services

The company is to become a “wingman” for its customers in how it provides its services. It means being a selfless support for customers in aiming to see them succeed.

The approach will be providing digital services either via project-based orders or via hiring creative staff to regularly provide online services support for the customer. The company website is designed to be very user friendly and will contain information regarding the portfolio of services available with access to relevant services in no more than three clicks. The website also allows the customer to describe their requirements in free text form to speed up the initial process of understanding the customer's needs.

The services from each channel that the company will offer are: Creative Staffing, Creative Graphics, Creative DNA, Creative Social, and Creative Video.

**Creative staffing** is an approach that focuses on delivering results to the customer whether they need help with tasks that need time and effort from someone but are looking for an alternative solution to hiring a more expensive in-house employee. It can also mean providing short-term resourcing for projects or just helping to increase their online presence through helping with marketing tasks.

**Creative graphics** gives customers access to resources that provide graphical design work for customers based on their needs. Additionally, a stock image pool will be added to this service that allows customers to use images for their business marketing needs without the worry of copyright infringements.

**Creative DNA** is a consultancy service package that aims to work together with customers to define their strategic and visionary goals and objectives. This includes helping the customers to better understand their own customer communities and help align their brand and prioritize the goals accordingly.

**Creative Social** is a service designed to focus on the customer and their social media account(s). We aim to partner with our customer to either post on their behalf or to work in part with the customer to manage their social media content by developing content and a schedule to post that content. Additionally, we help build loyal communities through regular engagement with the followers on the customer's behalf, building credibility for the customer which in turn would lead to more sales and build a stronger brand.

**Creative Video** refers to a video production service where our resources work together with the customer to develop concepts for video content and production of that content for usage on their website and/or social media accounts.

#### 5.1.7 Management

**Christopher Klemm** brings over thirteen years' experience from the IT field covering online communications, branding, findability, teaching, and project management. During those years, Christopher had hands on experience regularly building communities and groups in online spaces around the world. Additionally, having been an entrepreneur previously, he brings his experiences from the services industry. During his employment years, he has had experience managing projects and people from all sides of IT and was able to bring them together with business customers and have each side better understand each other, something that had not been well done prior.

Christopher attended Satakunta University of Applied Sciences where he studied International Business. After this, he was hired by a large company and he was subsequently trained in several leadership, management, and project management courses internally, equipping him with valuable skills to use in the workplace. Christopher is currently finishing his master's degree studies at Satakunta University of Applied Sciences.

#### 5.1.8 Strategic Relationships

The company aims to build a strategic relationship specifically in the area of web hosting services, specifically Hosting Service Finland (<https://www.hostingservice.fi/>), which allows Wild Rose digital's customers' websites to be hosted from one central location. This relationship could offer customers a reduced price for hosting their website through this service and in turn, would increase income for the partner. An additional possibility could be to partner with public website provider, Squarespace (<https://www.squarespace.com>), which would be a more international provider offering similar services. Having strategic partnerships like this would also allow Wild Rose digital to work with one main interface and control panel of services. Support

issues can be dealt with swiftly as the service would be provided as part of a strategic relationship.

#### 5.1.9 Location

Wild Rose Digital will be located in an office space at the owner's personal place of residence in Rauma, Finland. The company is a one-person company and the work is entirely digital, which does not require separate office space elsewhere. Due to the nature of the work, should the company grow to require more employees, the work can continue regardless of physical locations as communications can be done through internet communication tools and phone.

#### 5.2 The Financials

<b>EXPENDITURE REQUIREMENTS</b>	<b>EUR</b>
<b>Cost of establishing the business</b>	75
<b>Internet &amp; phone</b>	900
<b>Software (Office365 and creative software)</b>	850
<b>Marketing</b>	500
<b>Cash reserve</b>	600
<b>TOTAL EXPENDITURE REQUIREMENT</b>	<b>2 885</b>

<b>SOURCES OF FUNDING</b>	<b>EUR</b>
Equity	
<b>Personal cash investments</b>	2 885
Loan capital	
<b>Bank loans</b>	
<b>Finnvera loans</b>	
<b>Other loans</b>	
<b>TOTAL SOURCES OF FUNDING</b>	<b>2 885</b>

The thinking behind the calculations above derives from the principle of starting a business from a residential office with as little start-up funding required as possible



while still enabling the business to be functional from its conception. The above tables represent one-time fees to establish the business and cover initial licensing and key utility fees for a one-year period. To begin with, Wild Rose Digital would be established as a private trader company and according to the Finnish trade register, would require 75€ if applying online. As the business almost exclusively requires the use of internet for acquiring and delivering its services, there is a 900€ annual cost to maintain that basic infrastructure covering fibre optic broadband services including phone whereas license subscriptions encompass 850€ annually. As the company is new, exposure is important and thus a marketing allocation of 500€ is put aside to use in various ways throughout the first year. Approximately 20% allocation is put aside as a cash reserve in case additional costs or services are required. As the owner already owns a computer, camera, phone, and office equipment, no loans are required initially, keeping the overall funding expenditure at 2 885€ which is covered as a personal cash investment.

<b>PROFITABILITY CALCULATION</b>		
	Monthly EUR	Annual EUR
<b>Target profit (net) (salary)</b>	2 000	24 000
<b>INCOME AFTER TAXES</b>	<b>2 000</b>	<b>24 000</b>
<b>+ taxes (22%)</b>	440	5 280
<b>= Funding requirement</b>	2 440	29 280
<b>A. OPERATING MARGIN</b>	<b>2 440</b>	<b>29 280</b>
<b>+ Fixed costs</b>		
<b>YEL premium (18,798%) (annual salary of €12 576)</b>	197	2 364
<b>Insurance</b>	100	1 200
<b>Wages and salaries</b>		
<b>Indirect remuneration costs</b>		
<b>Costs relating to premises</b>		
<b>Repairs and maintenance</b>		
<b>Communication costs (phone, internet, etc)</b>	75	900
<b>Office expenses</b>	20	240
<b>Travel and car expenses, incl daily allowance</b>	20	240
<b>Marketing expenses</b>	50	600
<b>Bookkeeping, auditing, tax returns, etc</b>	20	240
<b>Unemployment fund/trade union</b>	30	360
<b>Other costs</b>	0	0
<b>B. TOTAL FIXED COSTS</b>	<b>512</b>	<b>6 144</b>
<b>SALES MARGIN REQUIRED (A+B)</b>	<b>2 952</b>	<b>35 424</b>
<b>NET SALES REQUIRED</b>	<b>2 952</b>	<b>35 424</b>
<b>+ VAT 24%</b>	708,48	8 501,76
<b>TOTAL SALES REQUIRED</b>	<b>3 660,48</b>	<b>43 925,76</b>

The profitability calculation is a way to measure the capacity for the company to make a profit. The above table shows the desired monthly profit to be 2000€. This is the starting point which needs to factor in personal income taxes which sits around 22% as a general median income tax percentage for the owner. If there were any loan payments to be made, they would be calculated here as well which, collectively reveals the operating margin. This area includes the base amount to be paid to the YEL

retirement fund, which is based on a minimum annual salary of €12 576. Wild Rose Digital will make payments based on the minimum to start with in order to free up as much capital as possible for reinvestment into the company.

The costs area is next which includes insurances and other administrative related costs such as internet and phone, office, travel and car, bookkeeping, marketing, and unemployment/trade union expenses. There are others, but they are omitted as they are not relevant for this company at the time of the creation of the business plan. These expenses are added together, revealing the fixed costs of the business. The operating margin and the total fixed costs are added together and that shows the sales margin, which tells how much sales must be made in order to cover operating and fixed costs of the company.

MONTHLY SALES CALCULATION							
Service	Creative Staffing 1	Creative staffing 2	Creative Graphics	DNA Delve	Creative Social	Creative Video	TOTAL VAT 0%
Price	40€	40€	28€	40€	28€	40€	
Costs							
Margin							
Sales quantity	20 h	25 h	25 h	15 h	15 h	20 h	120 h
Total Sales	800€	1 000€	700€	600€	420€	1 000€	4 520€
Total Purchases	20€	50€	50€	20€	20€	10€	170€
Margin							<b>4 350€</b>

The above monthly sales calculation table show six different income streams of Wild Rose Digital's service offerings. Each area has an hourly value and an estimation of the number of hours per month to be allocated to a given service channel. While most employees tend to work a 37,5-hour week or 150 hours per month, the hours allocated to Wild Rose Digital technical work amounts to a 30-hour work week or 120 hours per month. The remaining 30 hours are reserved intentionally to administration tasks,

marketing, customer acquisition, travel, meetings, etc. Planning according to this prevents burnout and falling behind in the tasks involved in actually keeping the business running. As this is a digital company, there is very little need for additional costs in purchases but there is an allocation for purchases in any case, for things such as some additional software or buying stock photos and videos to support the deliverables being provided for the customer.

Notes: Total sales versus net sales explained

According to the profitability calculation, the business would have to generate a sales volume of €2 952 per month or €35 424 annually. It's also important to calculate holiday time into the calculation to avoid potential serious fatigue in the long run so a one-month holiday is calculated into the result. This means that the €35 424 is divided by 11 months which is equal to €3 220,46, which is the amount the business must make each month (plus VAT tax) in order to keep that holiday month possible. In the sales calculation table, the net sales are set at approximately €5 400, which leaves some room for flexibility during time that are slower business months.

Notes: Sales margin explained

According to the profitability calculation, the business's sales margin is €2 952 per month or €35 424 annually. As with the above net sales explanation, a holiday month must be calculated as well. The sales calculation for margin is €4 350 which is multiplied by 11 months, equaling €47 850, which comparing to the annual target of €35 424 leaves a potential difference of approximately €12 426 to the business to use as reinvestment, development, or to cover for slower business months.

### 5.3 Marketing Communications Plan

#### 5.3.1 Overview and Goals

The marketing plan is developed as a supportive document to supplement Wild Rose Digital's own goals and strategies which are derived from market research and sample interviews with small business owners, non-profit organization representatives, and Church organization leaders. The knowledge gained from this research is taken into

account with the marketing plan. The initial actions will include ensuring a web presence that is search engine optimized as well as start a social media account aimed at building awareness of the company. Additionally, relationships with non-profit organizations and churches will be high in priority which will be supplemented through promotional material and through ready delivered business case references.

### **Goals of the Marketing Strategy**

- Creating a trustworthy brand
- Building a customer base
- Increase sales

### 5.3.2 Market Analysis

#### **Target Markets**

Regarding locations to focus on. Wild Rose Digital targets its efforts towards the small businesses and non-profit organizations in the immediate Satakunta / Varsinais-Suomi area, expanding nationally as the brand and opportunity arises. Due to the nature of working online, physical location is no longer an obstacle for doing international business. If the opportunity arises, Wild Rose Digital will evaluate accordingly, but is intentionally targeting Finland initially so as to build up credibility and a portfolio. International expansion is an area for the future and will likely involve entry into the Canadian market as it is the home country of the owner and the working culture is familiar. Market research will need to be done, however, prior to making a final decision to take contact abroad.

As for customers locally, they tend to be the focal point for all businesses, Wild Rose Digital will take the idea further by providing a level of customer service that far exceeds the standards typically found in Finland. The aim of the customer experience is to ensure they receive a positive encounter with Wild Rose Digital and that real results are delivered as agreed without excuses. Moreover, the company aims to have a good rapport with its customers so as to have referrals from them to new potential customers and organizations, thereby increasing awareness in a more organic way. The company's target customer segments are:

- Small business owners
- Non-profit organizations
- Churches

<b>Target Market Segment</b>	<b>Who are they</b>
Small businesses	<ul style="list-style-type: none"> <li>- Looking to expand their outreach</li> <li>- Unable to keep up with marketing matters regularly</li> </ul>
Non-profit organizations	<ul style="list-style-type: none"> <li>- Volunteer-based, skillset is limited</li> <li>- Understanding of marketing not a core competency</li> <li>- Operative focus more than strategic focus</li> </ul>
Churches	<ul style="list-style-type: none"> <li>- Volunteer-based. Consistency of work is questionable</li> <li>- Various levels of bureaucracy depending on church, denomination, and age.</li> <li>- Challenges to see the relevancy gap between Church and culture</li> </ul>

Table 1. Breakdown of target market segments. (author, 2018)

### **Value Propositions**

Wild Rose Digital provides the following value propositions for its customers / customer groups.

Creative staff resourcing – No more contracts. No extra employee costs. The creative staffing option allows customers to hire services on demand or by project to help with their business needs. This can be executing digital-based projects, providing graphical services, or through providing marketing services on the company website and/or social media. This frees up the entrepreneur to concentrate on the tasks directly important to them and their daily activities.

North American customer service – It's widely known that the level of customer service provided in the US/Canada tends to be of the highest standard. The customer needs to feel important, listened to, needs to be understood, and results delivered. Many companies do not care to provide such a level of service. Wild Rose digital's owner understands the difference and also understands the traits in North American customer service that cause people to feel uncomfortable. There is room to improve and show what can be a leading company in providing excellent customer service.

Unique working model – Wild Rose Digital provides real choice for the small business and non-profit customers unlike any other digital media company. The possibility to hire per project versus hiring on demand provides flexibility that the small business industry and non-profit organizations would value. Additionally, the company aims to provide subscription-based services to a perpetually growing image bank where businesses and non-profits would be able to legally choose from hundreds of pictures to use for their digital marketing needs.

### 5.3.3 Description of potential competitors

Creative Church Staffing – While not a direct local competitor, the company provides services not only within the United States but also Canada. The company has staff dispersed across the country and thus physical location is not an obstacle, thereby being possible to compete should it want to expand its operations in Finland.

[www.creativechurch.co](http://www.creativechurch.co)

Bonde – is a local company focusing on branding, content production, and social media services. The company provides also personal trainer services in the areas of marketing and communications issues where it coaches and educates customers towards doing things in the right way.

Valtakatu 7 B  
26100 Rauma  
Phone: 040 071 2171  
[www.bonde.fi](http://www.bonde.fi)

Lovetus - is a visual styling office providing services to make companies better, fresher and stronger. Established in 2016, this one-person company specializes in branding and company design, which translates into several service offerings including website design, graphic design, conference pop up design, as well as help with business' strategy and vision.

kati @lovetus.fi  
+358 (0)50 380 1965  
<https://lovetus.fi>

Digitelakka –Specializing in wordpress web design, graphical design, and digital marketing, Digitelakka is probably to most direct competitor to Wild Rose Digital. The company is local and is supporting local businesses with digital marketing and branding solutions.

Tehtaankatu 5  
26100 Rauma  
<https://www.digitelakka.com>

#### 5.3.4 Wild Rose Digital's Competitive Advantage

Wild Rose Digital will be successful in delivering digital marketing services as there exists a clear and present need for small businesses and non-profit organizations to become more relevant in the online space and to help build a customer community loyal to them. The business environment today requires even more from entrepreneurs and non-profit representatives. Competition is learning that there is a battle to be won in the online space, leaving many entrepreneurs far behind in terms of marketing and communicating to its current and potential customers.



Wild Rose Digital's services aim to help by providing staff-for-hire and project-based resourcing to help alleviate the pressure on entrepreneurs and non-profit organizations. This is done through having access to skilled resources that can help with marketing and communications through better usage of website and social media platforms to raise awareness of the company's brand through targeted marketing and customer engagement.

The management experience of Wild Rose Digital's owner, Christopher Klemm, is a key advantage as he has over 13 years' experience in the field and brings with him his nationality and culture, which is based on a superior level of customer service, unlike anything experienced in Finland before. He is very passionate about treating each individual with respect and honour and is committed to solving problems.

#### 5.3.5 Market Trends

Wild Rose digital believes it will provide services in a niche but important market space where the balance between cost, opportunity, and time become key factors for determining what activities an entrepreneur invests in. While website development is nothing new, what is new is the integrated marketing activities between website and social media. There is a trend amongst entrepreneurs according to a 2016 survey reported by Inc.com, that reveals that 59% of entrepreneurs could make better use of social media. This is where Wild Rose digital aims to deliver.

There are gaps existing in the small business and non-profit markets where brand awareness is concerned. Entrepreneurs and non-profit leaders need to do better in order to compete and stay relevant in the space they exist in. Digital marketing is key and this includes more than just a poorly maintained website and facebook page. To compete, it is important to gain attention and to stay relevant in several spaces online. A lot of online marketing is moving towards including visual content and graphics as a part of the marketing strategy and this often involves more time and knowledge than the busy entrepreneur or non-profit organization can dedicate resources to.

Video content is growing in popularity as a medium to increase exposure and improve ROI. During a 2017 survey, over 63% of businesses using video to market are getting over 83% ROI for their efforts and intend to spend more money on video productions in the future as well. Interestingly, out of the 37% that do not use video admit to being convinced to buy a product or service because of watching a business brand's video. There is clearly a need to compete for space and room to acquire new customers as well.

### 5.3.6 Marketing Strategy

#### **Overview**

Wild Rose Digital aims to compete in the fields of digital marketing and branding. While there is a lot of competition in the fields of marketing and even branding services, there is a space of opportunity to provide supportive services in social media marketing and integration of social interaction to existing website services, cultivating a loyal community of customer. All of this done by staff-hire and project-based hiring models allow the small business owner and non-profit organizations to focus on their core daily tasks. The marketing strategy is to increase awareness of the company and perform activities that will attract new customers and transform them into satisfied regular ones. To do this, the company will use the concepts derived from the five concepts in integrated marketing communications techniques and focus on digital advertising and build a social community resulting in a more organic, but loyal following.

#### **Goals**

- Goal #1 - Increase awareness and exposure
- Goal #2 – Build a brand recognition
- Goal #3 – Attract new clients

#### **Product**

- The 'product' of Wild Rose Digital consists of digital marketing services aimed to improve the design, quality, branding, and value for the customer. These services are delivered in different branded packages designed to deliver

specific services to the customer, selling what is needed and not anything extra for more money.

- Additionally, another ‘product’ of the service is the customer service itself, provided by the owner. Customers will get ‘an experience’ where they will feel listened to, understood, and get the value and deliverables they were expecting.
- Services are mainly acquired via the company website through inquiry and are followed up by the owner.

### **Price**

- Pricing strategy. Wild Rose Digital’s pricing strategy is based in euros and is influenced greatly from competition prices. After evaluating the competition, their education, and competencies, the pricing was set accordingly which is within competitive levels

### **Place**

- Online website. The Wild Rose Digital website will be used to promote the company and its offerings and allow the customer to make inquiries for specific service needs they would have.
- Social Media. The company will have a web presence in social media platforms that will be branded in a similar manner as the website. The role of social media for the company is to build awareness, engage with the community, and to draw interested parties back to the website where there will be more information, news, and promotions.

### **Promotion**

- Social Media. It will play a major role in bringing awareness to the general public. Social media has an immediate and personalized effect. Through the use of targeted marketing ads, the probability of reaching the correct target group/users is high.
- Search Engine Optimization (SEO). Adding relevant tags and terms will bring people more easily to the company website as it becomes more findable through search engine results.

- Sponsorships. To increasing exposure and awareness of the company through sponsoring young peoples' sports and other hobbies.
- Personal selling. Used by the owner in limited fashion when in favourable circumstances
- Discounts. Advertised from time to time to help generate more business together with the use of targeted ads as well as increase the traffic to the company website.

## **People**

- Advice and Sales Support. This has to be a role that is taken in any business and Wild Rose Digital is no different. Sales and advice are key elements to making an inquiry into a sale or even aftersales sale.
- Customer Service. North American customer service is nearly unheard of in Finland. What is heard of is a very poor level of customer service. It's been said "the customer is always right" but in practice, in Europe, "the business is always right." This will change as Wild Rose Digital will live by high standards of customer service where the customer feels important, listened to, and understood.
- Exhibitions. These are targets of opportunity in certain places, exhibitions could be good places to network and increase awareness of the company and its competencies. Not only could this be a way to make new customer contacts, but it could be a good way to network with new potential strategic partners.
- Social Media engagement. This is one of the single most critical methods of communicating with the community. In order to build awareness, the company will need to put the work in to build a community, engage with it so as to build credibility and loyalty. It's the community building that is critical to an eventual return on investment through acquisition of already loyal customers who have an affection for the company and its brand.

## **Process**

- Inquiries. Simplifying the process for potential customers to have the ability to ask more information regarding the services the company provides through a

semi-structured form significantly speeds up the process and allows both parties to more quickly address the need more efficiently.

- Payments. Wild Rose Digital will take paypal into use to speed the payment process along whilst keeping the transaction secure for both parties.

### **Physical Evidence**

- Webpage traffic. Analytics reports are to be used to evaluate the effectiveness of the marketing in how it affects the traffic coming to the website, including what pages they look at, how long, and from which locations. Analytics reports are great sources of information to further help focus marketing and increase the traffic even further which end results are of course to lead to more sales.
- Awards. As the business matures and grows, the customer satisfaction award is a goal for Wild Rose Digital. It's an important indication of how people perceive the service levels to be and that is an important face and value of the company to the customers.

### **Productivity & Quality**

- Feedback. As part of customer service and for quality control, feedback will be asked from customers after they have received the company's services. The same will be asked from customers that inquire but, in the end, decided not to buy services from the company. This is done so as to better understand the people interested in the services and to make adjustments/improvements accordingly where feasible.

#### **5.3.7 Communication channels**

As this company is focusing on mainly digital marketing and branding, it becomes obvious that the communications should also focus on its core competency areas as well in terms of marketing and communications. Integrated marketing communications ensures that all major forms of communications are interlinked to support the main message through various platforms. In practice, Wild Rose Digital will focus its marketing efforts in: Digital, Social Media, Traditional advertising, Public Relations, and even using some Guerilla tactics

### Digital marketing

- Website - Regularly maintained relevant web content that showcases the company and its competency areas.
- Search Engine Optimization (SEO) – SEO improvements can be made to better ensure top level search results when customers are looking for digital marketing services.
- Google and Facebook ads – to increase awareness of the company to a more targeted set of groups that would be more inclined to use the company’s services.

### Social media

- Advertising will focus mainly on Facebook, YouTube, and Instagram. All three platforms have video capabilities and attract the most viewers and followers at the moment.
- Additionally, a twitter account will be opened and actively used to advertise the videos made on the above three platforms as well as refer people back to the company’s website where campaigns, sales, or discounts will be advertised

### Traditional advertising

- Periodic advertisements placed will focus on church internal newspapers and will be an important initial step when starting the company so as to increase the awareness of its existence within this important segment.

### Public relations

- Public relations are an important outlet for the company to increase its exposure as well as take opportunities to support various events, charities, or causes.
- Youth are close to the heart of the owner and the company could get involved in contests and sponsorships that support healthy options for youth to express themselves creatively or physically through various hobbies and events.

### Guerilla tactics

- In the church circles, there are conferences, events, and concerts that occur throughout the year. Utilizing social media as a platform to increase exposure of the company, campaigns can be used to market both the event and the company through using hashtags and pictures of people at the event. Different kinds of marketing focused scavenger hunts can be used to get people involved in supporting the company's supported cause while increasing the exposure of the company.

It should be mentioned that while all of the above methods have plans defined for each of them, Wild Rose Digital is a one-person startup company with limited funds to allocate to simultaneous marketing methods and campaigns. Instead, it will be necessary to selectively choose specific methods to be strategically used at any given time.

## 6 CONCLUSION

This study was done in order to study and plan the key steps in preparing a business plan for starting a new small digital media business in the Finnish market and to test the viability of such an idea. The theory was based on a conceptual framework involving a multi-tiered approach starting from the basic business idea and putting it to the test through thorough analysis. The analysis identified environmental conditions, the competition, and one's own strengths and weaknesses as well as identifying opportunities and threats. An interview held individually with several entrepreneurs and non-profit representatives revealed their realities in their organizations as they perceived and experienced it. The results of the interviews were interpreted and combined with the analysis results which provided enough data to work with to actually construct the business plan and marketing communications plan, which was the last tier in the conceptual framework.

The analyses used were SWOT, PEST, Porter's five forces, as well as analyzing competitors. A business model canvas was used to map out the various aspects of the business as well. PEST gave an opportunity to analyze the external environment of the

country that the business would be established in, taking a critical look into Finland's political, economic, social and technological status and evaluating if the country is a viable and stable candidate to establish a business in. With Finland being one of the most stable and favourable nations in the world, there was little in this exercise that raised cause for concern with regards to establishing a business.

A mirror-like exercise analyzing the potential company's and owner's own strengths, weaknesses, opportunities, and threats gave a self-critical view determining where certain advantages and risks could be existing. This exercise helped address the opportunities that could be expanded upon and polished into competitive advantages for the company. At the same time, threats and weaknesses revealed areas that could be further pondered upon and actions put to a plan to mitigate those risks from becoming a detriment to the company's future success.

Once the opportunities and risks were identified, it made sense to further analyze the business idea against Porter's five forces, which address entry barriers, threat of substitution, buyer power, supplier power, and competitive rivalry. From this exercise, moderate threats exist as the business idea itself is not proprietary and can be freely replicated by others. The barriers to start a digital media company are reasonably small and with many young people today being so proficient with social media and video production, there could well be a risk of increased competition in some aspects of the business. Additionally, with Finland's strengths in supporting new businesses, it becomes also a risk in that more people who are needing work could also try to make a living in the digital realm. Grants are more available, and skills can be easily acquired from online courses that competition can become a regular challenge in some areas. There is quite a variance between different suppliers as well, between larger companies with larger resource pools versus the smaller companies who are reliant on customers who make it difficult by significantly lowering their prices because of their need to have work. Competition is clearly the biggest threat existing and the only ways to deal with it are to a) be better than the rest, b) be cheaper than the rest or, c) differentiate yourself from the rest.

Which leads us to competitor analysis, a process that looks into the potential competition for your company. For the purpose of this thesis, there were four chosen subject



companies, three of which were local and one was located in the United States. As was revealed in the porter's five forces analysis, competition is clearly a challenge to contend with in the digital realm. The very nature of digital media means it's not location dependent which, in theory, means that business can be done globally and that presents a whole new challenge that is outside the scope of this thesis. However, locally, it can already be seen that all of the same companies can do what the subject company is planning to do. There is little technical reason that prevents one from doing what another digital media company is doing. The only exceptions come from differentiation and skill gap. Skill gap is manageable with time and practice but it relates more to differentiating one's company that defines the true competition. A company may well have certain skills, such as video production, but if the company is not wanting to put focus to that, the skills alone do not matter. Rather it is the conscious decision to differentiate through strategic choices. Another example is service differentiation, which is the main focus of the subject company in that it aims to provide a superior level of customer service unlike any of the local competition. This is a differentiation that, while might not exist in a technical level, but on a personal level, the differentiation may well be difficult to compete with. The subject company, Wild Rose Digital, aims to differentiate mainly through providing a superior customer experience, which is something that can be branded and that is very hard to compete with.

Finally, in the process of analysis, is the blueprinting of a company using a business model canvas, a template designed to evaluate its feasibility, desirability, and viability all in one place. The business model canvas is divided into nine different areas covering key partners, key activities, key resources, value propositions, customer relationships, channels, customer segments, cost structure, and revenue streams. This exercise is critically important and gives a quick, helicopter view of the business, its needs, its uniqueness, its segments and means to communicate with them, and what kind of costs and revenues are involved. This exercise allows one to branch off deeper into each section and carefully plan out the different aspects of the company and what emphasis would be needed and where.

At this point, several analysis work was done and compiled. After analyzing the external factors, own strengths and weaknesses, mapping out the business idea, analyzing external effects to that idea, and finally putting that up against the competition gives

plenty of material from which to begin constructing the business plan. Despite having great information to work with, one aspect was still left to research and that was to actually talk with potential customers. Some of the people approached were identified as being people that could be using these types of services or techniques already or then they are people representing companies that have no idea or have limited levels of time and understanding of what is possible to be done in the digital realm.

In order to find out any information of value, an entire process of interviews was set up to be held with each individual. The research method used to plan the questions of the interview and to interpret the resulting data was based on qualitative approach. The reasoning behind that was a) number of people to be interviewed was too small for statistical validity and b) because the subject matter is very intangible and individualistic in nature and thus more subjective to each individual interviewed. The interviews were done using a structured interview in person or by phone in order to best accommodate the interviewee. The same set of questions were asked from each interviewee. The survey was split into two parts: Consumer perspective and organization/small business perspective. This was done purposefully in order to gauge if there was a correlation between individual opinions versus their professional opinions around the same subject matter. The specific questions can be seen from the appendix.

The interviews revealed interesting opinions and patterns starting with the section focusing on the consumer perspective. Regardless of media type, if the subject matter doesn't interest them, it will most likely go unnoticed. Price and value were key themes throughout all discussions as well as trust and credibility, which are important issues when considering marketing's ability to catch the eye of the target market. All respondents contended that the role of digital vs paper is changing rapidly, with digital providing more value overall. Digital is more invasive but tends to be targeted and thus raise more interest generally than the printed media that's found from the kitchen table.

As for the organization and small business perspective, there were also interesting patterns. Time plays a huge role in every organization's ability to focus more attention to marketing. They each realize that their credibility is important but are not able to consistently work to improve it through their marketing or branding efforts. Digital media is the overwhelming choice for marketing due to its lower relative cost vs effectiveness

in targeting the right people. There is a unified view that recognizes the need for a company website but the response also varied in terms of which medium was considered most important and useful for them. Some responded with social media platforms being the key medium to reach the customers whereas some felt the website was the main place of information. Video was also mentioned as an increasingly valuable tool to market the organization's brand or services and that there would be opportunities to explore there since the consumption of video is increasing and easily accessible. There was a general consensus, however, that social media is important to engage with customers but there exists a lack of time and competency to do something about it. Most interviewees responded favourably to the idea of hiring a third-party company to assist them with various aspects of the organization's marketing and branding as lack of time and/or competencies continue to impede them from doing that effectively on their own.

The information coming from the interviews was quite vital combined with the data extracted from the various analyses that were done. The ultimate question of whether there was a need for a new digital media company still needed to be answered. There was certainly evidence to make the case of a need based on the interviews but there was also evidence of a lot of potential competition in the same space. Referring back to the original business idea and to the business model canvas helped to start the process of formulating the business idea into a tangible business plan and marketing plan. Realizing the probable risk of competition occurring, the key was then to focus efforts on differentiation in the planning of the business.

For the subject company, Wild Rose Digital, it was most important to focus on differentiation in three main areas: A unique working model, superior North American style customer experience, and flexible service offerings. Additionally, the idea to strategically target the church segment in the country is something most digital media companies skip altogether. The business plan was largely built around these propositions to formulate a business that could compete in a growing market.

The objectives of this thesis focused heavily on how to plan for a new digital media company to be established, how to determine the needs within the market(s) for digital services, and how to make a subsequent marketing communications plan to target the right set of customers. With the guidance of the conceptual framework, credible

information was acquired that contributed to a tangible business and marketing communications plan for consideration.

Is the business viable? It can be viable. However, it is important to note a few things. The competition is existing, and indications make it easy to conclude that it will continue to grow. Additionally, while most of the organization representatives answered favourably to the idea of acquiring third-party support in handling their respective organization's digital marketing and branding activities and projects, it's equally important to also recall one of the key factors affecting them as individual consumers, which is price. Price coupled with competition makes for conditions that could be very difficult for the entrepreneur to make a consistent salary from. Additionally, while a purposely chosen strategic differentiation factor, there are many churches in the church segment who are not doing well financially and/or require a significant amount of education on the matter of digital marketing in order for them to consider hiring the services. This puts additional pressure on Wild Rose Digital to seek business in more conventional markets to compensate until the church segment starts to become more profitable. This could put a significant amount of pressure on the business to remain viable, despite having other skills, values, and differentiations to lean on. While the small business market is vast, it is also quite segregated and diverse, and many in the segment are struggling to make ends meet as-is. The slice of the pie could get thinner and more businesses are vying for that slice.

On the other hand, as with any business, it only takes that one special customer that allow companies to build and grow from. One customer that believes and is loyal to the business providing digital media services. Particularly, in the small business field with very little overhead costs, an entrepreneur can work a lot, even if for little, for several customers and still thrive. This is where a focused and organized entrepreneur can make calculated decisions in a rather competitive market such as this and still do well enough.

It is clear from the research of this thesis that planning is very important to have any chance of success in any business. Additionally, regular personal development and goal and objective-oriented working will no doubt increase the ability to move the business forward in the right direction. Is the business viable? If it's intended to work

as an independent full-time business that relies on the model of the business alone, it would struggle greatly to gain a foothold. However, if the business is set up as a side business and adding the right person, there is room to acquire a limited customer base that could include some regular customers as well as additional potential project-based work. What could become a possibility is that the business remains a side business for a period, during which, the business works to build up a portfolio and brand which could lead to more work where it may be possible to move the business into full-time but this is left to speculation based on time and results in the future.

This thesis has provided benefits in several aspects. It is suspected that trying to establish a digital media business as full-time business would be very difficult to maintain. The competition is very strong and the capacity to acquire customers that finance the company operations enough to expand is limited. Doing this part time is viable with the current business model until such time that a portfolio can be built and time to fulfill increasing amounts of customer requests diminishes. The thesis itself also helped, through utilizing the steps in the conceptual framework, by defining a clear pathway to follow in taking a business idea and systematically research it into an eventual tangible business plan. The interviews provided the most value and while more interviews could have been held, the amount that were chosen represented the *initial market* of focus for the business and provided valuable insight into how people and their respective organizations think.

As for further study, there are a few angles to consider. One option could be to do an extensive quantitative analysis focusing only on small businesses to determine what digital services they would feel they would need and whether they would buy them externally or not. This study implemented a qualitative research to focus on specific small businesses and organizations in order to get a better understanding of the way of thinking of the individual as a consumer vs the decisions they make as entrepreneurs or decision-makers in their organizations.

Another angle to study is to change the focus away from the Finnish market and study the possibilities of focusing solely on international business. The nature of the business activities and technology allows business to be done globally. It would be rather interesting to determine if there would be better opportunities to build a digital media

company with the customer base being mostly outside of Finland. There could also be an extension to the study to determine the factors that are involved in finding new customers abroad.

Lastly, there could be a very interesting option to consider studying the radical changing of the company business model to be one that is built around a YouTube channel, where the company is focusing on producing regular and interesting content with videos and tutorials that showcase the skills of the owner. This method could build a following that is organically created and would generate exposure and gradually build an income via YouTube's income streams that also could lead to more work opportunities.

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APPENDIX 1

<p><b>Key Partners</b> </p> <ul style="list-style-type: none"> <li>- Other digital media companies</li> <li>- Hosting partners (server &amp; domain)</li> </ul>	<p><b>Key Activities</b> </p> <ul style="list-style-type: none"> <li>- Social Media</li> <li>- Web Branding</li> <li>- Marketing &amp; Sales</li> </ul>	<p><b>Value Proposition</b> </p> <ul style="list-style-type: none"> <li>- Unique working model</li> <li>- North American-style customer service</li> <li>- Flexible service offering</li> </ul> <p>We believe in the entrepreneur's dream to succeed. Our purpose is to partner them towards that success with superior customer service that yields ~real~ results!</p>	<p><b>Customer Relationships</b> </p> <ul style="list-style-type: none"> <li>- Social media interaction</li> <li>- Face-to-face meetings</li> <li>- Events &amp; exhibitions</li> </ul>	<p><b>Customer Segments</b> </p> <ul style="list-style-type: none"> <li>- Churches</li> <li>- Small Businesses</li> <li>- Non-profit Organizations</li> </ul>
<p><b>Key Resources</b> </p> <ul style="list-style-type: none"> <li>- Workstation investment</li> <li>- Licenses for software</li> </ul>			<p><b>Channels</b> </p> <ul style="list-style-type: none"> <li>- Company website</li> <li>- Social media platforms</li> <li>- Exhibits &amp; events</li> </ul>	
<p><b>Cost Structure</b> </p> <ul style="list-style-type: none"> <li>- Consultancy Services</li> <li>- Hosting fees</li> <li>- Licensing fees</li> <li>- Marketing</li> </ul>			<p><b>Revenue Streams</b> </p> <ul style="list-style-type: none"> <li>- Website construction</li> <li>- Staffing fees</li> <li>- Media production (pictures &amp; video)</li> <li>- Subscriptions</li> </ul>	

## APPENDIX 2

## Appendix 2. Interview questions

## Consumer perspective

1. How influenced are you when viewing marketing ads about services and products you are interested in?
2. What are the contributing factors that marketing plays in influencing you to buy services and products you are interested in?
3. What media do you use when seeing advertisements about products or services that interest you? Digital or print? Why?
4. How likely are you to share those advertisements with friends and family? Why?
5. If you answer 'likely' to question 4, does the media type (print vs digital) matter when sharing with your friends and family?

## Organization/small business perspective

1. How much time do you use on marketing your organization or business? Is it enough for you or do you feel that more focus is needed? Why or why not?
2. What is your preferred source for marketing and communicating? Print Media or Digital Media?
  - a. Why do you choose Print media over digital?
  - b. Why do you choose Digital media over print?
3. If you prefer print, what is your preferred frequency of marketing and why?
4. If you prefer digital, what is your preferred platform(s) and why?
5. How often do you utilize digital media to market your organization or business? Do you engage with followers/customers on social media? Why or why not?
6. How do you gauge the effectiveness of your marketing and advertising currently?
7. Is it enough for you or would you want to focus on it more regularly? What's keeping you from doing that?
8. Where do you want to focus your marketing efforts to and why?

9. What value does marketing and communicating about your service or product provide you?
10. Would you consider buying services from a company that would take care of marketing and branding on your behalf?

## APPENDIX 3

	Own company	Creative Church Staffing	Lovetus	Bonde	Digitelakka
Strengths	<ul style="list-style-type: none"> <li>- Customer Focused</li> <li>- Can effectively 'translate' customer needs to real deliverables</li> <li>- Small, therefore need every single customer satisfied</li> </ul>	<ul style="list-style-type: none"> <li>- Established and experienced in the largest single consumer market (USA)</li> <li>- Large staff. Able to juggle projects according to priorities</li> </ul>	<ul style="list-style-type: none"> <li>- One-person company</li> <li>- Skilled with an eye for design</li> <li>- Local company, local feel for local small businesses</li> <li>- Owner educated in marketing</li> </ul>	<ul style="list-style-type: none"> <li>- Local company, local feel for local small businesses</li> <li>- Invested in people that are heavily skilled in marketing and communications</li> </ul>	<ul style="list-style-type: none"> <li>- Local company, local feel for local small businesses</li> <li>- Local trust</li> <li>- Established and growth made through continuous improvements expanding competencies. shareholders.</li> </ul>
Weaknesses	<ul style="list-style-type: none"> <li>- Lack of experience</li> <li>- One-person company. Need many customers but only one person to fulfill requests.</li> </ul>	<ul style="list-style-type: none"> <li>- Focused to one specific sector: churches</li> <li>- Too costly for the average church</li> <li>- Targeting larger churches only</li> </ul>	<ul style="list-style-type: none"> <li>- One-person company. Limited resourcing</li> <li>- Marketing / awareness has been relatively weak</li> </ul>	<ul style="list-style-type: none"> <li>- Very "Rauma-based" company</li> <li>- Still developing its core brand and competencies</li> </ul>	<ul style="list-style-type: none"> <li>- Very "Rauma-based" company</li> <li>- Small company. More volatile to outside changes and pressures</li> </ul>
Opportunities	<ul style="list-style-type: none"> <li>- Carve out a niche in the Finnish market with staffing-for-hire concept</li> <li>- Global potential through use of technology</li> </ul>	<ul style="list-style-type: none"> <li>- Good benchmarking example to disruptively create a niche in Finland</li> <li>- Could adapt a longer-term alternative vision with intent to</li> </ul>	<ul style="list-style-type: none"> <li>- No staffing-for-hire concept</li> </ul>	<ul style="list-style-type: none"> <li>- Could act as a strategic business partner in certain projects</li> <li>- Limited staffing-for-hire concept</li> </ul>	<ul style="list-style-type: none"> <li>- Could act as a strategic business partner in certain projects</li> <li>- No staffing-for-hire concept</li> </ul>

		merge own company into Creative Church staffing or sell as a European branch for their expansion			
Threats	<ul style="list-style-type: none"> <li>- More established companies pick up on the idea and deliver themselves</li> <li>- Limited initial skill-set = limited initial offering for the customer</li> <li>- Competition globally with local partners</li> </ul>	<ul style="list-style-type: none"> <li>- Large, experienced staff allows for further expansion</li> </ul>	<ul style="list-style-type: none"> <li>- Small company. Has price flexibility to compete</li> <li>- Already has a good portfolio. Proven background</li> <li>- Has a good eye for what looks good</li> </ul>	<ul style="list-style-type: none"> <li>- Direct competition in website development and social media content management services</li> </ul>	<ul style="list-style-type: none"> <li>- Small company, local feel. Trusted local source.</li> <li>- For Rauma, by Rauma people</li> <li>- Prices are competitive to Wild Rose but with more capacity to deliver.</li> </ul>