



SERVICE DEVELOPMENT PLAN
CASE: SONG COMMUNITY OY



Sorri, Risto

2009 Leppävaara

Laurea University of Applied Sciences
Laurea Leppävaara

**SERVICE DEVELOPMENT PLAN
CASE: SONG COMMUNITY OY**

Risto Sorri
Degree Programme in Business
Management
Thesis
November, 2009

Laurea University of Applied Sciences
 Laurea Leppävaara
 Degree Programme in Business Management
 International Business-to-Business Marketing

Abstract

Risto Sorri

Service Development Plan, Case Company: Song Community Oy

Year	2009	Pages	62
------	------	-------	----

The reason for this thesis is to do a research about Song Community Oy's present situation and predict the future of the company. The thesis is prepared for Song Community Oy which specializes in the music business on the Internet based on principles of social media and crowdsourcing.

The study areas incorporated user research, as well as Song Community as the channel of Web 2.0 type of communication. The purpose is also to research what users are searching for when downloading music or using services like Song Community, and what different user groups might search for in commercial online music services.

Such in-depth research has not been conducted yet and is much needed. The author of the thesis personally worked for Miccia Oy (Song Community's parent company) 2 months for the second job placement, so choosing Song Community was natural. The author of the thesis is interested in the case company and how it could be developed.

The theoretical framework offered consists of product development, product life cycle, commercialization, marketing communication and S.W.O.T analysis. The theoretical context will be supported by the concepts of Web 2.0, crowdsourcing, brainstorming, globalization and information society.

The sample enclosed about 30 persons, from spring to autumn 2009. The ages were between 18-60 and they represented both genders. The reason behind choosing this kind of sample because anyone can come across the service in Internet and it is open for all.

The study was conducted using the qualitative method and Action Study- method. The theoretical data used was collected from literature, and the empirical section was built researching dynamically. The questionnaire form that was also used in the gathering of the information is in the end of the thesis, as a part of the appendices.

The contribution for the empirical section is, after evaluating the case company's present state and course, to suggest guidelines for the company's future development. The purpose is to illustrate the situation as well as possible and help the business to grow, primarily through increasing the quantity of users, and creating a relationship to them.

In conclusion the main findings and suggested strategic choices for the company are listed.

Keywords product development, commercialization, marketing communication, internet music, crowdsourcing, Web 2.0, social media, globalization, creativity, 4 P's

Laurea-ammattikorkeakoulu
 Laurea Leppävaara
 Degree Programme in Business Management
 International Business to Business Marketing

Tiivistelmä

Risto Sorri

Service Development Plan, Case Company: Song Community Oy

Vuosi 2009

Sivumäärä

62

Tämän opinnäytetyön tarkoituksena on tutkia ja kartoittaa Song Community Oy:n nykyistä tilannetta ja arvioida yrityksen tulevaisuutta liiketoiminnallisessa mielessä. Opinnäytetyö tehdään Song Community Oy:lle joka on erikoistunut musiikin yhteisöosallisuus-periaatteeseen ja sosiaalisen median ideaan perustuvaan musiikkiliiketoimintaan Internetissä.

Tutkimusalueet sisälsivät käyttäjätutkimuksen, kuten myös Song Community Web 2.0 tyyppisen kommunikaation välineenä. Tavoitteena lisäksi on myös tutkia mitä käyttäjät hakevat, kun lataavat musiikkia tai käyttävät samankaltaisia Web 2.0 tyyppisiä palveluja kuin Song Community, ja mitkä erilaiset kuluttajaryhmät saattaisivat etsiä kaupallisia Internet-musiikkipalveluja.

Näin syvällistä tutkimusta ei ole tähän mennessä tehty ja sellainen on tarpeen. Opinnäytetyön tekijä oli itse henkilökohtaisesti töissä Song Communityllä noin kaksi kuukautta toisen työharjoittelun aikana, joten Song Communityn valinta oli luonnollinen. Opinnäytetyön tekijä on kiinnostunut yrityksestä, ja siitä kuinka siitä voisi kehittää paremman.

Teoreettinen kehys koostuu tuotekehityksestä, tuotteen elinkaaresta, kaupallistamisesta, markkinointikommunikaatiosta ja S.W.O.T- analyysiä. Teoriaosiota tuetaan Web 2.0-konseptilla, yhteisöosallisuuden ja brainstorming:in konsepteilla.

Tutkimus suoritettiin käyttämällä kvalitatiivisia metodeita ja Action Study-menetelmää. Käytetty teoreettinen data kerättiin kirjallisuudesta ja empiirein aineisto kasattiin dynaamisesti tutkien. Kyselylomake, jota tiedon hankinnassa myös käytettiin, on opinnäytetyön lopussa, liitteissä.

Empiirisessä osiossa ajatus on ymmärtää, missä Song Community on nyt ja mihin se on menossa, ja mihin sen pitäisi suunnata. Tarkoitus on kartoittaa tilanne niin hyvin kuin mahdollista ja auttaa liiketoimintaa kasvamaan ja kukoistamaan, primäärisesti lisäämällä käyttäjien määrää, ja luomalla suhde heihin.

Tulokset todistivat nykyisen yrityksen nykyisen suunnan oikeaksi. Markkinoille tunkeutuminen on yrityksen tämän hetkinen strategia ja tuotetta kehitetään paremmaksi vastaamaan kysyntään. Mahdollisuus suureen suosioon on ehdottomasti olemassa. Suhteet olemassa olevaan asiakaskuntaan on pidettävä kunnossa ja näkyvyys medioissa on varmistettava. Erityisesti Internetissä näkyvyyttä on mahdollista parantaa tietoteknistä osaamista hyväksikäyttäen.

Asiasanat markkinointikommunikaatio, Internet-musiikki,
 yhteisöosallisuus, Web 2.0, sosiaalinen media, globalisaatio, luovuus

Table of content

1	Introduction	8
1.1	Song Community Oy and the music composing webpage.....	8
1.1.1	Short-term projections of Song Community Oy	10
1.1.2	Long-term projections of Song Community Oy	10
1.1.3	Corporate vision of Song Community Oy.....	10
1.1.4	Core competencies	11
2	Environmental context of the study	11
3	The purpose of the study and the research problem	12
3.1	Structure of the study	12
4	Theoretical framework.....	12
4.1	Product development.....	12
4.1.1	Product life cycle	12
4.1.2	Commercialization.....	13
4.2	Marketing communications	14
4.2.1	Communication of the product.....	14
4.2.1.1	Target audiences	15
4.3	4 Ps	15
4.4	Other central concepts supporting theoretical framework.....	16
4.4.1	Concept of globalization	16
4.4.2	Concept of information society	16
4.4.3	Web 2.0.....	17
4.4.4	Crowdsourcing.....	17
4.4.5	Brainstorming.....	19
4.5	Song Community S.W.O.T analysis	19
4.5.1	Strengths	20
4.5.1.1	Placeless service gives opportunity for inspiration.....	20
4.5.2	Weaknesses	21
4.5.3	Opportunities	22
4.5.3.1	Technological development brings opportunities	22
4.5.3.2	Finnish music markets and music export.....	22
4.5.3.3	Changing music industry	22
4.5.3.4	Discussing board	23
4.5.4	Threats	23
4.5.4.1	Competition from numerous sources	23
5	Methodology of the study.....	24
5.1	Methodology as a term	24
5.2	Selection of the research method.....	24

5.2.1	Qualitative study	24
5.2.2	Action research	25
5.3	Research challenges	25
5.3.1	New type of service	25
5.3.2	User database problems	26
5.4	Illustration of the methods in the research process	26
5.4.1	Milestones	26
5.4.2	Quality Assurance (QA)	28
5.4.3	Information collecting, research population.....	28
5.4.3.1	Questionnaire	28
5.4.3.2	Online survey: Song Community in Facebook	29
5.4.4	Research standards.....	30
5.4.5	Reliability and validity.....	30
5.4.6	Communications with stakeholders during the thesis	32
6	Empirical study	32
6.1	In general about the empirical study	32
6.2	4 Ps currently in Song Community	32
6.3	Product Life Cycle currently in Song Community.....	33
6.4	Other qualitative research	34
6.4.1	User research.....	34
6.4.2	Song Community in Google search.....	34
6.4.3	Some other Web 2.0 applications and their features	36
6.5	The case company's marketing efforts	38
6.5.1	Commercialization in Song Community	38
6.5.2	Advertising	38
6.5.3	Partner companies in advertising.....	39
6.5.3.1	Sponsoring and PR.....	40
6.6	Workforce	40
6.6.1	Human Resource Management in Song Community Oy.....	40
6.6.1.1	Recruiting high skilled IT professionals.....	41
7	Conclusion.....	42
7.1	Key findings	42
7.2	Suggested strategic choices for the company.....	42
7.2.1	Database and user relationship	43
7.2.1.1	Taking care of the users and their individual needs	43
7.2.2	Search-engine optimization.....	44
7.3	Analysing the time during the thesis process	45
	References	47
	List of captions for figures	50

List of captions for tables	51
List of appendices	52
Figures	53
Tables	60
Appendices	62

1 Introduction

1.1 Song Community Oy and the music composing webpage

Song Community was formed in 2008, Finland. Song Community is in URL-address <http://www.songcommunity.org/>. Song Community was the first to offer a music composing webpage using crowdsourcing principle. (www.songcommunity.com 2009)

Song Community Oy is basically a webpage which acts as a meeting place for musicians and also for ordinary people who are interested in music. The company is very international, as it is based on the Internet, which itself is a international platform.

Song Community Oy specializes in music business in the Internet based on principles of social media and crowdsourcing (See Figure 1). Song Community functions much like Wikipedia in the Internet. (www.wikipedia.fi 2009)

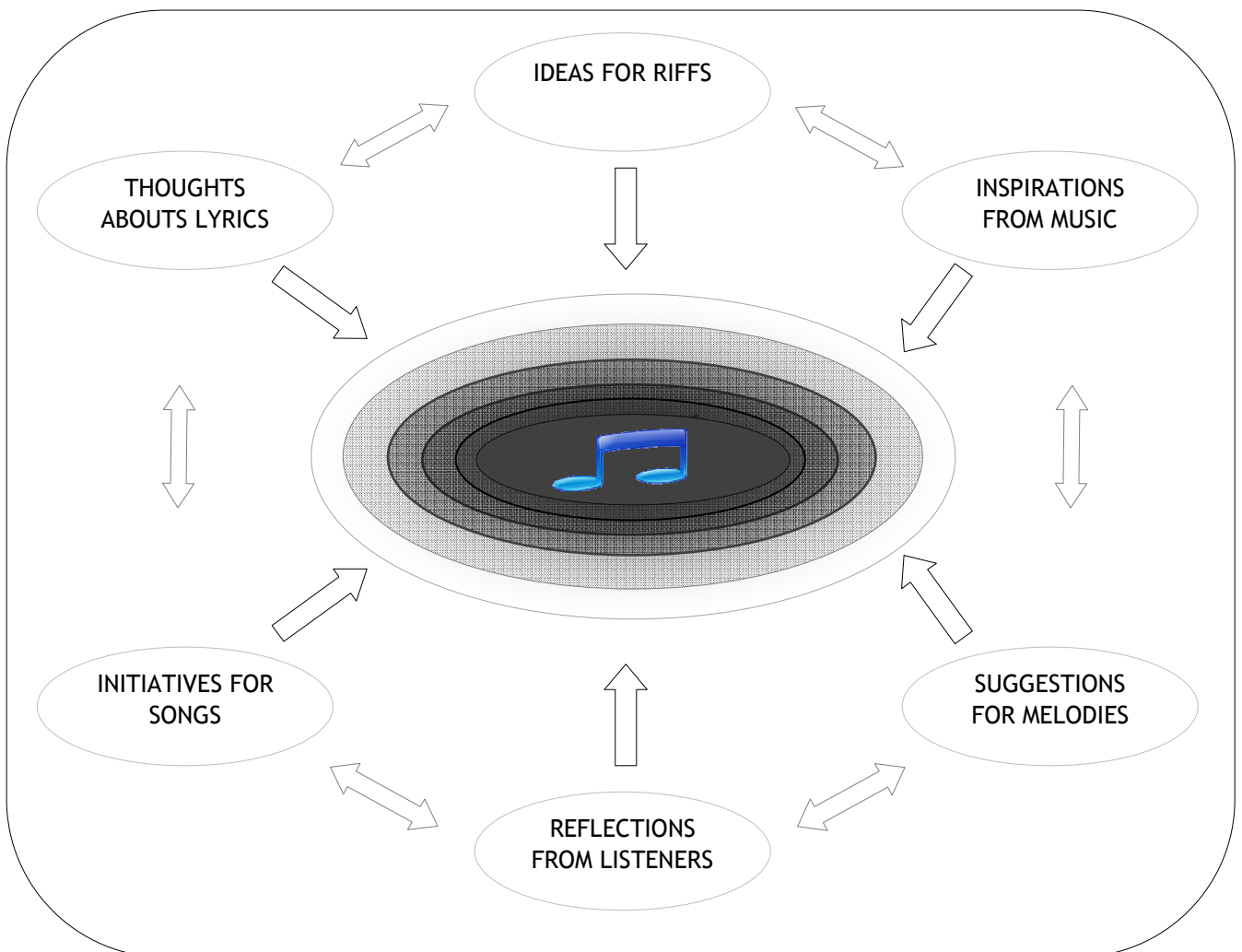


Figure 1: The purpose of crowdsourcing in Song Community's case: material emerges, as a sum of working mind.

Anyhow there is one critical difference to Wikipedia - a new version of every edit is made, so individual songs stay as they are. (www.songcommunity.org 2009)

People are free to add and modify the files that are in Song Community. This community using this service together forms music. When music is sold and this gains revenue, profits are divided among the composers, according to how much he or she has made the music. (www.songcommunity.org 2009)

Song Community is an Internet company that offers its users a place in Internet to save and spread music (See Figure 2). Its line of business is Internet business and the service is this unique concept. Song Community can also be understood as a service. For the music industry it offers an opportunity to find potential unknown, talented composers, musicians and songwriters. One can find guitar riffs and construct new hit songs and utilize vast the lyric library and even team up with some potential unknown individual musicians. (www.songcommunity.org 2009).

The screenshot shows the Song Community website interface. At the top, there's a navigation bar with 'Username' and 'Password' fields, a 'Register' button, and a user profile icon. The main content area is divided into several sections:

- Navigation Menu (Left):** Includes 'FRONTPAGE', 'THE BEST' (with links for Lyrics and Riffs), 'THE WORST' (with links for Lyrics and Riffs), 'FOR BANDS', 'FOR RECORD INDUSTRY', 'WELCOME New members', 'NEW 5' (listing users like cici0325, Uhma, Teke, henry_v, wameq2004), and 'Etu Songcommunityn jäsenille!'.
- Main Content:** A large banner with the text 'Become rich and famous!!! Start, edit, rate -create! Music, lyrics & riffs'. Below the banner are two buttons: 'START YOUR OWN LYRICS' and 'ADD YOUR OWN RIFF'. A genre list includes Blues, Country, Dance, Finn-Metal, Finn-Rock, Funny, Hard-Rock, Hip-Hop, Horror, Indie, Jazz, Latin, Metal, Modern-Folk, Nasty, Other, Poems, Pop, Punk-Rock, Reggae, Rock, Soul, and Techno.
- HOT LYRICS:** A section showing three lyric snippets with their authors and scores. The first snippet is by 'mancer' with a score of 810. The second is by 'Christian' with a score of 504. The third is by 'Leo_Sebastian' with a score of 361.
- HOT PEOPLE - THE TOP 5:** A section showing five profile pictures and their scores: Christian (810 score), micheloe (504 score), Insane (361 score), mancer (142 score), and aes_loeff (141 score).
- Right Sidebar:** Contains a search bar, a 'User search' field, a 'facebook' link, and a 'TOP 5 NOW The most clever song writers' list.

Figure 2: Song Community front page (www.songcommunity.org 2009)

1.1.1 Short-term projections of Song Community Oy

In the short term Song Community's purpose is to educate consumers about Song Community, to familiarize consumers with the service, to obtain visibility and publicity and to gain market share (www.songcommunity.org 2009).

1.1.2 Long-term projections of Song Community Oy

In the long term, the objective is to enhance the competitiveness of the company. The company wants to make the brand famous and spread information in order to acquire people to use the service. Same direction as in the past, but stronger and better steered.

In longer term the objective are to launch new promotional programs, where advertisements also appear in other media than the Internet and get maybe sponsorships deals. Song Community's prevailing aim is to bring more profits to shareholders over the longer term by continuing to develop operating company. In the future, as the company proceeds, it tries to educate its consumers, obtain visibility, publicity and more and more market share (www.songcommunity.org 2009).

1.1.3 Corporate vision of Song Community Oy

Vision is an active motivation state of mind. It can also be called a dream. It reflects the positive view of the organization's outlook. With the help of it, the company tries to create a image of the expectations in the minds of the organization personnel. It should motivate the members of staff, to make them work harder. The effort is worthless, if there are no direction and guidelines. (Eden 1998, 25).

Song Community's vision for short terms that the market will become bigger and more and more people know about the service.

The financial market is fluctuant, but economy is predicted to recover soon.

Competition will be harder. Straight competition gets tighter all the time, but so does the competition arising from other things taking peoples spare time.

Technological proceeding will be slower in the future. This is because the 20th century was the century when many of the modern scientific discoveries were made. 21st century will not

be as the one before. This 100-year cycle can be seen in world history. Science and religion, and how people see one in relation to another, change places every hundred years.

1.1.4 Core competencies

The ability to do functions or ability to do functions better than other companies is called the company's core competence. Core competence is an exceptional skill, knowledge and technologies to create value that others cannot copy. Knowing what the core competencies are is very important, as and if the company wants to grow. (Lynch 2003, 45)

New core competencies can and should be created. The world and the business environment are undergoing a continuous change Core competencies should be evaluated already when a new strategy is built. For example, it is impossible for a coach to build good strategy for a game, if he does not know what his players are able to do and how well.

Song Community is different when compared to ordinary companies, who do not use the crowdsourcing. Song Community offers the platform and space and people do music business through, and with the help of it.

2 Environmental context of the study

“Never go into user research to prove a point, and never create goals that seek to justify a position or reinforce a perspective. The process should aim to uncover what people really want and how they really are, not whether an opinion (whether yours or a stakeholder's) is correct.” (Kuniavsky 2003, 65).

The author of this thesis is interested in people's global awareness, the phenomenon that people living on this planet have become more aware of each other around the world, thanks to the Internet. One person can exchange ideas with another person on the other side of the world. A think tank with a couple of people (geographic location has no effect) where ideas are put further in the brainstorming type of setting, can be formed.

Some do not like this global awareness. The often heard opinion is that satellite television and early computer technology was at the back the collapse of the Soviet Union; people could acquire information from outside without anyone stopping them. China and Iran are examples of regimes that are famous to carry out the rigorous surveillance of the Internet.

Internet and social media can get this brainstorming to a new level. YouTube is a example of this. The stream of different remixes and alternative versions of famous songs comes to You-

Tube and practically for free. Many of these one hit wonders try to make their name in music business,

Somewhat like YouTube, Song Community Oy would like to achieve: this inspiring space, where users can enter, anytime when he or she feels inspired. For comparison, a training garage one has to wait for other band members etc. to come and hope everyone is inspired at that moment. In the internet one can download, remix and save material anytime. Without modern technology this would be impossible.

The common purpose is to build a working entity that could function better. This common good is important, because the service relies on co-operation between different parties.

3 The purpose of the study and the research problem

The purpose of this research is to strengthen the company's position in the music-related business by developing the music composing webpage. The company wants to make the brand more famous and spread information in order to acquire people to use the service.

The research problem is how to develop Song Community's crowdsourcing Internet service into better and competitive Web 2.0 service, from product development-point of view. Additionally, the thesis will be based on the study develop ideas for commercializing tactics that would fit for this sort of Web 2.0 service.

3.1 Structure of the study

The structure follows the research structure, where first the subject of the study is introduced to the reader. Then the theoretical framework is presented, listing all the theories used in the research. The methodology of the research, as a third, illustrates the method, the research was prepared. The empirical study is a collection of all the studies that were prepared. The conclusion concludes the key findings.

4 Theoretical framework

4.1 Product development

4.1.1 Product life cycle

Product life cycle has five phases (See Figure 4).

“The product life cycle describes the stages a really new product goes through from beginning to end. The product life cycle is divided into four major stages: (1) market introduction, (2) market growth, (3) market majority, and (4) sales decline. The product life cycle is concerned with new types (or categories) of product in the market, not what just happens to a individual brand.” (McCarthy & Perreault 2002, 276).

Commonly, every product life-cycle begins from development. That is the most critical stage in the Product Life Cycle. This stage determines if the product to be produced at all or not. This is because idea generation for and the development of the product goes simultaneously to attain a single objective, creating or growing the product. (Giglerrano & Vitale 2002, 224).

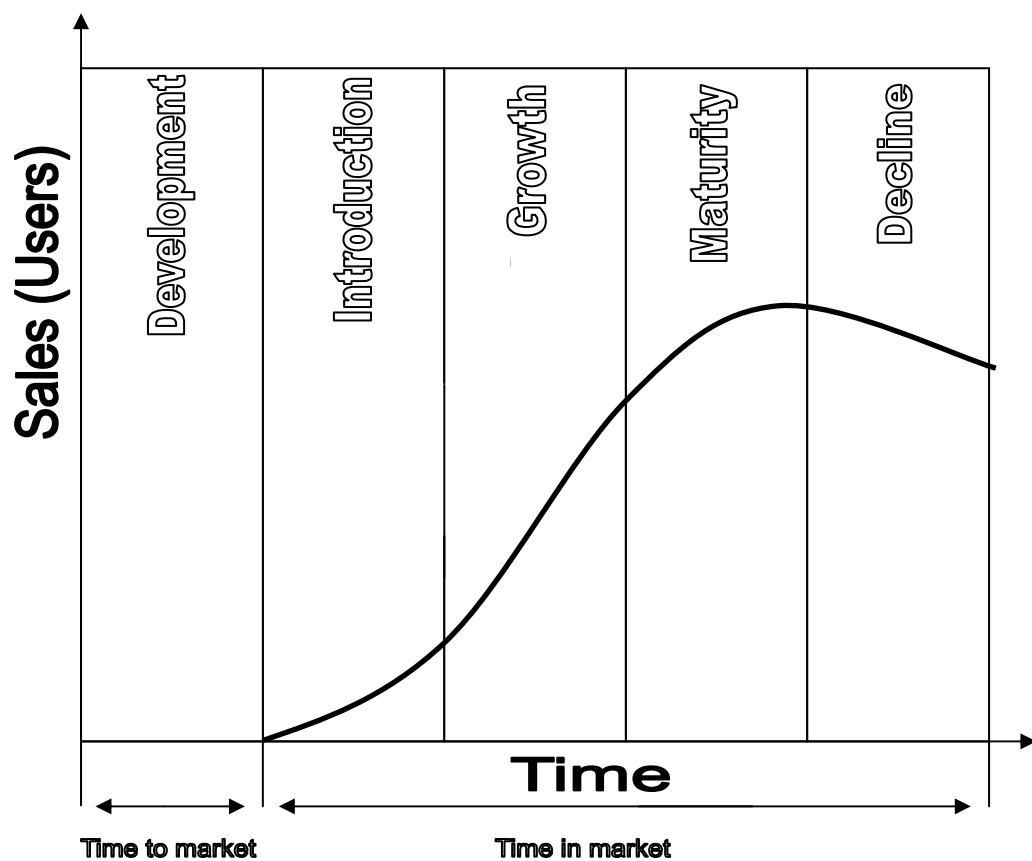


Figure 3: Product lifecycle and its five phases, compared to user quantity. (McCarthy & Perreault 2002, 276)

4.1.2 Commercialization

The term “commercialization” is used in Finland quite much in everyday language referring to taking some idea, innovation etc. to the markets. In this sense the term of commercialization is quite close to the term “product innovation” (Laurila et al. 2004, 10).

In Finland, to commercialization is often linked export and internationalization, since due to the smallness of the market and the globalization of the markets, only on some products a company can build long-term business only in homeland markets (Laurila et al. 2004, 10).

“A product idea that survives this far can finally be placed to the market. First, the new-product people decide exactly which product form or line to sell. Then they complete the marketing mix-really a whole strategic plan.” (McCarthy & Perreault 2002, 295).

“Putting a product on the market is expensive.” (McCarthy & Perreault 2002, 295).

“Because of the size of the job, some firms introduce their products city by city or region by region - in a gradual “rollout” - until they have complete market coverage.” (McCarthy & Perreault 2002, 295).

4.2 Marketing communications

The developing of the Internet communication in one’s own organization should be started with investigating the present situation and looking it in relation to purposes and opportunities. (Kuokkanen et. al 2007, 59)

“Relationship marketing covers all actions for the analysis, planning, realization, and control of measures that intimate, stabilize, intensify, and reactive business relationships with the corporation’s stakeholders - mainly customers - and to the creation of mutual value” (Bruhn, 11, 2003)

“The customer relationship life cycle describes idealized phases that occur regularly in the relationship over time, and enables conclusions to be drawn for relationship marketing on the basis of the relationship intensity”. (Bruhn 2003, 45)

4.2.1 Communication of the product

Good usability and high-quality visuals are also part of the wordless communication of the web pages. Not taking care of it can lower the user’s interest also for the product itself. The Signs of good product communication are timely accurateness, a lot of information, search with different criteria possible, achievability of the product image, easy to use, visual objectivity, the opportunity to get more information interactively, achievability for manual and possibility to do comparisons to other competing products (Kuokkanen et. al 2007, 32).

4.2.1.1 Target audiences

Strategy for marketing communications is closely associated with understanding the target audience.

“Communication strategies begin and end with a clear understanding of the levels of awareness, knowledge, beliefs, attitudes, values, and behaviors of the target audiences” (Ferguson 1999, 75).

4.3 4 Ps



Figure 4: The 4 P's

To analyse the case company, a researcher can use the widely known marketing planning and defining tool 4P's, which refers to product, price, placement and promotion (See Figure 5). It can in fact be used to piece the marketing into parts research the functions closer. Its properties can be used in Song Community's case only limitedly, but it is not to be left away completely.

“Product means the need-satisfying offering of a firm. The idea of “Product” as potential customer satisfaction of benefits is very important.” (McCarthy & Perreault 2002, 248).

“Prices in the marketplace are a rough measure of how society values particular goods and service.” (McCarthy & Perreault 2002, 12).

“Managers must also think about Place - making goods and services available in the right quantities and locations - when customers want them.” (McCarthy & Perreault 2002, 304).

“Promotion is communicating information between seller and potential buyer or others in the channel to influence attitudes and behaviour.” (McCarthy & Perreault 2002, 392).

4.4 Other central concepts supporting theoretical framework

4.4.1 Concept of globalization

“Is it true that globalization today is not global, in the sense that we are still a long, long way from a world in which everyone is online (although some 300,00 new users join the Internet each week). But globalization is global in the sense that almost everyone now is feeling - directly or indirectly - the pressures, constraints and opportunities to adapt to the democratizations of technology, finance and information that are at the heart of the globalization system.” (Friedman 1999, 73).

4.4.2 Concept of information society

Like globalization, so the thought of the information society, is only a theory It cannot be proved it and neither it cannot be denied.

Finland is a technologically highly developed country and quality and reliability are much respected. In Finland some technology companies have a prominent position in state economies that has also caused that sometimes it is viewed as a bad because few companies have such a big role in business. Nokia Oyj is a good example of such company. Because technology is highly developed in Finland the usage rate for the Internet is one of the highest in the world (www.nokia.com 2009), (www.cia.gov 2009).

Internet time and fast and cheap information flow has changed the way of doing business. Almost free communication by e-mail to another side of the globe makes online music business possible (See Figure 6). Internet is a way in which companies are managing the supply chain. It enables companies and their supply partners to transact business and share information in real time. It simplifies purchasing processes and reduces purchasing time. (Kuokkanen et al. 2007, 132)

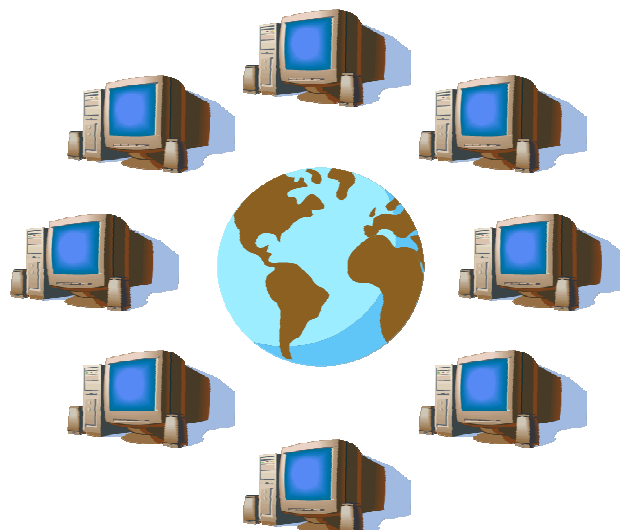


Figure 5: Computers and people who use them unite the world in a revolutionary way

4.4.3 Web 2.0

Web 2.0 is a colorful term developed by Tim O'Reilly and Dale Doherty to depict the social media services. The basic principles of social media are spreading information; the change of the role of the information user, the user of the information is also the producer of information. Other principles are producing information in the community, highlighting collective intelligence and Open source-thinking. (Haasio 2008, 156).

Collective intelligence is typical for Web 2.0. For example Wikipedia is a social media, based on collective intelligence and spreading information. The thought is that the users of the network spread their information capital for free. (Haasio 2008, 159).

One of the most central ideas of the Web 2.0 era is more effective use of possibilities that are taken in by the bigger user quantities. Users of the web form a collective intelligence, which is the central force behind the ruling entities of the modern web. To a random user, the best example of this is internet encyclopedia Wikipedia, but collective intelligence is used also in other circumstances. (Tirronen 2008, 79).

According to Mikko Tirronen (2008, 19), the foundation of the of the Web 2.0 phenomena is in the transformation of the static and stiff network into a dynamic and flexible entity.

The thought behind Facebook is based on community. It offers people a possibility to communicate, have a good time and spread information via web. Even Facebook is for most users first of all an application used in lance time and enjoying of themselves, it makes possible also binding contacts and even working online. (Haasio 2008, 173).

Tirronen (2008, 22) points out that socializing and the web's transformation from surrounding into a platform is a huge challenge for companies and other traditional services. Web 2.0 offers more application possibilities than a normal person can even dream of. (Tirronen 2008, 22).

4.4.4 Crowdsourcing

"Crowdsourcing paints a flattering portrait of a human race. We are more intelligent, more creative and more talented than we tend to give ourselves a credit for." (Howe 2008, 16).

This quotation appreciably depicts how the intelligence of only a person has limits, but a group can reach much more.

“ A central principle animation crowdsourcing is that the groups contain more knowledge than individuals. The trick lies is creating the conditions in which they ´ll express that knowledge.” (Howe 2008, 280).

“Thanks to the Internet, for instance, it is no longer just the few big media conglomerates who talk to the many. It is now the many who can talk to the many.” (Friedman 1999, 357).

This democracy of communication is important also larger scale in society and people experience they can reach each other and have conversation about problems in society.

“Crowdsourcing noun 1 the act of taking a job traditionally performed by employees and outsourcing it to an undefined, generally large group of people in the form of an open call. 2 the buzzword we all need to understand.” (Howe 2008, 316).

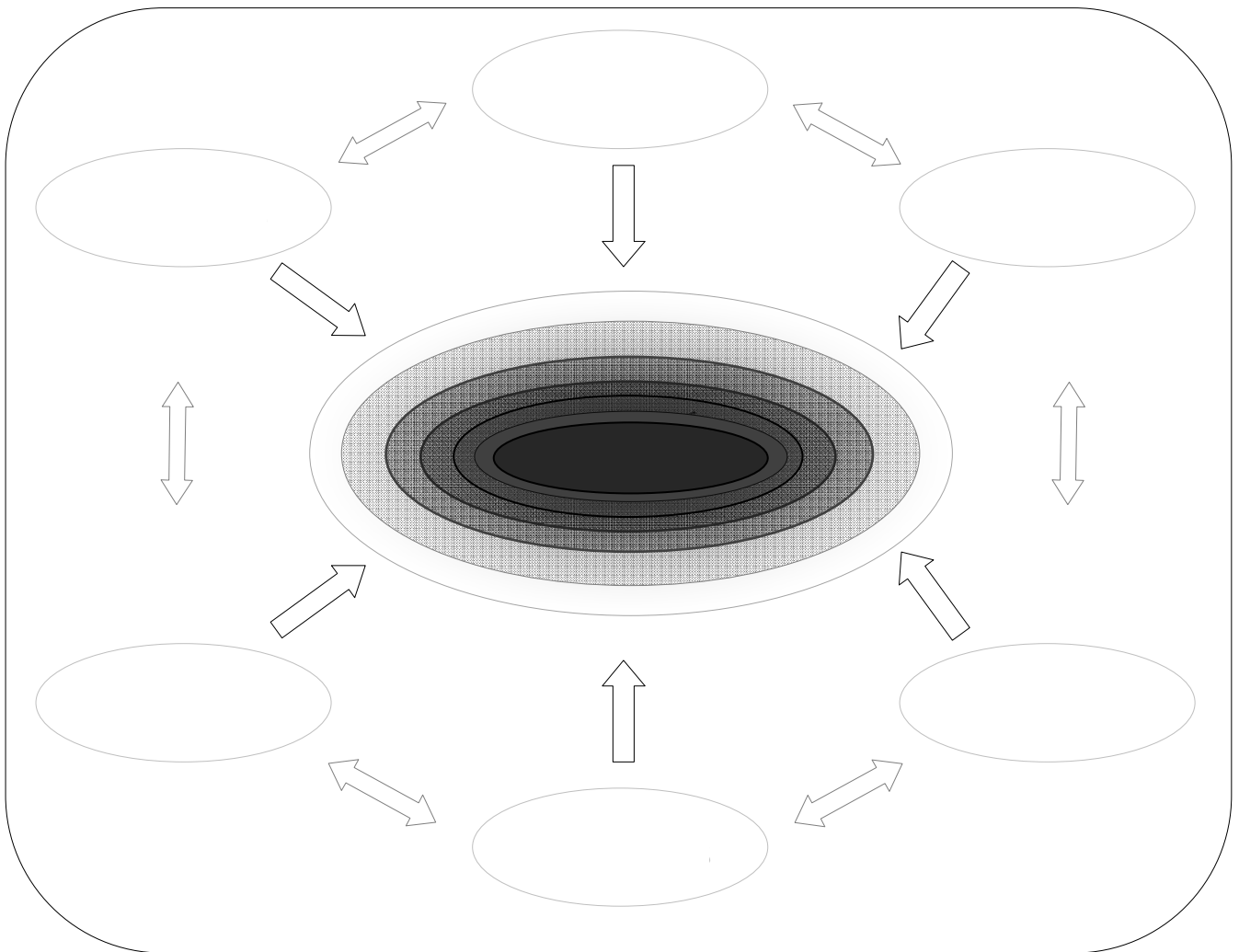
“Crowdsourcing is now a part of our lives, whether we ´re aware of it or not. If we ´re to benefit from what it can achieve, we need to understand where it ´s come from and how it works - and where it ´s taking us.” (Howe 2008, 316).

“Crowd funding isn´t new. It ´s been the backbone of the American political system since politicians started kissing babies. Political fundraising over the Internet first started gathering speed in 2000 and by the election cycle of 2008 Barack Obama had turned it into science, raising some \$272 million from more than 2 million, mostly small, donors.” (Howe 2008, 253).

People have to bear in mind that raising money with the help of crowdsourcing principle is not as straightforward as it would seem. The law is very stiff on illegal fund raising and such activity has to be well organized and prepared.

“Crowdsourcing had its genesis in the open source movement in software. The development of the Linux operating system proved that a community of likeminded peers was capable of creating a better product than a corporate behemoth like Microsoft.” (Howe 2008, 8)

The design behind crowdsourcing (See Figure 3) is presented in Figure 3. Material produced by people is collected to one place, in which it is then concentrates into final product.



4.4.5 Brainstorming

Brainstorming, in theory, is a crowd creativity method intended to produce a great quantity of thoughts for the clarification of a dilemma.

What happens, or should happen in Song Community, is brainstorming, but in much bigger scale that is often used to. The time frame is also wider as people do not have to think ideas at that second, but whenever they want to. The thought of inspirations in large quantities is very central here.

4.5 Song Community S.W.O.T analysis

S.W.O.T analysis consists from four different parts (See Figure 8).

The S.W.O.T analysis helps the outsider to better understand how the company sees itself. In this perspective S.W.O.T analysis reflects the motivation in the company. The strong motivation shows if company thinks it has a lot of strengths and opportunities and does not put a lot of weight on concerning the weaknesses and threats. Of course the S.W.O.T analysis has to be truthful but investors can often scent what is the motivation in the company, and if the company itself wants to be successful.

“A useful aid for identifying relevant screening criteria and for zeroing in on a feasible strategy is S.W.O.T analysis - which identifies and lists the firm’s strengths and weaknesses and its opportunities and threats. The name S.W.O.T is simply an abbreviation for the first letters of the words strengths, weaknesses, opportunities and threats.” (McCarthy, Perreault 2002, 66)

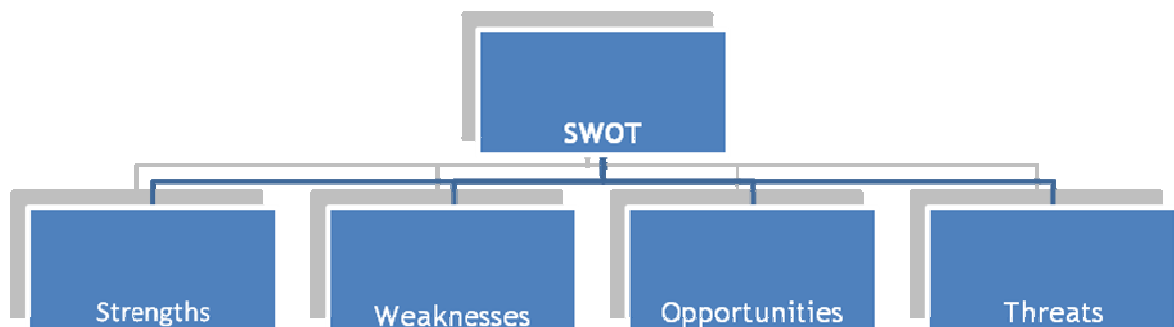


Figure 9: SWOT-analysis consists of four different parts

4.5.1 Strengths

4.5.1.1 Placeless service gives opportunity for inspiration

Even the greatest music makers have sometimes problems with inspiration and feelings.

““I guess it just doesn’t feel right anymore to sacrifice my time and my sanity for Metallica. I’ve done it for a long time. it scares me that this beast...” he struggled for the words. “you might look at it as a friend - to me it’s a beast. I’d like to be James Hetfield instead of “James Hetfield of Metallica”. I’d like us to be three individuals instead of us all feeding the beast for the benefit of Metallica.” “In other words, finding a balance”, Kirk the peace maker said.” (Berlinger & Milner 2004, 146).

YouTube is a celebrated Internet service. People around the world know it and use it habitually. It is a meeting place for people who adore films, music and such. YouTube has formed this new variety of place, without actual place and time. It is everywhere, but in same time nowhere. It exists always, and time a person enters, is not important. Inspiration does not wait and this placeless and timeless portal is something that fills many important needs, many famous artists hold (www.youtube.com 2009).

As and if differentiation is seen as strength in the internet business, Song Community's service is different from its competitors in Internet music business.

One of the strengths is that Song Community has a strong brand, already in this early phase. Even the Song Community is a young company it has unquestionably been constructed intensively. That is because the owners truly want people to know about the company, which is the foundation of everything, especially in this category of business where people are assumed to arrive to the product.

During Song Community's short history, it has been able to find for itself also strength: stable, strong and widely used marketing channel, the Internet. For many young companies, finding good marketing channels is a challenge, and that is their weakness.

The strong innovative way of performing will be the method used in future also. The price of services, which is nonexistent, is unarguable.

The company assumes that the webpage furthers the positive public relations for the company. The webpage depicts what the company is and what it wants to offer its users. Particularly the visual look with the logos and especially the actual music system seems to function well. They are good, because an effort has been placed to them and that is because the management has seen them as important parts of the concept.

Song Community, as leading the way in all possible areas unquestionably uses all possible help available to enhance its position in the market.

Ambition in the company is very positive.

4.5.2 Weaknesses

Scientific findings concerning the health effects of using the Internet too much have been in common knowledge for extensive time. That may have a negative effect on the service's popularity, as time is spent in the Internet when a person uses this service. Making music is

very intensive and takes time. This effects popularity of all Internet services, but that fact does not help Song Community against more traditional competitors, who rely on other platforms than the Internet to carry out their business.

Even though it can also be seen as the strength, the Internet service based on the crowd-sourcing principle is not a new idea. This means that the amazement effect arising from the service fresh and modern image is already absent. New brands can correct the situation but the basic idea is not new.

Other weaknesses would bond to the fluentness of remixing different pieces of music together and so seeing the results immediately. Making music has to do with inspiration and there is rarely any extra time.

4.5.3 Opportunities

4.5.3.1 Technological development brings opportunities

Technology is proceeding very fast. Opportunities emerge frequently as new technological products emerge. Applying them in a right way to one's own business and finding niche markets are often keys to success. External opportunities can be the fact that usage of internet and computer services is increasing, as new countries all over the world adopt the western style of living. Online activities such as shopping, online services (e.g. finances and e-banking), and exchanging of digital music files over the internet increase popularity amongst the mainstream of internet users.

4.5.3.2 Finnish music markets and music export

Finland is a technologically and musically highly developed. In Finland some technology companies and well-known music orchestras have a prominent position. Nokia Oyj and for example The Rasmus are good examples of this (www.nokia.com 2009).

When the old Finnish export articles are not reliable anymore, business-wise, music can be the answer to that difficulty. As the intention is, also in the parliamentary export strategy level, that Finland is going to be a music exporter, can this situation be viewed as an opportunity (www.tilastokeskus.fi 2009).

4.5.3.3 Changing music industry

Song Community's type of service can smooth and ease the searching process to find potential new songs.

The developing of the Internet can be seen in the music industry within a large scale. A couple of years ago record companies were still necessary for a starting artist. For marketing a band needed a substantial system and record companies' full support both emotionally and financially. Through record companies, artist could find the needed people, who took care of the image and for example costs connected in recording. But now, using the Internet, a talented artist takes these functions to his or her own command.

In this Song Community would like to be a helping and connecting party.

4.5.3.4 Discussing board

As this whole thesis culminates in the idea of Web 2.0 and the development of the whole service to meet the demand, the discussion board of the service cannot be left without consideration.

Like mentioned, the Web 2.0 is based rather a lot on the idea of more rapid ability to communicate through the Internet. As the service is based on crowdsourcing and inspirational supply, the communication should in Song Community be as easy as possible.

The current discussion board is not a weakness but it can be seen more as an opportunity, in a new interactive world of Web 2.0.

4.5.4 Threats

4.5.4.1 Competition from numerous sources

Competition can be evaluated by keeping the following questions in mind, according to Ruuska et al. (2001, 66).

What is happening to the structure of the competition of the business, have new companies come to the business, is there such coming in the future, what sorts of firms have ended up in difficulties or stopped their business, why, what sorts of things are highlighted in competition in the future, does it favor some sorts of firms over other, how the case company's position has evolved in the competition?

Song Community has, due to its wide target market, many competitors. They anyway are not direct competitors but allure for same customers. The concept of the music industry is difficult to strictly define, so competitors may arrive from unexpected fields of business.

Internet business people also often talk about how television and the Internet compete the people's time and attention. All type of free-time activities can be seen as competitors. Free-time is not in the end the infinite supply, and there have been demands to restrict Internet usage in work place, because of its negative effect on work.

Competition is a threat. This sort of service is easily taken by someone else. In Internet the idea is copied with no trouble. Even patenting the idea in one country does not assure the idea would be patented in other countries as well. Patent trials often take place in international courts and getting the case there, is complicated. Also the company is young. Statistics show that many companies are most vulnerable at their beginning.

5 Methodology of the study

5.1 Methodology as a term

“Methodology. This refers to discussion about the assumptions that underpin different approaches to doing research and their implications for conducting research and developing theory.” (Barbour 2008, 294).

5.2 Selection of the research method

5.2.1 Qualitative study

“Qualitative research ask different sorts of question - not those relating to outcomes or strengths of association, but questions about process, understandings and beliefs.” (Barbour 2008, 31).

“Some critics of qualitative research in the past have railed against what might look from the outside as an approach that relies on “making things up as you go along”. While quantitative research relies on a roughly linear model in term of research design - necessitated by the scale and financial resources required - flexibility is the hallmark of qualitative research”. (Barbour 2008, 30).

The qualitative approach was chosen in the early phase of the half-year thesis process. The Songcommunity service is in the early phase in its life cycle, and therefore it has not so many permanent users yet, it would be unfounded to use the quantitative approach as there is not enough material.

Also when the company's needs are more quality related, and there is not that much need to adjust the service to attain more and more users, the choice was relatively easy.

5.2.2 Action research

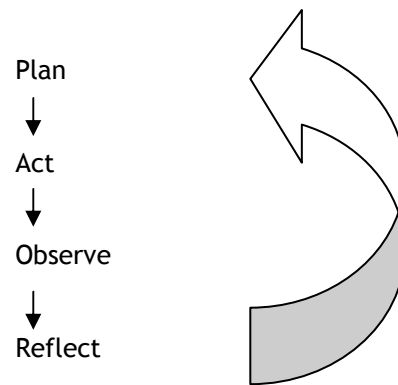


Figure 7: A basic action research model (Kurt Lewin 1946) (Castello 2004, 7)

As can be seen in Figure 7 (See Figure 7), in action research the purpose is to evaluate the plan using the reflections. The word “reflect” depicts in a great way the fact that the researcher is himself in inside the company. The researcher does not only watch the company’s functioning but actively is part of the company and its daily routines as a reflecting party.

“Action is undertaken to understand, evaluate and change” (Costello 2004, 5).

“Action research is referred to variously as a term, process, enquiry, approach, flexible spiral process and as cyclic” (Costello 2004, 5).

As the author himself was working for Song Community for two months, was action research a rational method to choose. When a person himself sees the daily routines being exercised and not just comments from a distance, is the research outcome much better, especially when the method is qualitative. The researcher is then like an agent who collects information from within and sees where the mistakes are done from another angle.

5.3 Research challenges

5.3.1 New type of service

When the case company to be researched is new, it is difficult to form an understanding of it, as a researcher. When there is nothing to compare, it is difficult to distinguish positive factors and negative factors. Many of the subject-related books were very new publications.

5.3.2 User database problems

The case company is in early phase, so it is understandable that no big user database exists. That anyway had its negative effect on the research, as not enough people with the know-how were available.

5.4 Illustration of the methods in the research process

5.4.1 Milestones

“Once you have the questions you want to answer, you are close, but it’s not your research plan yet. Before it can be a research plan, it needs a schedule, and before it can have a schedule, you need to integrate it with the existing development system.” Kuniavsky 2003, 65).

Project schedule should describe the main phases of the project and highlight all the key points.

The first objective is the mapping of the situation (See Table 1). Then the direction of the research is decided. The next milestone is material collection, then overview and concrete research. In the end there will be evaluating the results and finalization. Specific dates are written to Table 1 and in Table 2. The same information is in Gantt Chart (See Table 2). (Kuniavsky 2003, 306)

<u>Task</u>	<u>Duration</u>
1. Mapping of the situation in SC and job placement	13.3 - 18.4. 2009
2. Planning of the research	20.4 - 24.5.2009
3. Material collection	25.5 - 17.6.2009
4. Overview	17.6 - 1.7.2009
5. Concrete research	2.7. - 15.8.2009
6. Evaluating the results	16.8 - 18.9.2009
7. Research finalization	19.9 - 18.10.2009
8. Research ready	18.10.2009

Table 1: Schedule for qualitative Song Community research project

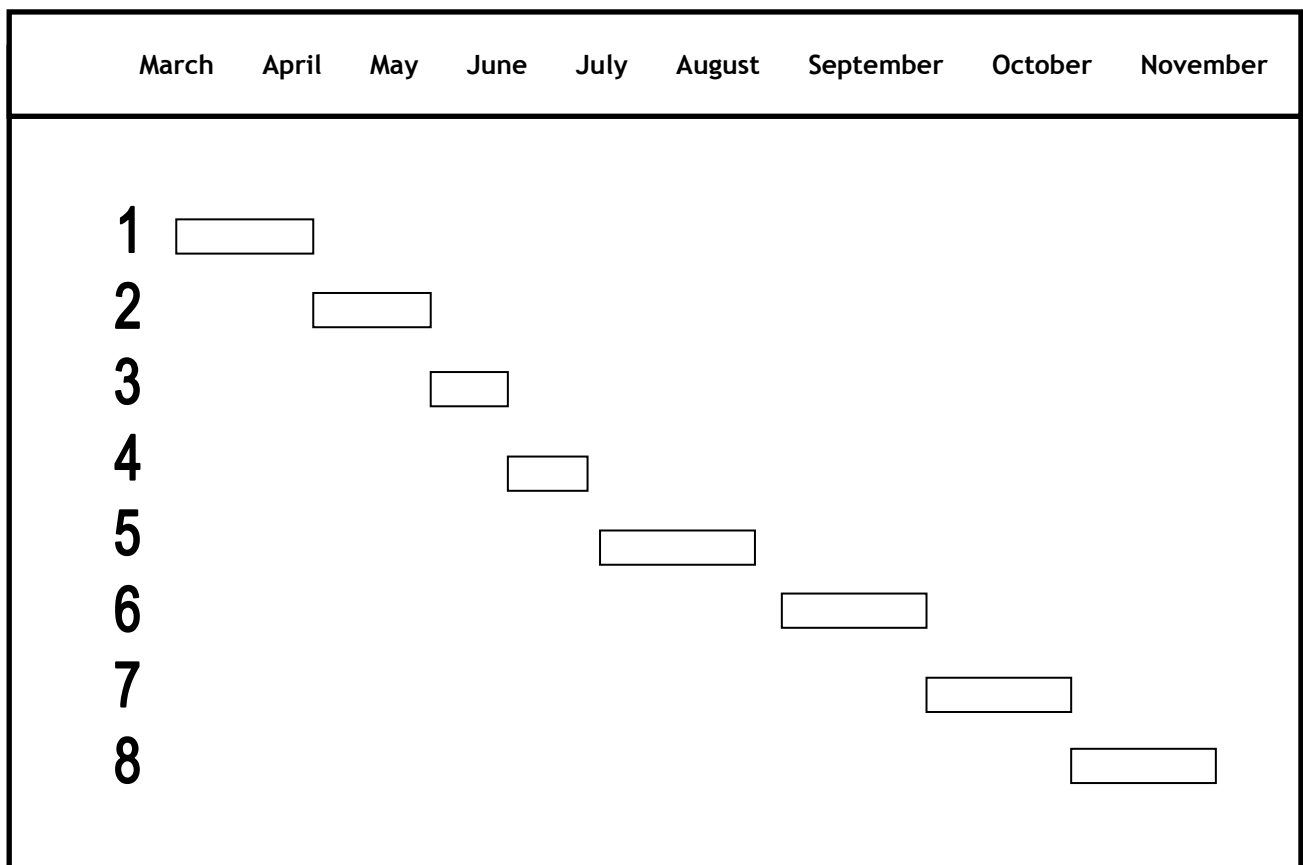


Table 2: Graphical Gantt Chart-type of presentation of the schedule

5.4.2 Quality Assurance (QA)

“Qualitative researchers, however, may be concerned as to whether online data is likely to be as comprehensive and as amenable to addressing their disciplinary and theoretical interest as is data generated by more conventional methods”. (Barbour 2008, 272).

Quality assurance is taken care of constantly. This qualitative research is the sort in which quality management will happen as the research proceeds. No one else but the thesis writer is responsible for quality. A selected mixture of QA tools mentioned in books, which are then again mentioned in references, will be used.

5.4.3 Information collecting, research population

The information was collected during the half year period the researcher worked for Song Community, starting in spring 2009.

As the service is the new type, and there is so little experience, in general also about Web 2.0, it was not easy to collect information. Many crowdsourcing and Web 2.0-related books were only one or two year old publications. Song Community’s web page was undoubtedly the main source of information.

The case company was fortunately helpful with the information collection process and provided answers when they were needed.

The sample enclosed about 30 persons, from spring to autumn 2009. The ages were between 18-60 and they represented both genders. The reason behind choosing this kind of sample because anyone can come across the service in Internet and it is open for all. The minimum age of 18 was a strict recruitment anyhow.

Of the population, about 66 percent belongs to the age group 18-60. (www.tilastokeskus.fi 2009)

5.4.3.1 Questionnaire

“Qualitative research seeks in-depth, open-ended responses, not yes or no answers. The researcher tries to get people to share their thoughts on a topic - without giving them many directions or guidelines about what to say.” (McCarthy & Perreault 2002, 230).

The research is based on qualitative methods, so substantial questionnaires calculating the conduct of population, was not on needed.

During the half-year process the thoughts about the possible questions emerged little by little. The questions had to have something to do with Web 2.0 as well as the social media. As the business is a profit-seeking entity, the questions are linked somehow to the evaluation process of the company.

One problem nonetheless was how to ask questions about a subject which so few people still know, and have experience. That is why the first questions inquired if the person knew them at all.

“Even if everything else is perfect, if you get the wrong people to talk about your product, your research can be worse than useless since it gives confidence in results that don’t represent the views and behaviors of your real users.” (Kuniavsky 2003, 83).

5.4.3.2 Online survey: Song Community in Facebook

Information was also collected from readymade online questionnaires (See Figure /).

Crowdsourcing also in information gathering is a significant opportunity, especially in the Internet era.

Song Community has its own group in Facebook. It is intended for people who use Song Community’s service and also people who want to be followers. Facebook is such widely used platform, that new participants are easy to attain.

As Song Community has this access to Facebook, creating questionnaires in Facebook has been a straight-forward process. It has been made the easy process by Facebook itself too. With easy-to-use applications a person can build questionnaires. In the building phase the user needs to enter the name of the questionnaire, its description, language and the part of population the questions will be shown at. Uploading a picture or graphics which depicts the questions being asked is also a matter that the user can carry out, and what Song Community has prepared also.

facebook Etusivu Profili Kaverit Postilaatikko Risto Sorri Asetukset Kirjaudu ulos

SONG COMMUNITY
"New Paradigm of Social Music!"

Songcommunity is a service where we all can create songs together.

**Start OWN
Edit OTHERS
... and Rate ALL LYRICS!**

Start by choosing your music and start becoming famous!

METAL	ROCK	HARD-ROCK	POP	HIP-HOP
FINN-METAL	FINN-ROCK	BLUES	INDIE	TECHNO
DANCE	LATINO	REGGAE	COUNTRY	JAZZ
SOUL	MODERN-FOLK	FUNNY	NASTY	HORROR
OTHER	POEMS	PUNK-ROCK		

And what makes you puke ... or skip

METAL	ROCK	HARD-ROCK	POP	HIP-HOP
FINN-METAL	FINN-ROCK	BLUES	INDIE	TECHNO
DANCE	LATINO	REGGAE	COUNTRY	JAZZ

Figure 8: An example of Song Community's questionnaire application in Facebook. (www.facebook.com 2009).

5.4.4 Research standards

Metrics, the frequency of collection, and processes for validating, analyzing standards by which research was conducted, follows the standards presented in research books mentioned in references.

In the research project modern computers with Microsoft software were used.

Programs used are Microsoft Word, Microsoft Visio, Passeli, Microsoft Excel, Microsoft Power-Point and Internet Explorer.

5.4.5 Reliability and validity

"Reliability receives its importance as a criterion for assessing qualitative research only against the background of a specific theory of the issue under study and about the use of methods.

But researches can go different ways in order to increase the reliability of data and interpretations.” (Flick 2006, 369).

“In general, the discussion about reliability in qualitative research come down to the need for explication in two respects. First, the genesis of the data needs to be explicated in a way that makes is possible to check what is a statement of the subject and where the researcher’s interpretation begins. Second, procedures in the field or interview and with the text need to be made explicit in training and rechecking in order to improve the comparability of different interviews of observers’ conduct.” (Flick 2006, 370).

“Validity concerns the extent to which data measures what it is intended to measure. Validity problems are important in marketing in marketing research because many people will try to answer even when they don’t know what they’re talking about.” (McCarthy & Perreault 2002, 241).

“In the discussion about grounding qualitative research, validity receives more attention than reliability. The question of validity can be summarized as a question of whether the researchers see what they think they see. “ (Flick 2006, 371).

“A basic problem in assessing the validity of qualitative research is how to specify the link between the relations that are studied and the version of them provided by the researcher. In other word: what would these relations look like if they were not issues of empirical research at that moment? And is the researcher’s version grounded in the version in the field, in the interviewee’s biography, etc., and hence, in the issue?” (Flick 2006, 371).

It is constantly more difficult to judge the reliability and the validity of the study when the actual study is made in qualitative and so forth more easily, subjective, method. The quantitative study is more straightforward and numbers inform more objective results.

In business life the standards of quality and competitiveness are universal, and therefore no big problems will emerge when a company is under research.

Even the author of this thesis wants to see the company in a optimistic light, no too much is let in when the qualitative research was done. The objectivity and accurateness is good for both the thesis writer himself but also for the company whom this thesis is prepared.

5.4.6 Communications with stakeholders during the thesis

The communication during the research was made easier by the company itself which was aware of the thesis process and so the communication was fluent.

The communication and work happened quite much the in web workshops, and with other modern communication methods, e-mail, MSN, Facebook and telephone.

6 Empirical study

6.1 In general about the empirical study

The empirical study in this thesis consists of reflecting Song Community's situation to the famous theories, which are listed in theory section above. The word "empirical" depicts in a great way the reality where the author himself was a part of the daily routines. The thesis process started already then as many of the written assignments were linked to the company's competitiveness and many important questions were evaluated with the company staff.

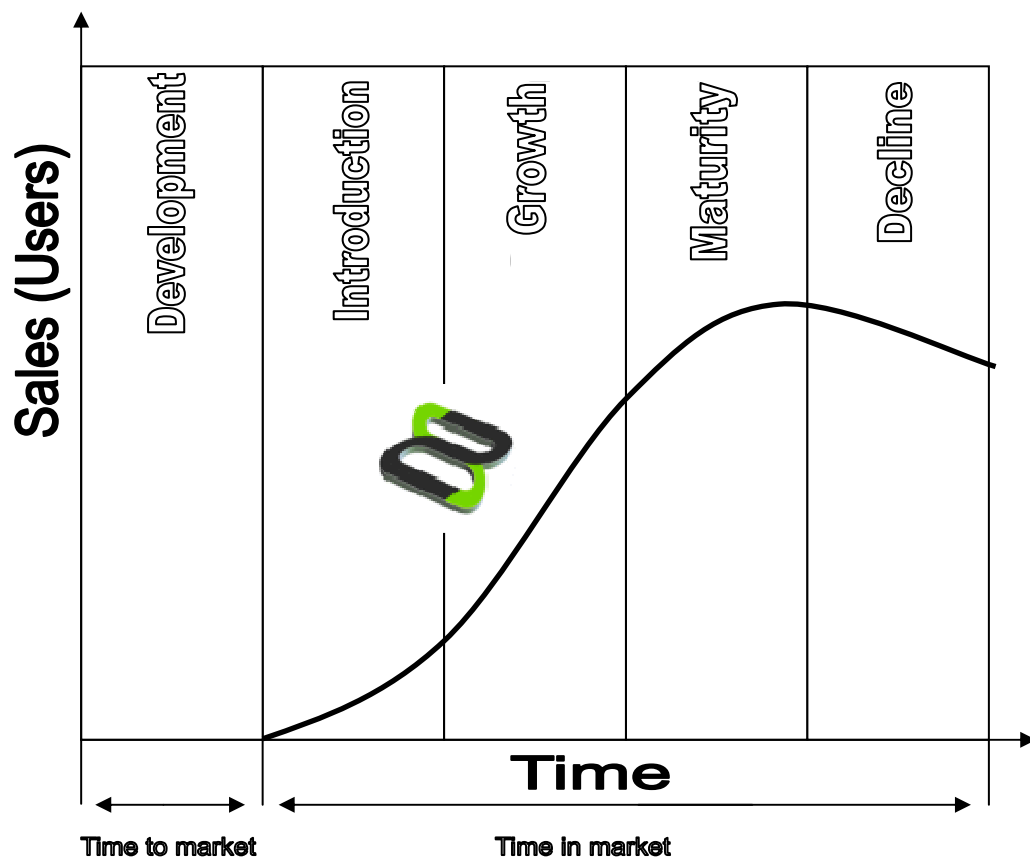
6.2 4 Ps currently in Song Community

Product variation is rather limited in Song Community. The service is bettered continuously, but it stays the same, basically. Product differentiation, but also product innovation, should be on Song Community's area as not many similar companies, exists.

Price is nonexistent. The plan is to gather people together, to which nonexistent price is an initiative. As and if the service gathers popularity, an entry payment may be considered. Still, the term used is penetration pricing, because the company is new.

Place is difficult to define, because the Internet is placeless. That is the pioneering thing with the Internet. So the distribution channel functions both ways, and people come across the product more than the company distributes its product further. E-commerce, to a large extent sums up, what Song Community is, from the economical point of view.

In promotion efforts the company has trusted in search-engine optimization, as well as good visual outlook in the Internet. The case company has co-operated with some music magazines to reach its message to the right segment. There is more about marketing from section 4.6.



6.3 Product Life Cycle currently in Song Community

Figure 10: Song Community's current place in the Product Life Cycle (McCarthy & Perreault 2002, 276)

Song Community is unquestionably in the early phase, in a so-called introduction stage. The service was taken to the market not long ago, and people are still learning to use it. As new updates arrive, Song Community's journey in its Product Life Cycle has started.

In development phase the service was developed to the phase it was ready to be launched to the Internet. After development the service is introduced to the Internet-using public, and that is the phase the company is now leaving behind it, during the thesis process.

Growth means in Song Community's case the growth in user quantity. The database grows as users put more material in it. People use more time using the service and do not anymore just visit the webpage rapidly. Probably also investors get more interested about the company which may mean growth in resources and budget.

Maturity is the phase when the quantity of the users reaches its peak. After that it does not rise anymore but people withdraw and start using other services. Investors try to forecast this and often they withdraw together.

In decline phase the trend that started in maturity phase continues, in ever faster rate. Finally the service is outdated and does not attract users anymore. To be factual, this decline may be fast in Song Community's case as the whole business idea relies on group behaviour; when some people decide to leave soon everyone leaves as there is no more people to gather with.

6.4 Other qualitative research

6.4.1 User research

Song Community's target market is all people who like music and composing it. There is no restriction on the user's age. Musicians and potential musicians are key clients and the target group for Song Community, both in Finland and internationally. The customer can be anyone arrives to Song Community's webpage and composes music (www.songcommunity.org 2009).

A user questionnaire about the webpage has been conducted yet, but similar to that should be considered. It is often only experience that proves if a product or service is good or not got profile the average user, the prediction is that ordinary Song Community.org visitor would probably be young or old, age is significant. He or she is interested in music and composing or may be first time visitor. He has some basic knowledge of computers, uses computer rather a lot and is comfortable in using them.

The first thing that the entrant probably would perform is to log in. This requires of course registering. Otherwise the users often test the newest material in the database.

The most important reason why a person would select this service and not some other is almost certainly the possibility to gain money. But when music and inspiration related services are into question, users will pick the service that answers best to their needs at the certain moment. There is a possibility to trail the visitors and how many of them visit the page in a week or in month.

6.4.2 Song Community in Google search

When a person runs a Google-search with the search word Song Community the first finding is the company's own page. This opens the path straight to the homepage and to the service.

This is brilliant, because the shorter the way is from search engine to the actual service, the better.

What often happens, sponsored results and advertisements move people's attention away from the actual service. They can also slow the opening of the page and in that way the effect can be negative. Different sorts of articles of the Song Community can be found in Internet. It-Viikko news release has one article about the company. Digitoday has another news page. Another webpage with the same thought is Star My Song webpage and its link is after Song Community's page.

After these links there is a church webpage and other pages which include the words "song" and "community".

Articles and discussions are rather remote from the Song Community homepage, which inflicts about their low usage compared to the homepage. People are not aware of Song Community and have not searched extra information. But it also gives a hint about the popularity of the preceding pages.

Some music-related chatting forums similar to Meteli and Mikseri have some discussions about Song Community. Other chatting forums may also have material about Song Community but their relevance to "word-of-mouth" is not so large as they do not appear early in the search results.

The conversations about Song Community all seem to be between people who are interested about the solution, but still have not got familiar with it. There is an obvious reason for that and that is that the company is still in the early phase in its life cycle. Marketing activities are still to be prepared and remain to be launched. Articles often tell the most important aspects about the company.

If one explores different web pages, which in way or another is related to Song Community, there does not exist negative feedback. Most of it is happy and welcoming and often there is a link to the homepage, which then people at least hopefully clicked. It seems that the Internet community is constantly searching for something new and exciting and if single browser does, he or she tells about it to another. Forwarding the message to somewhere where this communication happens is important.

One quality that perhaps affects at least certain people is the community feature of the service. There has been some of discussion of the music industry and its success but also piracy. The service could appeal to those who perceive environment from the community pers-

pective but still desire for profits. This means the differing political views, at least to some extent. Also the competitive feature of the service and the opportunity to succeed may appeal to certain type of people.

After researching the supply and Song Community related conversations, people need to adopt the service. Too much marketing and too intensive marketing can devastate the feeling of community and co-operation. Many of the services similar to this, for example YouTube, Facebook, MySpace, Wikipedia and Finnish IRC-Galleria, have been accepted and adopted by the Internet audience. They work as common meeting places, which again attracts advertisers who are searching for big audiences. Establishers and owners of these mentioned sites have often earned their money in this way. They ended up structuring an add surface, when they were mentioned to a new sort of internet service for people.

6.4.3 Some other Web 2.0 applications and their features

People who have a discussion about Web 2.0 often refer to the change of the Internet to more interactive www-based applications. This seems to be true, especially if one remembers what the Internet was ten years ago. Computers were only for saving information in electronic form.

Web 2.0 is creating and opening communication between people. As stated already, it used to be only information base but now functions more as a place where people are and spend their time. People can add, save, alter and delete information as they wish, whenever, and people can see it. Information is also easily reachable to all and free to be used again.

Many people consider Web 2.0 to be a key change in computing since in the new paradigm, the web itself becomes the platform for computing.

Web 2.0 is to a large extent turning passive visitors into active participants who produce material that then presented is on the Internet page. For example in Wikipedia the material can be edited by any one of its users.

Web 2.0 can stand for allowing users to manage the data, by publishing for the services that constructs the site so that users can add services on their own sites. Facebook and its partners use this opportunity.

In the Internet there is numerous Web 2.0 type services which collect people together and offer them a possibility to communicate through the Internet. Some of them are services such as Twitter (www.twitter.com), Facebook (www.facebook.com), MySpace

(www.myspace.com), IRC-Galleria (www.irc-galleria.net), YouTube (www.youtube.com) and different discussion boards and any webpage through which people can interact.

One quality all services have in common is that they all collect people interested in that particular subject.

Facebook is a website created to create a private page about the person's own life and then share it with certain accepted friends. It is an online folder and website for people and their friends. (www.facebook.com 2009)

Usually signing in is free, but for additional qualities the person may need to pay. For example IRC-Galleria offers many membership levels and the user can have his or her choice which one he or she wants. Building these steps is undoubtedly art and when prepared well, a person buys the higher level. Cancelling the account is often made as complicated and complicated as possible. It is possible but not encouraged, for obvious reasons. (www.irc-galleria.net 2009)

Places resembling Facebook offer marketplaces for users. There are many opportunities how companies and artist can enhance their marketing with the help of Facebook. Many of these mentioned services rely heavily also on popularity and use celebrities in advertising, so it is in the mutual gain for both parties. (www.facebook.com 2009)

Journals are often written and they can be shared. They are often separated from one another according to their field. The guestbook, where the user can see who has visited the site. There is this type of guestbook in IRC-Galleria. It seems to be important for people who see their pictures. (www.irc-galleria.net 2009).

Photographs and videos can be added to some pages. YouTube offers a possibility where people can vote for the best pieces of music and the results are to be seen for everybody. (www.youtube.com 2009).

People seem to be interested also about other users and to see statistics about them, because they want to see if they are average user or not.

A good FAQ (Frequently asked questions) page is often very important and much time is spent to build such. It seems to be important to tell about features and user terms fast because many of these sorts of pages already exist. Take a tour- type of solution is popular.

There is often contact information to owners of the services seems to be also important. Contacting is easy so that problems can be solved fast, if they emerge.

6.5 The case company's marketing efforts

6.5.1 Commercialization in Song Community

Earning money most likely was not the most significant factor when the Song Community was started. Nevertheless, the company is currently in the market and commercialization is under way. The business relies much on inspiration and making music just for entertainment, and not on producing music on assembly line and then selling it for profits.

The possibility for commercialization is but it has to happen by its own, to say the least. The users sense very rapidly, when the art is taken to the market by force, and soon the users disappear.

6.5.2 Advertising

Advertising messages usually concern the unique quality and character of the service. In business-to-business advertising has been more about business and facts. To a researcher it seems that the adjectives that would depict the page and how the owners would like the users to see it are inspiring, fun, friendly, free and exclusive. Earning money is not first in mind, or it should not appear like it. The company wants to make an impression in the web because that is the way to success in the internet where the supply in is almost endless.

Advertising in Song Community's case is Internet advertising combined with the right amount of advertising in music magazines and other publications. Customers already know what they want to do. If the service offered by Song Community Oy, the product to be used, depends on many things (www.songcommunity.org 2009).

Advertising is also a question of choosing the right media. Ordinary business-to-customer advertising has also an effect on business-to-business customers but business-to-business is a different. Due to the special service characteristic of the Internet music advertising has not been very important on Song Community Oy's memo. People have found the service very well. Internet based electronic promotion and for example music magazines like Rytmi, Inferno and Rumba strongly unique service oriented advertising has been Song Community Oy's choice. (www.songcommunity.org 2009).

Many companies use crowdsourcing nowadays. They all rely on the thought that the right people find the service and can produce material. Marketing to wrong people, for example for

people that do not understand music, or do not enjoy it at all, is misuse of effort. Also even if a person would enjoy what he or she does, it does not indicate that everybody else would.

6.5.3 Partner companies in advertising

The right partners are important in a business of this sort. Regardless Song Community Oy has not been with its partners for long time, some good connections have been established.

The main business-to-business target group of Song Community Oy is small Finnish music companies acting actively in the music business. In the music market in Finland, there are companies like BMG (Bertelsman Music Group) Finland Oy and Levy-yhtiö. Lataamo.fi and MTV Music Store have been big successes in Finland, regardless they are not record labels but Internet music downloading services. (www.sonymusic.fi 2009), (www.mtv3.fi 2009), (www.levy-yhtio.com)

Co-operation with this company could be more mutual and bilateral, which means good business for both parties.

Actual partners with which Song Community has collaborated, are the music magazines Rumba, Inferno and Rytmi. With these partners Song Community has an agreement according to which the users have certain benefits when they become a subscriber to these mentioned magazines. (www.songcommunity.com 2009)

Rumba is a Finnish rock, and light music-related magazine. It was established in the year 1983. Publisher is Pop Media Oy. The magazine has 37 000 readers. (www.viihdeimperiumi.fi 2009).

Inferno is metal music related magazine. It is the fourth biggest magazine related to metal music magazine and it has 50 000 readers. Inferno has 10 issues a year. 35% of the readers are men and 65% are women. The magazine includes interviews, articles, reports, news and analyses which are linked to metal music but sometimes also other music genres are under the discussion in the magazine. The publisher is Pop Media Oy and the magazine is issued ten times a year. (www.viihdeimperiumi.fi 2009).

Rytmi is Finnish pop music magazine, which was grounded in the year 1934.

The magazine is together with Inferno and Rumba. The chief editor is Heta Hyttinen. (www.rytmi.com/mediatiedot 2009)

6.5.3.1 Sponsoring and PR

Advertising, sponsoring with public relations interlink in Song Community. None of them is a big or important part of the entity; they would need much attention at least when the case company is in the early phase of the Product Life Cycle.

Sponsoring Song Community Oy have not had performed. That should be evaluated. It is first of all difficult to find any place or situation in which this sort of speciality brand could appear. But the future shows how Song Community Oy deals sponsoring.

Public relations is many times a field to improvise on. Positive PR a company can never have enough. Song Community Oy uses Internet pages to spread the positive image of the company. Some local and national newspapers and music magazines such as Rytmi, Rumba and Inferno publish journals of the company. (www.songcommunity.org 2009)

6.6 Workforce

Song Community has 3 employees. Other workers are often trainees or interns. During spring 2009 the company had about 5 trainees.

Bureaucratic type organization is greatly tried to avoid, due to the fact that it does not fit into the Song Community's philosophy. Decision making and the ability understand on things without too much extra costs are abilities more needed, the company get the biggest profits. Internet business is easy to manage with the low work force.

Outsourcing is prepared also in the case company, but not as much as would be possible. A virtual organization with a small, core organization that outsources its major business functions is not Song Community Oy's selection, even though some IT-related technological services are bought from specialist entrepreneurs. Most of the functions are performed by the Song Community itself.

6.6.1 Human Resource Management in Song Community Oy

The performance of the business' is in the hands of the people. (Viitala 2007, 8).

"Human resource management involves the planning, acquisition, and development of human resources necessary for organizational success." (Kreitner 1998, 319).

“ Human resource planning helps management find the right people for the right jobs at the right time. Formally defined, human resource planning is the development of a comprehensive staffing strategy for meeting the organization’s future human resource needs.” (Kreitner 1998, 320).

The purpose of human resource management is to make return on investments from human capital as big as possible, and minimize the risk, financially. It is human resource manager’s responsibility to do these, as well as he or she can.

Human resources management is all relating to keeping record of the resources the company has and using that knowledge as the company pursues the profit. In Human resource managements situation the question is about real, living people. People must be handled in very different manner than for example machine.

6.6.1.1 Recruiting high skilled IT professionals

To maintain the business efficient and in a good quality, needs not only hard working employees, but the right employees who make up the position. How the right people are sorted out is often under intense discussion. At the same time as recruitment methods are different sort, it is central that the work is described accurately and that any personal specifications are well defined.

In Song Community, in the IT-recruitment process, recruiter has to take many aspects into consideration, not only that the person is hard working.

Selection is made basically on educational (IT-related) factors, experience in IT and the general impression of the applicant.

According to Eeva-Leena Vaahtio, when a company selects employees, the company should use help from the specialist (Vaahtio 2005, 119). This is correct, because it is both the employee’s and employer’s advantage that a person fits in the organization.

These procedure perhaps also takes place, but not in a way Vaahtio would mean. As she also mentions “employee hiring” and its positive sides, when people are needed in the short notice (2005, 126) she means using personnel hiring companies such as Opteam, Varamiespalvelu and Staffpoint.

Song Community has already used Chinese computer programmers, in programming tasks. They have in most cases come to Finland, but in theory work is possible abroad also. The supply of highly trained work force in that part of the world is substantial.

7 Conclusion

7.1 Key findings

Song Community is a potential new success and its possibilities in the markets are favorable. In Finland especially, this sort of music business is not saturated at all. With the right timing and advertising, Song Community may guarantee its place in the markets.

The image is important to help Song Community to stand out. The company is built to a large extent around the brand name, and the name is going to be in people's mind.

As a new product, Song Community starts carefully observing the market. This is not uncertainty but the avoiding some unnecessary risks. Often an aggressive entrance to the markets can do only damage and that is something the strategy planners of Song Community are necessary to be aware of.

The biggest problem will be attracting the public to adopt the service and getting into a good relationship with the users. Users need to know each other. Ideally there would be this group of people who use the service frequently.

The problem is the small size of the user database and amount of users. The service needs users to get improved.

According to the Web 2.0 claim, the service gets better, when more and more people start using the site. The general database gets wider after every person visiting the web store, which makes the ability to forecast better all the time, when there is wider base to do comparing. The more one makes purchases, the better the service learns to know customers preferences.

(Tirronen 2008, 84).

7.2 Suggested strategic choices for the company

In Song Community situation the question is of one basic strategy: market penetration. The markets have existed already for long time, as people spend time in the Internet.

Concepts such as market development and diversification become important when Song Community goes further as a business.

7.2.1 Database and user relationship

Value of the relationship with the users cannot be increased effectively without data of the user and the relationship. Companies require to data of relationship with users or customers, whichever word is used in Song Community's case.

The database may include information on users behaviour, attitudes and opinions, users possible connections to other users and the members of the network, the users views on his own behaviour in future and other projects of the users.

The importance of a building database is increasing, in both business-to-customer and business-to-business as the size of business increases. The memory makes it possible for companies to create user and customer profiles that include the user's wishes and preferences regarding certain components of the relationship strategy. As a result, the relationship information is accessible for each user encounter.

As many companies, Song Community Oy also gathers information to obtain better image of the market and the people. People can also send e-mails. Song Community Oy gathers information about, for example the satisfaction to products quality, to the service the company offers.

What sort of information Song Community Oy then would want about the users between the company and the final user and about the relationship with them?

Examples could be as following: How often the user enters the page?
How people view this company and what they expect of it in general?

The relationship with the users and the database concerning the relationship should always be improved. High technology helps here. An image of a user changes and the company needs to keep up. Everything ranging accuracy and pace of changes should be improved. But at the same time the right way is searched, one has to keep in mind that people are individuals, and no only one way is always the right.

7.2.1.1 Taking care of the users and their individual needs

User satisfaction is the purpose of the customer care, in Song Community's case. The concept of taking care of customers forms the core of one of the most important processes in doing business; to guarantee user needs are met consistently and that the relationship with these users for both sides is rewarding and lasting. It is meant to make sure that the firm is responsive, helpful, enduring and effective when it comes to users.

Song Community Oy tries to service its business-to-business customers in the music business, every single one of them in a unique manner. Customers are not segmented in such a manner as in business-to-customer, because the quantity of them is not that great. In business-to-customer, customer segments are different compared to each other and all of them require a special sort of treatment. In business-to-business every single company is an important customer which desires exclusive service.

The different ways of keeping contact range from the interactive surveys in the Internet to follow-up calls. Internet surveys can be for example questionnaires in the web site specially meant for other firms. Same type of service actions can be performed through the telephone, in phone support. By calling to the customers, retrieved responses can be more individual and precise.

To build an effective and even improved user caring, it may be good for the company to ask the following questions from itself. Does Song Community really know its users? A company can actually never possess enough precise information of living people, because people change all the time. They grow up, move to other locations and the interests and lifestyles change all the time. To continue with the questions, are the customers really acquainted with the company and what it is able to offer? It is for the most part the company's own responsibility to give info of that, because random people do not often search information. Are they willing to know? Are they interested? Are the products and services the company offers reliable and consistent? Can they compete with the rivalries? Does the company provide any extra or any surprises when it deals with the customer? Are the problems arising handled rapidly and in a first-class manner? Is the company fair to the users?

7.2.2 Search-engine optimization

There is no use of having great looking web pages offering great service, if no one can find it there. (Kuokkanen et al. 2007, 175).

Search-engine optimization is very simple. One has to understand how search-engine software sees the web page. One has to use common sense to make sure, that web pages are opti-

mized from the point of view of the right search-engines. Too much optimization should be avoided because that may throw the pages to the black lists. (Davis 2007, 53-54)

7.3 Analysing the time during the thesis process

To analyze the learning process during this thesis, one has to remember that the work was prepared solo. The researcher was to a large extent, with the help of instructors and company representatives of course, responsible of the work and learning. The work was not dialogue with a co-operative, but more like own individual analyzing and applying of the material.

Teaching and learning methods and the most effective ways to get students to work and learn have been under heavy discussion in recent decades in Finland. After the 1950's and especially in 1960's and 1970's there has been, a worldwide movement aiming to democratizing education. Still in those days only very little percentage of people had access to higher education, about 2 percent got to universities in 1970's. Now about every fifth high school graduate has access to university, which is statistically same than every tenth of all youngsters turning to 19 in that year (half goes to high school and half get some other education electrician, plumber etc.). (www.tilastokeskus.fi 2009).

There has been also lot discussion about if this sort of mass education is necessary at all and whether there is enough jobs for all graduating specialists. Does it lead to dangerous inequality between people when the line in between the high school educated and other goes exactly in the middle of the social classes?

Anyway, this thesis's purpose was not to weight those sorts of things but more to analyze the learning during the half year process. But to give some enhancement to the opinion that this sort of thesis working process is very welcome to Finnish education culture. Even the thesis would not be as good as it would be, when completed with someone else.

Finland needs entrepreneurs. That is a fact which is rarely denied. The old situation where the exporting factories offered work to a large proportion of people, is not reality any longer. In global economy jobs places go to where they naturally would go also in smaller scale; to where resources are least scarce and where work force is abundant and costs are less. Also countries where legal environment, from the entrepreneur's point of view is the most positive, gather entrepreneurs.

This type of working where the student is not directed all the time pushes the student to himself get the things clear. This coaches' student to future world where the authority may not be always there, but students are individuals competing with other individuals.

References

Barbour, R. 2008. *Introducing qualitative research: A Student Guide to the Craft of Doing Qualitative Research*. Lontoo: Sage Publications Ltd.

Berlinger, J & Milner, G. 2004. *Metallica, This Monster Lives*. New York: Robson Books.

Bruhn, M. 2003. *Relationship marketing: Management of Customer Relationships*. Essex: Pearson Education Limited.

Cassell, C & Symon, G. 1998. *Qualitative Methods and Analysis in Organizational Research: A Practical Guide*. Lontoo: Sage Publications Ltd.

Costello, P, J, M. 2004. *Action research*. London: Continuum

Cotler, E. & Goto, K. 2003. *Verkkopalveluprojekti*. Helsinki: Edita.

Davis, H. 2007. *Google; kuinka varmistat verkkonäkyvyytesi*. Jyväskylä: Readme.fi Oy.

Eden, C. 1998. *Making strategy: The journey of strategic management*. London : Sage publications.

Eriksson, P. & Kovalainen, A. 2008. *Qualitative Methods in Business Research*. Sage Publications Ltd.

Ferguson, S, D. 1999. *Communication Planning: An integrated Approach*. Thousand Oaks: SAGE Publications, Inc.

Flick, U. 2006. *An Introduction to Qualitative Research*. Lontoo: Sage Publications Ltd.

Friedman, T, L. 1999. *The Lexus and the Olive Tree*. New York: Random House Inc.

Haasio, A. 2008. *Kaikki irti Internetistä*. Helsinki: BTJ Finland

Howe, J. 2008. *Crowdsourcing: How the power of the crowd is driving the future of business*. Lontoo: Random House Business Books.

Kreitner, R. 1998. *Management: Seventh Edition*. Boston: Houghton Mifflin Company.

Kuniavsky, M. 2003. Observing the User Experience: A Practitioner's Guide to User Research. San Francisco: Morgan Kaufmann Publishers.

Kuokkanen, E., Pohjanoksa, I. & Raaska, T. 2007. Viesti verkossa: digitaalisen viestinnän käsikirja. Juva: WS Bookwell Oy.

Laurila, H., Leminen, S., LTT-Tutkimus Oy, Kiuru, P., Pelkonen, T., Pulkkinen, M., Rajahonka, M., Valtakari, M. 2004. Kaupallistaminen ja innovaatiotavoitteet teknologiaohjelmissa: innovaatioprosessien muutoksiin tähtäävien teknologiaohjelmien arviointi. Tampere: Tammerpaino Oy.

Lynch, R. 2003, Corporate Strategy. Harlow: Prentice Hall.

McCarthy, E, J & Perreault W, D. 2002. Basic Marketing: A Global-Managerial Approach. New York: McGraw-Hill/Irwin.

Tirronen, R. 2008. Web 2.0: Verkon numerologia. Vaajakoski: BTJ Kustannus.

Vaahtio, E. 2005. Rekrytointi menestystekijänä. Helsinki: Edita.

Viitala, R. 2007. Henkilöstöjohtaminen-strateginen kilpailutekijä. Helsinki: Edita.

Vitale, P, R. & Giglerrano, J, J. 2002. Business to Business marketing: Analysis & Practice in a Dynamic Environment. New York: South-western, Thompson Learning.

Electronic sources

<<https://www.cia.gov/library/publications/the-world-factbook/geos/fi.html>> 2009, (Accessed 20 Oct 2009).

<<http://www.facebook.com>> 2009, (Accessed 21 Oct 2009).

<http://apps.facebook.com/song_community/> 2009, (Accessed 14 Sep 2009).

<<http://www.nokia.fi>> 2009, (Accessed 15 Sep 2009)

<<http://www.songcommunity.org>> 2009, (Accessed 12 Sep 2009).

<<http://www.tilastokeskus.fi/til/mteouk/index.html>> 2009, (Accessed 27 Sep 2009).

<http://www.tilastokeskus.fi/til/vaerak/2008/vaerak_2008_2009-03-27_tie_001_fi.html> 2009, (Assessed 27 Nov 2009).

<<http://www.tilastokeskus.fi/til/yop/index.html>> 2009, (Accessed 12 Oct 2009).

<http://www.viihdeimperiumi.fi/lehti_esittely.asp?lid=Inferno> 2009, (Accessed 16 Sep 2009).

<http://www.viihdeimperiumi.fi/lehti_esittely.asp?lid=Rumba> 2009, (Accessed 16 Sep 2009).

<http://www.viihdeimperiumi.fi/mediakortit/Mediakortti_2009_inferno.pdf> 2009, (Accessed 3 Nov 2009).

<http://www.viihdeimperiumi.fi/mediakortit/Mediakortti_2009_rumba.pdf> 2009, (Accessed 3 Nov 2009).

<<http://www.rytmi.com/mediatiedot/>> 2009, (Accessed 3 Nov 2009).

<http://www.viihdeimperiumi.fi/lehti_esittely.asp?lid=Rytmi> 2009, (Accessed 16 Sep 2009).

List of captions for figures

- Figure: 1 The thought of crowdsourcing in Song Community's case: material emergences out of nothing, as a sum of working minds.
- Figure: 2 Song Community home page
- Figure: 3 Crowdsourcing is all about gathering ideas to one place.
- Figure: 4 Product lifecycle and its five phases, compared to user quantity.
- Figure: 5 The 4 Ps in Song Community
- Figure: 6 Computers and people who use them unite the world in a revolutionary way
- Figure: 7 A basic action research model (Kurt Lewin 1946)
- Figure: 8 Example of Song community's questionnaire application in Facebook
- Figure: 9 SWOT-analysis consists of four different parts
- Figure: 10 Song Community's current place in Product Life Cycle

List of captions for tables

Table: 1 Schedule for qualitative Song Community research project

Table: 2 Graphical Gant Chart-type of presentation of the schedule

List of appendices

Appendix 1: Questionnaire form

Figures

Figure: 1

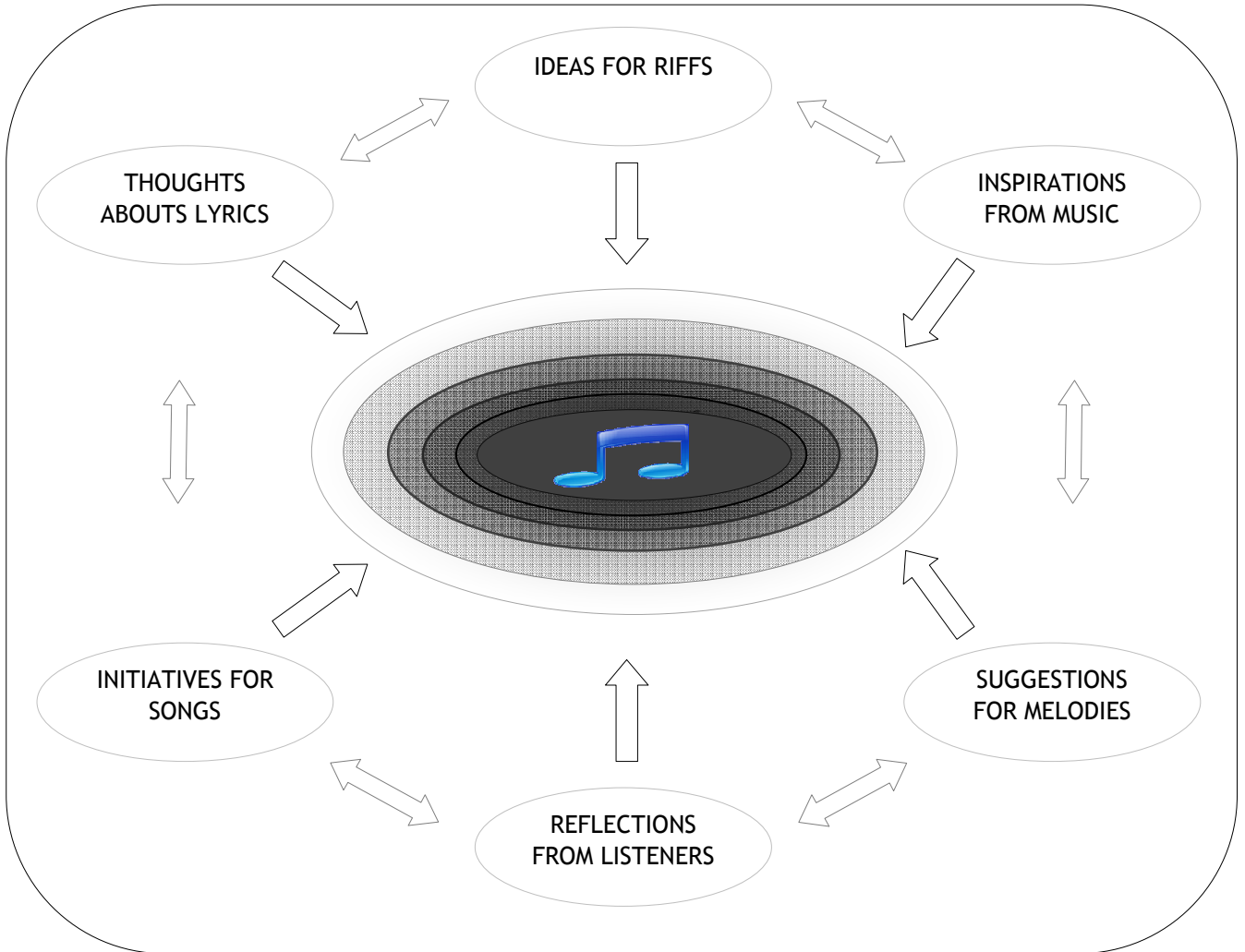



Figure: 2

SONG COMMUNITY
"New Paradigm of Social Music!"

Username Password Register 

FRONTPAGE

THE BEST

- Lyrics
- Riffs

THE WORST


- Lyrics
- Riffs

FOR BANDS
FOR RECORD INDUSTRY

WELCOME New members

NEW 5

cici0325
Uhma
Teke
henry_y
wameq2004



Etu Songcommunityn jäsenille!

SONGCOMMUNITY.ORG

Discussion Board>>

Free search:

User search:

THE BEST

- Lyrics
- Riffs

THE WORST

- Lyrics
- Riffs


NOW The most clever song writers


TOP 5

Christian	810
michelde	504
Insane	361
mancer	142
aes_loeff	141

Check YOUR score »

Check out TOP 100 »







Become rich and famous!!!




Start, edit, rate -create!

Music, lyrics & riffs

START YOUR OWN LYRICS  **ADD YOUR OWN RIFF** 

BLUES COUNTRY FINN-ROCK HORROR INDIE METAL POEMS ROCK
DANCE FUNNY INDIE JAZZ MODERN-FOLK POP SOUL
FINN-METAL HARD-ROCK HIP-HOP LATINO NASTY PUNK-ROCK TECHNO
OTHER REGGAE

HOT LYRICS Results: 1-3 of 124 Page: [1](#) - [2](#) - [3](#) - [4](#) - [5](#) >

<p></p> <p>Lyric name: No pleading Genre: METAL Nick Name: mancer</p> <p>you gaze the past with your jaded sight it's your life, giving out it's light see your birth there's no mirth</p> <p>Open</p>	<p></p> <p>Lyric name: No name yet Genre: HIP-HOP Nick Name: Christian</p> <p>Some say I'm an old man, I don't know about that I think the age is only state of mind, and when your old you become blind To the real world, don't see anymore what is happening Around you 'cause you too tired of working</p> <p>Open</p>	<p></p> <p>Lyric name: Grace Genre: HARD-ROCK Nick Name: Leo_Sebastian</p> <p>Open</p>
--	--	---

MORE LYRICS »

HOT PEOPLE - THE TOP 5






				
Christian 810 score	michelde 504 score	Insane 361 score	mancer 142 score	aes_loeff 141 score

Figure: 3

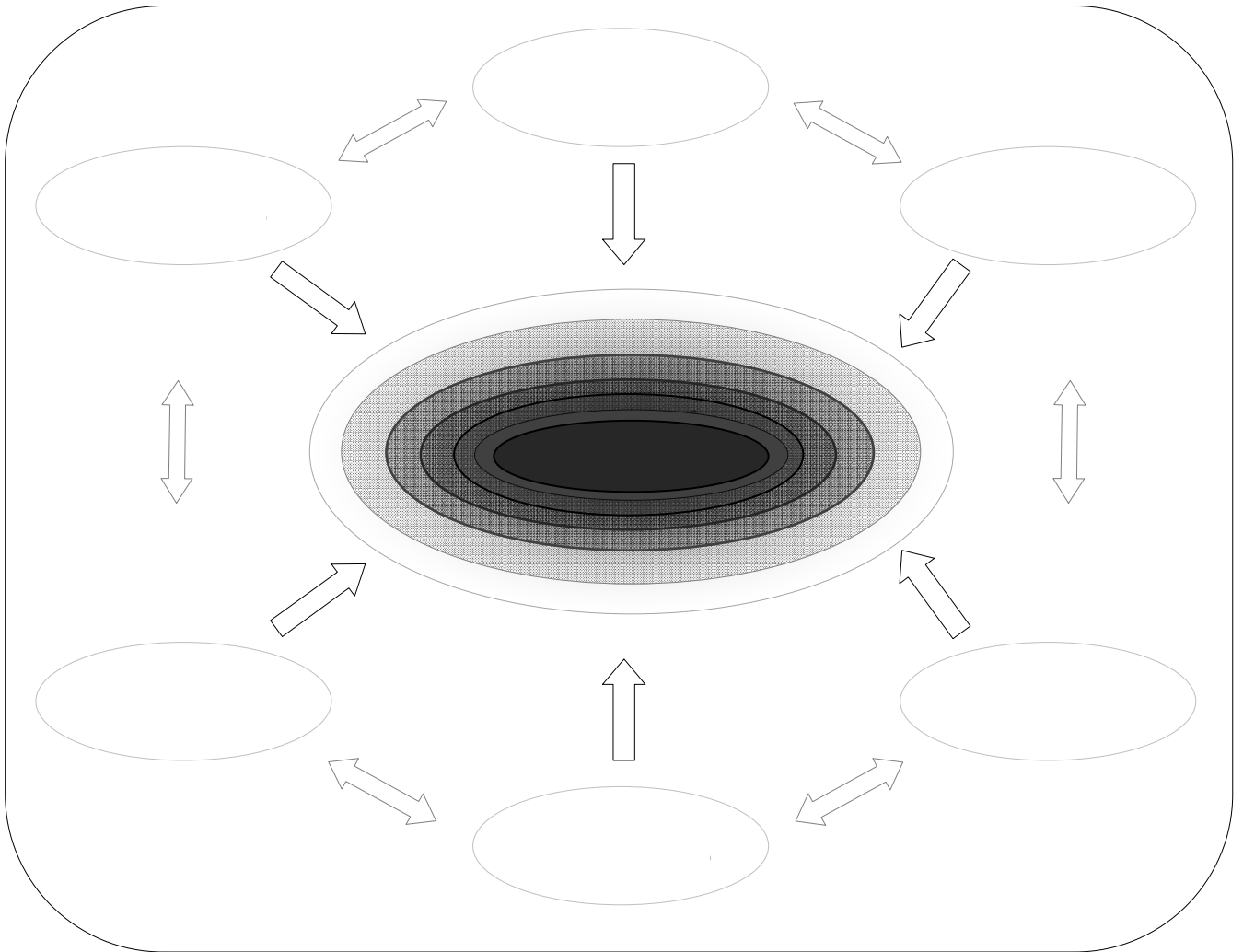


Figure: 4

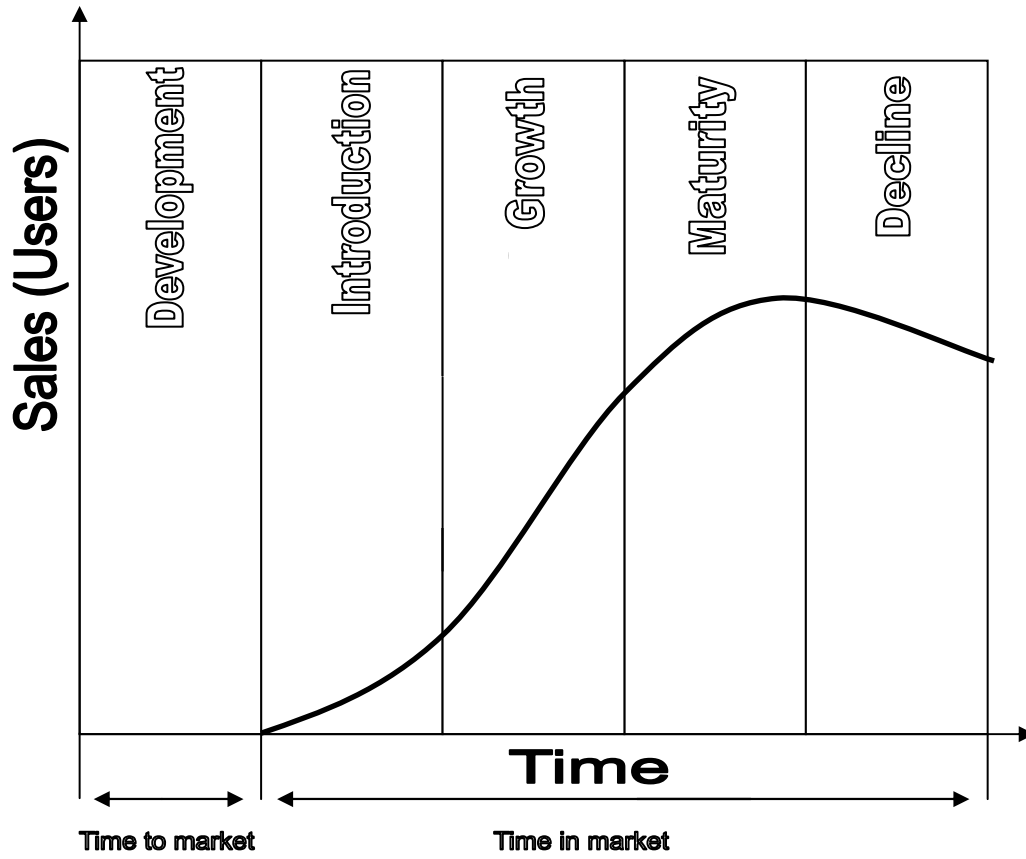


Figure: 5



Figure: 6

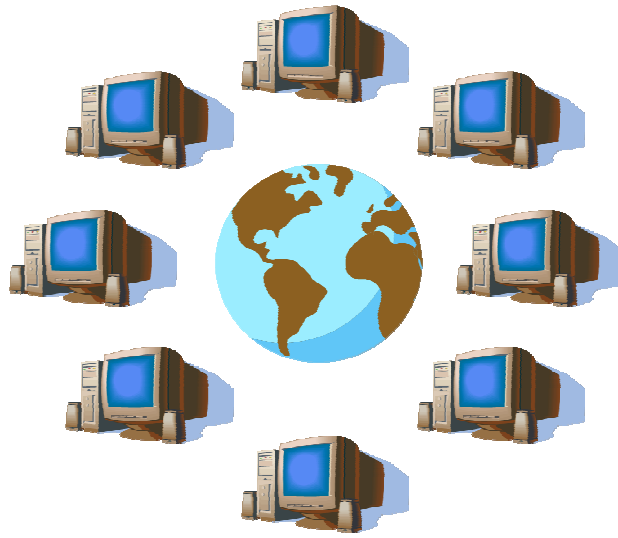


Figure 7:

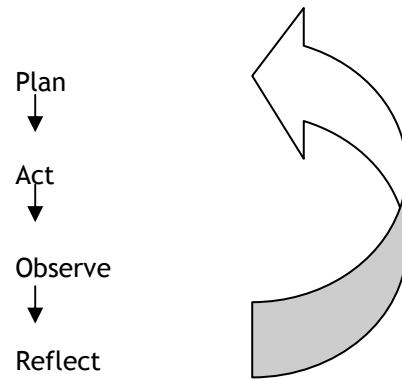


Figure: 8

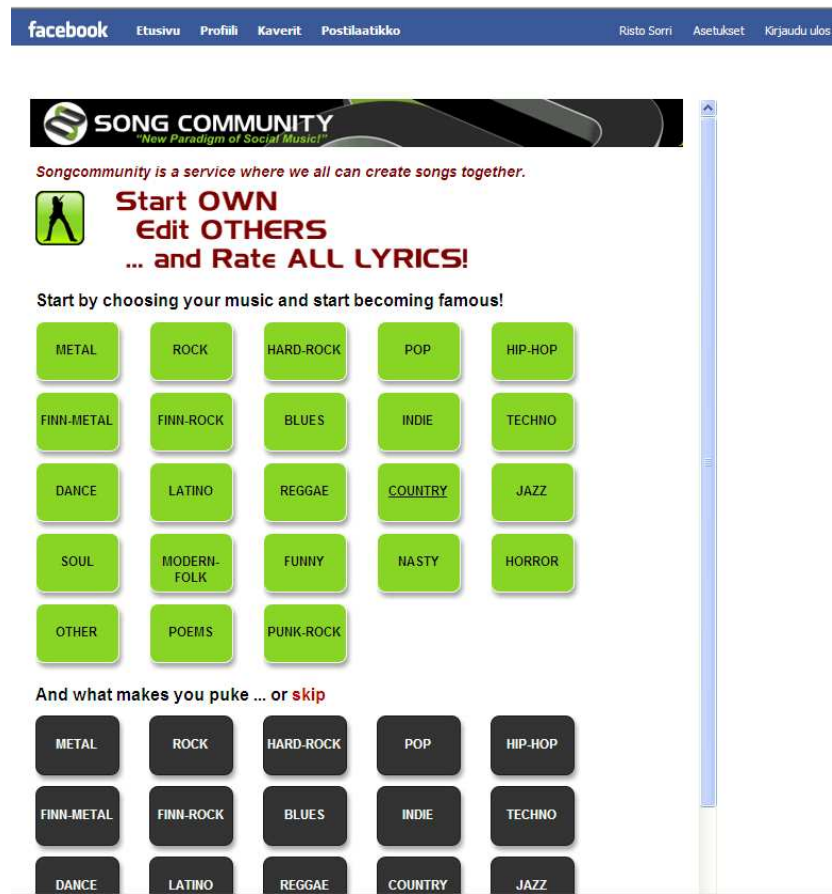


Figure: 9

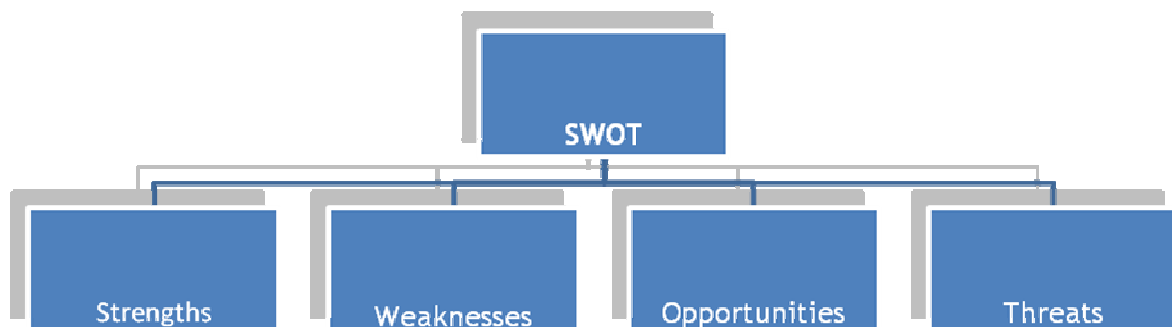
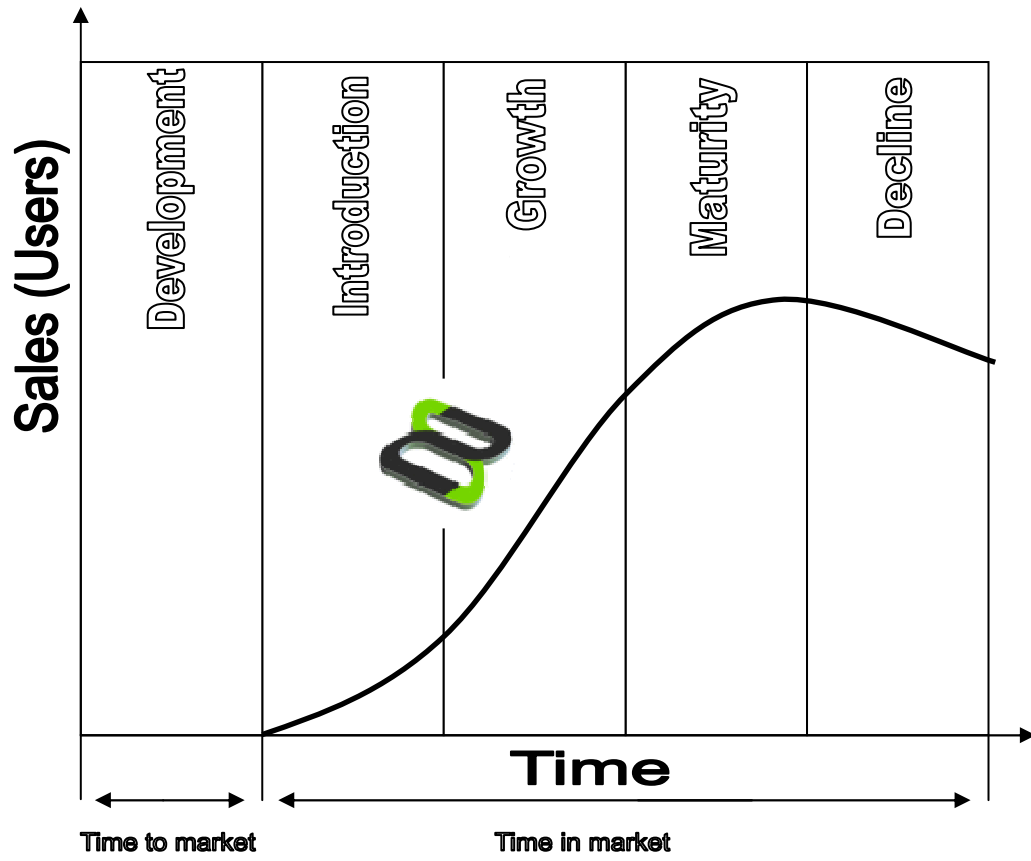


Figure: 10



Tables

Table: 1

<u>Task</u>	<u>Duration</u>
7. Mapping of the situation in SC	13.3 - 18.4. 2009
8. Planning of the research	20.4 - 24.5.2009
9. Material collection	25.5 - 17.6.2009
10. Overview	17.6 - 1.7.2009
11. Concrete research	2.7. - 15.8.2009
12. Evaluating the results	16.8 - 18.9.2009
7. Research finalization	19.9 - 18.10.2009
8. Research ready	18.10.2009

Table: 2

	March	April	May	June	July	August	September	October	November
1	<input type="text"/>								
2		<input type="text"/>							
3			<input type="text"/>						
4				<input type="text"/>					
5					<input type="text"/>				
6						<input type="text"/>			
7							<input type="text"/>		
8								<input type="text"/>	

Appendices

Appendix: 1

Questionnaire

The research concerns Web 2.0 / social media type of services in Internet. The purpose is to find out what people might be looking for from these sorts of social services. Here are 6 questions about the subject. Please, answer briefly, and if needed, continue on the other side of the form.

Thank You for your time!

1. Do You believe you know what Web 2.0 means?

2. Have You used those sorts of services?

3. Do You like using them?

4. Have You been ever in brainstorming-sort of creative situation?

5. Do You believe in collective intelligence?

6. Have You ever felt that Web 2.0 and its users have really created something new together?