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# ONLINE MARKETING IMPROVEMENT BASED ON MARKETING PSYCHOLOGY, CASE: ROOMSEVILLA

Degree Programme in Innovative Business Services 2013



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### Abstract:

The purpose of this thesis was to study and find out the best cost-effective online marketing channels for a Spanish housing agency Roomsevilla in order to strengthen its online marketing. In addition, this thesis aims to find out how the case company can use marketing psychology in its online marketing.

The theoretical part includes online marketing, marketing mix and marketing psychology which were collected from various books, online journals and websites. Also Cialdini's 6 Principles of Influence were handled and applied for the case company. The practical part includes a quantative research which was a survey made for the target group of the case company. In addition, the practical part includes my improvement ideas for the case company based on the theory, research results and author's own experience and creativity.

The research was mainly done to find out the social media activeness and online behaviour of the target group. The secondary target was to clarify where the target group had found their accommodation for their stay in Seville and which factors have affected on their decision when choosing an apartment.

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### 1 INTRODUCTION

In 2013 I was having a marketing & PR internship in a Spanish company called Roomsevilla. The idea for the thesis came already before I actually started my internship. I made some online research of the company in advance and noticed that there are several things to improve to make the marketing more efficient. During my internship, I was also a customer of Roomsevilla, therefore I have seen the company in cutomer's point of view as well as employee's point of view.

As a small-size company Roomsevilla do not have money or capacity to promote it-self with huge and costly marketing campaigns. Therefore marketing has to be inexpensive and creative in order to stand out withing similar options. Since almost all of the customers come from foreign countries and about 70 percent of them make the sales decicion before arriving to Spain, the Internet has a big role in reaching the clients. Therefore this thesis is concentrating on online marketing, and especially free social media channels to keep marketing costs low. Also field of marketing psychology and how to take an advantage of it will be handled.

Therefore the purpose of my thesis is to improve the online marketing of the case company by studying and finding out the best cost-effective online marketing channels and and ways to implement marketing psychology. After this work, the case company is supposed to be aware which online marketing tools they could use and how to improve online marketing by making use of marketing psychology.

This thesis is written based on various books, articles and website sources, not to forget my personal experience as a client and an intern in Roomsevilla as well as a student living in Seville.

### 2 ROOMSEVILLA

### 2.1 Background information

Roomsevilla consist of young, international people connected by a mission of creating students' life easier and more exciting. During the founders' stay abroad through the Erasmus and Leonardo programs, they faced all the difficulties in finding the accommodation in a foreign country, documentation and integration. That is where the idea of creating Roomsevilla came from. Roomsevilla is a student housing company founded in 2010 in Seville, Spain. It belongs to the Global Student Services SL that offers a wide range of services for all the students interested in studying or doing and internship in Spain, particularly in Seville.

Currently there are two permanent workers in the company. Since Roomsevilla has a partnership with Spain Internship, a company that organizes internships in Spain, there are continually about four to seven interns working in the company, mostly taking care of marketing and customer service.

At the beginning Roomsevilla concentrated on offering shared, furnished flats for international students in Seville. Nowadays the company offers also living with Spanish host families, individual flat renting, and accommodation for Spanish students who want to improve their English and share a flat with international people. Therefore the main customer group is exchange students and interns in Seville. The secondary target group is Spanish students and young workers, and international working people. In general the main customer group is 20-25 years old.

### 2.2 Previous marketing efforts

Since most of the customers of Roomsevilla come outside of Spain, the company is concentrating on online marketing, and mainly on those channels that are free of charge. From the beginning the company has had its own website where potential customers have been able to search for rooms and also get some additional infor-

mation. Roomsevilla is also implementing some traditional marketing such as brochures and discounts coupons.

The main marketing of Roomsevilla is done in social media, mostly in Facebook because it is free of charge and the company has noticed it to be widely used by the target group. The company has its own Facebook page that includes all the important information about the company, and information and pictures of the apartments. In addition to new apartment offers, Roomsevilla posts regularly other things that may interest its Facebook fans, for example events in Seville and Spain, as well as other topical news. In addition to its Facebook page, the workers in the company also contacts potential clients directly via private accounts in order to approach clients less formally.

Roomsevilla has also accounts in Twitter, LinkedIn, Flickr, Google+ and YouTube. However these social media channels have a minuscule role in company's marketing since they are rarely used or updated. Besides these most common social media channels, the company also posts flat offers in forums and websites where students are looking for flats, for example in Erasmusu and EasyPiso.

The main problem is that there is no marketing plan, and the already excising marketing efforts are done based on the gut feeling and on the idea what seems to work. Since most of the marketing is taken care of by continuously changing interns, the marketing image of the company also changes slightly according to the people taking care of that. With a marketing plan, Roomsevilla would have a continuous marketing image even though the people implementing it would change. Therefore it would be really important for the company to have a marketing plan in order to get the full benefit of marketing.

### 3 STUDENT HOUSING IN SEVILLE

### 3.1 Students in Seville

Based on a report by the European Commission (2013), 39,300 Erasmus students went to study in Spain in the 2011-2012 academic year, which makes Spain the leading destination for university students in the Erasmus exchange. According to the same report, University of Seville was one of the top ten universities in Spain receiving exchange students.

There are two universities in Seville: University of Seville and University of Pablo de Olavide. Currently there are more than 70,000 students studying in University of Seville and almost 12,000 students in University of Pablo de Olavide. Together these universities receive around 2000 Erasmus exchange students per an academic year (Universidad de Sevilla, 2013; UPO, 2013). As there are so many exchange students in the city, the demand of student apartments is also high.

### 3.2 Student housing options in Seville

Student housing agencies are not really common in Seville. Roomsevilla has only two direct competitors, companies called Roommates Sevilla and Aluni that also offer flats and rooms for students, mainly targetting for international students. Otherwise student housing in Seville is mostly operated by private flat owners and so called apartment search engines in the Internet (such as EasyPiso) and various other Internet forums

### 4 ONLINE MARKETING

### 4.1 Introduction to online marketing

"The Internet is a tidal wave. It will wash over nearly every industries drowning those who don't learn to swim in its waves." - Bill Gates, CEO Microsoft

The Internet has come a long way in a short time as a mainstream and essential business tool. While in the end of 1990's a successful marketer knew how to create email campaigns with effective copy writes, today a successful marketing professional needs to know how to coordinate a website, use digital branding, SEO and social media. Online marketing has spurted leaving the traditional marketing techniques way behind (Newlands 2011, pp. 10-11).

The goals of online marketing and traditional marketing are basically the same; both aim at presenting a product or a service in a way that makes a consumer interested and willing to buy it. However, the Internet offers us new ways of interactive communication with millions of consumers. Compared to traditional marketing, online marketing allows the marketer to reach people in inexpensive and time-saving way anytime and from all over the world. Marketing in the Internet gives an unparalleled possibility to not only reach the potential customers but also interact with them. By interacting with customers, you can get a better understanding of the customers' wants and needs, and also find out their consuming habits. In addition to the effectiveness of marketing, the Internet gives us new techniques to implement marketing strategies and processes (Michie 2006, pp. 10-13).

Online marketers can influence the decision making process of the online customers by using traditional marketing tools, but mainly by creating and providing a proper online experience which combines online functionality, information, emotions, cues, stimuli and products or services (Constantinides 2004, pp. 111-126).

### 4.2 Search engine optimization and search engine marketing

Some of the most important parts of online marketing are search engine optimization (SEO) and search engine marketing (SEM). Search engine marketing can also be seen as a bigger entity that also includes search engine optimization (Ryals 2012, p. 47). However, in this thesis search engine marketing refers only to the advertising part, also known as pay per click (PPC) or keyword advertising.

Search engine optimization refers to editing the content and the source code of a website in a search engine friendly form. Search engine optimization increases the visibility of a website and it is a powerful way to increase the amount of visitors in a website. High ranking in a search engines is important because only 10 percent of the users are going trough more that one research result page. A properly optimized website gets visibility in search services by the keywords that the target group of a website is searching for. Therefore SEO does not only increase the number of visitors but also increases the quality of customers by bringing right target group visitors to the website (Yrittäjät 2013; SEO: Optimaciónes de web para buscadores 2011, p. 9).

Search engine marketing is a service that is bought from a search engine. The advertisements are shown in the same search result page than the actual search results. The main benefit of SEM is the targeting of the advertisements – the person searching is already interested in the services or products of the marketer. A company pays a price for the search engine from every user that comes to the company's website through the search word advertisement. Therefore the advertisements are shown free in the search engines and the company pays only for the customers that come to its page (Yrittäjät 2013).

Even though SEO and SEM have the same objective, they differ as methods. A company should take the pros and cons of each method into account when choosing a suitable method. Table 1 demonstrates differences between SEO and SEM (Yrittäjät 2013).

SEM SEO

- Pay for each visitor.
- Results archieved quickly.
- Number of visitors linked to the budget.
- Sensitive to competition and the change of competition situations
- Preferred by many consumers because the results only include company results
- Good predictability of the results
- Top positions expensive

- Free visitors
- · Results archieved slowly
- No visitor limits
- Not sensitive to competition because of long-term results
- Visitors rely on objective search results lists
- A good ranking in the search result list strengthens the brand

Table 1. Differences between SEM and SEO (Yrittäjät 2013)

### 4.3 Social media

In April 2013 Experian marketing services (2013) reported that in the United States 16 minutes out of an hour online is spent on a social network or forum. In June 2013 Facebook had 1.15 billion monthly active users (Facebook 2013). YouTube reaches more US adults ages 18-34 than any cable network, and at the same time 100 hours of video are uploaded to this video channel every minute (YouTube 2013).

The purpose of social media is to create relationships and conversations online. Social media includes blogs, micro-blogs (e.g. Twitter), image and video sharing websites (e.g. YouTube), wikis (e.g. Wikipedia) and community websites (e.g. Facebook), basically the websites where a consumer have a role as a content creator or a consumer is able to interact. Interaction is the main factor that differs social media from traditional media. In this century, social media marketing is all about connecting relationships with customers and making a company's brands and messages part of their online experience (Newlands 2011; Korpi 2011, p. 28).

Participating in social media benefits a company in many ways. Fistly, it makes a company's website ranking higher in search results because the page has been linked from other pages about some specific topic. The contents that have been created in social media is seen as their own results in the result pages of search engines. Even because of this raise of visibility, it is important to create regularly content in social media because if you want to keep the results risen, your profile needs to be active. In addition to visibility, being in many different social media channels increases your credibility. Because of the interactive nature of social media, spontaneous content created by users is the best marketing for you in the Internet so it is worth supporting. You can support it for example by giving a prize for the best blog comment of the month (Korpi 2011, pp. 57-62).

### 4.3.1 Social media channels

There are hundreds of social media channels and tools in the Internet. Based on Korpi (2011, p. 28), it is important that a company is involved at least in those social media channels where its customers or target group is. The next chapters will briefly introduce the most common social media channels mainly in companies' point of view.

### Facebook

Facebook is a network service founded in 2004. As it introduces itself, its mission is to give people the power to share and make the world more open and connected. Facebook has 699 million daily active users, which makes it the biggest community media. The founders of Facebook want it to be free for everyone, accordingly showing ads is how this social media channel ensures its continuous growth and development (Facebook, Newsroom 2013).

Organizations and brands can not only create a company page that users can "like" but also advertise in Facebook. Facebook offers a possibility to profilize its users, which makes it an interesting advertising environment. Advertisers can ask Facebook to show ads to an audience based on demographic factors like location, age, gender, education, work history and the interests that people have chosen to share on their

Facebook page. In addition to Facebook Ads, companies are also able to promote themselves by Sponsored Stories. Sponsored Stories provides marketers a possibility to strengthen the distribution of stories that the users have already shared with their friends (Facebook, Newsroom 2013).

In Facebook company can also see important information about its page popularity and fans each week in its administrative page. Those are important information for example to know how much the fans have visited the page and how active they have been there.

### **Twitter**

Twitter is a real time micro-blog network that was founded in 2006. Its core are the short messages that are called "tweets", one tweet includes maximum 140 signs. It has more than 465 million accounts and 175 million tweets every single day. Companies can use Twitter to share information for people who are interested in their products and services. Importantly, it lets followers communicate with companies as well. Twitter can also help companies to create relations with the customers, partners and influential people (Twitter 2013).

### LinkedIn

LinkedIn is a networking service that is specialized to carrier and work world. It was officially launched in 2003 and it has more than 225 million users. LinkedIn profile is kind of a electric CV. In LinkedIn you can search for jobs and companies can search for employees. It includes both free accounts and paid extended accounts (LinkedIn 2013).

### *YouTube*

YouTube is owned by Google and it has more than one billion users visits each month, which makes it clearly the most popular video service. It is a service where everyone can add own videos and watch videos of other users. Companies can use YouTube by creating own account and then add for example advertisements and product promoting videos. In its own channel, a company can also add its contact information as well as some information about the company. To make it easier to

find videos and channels, you can add a class for you channel and search words for your videos (YouTube 2013).

### Google+

Google+ is a social networking service by Google. It is quite similar to other social networking services, but it allowes more transparency in who you share with and how you interact, it also integrates all Google services. Two main strengths of the social site of Google+ are photography and Hangout (free video conferencing calls) features. Google+ was launched in June 2011, and only after two years it has 300 million monthly active users and 540 million monthly active users via other Google services. Worth noticing for companies is that Google+ has a +1 button that allows people to recommend for example sites and articles for others. The amount of +1s a website directly affects on SEO rankings in Google (Mcgee 2013; Shepard 2013).

### Blogs

Blogs are web logs that are updated on a regular basis, usually they contain information related to a specific topic. Blogs are one of the most popular social media channels and their popularity increases all the time in company usage. Blogs are mostly free of charge and easy to open. One of the benefits of a blog is that an interesting article can spread fast in the Internet and get free visibility and promotion. Blog is a good way to offer interactive channel for your website readers. A company blog is good to be planned in advance and though what company wants to gain from it. Comments are important part of a blog even though it may sometimes include also negative comments. In the best case, blog create free promotion and positive conversation for the company (Varlack 2009).

Blogs are powerful tools if they are updated regularly; at least once a week, even every day. By updating your blog, you website gets bigger and search engines consider bigger page more important than smaller one. However it is important to think about the topics as well. If it is not natural to write interesting content everyday, it is better to write only when you have something valuable to say to your followers (Korpi 2011, pp. 23, 59).

### 4.4 Website

The company website is the major medium of delivering the web experience for customers, it is the interactive platform between the company and its online clients. The website of the company is the only web service that a company can fully control. Website is the best way to show company's brand as it is wanted to be shown. Therefore the website of a company should be always in use, secure, clear and informative (Constantinides 2004, p. 113).

The main reason why it is important for companies to have an own website is how people are likely to find you. Nowadays most of the people will go online and research companies and products before they make a purchase decision. If your company does not have a website, you can miss out all of these potential customers (Shoosmith 2012; Zero One 2013).

In many cases company website is just made but it is not build to be part of marketing. After the potential customer have found your company, the primary purpose of your website is to require visitors to take a specific action and boost the business, hence it can only work if it is created for the customer and marketed along with your company, brand and products (Elbel Consulting Services 2013). A study by Aladwani (2006) shows that by giving attention to creating a technically crebible website with effective up-to-date content and attractive design, a company could get more consumers to its online business and convince them to make purchases.

### 4.4.1 Home page

The home pages is the first impression that a potential customer gets from your website. Based on several studies it takes about 0.05 seconds for users to form an opinion about your home page that determines whether they like your site or not, whether they will stay or leave (Taylor & Francis Online 2013).

Your home page should not only be nice-looking, but it should have all the important information for the visitor as soon as the visitor arrives there. It is important to

remember that the page reflects the core work values and overall image of the company. The content and design on the website home pages should be relevant enough to confirm its significance to the online users. The home page should provide easy navigation so that users can browse quickly and get the information they want (Content Management Softwares 2013).

### 4.5 Viral Marketing

Viral marketing refers to any strategy that encourages the receiver to pass the message forward to their friends and acquaintances. The reason why the phenomenon is connected to the word "virus" is simply because it reflects the nature of viral marketing aptly: viral marketing message spreads rapidly and in an uncontrolled way, just like a virus. Viral marketing in the Internet is also know as "electronic form of word-of-mouth" or "Internet word-of-mouth" (Savolainen 2010).

Viral marketing can take any form from video clips to email messages and from interactive online games to pictures, and they can spread anywhere in the Internet. One example of viral marketing is also widely used "tell a friend about the contest" competitions in social media. In these, the message of the competition spreads virally to a wide range of people without the marketer's actual actions (Suomen Pienyrittäjäin Mainostoimisto Oy 2012).

In addition to the rapid spreading, a viral message is also more credible, personal and intimate compared to a normal advertisement message because it is shared by acquaintance or another familiar person. Usually successful viral marketing requires a product or a service that is interesting and that stands up from competitors. But the main thing is that the message should be original with some fun or a new idea. However, it can be complicated to purposely implement a message headed to viral spreading because it is hard to forecast what will work and what will stir up the people next (Suomen Pienyrittäjäin Mainostoimisto Oy 2012).

### 4.5.1 Social bookmarking

The basic concept behind social bookmarking is similar to "Add to Favorites" or "Bookmarks" that you use with your web browsers. However, these bookmarks are only stored in your computer while social bookmarking allows you to store the information online in order to access it anywhere and anytime. The other difference is that social bookmarks can be seen by accessed by every web user, which makes the sharing easy. Social bookmarking sites started in 2003, and today there are various different kind of sites. Some of the most popular social bookmarking sites are Delicious, StumbleUpon, Reddit and Digg (Optimum 7 2013).

Even though the average click through rate is really low – about 0.1% – most viral campaigns tend to start on popular bookmarking sites. In addition to increased visibility, webpages that are bookmarked get indexed quickly by search engines and the company ranks higher for the keywords with which their pages have been tagged (Optimum 7 2013).

### 5 MARKETING PSYCHOLOGY

### 5.1 Introduction to marketing psychology

Marketing psychology is a branch of psychology which researches different kind of consuming mechanisms which either directly or indirectly affect on human's decisions in marketing situations, and can be benefitted on the base of marketing. The way human behaves in a marketing situation is always based on his individual background. This background affects on how the person reacts to different kind of company messages and content-based marketing solutions. Understanding human being is one of the core elements of professional marketing competence. The key is to get a person to want what the marketer is offering. To make a consumer want something, a marketer first has to know how the person is, what this person wants, and how to af-

fect on him in order to make him want something (Pyykkö & Rope 2003, pp.20, 30-33).

One of the core facts is that people are irrational; therefore their decisions are made based on emotions before empirical data is analyzed. People are often motivated to buy a product based purely on an emotional level; afterwards they justify their decision with logic for themselves and for others. Effective marketing appeal to human emotions, and makes him feel rather than think. Therefore marketing that is based on rational buying is pointless (Pyykkö & Rope 2003, p. 21).

Another core factor of marketing is understanding different target groups. The individual differences between people decisively affect on how well the marketing will work. A marketer has to be able to break away from his own preferences, stand the differences and make marketing decisions based on the values of the target group. If a marketer can't do that, reaching the target group will be really challenging (Pyykkö & Rope 2003, p. 22-23).

Next vital marketing core is liking – a consumer buys what he likes, no matter of the field of business. That is why the role or a marketer is to get a target group to like his product over competitors' product (Pyykkö & Rope 2003, p. 23).

Psychological marketing refers to marketing thinking and approach where the psychological structures of the target group are taken into account and benefitted from them. The human buying behavior is influenced by many different things. Also different persons act differently in a specific situation. These external factors that affect on different behaviors are for example:

- Personal characteristics which determine what to like, what to appreciate and how to behave.
- Personal backgrounds that affect the valuation, preferences, beliefs and attitudes, and attitudes towards different issues.
- Reference group backgrounds that the person belongs or wants to belong and get their approval.
- Personal circumstances, for example economical situation and stage of life.

• Environmental and market impacts, including the current supply, trends and technological development.

(Pyykkö & Rope 2003, pp. 27-28)

Based on Pyykkö and Rope (2003, pp. 50-51), every human has nine basic characteristics that affects on marketing:

- 1. Laziness: Human wants product and services as packages.
- 2. Greed: Human likes free gifts.
- 3. Self-indulgent: Human likes all enjoyable thing and that everything is easy and nice for him.
- 4. Selfisness: Human likes to take something beneficial rather than giving it to someone else.
- 5. Envy: Human immediately wants same or even better than some acquaintance has.
- 6. Will to get recognition and respect.
- 7. Need of fellowship: Human feels important when being part of a group.
- 8. Curiosity: Human is interested in all new things.
- 9. Need of security: Human seeks for psychical, emotional and economical security.

### 6 MARKETING RESEARCH

This chapter is about the research that I made as a part of my thesis. The primary objectives of the research were to find out the online behavior and social media activeness of the target group of Roomsevilla. The other objectives were to clarify where the target group has found their apartments and what were the factors that mainly impacted on their decision when choosing an apartment in Seville.

In order to examine the objectives of the research, I decided to use quantitative research method and create a survey. A survey was the most natural choice because statistical processing of the answers given by large group of people is relatively simple. Quantitative research is research that uses numerical analysis; it simplifies the data into numbers, for example percentages (Peltomaa 2013, p. 120; Crossman 2013).

### 6.1 Selection of the subject

The research method choice affects a lot on how the group of subjects is selected. Subjects need to be a sample of a defined group of people, they are supposed to represent sufficiently diverse the group of people for which the research results are wanted to be generalized. (Peltomaa 2013, p. 125)

The subjects of this marketing research were group of mainly 20-25 years old, exchange students, interns, degree students and young workers that live or recently lived (because of the reasons mentioned) in Seville. Researching those people was mainly done by posting the survey in social media groups that are targeted for those people, and also by directly contacting people that include in the target group.

### 6.2 The research results

The results of the marketing research are divided in four parts. The first part handles the basic information of the population of the research, including the age groups, geographical groups and status groups. The second part introduces how the respondents found their flats, and the factors that affected on the on the rental decision. The third part is about the social media and online behaviour of the research population. The fourth part is about analyses of homepage pictures.

### 6.2.1 Population

The population of the research consisted of 57 respondents from which 63.2% were female and 36.8% male. Clearly the biggest age group was 20-25 years old that consisted 80.7% of respondents. The second age group, over 25 years old, included 15.8% of the respondents. Age group of less than 20 years old consisted only 3.5% of the answerers.

The clear majority of the population were Europeans, Europeans consisting 91.2% of the respondents. South American/Central American respondents were represented by 7% of the population and Africans by 1.8% of the population.

As it is seen in the Figure 1, the majority of the respondents, 43.9%, were in Seville for an internship. The second biggest group, group of 31.6% of respondents, were exchange students. In addition 14% of the respondents were degree students and 10.5% were working.

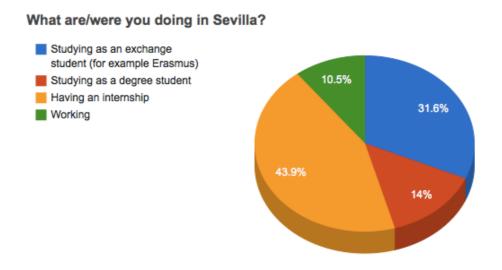


Figure 1. Procentages of different types of respondents of the survey.

### 6.2.2 Housing

The research results shows that clearly the most important factors when choosing an accommodation in Seville were location, 34.8%, and price, 33.3%. The atmosphere of the apartment (for example nice flat mates) was important for 8% of the respond-

ents, also the cleanliness of the apartment was important for 7.2% of the respondents and the looks of the apartment for 6.5%. For few, the size of the room or an apartment (4.3%) and the credibility of the apartment provider (4.3%) were one of the most important factors. Also 1.4% of the respondents thought that friend's or family member's opinion was important.

The next couple of questions targeted to find out how the respondents find their accommodation in Seville. 43.9% of the respondents answered that they used Google for searching accommodation while 50.9% answered that they didn't use any search engine. Also 5.3% mentioned using another search engine than Google.

Based on the research results in total 66.6% of the population found their flat online: 28.1% from a housing agency website, 15.8% from a housing forum website, 8.8% from social media site and 14% from some other website. Therefore 33.4% of the population found their apartment offline: 8.8% from a brochure, advertisement etc. that was not in the Internet and 24.6% from somewhere else. The Figure 2 present where the respondent found their flats. The majority, 59.6%, found their flat without a housing agency. 31.6% of the respondents found their flat from Roomsevilla, 3.5% from Roommates Sevilla and 5.3% from other housing agency.

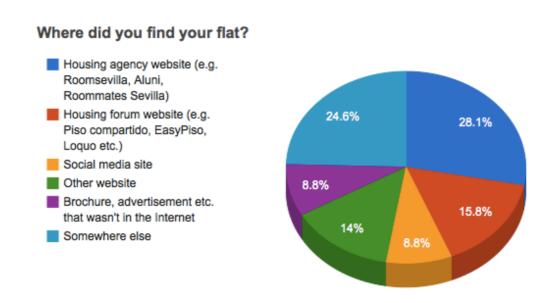


Figure 2. Percentages of different sources where the respondents found their flat.

When asked about the difficulty of finding an apartment, in total 94.3% of the respondent though that it was not difficult at all or neither difficult nor easy. However,

5.3% (3 respondents) of the population answered that it was relatively difficult to find an apartment. They justified the difficulty of finding an apartment by mentioning that together with friends it is difficult to find an place that everybody is satisfied with, Roomsevilla does not update their website to show which rooms are available and that the Spanish flat owners do not speak English.

The majority of the population, in total 77.6%, answered that they booked their apartment before coming to Seville. From these people 39.7% booked it 1-3 month before arriving, 19% 2-4 weeks before arriving, 13.8% less than 2 weeks before arriving and 5.3% more than 3 months before arriving.

### 6.2.3 Social media and online behaviour

Based on the research results, 100% of the population use social media at least a few times a week, 78.9% use social media even several times a day. 17.5% use social media once a day and 3.5% a few times a week.

From the eight listed social media sites, Facebook and YouTube were clearly the most common ones. 100% of the population mentioned to use Facebook regularly, in the case of YouTube the percentage was 71%. The third most used social media site was Twitter with the response rate of 23%. LinkedIn was regularly used by 19% of the population and Google+ by 16% of the population, furthermore one respondent answered to use Flicker regularly. 12% of the population also mentioned to use some other social media channel regularly. Figure 3 presents the amounts of responses for the listed social media sites.

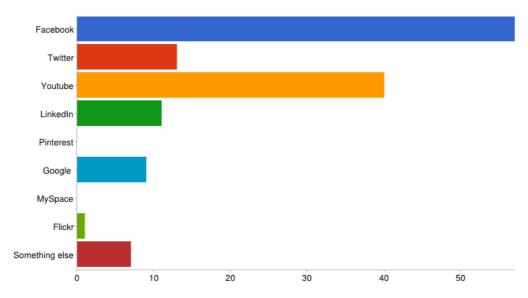


Figure 3. Amount of responses for the listed social media sites.

The results show that 52.7% of the respondents read and/or write blogs at least once a week, 31.6% read/write blogs less than once a week but at least once a month. 15.8% answered to read/write blogs less than once a month.

When asked what attracts the respondents to go to a particular brand's social media site, the anwers were spread largely. The most important reasons why the population follow particular brands in social media were friends' or experts' recommendation with the response rate of 49% and attractive sales/promotions/discounts with the response rate of 44%. From the given options "interested in interacting with others that follow this brand" was the less important reason by response rate of 0%. The rest of the reasons can be found in the Figure 4.

# What attracts you to go to a particular brand's social media site? Interested in interacting with others that follow this brand Interested in interacting with the brand Access to customer service through social media Opportunity to participare in contests Interested in new product/service offerings Feedback about a good or a bad experience To research products/services before I buy them Friends also interact with this brand in social media Fun/entertaining posts & content Because I'm a customer of a company/I shop their products/services Attractive sales/promotions/discounts Friends' or experts' recommendation

0

10 15 20 25

## Figure 4. Amount of answer for the question "What attracts you to go to a particular brand's social media site?"

According to the research results 42.1% of the respondents answered to share links of interesting videos, pictures, pages etc. with friends and acquaintance (for example trough social media profile) either in private conversations or publicly at least a couple of times a week. 24.3% anwered to share online material once or twice in two weeks, 17.5% at least once a month and 14% less than once a month.

In addition to social media sites, 96% of the population uses the Internet for email, 96% for searching information (for example from Google), 65% for online shopping, 79% for entertainment and 5% for something else.

Based on the results, for 35.1% of the respondents it is very important to get recommendations/opinions of other consumers before buying a new product/service (especially if it's a valuable product/service). Also 59.6% thought it was somewhat important. Only for 5.3% of the respondents anwered that the other consumers' opinions were somewhat unimportant, and for nobody very unimportant.

### 6.2.4 Homepage analyses by the respondents

The respondents were asked to describe the following pictures of website homepages with a few words. The pictures represent the home page of Roomsevilla and its two main competitors: Roommates Sevilla and Aluni. The respondents were also asked how likely they would continue searching a flat from these websites based on the looks of the homepages. Pictures 1, 2 and 3 show the homepages of each of these companies and figures 5, 6 and 7 represent the most used descriptions for each picture.



Picture 1. Homepage of Roommates Sevilla. Screenshot 18<sup>th</sup> of September 2013.

The homepage of Roommates Sevilla was mainly considered to be clear, attractive and good, and easy to use and read (Figure 5).

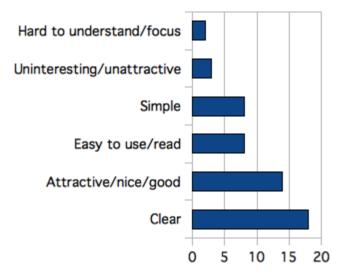


Figure 5. Amount of answers for the most used descriptions for Roommates Sevilla homepage picture.

29.8% of the respondents answered that they would very likely continue to search for a flat based on the homepage picture, 57.9% answered somewhat likely. However, 10.5% answered somewhat unlikely and 1.8% very unlikely.



Picture 2. Homepage of Aluni. Screenshot 18<sup>th</sup> of September 2013.

The respondents commented that Aluni's homepage include too much text and information. For some it still looked clear and interesting (Figure 6).

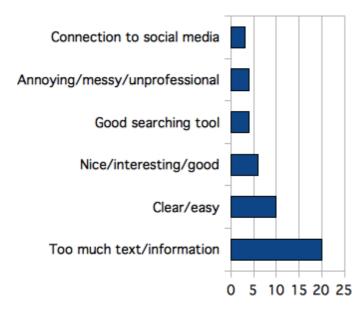
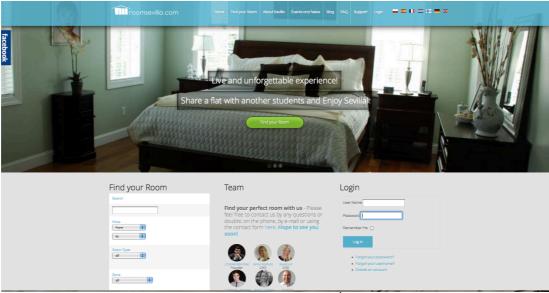


Figure 6. Amount of the most used descriptions for Aluni homepage picture.

14% of the respondents were very likely willing to continue searching a flat from Aluni's page while 43.9% answered somewhat likely. Somewhat unlikely was answered by 33.3% of the respondents and very unlikely 8.8% of the respondents.



Picture 3. Homepage of Roomsevilla. Screenshot 18<sup>th</sup> of September 2013.

The main opinion of Roomsevilla's website was that it is attractive, inviting and professional. Some of the respondents also noticed multilingualism and registration on the homepage (Figure 7).

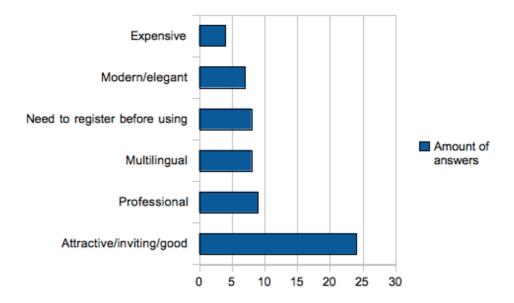


Figure 7. The most used descriptions for Roomsevilla homepage picture.

Based on Roomsevilla homepage picture, 45.6% were very likely willing to continue looking for a flat in this website. 35.1% of the respondents answered somewhat likely, 14% somewhat unlikely and 5.3% very unlikely.

### 6.3 The reliability and validity of the research

Reliability refers to the consistency of a measure. For example a questionnaire is considered reliable if the same result is received repeatedly when the questionnaire is repeated. The more consistent the results are, the higher the reliability of the measurement procedure. Validity is used to define whether research measures what it intended to measure and to approximate the truthfulness of the research results. A valid research is always reliable but a reliable research is not necessarily valid. In other words, if a research is measuring what it is supposed to measure, it will be reliable and do so every time, but a reliable research can consistently measure the wrong thing and be invalid. (Muller 2013)

The research I made can be considered reliable because most likely the results would be very similar if the research were repeated. The research measures what it is supposed to measure and it gives answers for the questions that were supposed to find out. However, the population does not entirely match with the customer segment of Roomsevilla. Even though the target group of the company covers all the four segments that were mentioned in the research results (exchange students, interns, workers and degree students), the main target group and the biggest customer segment in the company is exchange students who were represented in the research only by 31.6%. However, I do not think that the results would change essentially even if the survey had included a bigger amount of exchange student respondents in comparison to the other respondent group.

### 7 ONLINE MARKETING IMPROVEMENT IDEAS

As mentioned earlier, successful business relies on the wants and needs of consumers. Accordingly, by taking into account the variables of the marketing mix, you will

know when and how to promote your products and services. The 7 Ps are very important also in online marketing and can make a big difference in a successful online business. Therefore this chapter starts with a description of 7 Ps of marketing; what it includes and what it means in the case of Roomsevilla. Further in this chapter I present my online marketing improvement ideas for the case company.

### 7.1 Marketing mix of 7Ps

The traditional marketing mix of 4Ps was suggested by Edmund McCarthy in 1960 to provide a useful tool for marketers with which to develop their markets. 4Ps includes product, price, place and promotion. Because of the development of service businesses, the marketing mix of 4Ps were expanded to 7Ps by Boden in 1981. These 7Ps had more service focus and in addition to the four it included process, physical evidence and people. (Kotler & Keller et al. 2009, p.17; Ferraioli 2013). The marketing mix variables of 7Ps can be found in the Figure 8.

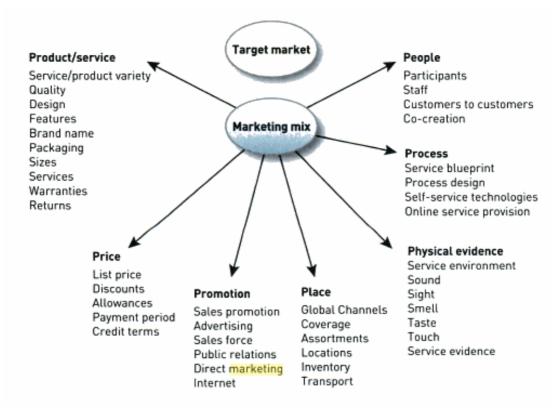


Figure 8. The 7 Ps component of the marketing mix. (Kotler & Keller et al.)

### Product

Every marketer starts with at least a basic concept of a product or a service; product refers to the attributes and features, tangible and intangible, that are offered by the company. It may also include the product related emotional elements such as brand loyalty and status (Barker and Angelopulo 2006, p. 135).

Roomsevilla focuses primarily on renting full maintained and equipped apartments that are shared between young students and workers. However, the agency has to adapt to various customer demands and options. The company has also expanded its services by offering clients living with a Spanish family, and also studios for the students who prefer living alone. Throughout the stay of the student, the agency is committed to take care of all technical problems that may arise in rented apartments. Roomsevilla provides also an additional pick up service that takes care of transporting clients from the the airport or the train station, and take them directly to their apartments. The agency also gives information about the city and its events by publishing articles on the website, and to inform newcomers to the city before their departure.

### Price

Price is seen as the total value that is set to the product by the seller and the customer (Barker and Angelopulo 2006, p. 139). Since Roomsevilla offers different kind of apartments and rooms in different locations, also the prices vary. Roomsevilla is the only agency among the competitors that does not charge any agency fees for customers. The rental prices have already been set in a level that any extra fees don't need to be charged.

The most economical room is a shared room which can be rent for 165€ per month. The most expensive room are normally king-size rooms in a good location and costs 350€ per month. The most popular room type is a single room that usually costs 270-330€. In 95 percent of the apartments the monthly rent also includes water, community fees and an Internet connection. With an extra payment of 45€ a customer can also get a pick up service from the airport or train station to the apartment or buy bed linen directly from the company.

### Place

Place, also known as distribution channel, includes all the parties that affects on the transfer of the product or service from the manufacturer to the consumer (Barker and Angelopulo 2006, p. 140).

The office of Roomsevilla is located in the city centre in Sevilla. The company has 33 apartments spread around the city of Seville. Most of the apartments are located in the district of Triana and the centre of Seville. However, the most important place considered here is the website and Facebook site through which most of the client contacts are made.

### Promotion

Promotion, also known as marketing communication, is used to inform and persuade the target group to buy the products or the services that the company is offering (Barker and Angelopulo 2006, p. 140).

The marketing communications in Roomsevilla is mainly delivered by the company staff but also by its website, Facebook page and Facebook groups. Furthermore, Roomsevilla uses specialized apartment websites in search of clients such as Erasmusu, Easypiso and Pisocompartido. During the busy months (January, February, August and September) the company sets their advertisements at places where tourists can be found, also discounts cards are being handed out. Finally, they have promotional campaigns at the end of the rent periods when a client can receive 100€ discount if they are able to find a new client for the room.

### People

People is considered to include all the human participant that has a role in service delivery and thereby affect on the customers' perceptions; basically the staff of the company as well as other customers in the service environment (Brown 1991).

The personnel of Roomsevilla include the two owners who are the only permanent workers in the company. In addition the company has interns practicing all year long. The amount of interns usually depends on the season; therefore there are usually 4-7 interns at the office.

### Physical evidence

Physical evidence refers to the environment where the service is compiled and where the company and the customers interact. It also includes any tangible commodities that ease the performance of the service (Brown 1991).

Since 2012 Roomsevilla has had an own office in the city center of Seville. The modern and youthful interior of this office reflects the features of both the staff and the clients. The open office model makes the office feel bigger, and it welcomes customers and makes sure that they will be notices when they come in. There is also a waiting area for customers/staff relaxation area that includes modern chairs and a flat screen TV in which they usually play music videos. The office interior has also some interesting decoration details, like pictures of the customers' experiences in Spain and a table football game.

The apartments, that are the main products, are all very different. The apartments that Roomsevilla rents are not the property of the company so their interior mostly depends on how the apartment owner has decorated it. However Roomsevilla does promise fully furnished and equipped flats and every bedroom has at least a bed, a wardrobe and a desk.

### **Process**

Process includes the procedure and the actions by which the service is delivered and operationalized, basically how you are going to get paid, and deliver your products (Brown 1991).

As soon as the rental decision is made, the customers of Roomsevilla pay a deposit worth one month rent when booking a room from the company. Since this phase is usually done before the customer arrives to Sevilla, the deposits are paid with a bank transaction or via online money transfer service PayPal. When a customer arrives to Seville, he signs a rental contract and gets the keys to his apartment. Monthly rent is normally paid every month by cash in Roomsevilla office; also bank transfers and Paypal payments are allowed. After the rental period, the deposit is given back to a customer.

### 7.2 Choosing the marketing channels

In this chapter I suggest which marketing channels I find the most suitable for Roomsevilla, and what the company should actually do in these channels. Since the company is already using some of these channels, I also suggest how they could improve their action in these already existing channels.

### 7.2.1 Social media

As noticed from the survey results, the target group of Roomsevilla is highly active in social media; therefore it is really important for the company to be active there as well.

### **Facebook**

As mentioned before, Roomsevilla is already pretty active in Facebook; they post apartment offers as well as other material that customers may be interested in. Currently they have 1.084 (28<sup>th</sup> November, 2013) Facebook fans. A high number of fans is good for the company because it may increase the authority and credibility, but the company should mainly concentrate on so called quality fans which means fans from the company's target group.

Roomsevilla could also increase its Facebook activeness, visibility and quality fans by Facebook Ads. The target group of the company is very specific, which makes it pretty difficult to reach them publicly. Facebook Ads lets you profilize your advertisement to specific people, therefore it would suit good for Roomsevilla. Since the marketing budget of the company is limited, the company could decide what amount of money they are ready to invest in these Ads. The busy seasons for the company are the months before academical semesters (August-September and January-February), therefore I would recommend a Facebook Ads campaigns during these seasons when most of the students are looking for apartments.

### **Twitter**

According to my research, 23% of the respondent use Twitter regularly. On the moment Roomsevilla has 53 (28<sup>th</sup> November, 2013) Twitter followers but the company's account is rarely updated. The more you update interesting tweets, the more interested the potential followers are as well.

### *YouTube*

From the survey results we can notice that YouTube is the second most used social media by the target group of Roomsevilla; 70% of the answerers uses it regularly. Roomsevilla does have an account in YouTube but it is not much used. The company could become more active in the channel by posting at least short company introduction and Seville introduction videos. Whether the time is not a problem, the company could start running a regular video blog for example about life in Seville and Spain. These videos would be interesting also for a larger viewer target and people that travel to Seville in general. Therefore the company could get overall visibility and also spread the visibility virally.

Based on my own experiences in the company, I noticed that the people who are looking for an apartment are very interested to get as much pictures from the apartments as possible in order to get the best kind of image how the apartment really looks like. Therefore it would be recommendable that Roomsevilla would make a video introduction of every apartment so that the customers would get even better idea about what the apartment is like.

### LinkedIn

According to my research, 19% of the research population uses LinkedIn regularly. Roomsevilla doesn't need to find its employees because all the interns come trough its partner company Spain Internship. Roomsevilla could still use LinkedIn for networking with its interns and interesting companies and people. If wanted, the company could also post material like articles and news from its marketing field. However, this may be more time consuming because most likely the same material doesn't fit to professional LinkedIn and more unformal social media sites.

### Google+

16% of the research respondents use Google+ regularly. Even though this is relatively pretty low percentage, Google+ is probably the fastest growing social media channel so it is good to keep up with it by adding the already excisting customer into circles and post for example to same material than in Facebook. However, what I found the most important in Google+ for Roomsevilla is the +1 button. Roomsevilla should add this button to its website and articles in order to grow SEO results.

### Blog

Based on the survey results, more than half of the target group reads and/or writes blogs at least once a week. Since blogging is not only interesting for the target group but the search engines as well, I would recommend Roomsevilla to start a regular blog. Like the video blog, the blog could also concentrate on Seville and Spain in order to reach both the (potential) customers and possibly also people outside of the target group.

Even though the search engines favor regular and updated material, a blog material should be well thought beforehand. People need content that they can benefit from, so that they can justify themselves the time they spend on a company's page. The core role of a blog is still increasing interactivity between the company and the customers so instead of any text, the blog topic should be interesting for the customers to make them comment and interact. I would suggest the basic rule of at least one blog update a week, even more if a topic does not have to be forced.

### Other social media channels

As the target group does not regularly use other social media channels, using too much time for concentrating on them is not needed. Since being found in many different social media is favored by the search engines and may increase the social credibility of the company, I would still recommend Roomsevilla to be in these social media channels; if not active, at least updated company information is good to be included. In general I would suggest the company to always have one person to be responsible of the social media channels in order to keep it clear and make sure all the channels are regularly updated.

#### 7.2.2 Website

In the research results I found out that 14% of the respondets noticed the registration box in the homepage of Roomsevilla, and commented that to be a bad idea and even an obstacle to continue surfing on the website because registration would be too much effort. In reality, registration is not needed when searching flats or any other information in the website, basically it is there only for the website managing. The registration box is really misleading and may convert potetial customers already from the homepage. Therefore, it should be deleted from the site in order to make it more clear and efortless to use.

Some of the respondent also commented that the picture in Roomsevilla's homepage slider is misleading because the room in the picture looks expensive and fancy, not like a student room. Good pictures in the website are important but too flashy or unrealistic pictures may be enough for a customer to get an idea of expensiveness and make him to leave the site in order to find something more economical. If any price examples are not mentioned in the homepage, it would be better to have more realistic pictures in the slider, for examples some good pictures that they have of the apartments that they rent.

The website also includes the availability of each room the company offers, however, the availabilities are not updated which makes it more difficult for a customer to find a suitable room. Like all the other information, the room availability information should be also updated as often as possible.

A few respondents of my research noticed the social media connection in the homepage picture of Aluni and Roomsevilla. On the moment, Roomsevilla has only connected Facebook with its website by adding like button for the Facebook fan page and like buttons for the articles and other parts of the website. Korpi (2011) mentiones that the more you have different share buttons, the more disturbing it may be for a visitor, stay in the most common ones and bring up what is the button and what it does. So, to keep it simple enough, the company could add Twitter, Youtube and Google+ to its website. Youtube and Twitter because they were the second and third most used social media channel by the research population and Google+ mainly because of its positive SEO effect.

# 7.2.3 Search engine optimization and search engine marketing

According to my research 49.1% of the respondents searched accommodation from Google or some other search engine. Furthermore, 43.9% search accommodation especially from Google. Since Google is the most used search engine, concentrating on that search engine in SEO and SEM would be important.

Since SEO is free and relatively easy to implement, I would recommend Roomsevilla to do it regularly. Some simple practices that Roomsevilla could do are for example:

- Creating and publishing good and useful articles and other content.
- Using keywords and key describtions in the articles and other content that is posted.
- Using social media links on company's social media sites.
- Improving the navigation of the website in order to provide a good user experience.
- Optimizing titles, describtions and URL in the website.

Even though SEM is not free, Roomsevilla could start doing it with a small budget. Because Roomsevilla's business is pretty much based on the academical semesters, imlementing SEM the whole year round is not necessary. Accordingly, the company could have SEM campaigns during the busy seasons (August-September and January-February) when most of the people are looking for a flat for next semester.

## 7.2.4 Viral marketing

As mentioned in the research results, 42.1% shares interesting material online with friends and aquintances at least a couple of times a week. Only 14% anwered to sha-

re online material less than once a month. Based on the research it can be deduced that interesting online material spread pretty well virally among the target group.

It is quite difficult to forecast what kind of material exactly will catch the attention of the viewers and spread around the Internet. Therefore, I don't think it is necessary for Roomsevilla to create a specific viral marketing campaign. In any case, Roomsevilla should consentrate of creting material that is interesting and valuable for potential customers and already existing customers. If a single atricle or video, for example, is good enough, it will spread virally without any extra efforts. So that it would be simple for the viewers to share the material, Roomsevilla should add the most common both social media buttons as well as social bookmarking buttons.

# 7.3 Six principles of influence by Cialdini and how to use them in online marketing

The idea of using psychology to sell more is not new; it is even used in traditional stores. You can use different kind of techniques to make your business offers more appealing. The same kind of psychological methods can be also used in online marketing to get more visitors, gain more attention and keep people interested. This chapter introduces some psychological methods that a company can use in its online marketing; they are all based on Robert Cialdini's six principles of influence.

## Reciprocity

As humans, we generally aim to return favors, pay back debts, and treat others as they treat us. The rule of reciprocity states that if we do a favor for another person, they will be liable to return a favor. A strong social pressure and an indebted feeling makes us want to return a favor. As a online marketer you build indebtedness systematically by giving away your knowledge or something else beneficial to your website visitors (for example a video or a report including additional information) (Apunen & Parantainen 2011, p. 147). Reciprocity is also relevant for link-building and relationship-building. For example, if somebody follows or comments you in social media, you feel more incline to follow or comment back. (Cialdini 2001; Psychology for Marketers 2013).

#### Commitment

Based on Cialdini (2001, p. 96) we have a deep desire to be consistent. Once we have committed to something, we are more inclined to go through with it. So if you want another person to do something, lead them to do a small commitment in order to get them to the direction you want them to go. Once you have created a commitment, you can ask them to make a bigger step. To make a potential customer feel comfortably about a purchase decision, you guide him in the right direction by asking for smaller commitments by making them fill out a contact form, liking or sharing a page or a blog, replying to an email and so on (Psychology for Marketers 2013).

## Authority

Humans feel a sense of duty or obligation to people in positions of authority. In order to get respect, create your experts characteristics of authority. Age, looks, writing and talking habits, non-verbal communication and manners of the experts affects surprisingly much (Cialdini 2001, pp. 200-201). Also recommendations of friends and colleagues create authority, because human doesn't want to risk his own reputation by recommending a bad product or service (Apunen & Parantainen 2011, p. 69). In online word the simplest way to show authority is to make sure that your website and online approach look professional. Also showing social proof by quoting other professionals, showing research on the topic you write about, sharing recommendations from your customers are good ways to gain authority (Psychology for Marketers 2013).

## Social proof

Humans tend to assume that other people know what is right and correct. If you want to get customer to act, tell how other buyers have acted. The power of group is stronger than any command ever (Cialdini 2001, p.140; Apunen & Parantainen 2011, p. 95). As a marketer make sure that you have customer recommendations on your website; customer feedback sells because it is more credible than sales speeches. Based on Newlands (2011), 78 percent of consumers trust peer recommendations and only 14 percent trust advertisements. Also my research results showed that 94,7% of the respondents thought that other consumers' recommendations and opinions are at

least somewhat important when buying a product or a service. The affect of personal reference even strengthens when there are straight quotations from the comments of your customers and a picture of the customer. Social proof can be also gained by many Twitter followers, Facebook fans or blog commenters.

#### Scarcity

The principle of scarcity says that things are more attractive when their availability is limited or we are about to lose a change to get something. A marketer can limit a special offer for a specific time or limit a number of products available at a special price to make customers buy immediately (Cialdini 2001, p. 231).

## Liking

Cialdini (2001, p. 176) mentions that we are more likely to be influenced by people we like. Therefore become familiar for the customer and seek things that connects you and your customer. People are more likely to buy from people like themselves, from friends and from people they know and respect. In online word this can be for example using the language of our audience. But also remember that customer is not your friend, so you should still keep a specific distance, otherwise you lose your authority.

# 7.4 Applying marketing psychology in the case company and its online marketing

In addition to the six principles of influence by Cialdini, there are also other ways how companies can take the advantage of marketing psychology in their online actions. The marketing world is actually full of triggers how to affect on consumers mind but here I will go through only some examples that I find the most applicable for the case company Roomsevilla.

## *The power of proposal*

Many researches show that discretion makes human feel good and keep him healthy. However, human can only handle about seven things, words, voice, figure or other thing at the same time. If there are more than five to seven alternatives, the amount of mistakes increases significantly. Therefore a wide range of options makes

consumers confused – they compare options and give up. (Apunen & Parantainen 2011, pp. 43, 45).

Furthermore, a study of University of Amsterdam shows that in a situation of complicated decision making intuition is more powerful decider than reason; when there are more than four features to compare, common sense does not keep up anymore. Therefore a customer should be given enough time to create positive feelings before decision-making, because quick decision may be made without the support of intuition (Apunen & Parantainen 2011, p. 85).

When Roomsevilla is interacting with its potential customers, its mission is to find a suitable accommodation option by first giving a customer options to choose from. Based on this theory of proposal, Roomsevilla could make it easier for a customer to choose by recommending some options. In practice this would mean factor filters in the website so that a customer can fill his preferences and get the housing options search results based on them. Also when interacting with a customer by email or in social media, the most effective way is to recommend a customer some specific options in order to make his decision easier and also give him time to thing about it.

## The magic of a story

In todays commercial word there are so many advertisements and promotional material that it is not an easy job to stand up from other companies. A marketer has to know how to wake up customers' curiosity towards his product or service. Apunen and Parantainen (2011, p. 237) say that customers' curiosity can be woken up by questions, arguments, hints and stories.

When creating for example a sales speech, take into account that your text will be most likely to be read if it is easy to understand, unpredictable, concrete, believable, emotional and tells a clear story. However, one of the basics rules is that an advertiser should only say the things he wants to say in that situation. Everything else that is said just harms the receiving and understanding possibility of the main message. The less words and elements, the better the marketing power is (Pyykkö & Rope 2003, p. 262).

With a story, tell what kind of problems of other customers you have solved with your services. A research shows that sometimes enthusiasm of a presenter have a bigger impact on listeners than his expertise. As mentioned before, human does his decision based on emotions, therefore bigger results will be also gained by invoking receivers emotions.

When storytelling, a marketer should also take into account one of the basic rules of marketing: More important than telling the answer yourself is that you give customer a possibility to figure out himself. Insight is important because the joy of figuring out gives joy of discovery and trough thinking more permanent memory, this lead to multilevel communication (Pyykkö & Rope 2003, p. 275).

Roomsevilla can implement these storytelling for example to its website copy as well other marketing material they may have.

## *Instinct of competitiveness*

Humans have psychological competitive instinct, which can be benefitted in marketing. The psychology of competition is a consumer's idea that he always wants to believe that sometime the luck must come to him (believing in own his possibilities), therefore not thinking trough probability but luck. Another psychological fact is that the size, importance or the winning ratio of the prize can also make consumers more excited (Pyykkö & Rope 2003, pp. 294-296).

A company like Roomsevilla can arrange competitions for (potential) customers in its website or social media sites in order to wake their competitive instinct and gain for example more visibility, followers and interaction with the customers. A study from PricewaterhouseCoopers (PwC) shows that 16 percent of social media users of online shoppers go to a social media site of a particular brand because of the opportunity to participate in contests (PwC 2013, p. 6). Also 14 percent of the respondents of my research mentioned that to be a reason for following a specific brand in social media.

#### 8 CONCLUSIONS

Based on the research results, the target group of Roomsevilla is very active in social media and in the Internet in general. This should be kept in mind when improving the marketing of the company. It is also necessary to realize that online marketing can't be only based on one social media channel; effective online marketing requires variety of channels used.

The improvement ideas of this thesis were based on the research results, variety of theoretical material and my own experiences and creativity. The improvement ideas included different online channels where Roomsevilla should be seen, such as social media, search engine optimization and marketing, and viral marketing. In addition, actions what to do in different channels were introduced. Finally, marketing psychology was applied to the case company and explained how the company could take an advantage of it in its online actions.

As I mentioned earlier in this thesis, the research population did not perfectly describe Roomsevilla's current clientele that mostly consists of exchange students. However, all the respondents were still part of the target group – either primary or secondary – and the results can therefore be seen valid. It is always possibly to do a new research and collect information only from the primary target group even though I think it would not change the results essentially.

Since the workers of the company are used to use the Internet and social media, I did not find it necessary to create step-by-step guide how to apply the ideas. However, this thesis brings forward the viewpoint of companies for these topics so that Roomsevilla can get a better understanding what to do, and why when willing to improve the online marketing. While I wrote this thesis, the company already tested some of the ideas that were presented. However, while they are not continuously part of the marketing plan, it is difficult to measure what kind of effect they have.

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# Appendix 1: The survey questions

- ·What is your gender?
  - 1. Female
  - 2. Male
- · How old are you?
  - 1. Under 20 years
  - 2. 20-25 years
  - 3. Over 25 years
- · Where are you from?
  - 1. Europe
  - 2. North America
  - 3. South America/Central America
  - 4. Africa
  - 5. Asia
  - 6. Australia/Oceania
- · What are/were you doing in Sevilla?
  - 1. Studying as an exchange student (for example Erasmus)
  - 2. Studying as a degree student
  - 3. Having an internship
  - 4. Working
- · What are/were the most important factors when choosing an accommodation in Sevilla? (choose max 2)
  - 1. Location
  - 2. Price
  - 3. The looks of the apartment (for example decoration)
  - 4. The cleanliness of the apartment
  - 5. The atmosphere of the apartment (for example nice flat mates)
  - 6. The size of the apartment or a room
  - 7. Friend's or family member's opinion
  - 8. The credibility of the apartment provider
  - 9. Something else

- · Did you search accommodation from Google or some other search engine?
  - 1. Yes, I used Google
  - 2. Yes, I used some other search engine
  - 3. No, I didn't use any search engine
- · Where did you find your flat?
  - 1. Housing agency website (e.g. Roomsevilla, Aluni, Roommates Sevilla)
  - 2. Housing forum website (e.g. Piso compartido, EasyPiso, Loquo etc.)
  - 3. Social media site
  - 4. Other website
  - 5. Brochure, advertisement etc. that wasn't in the Internet
  - 6. Somewhere else
- · Did you use a housing agency to find your flat? If yes, which one?
  - 1. Roomsevilla
  - 2. Aluni
  - 3. Roommates Sevilla
  - 4. Other housing agency
  - 5. I didn't use a housing agency
- · How difficult did you experienced finding an apartment in Sevilla?
  - 1. Really difficult
  - 2. Relatively difficult
  - 3. Neither difficult nor easy
  - 4. Not difficult at all
- · If you answered really difficult or relatively difficult to the last question, what do you think would have made it easier to find an apartment?
- · When did you book your apartment/room in Sevilla?
  - 1. More than 3 months before arriving
  - 2. 1-3 months before arriving
  - 3. 2-4 weeks before arriving
  - 4. Less than 2 weeks before arriving
  - 5. After I arrived to Sevilla
- · What social media channels do you use regularly?
  - 1. Facebook
  - 2. Twitter
  - 3. Youtube
  - 4. LinkedIn
  - 5. Pinterest
  - 6. Google+
  - 7. MySpace

- 8. Flickr
- 9. Something else
- · How often do you use social media?
  - 1. Several times a day
  - 2. Once a day
  - 3. Couple of times in a week
  - 4. Once a week
  - 5. Less than once a week
- · How often do you write and/or read blogs?
  - 1. Everyday
  - 2. A few times a week
  - 3. Once a week
  - 4. Once in 2 weeks
  - 5. Once in 3-4 weeks
  - 6. Less than once a month
- · What attracts you to go to a particular brand's social media site?
  - 1. Attractive sales/promotions/discounts
  - 2. Interested in new product/service offerings
  - 3. Friends' or experts' recommendation
  - 4. Friends also interact with this brand in social media
  - 5. Because I'm a customer of a company/I shop their products/services
  - 6. Opportunity to participare in contests
  - 7. Feedback about a good or a bad experience
  - 8. To research products/services before I buy them
  - 9. Interested in interacting with the brand
  - 10. Interested in interacting with others that follow this brand
  - 11. Access to customer service through social media
  - 12. Fun/entertaining posts & content
- · How often do you share links of interesting videos, pictures, pages etc. with your friends and acquaintance (for example trough social media profile) either in private conversations or publicly?
  - 1. Every day
  - 2. A couple of times a week
  - 3. 1-2 times in two weeks
  - 4. Once in 3-4 weeks
  - 5. Less than once a month
- · In addition to social media sites, for what do you use the Internet?
  - 1. Email
  - 2. Searching information (e.g. from Google)
  - 3. Online shopping

- 4. Entertainment
- 5. None of these or something else
- · How important is it for you to get recommendations/opinions of other consumers before you buy a new product/service (especially if it's a valuable product/service)?
  - 1. Very important
  - 2. Somewhat important
  - 3. Somewhat unimportant
  - 4. Very unimportant

· Describe the next picture of website page with a few word.

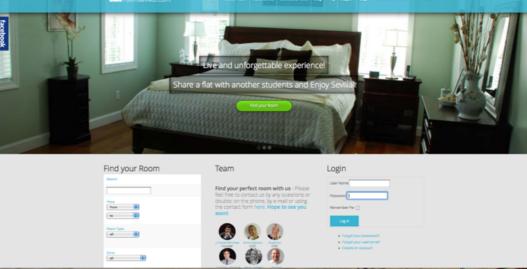


- · If you were looking for a flat in Sevilla, how likely would you continue searching it from this website BASED ON THE LOOKS of this landing page you just saw?
  - 1. Very likely
  - 2. Somewhat likely
  - 3. Somewhat unlikely
  - 4. Very unlikely
- · Describe the next picture of website page with a few words.



- · If you were looking for a flat in Sevilla, how likely would you continue searching it from this website BASED ON THE LOOKS of this landing page you just saw?
  - 1. Very likely
  - 2. Somewhat likely
  - 3. Somewhat unlikely
  - 4. Very unlikely

Describe the next picture of website page with a few words.



- · If you were looking for a flat in Sevilla, how likely would you continue searching it from this website BASED ON THE LOOKS of this landing page you just saw?
  - 1. Very likely
  - 2. Somewhat likely
  - 3. Somewhat unlikely
  - 4. Very unlikely