



TAMPEREEN AMMATTIKORKEAKOULU
UNIVERSITY OF APPLIED SCIENCES
BUSINESS SCHOOL

FINAL THESIS REPORT

MARKETING COMMUNICATIONS IN AN INTERNATIONAL COMPANY
- the importance of digital marketing and brand identity

Sini Lehtonen

Degree Programme in International Business
December 2009
Supervisor: Nina Helander

TAMPERE 2009



Writer(s): Sini Lehtonen

Study Programme(s): Degree Programme in International Business

Title of Thesis: Marketing communications in an international company - the importance of digital marketing and brand identity

Month and Year of Completion: December, 2009

Supervisor: Nina Helander

Number of Pages: 56

ABSTRACT

The importance of marketing communication in a company's marketing strategy is very significant. A company is communicating all the time whether or not it has considered the communication solution. This research project was done partly for the NMC Termonova Oy situated in Inkoo, Finland and its parent company NMC. They both are leading companies in the industry of synthetic foams. There was a need to carry out a case study regarding a new development in the marketing and digital communication of the companies and also in the processes associated with the new NMC Group website.

The purpose of this research project was to theoretically represent the importance of marketing communication in today's web dominated world and see how it affects the marketing strategy of a company in general. It was also important to research the importance of the digital marketing and communication which were also highlighted and mirrored in order to find out the relevance of these concepts to NMC and its Finnish subsidiaries. The knowledge in which I based the research project was mainly theoretical. The knowledge about the company was gained during my working periods at NMC Termonova and through materials given by their representatives.

While conducting this research project the qualitative research methods were used and some of the project was done with the help of a single case study. Some other research methods were used in a briefer manner. The main outcomes of this research project were finding out what the importance of marketing communication really is in today's economy and understanding the corporate identity of a company. Another outcome was the significance of the product portfolio. In conclusion, this research project demands some further inspection and research in the form of checking the validity of the researched information.

Key words: Marketing Communication Brands Internet Customers NMC

TABLE OF CONTENTS

1. Introduction	4
1.1 The background	4
1.2 The objective of the study and the research questions.....	5
1.3 Limitations	7
1.4 Theory field and the main concepts	7
1.5 Research methods	8
1.5.1 <i>Qualitative research methods</i>	9
1.5.2 <i>Case study – single case study</i>	11
1.5.3 <i>Other methods</i>	13
1.6 The structure of the thesis	13
2. Theory field and the main concepts	14
2.1 Theoretical insights to marketing communication.....	14
2.1.1 <i>Digital marketing and communication</i>	17
2.1.2 <i>Formulation of a website</i>	20
2.1.3 <i>The hierarchy-of-effects models</i>	22
2.1.4 <i>High involvement and low involvement situations</i>	25
2.1.5 <i>AIDA model</i>	29
2.1.6 <i>Brand and corporate identity</i>	31
2.1.6.1 <i>Brands in the world of images</i>	33
2.1.6.2 <i>Brand communication</i>	36
2.2 Customer behaviour in general and in Finland.....	36
2.3 Summary of the theory.....	39
3. Introduction of the company	40
3.1 The business areas of NMC	40
3.2 Corporate values	41
3.3 The corporate guidelines, innovation and vision	41
3.4 Organizational structure.....	42
4. Development work.....	44
4.1 General website information.....	45
4.2 Product information	45
5. Conclusion	51
6. References	54

1. Introduction

1.1 The background

In today's economy, Internet has a strong influence and importance regarding the fact how companies build their marketing strategies and different ways of communication. Different ways of attempts to gain customers' attention and purchase power are necessary to be innovated and implemented on a constant basis in this highly competitive market. The success of a company depends on how creative and bold the marketing communication adds up to be. Therefore, risk taking is nowadays more of a necessity than an option when creating new strategies.

The successful companies are the ones which also renew themselves from time to time in order to keep the interest of the customers. One of these companies is the NMC Group, which is an internationally leading company active in the development, production and marketing of synthetic foams. This Belgian company was founded in 1950 and it develops, manufactures and markets synthetic foam products. The company's 1200 worldwide associates strive to develop innovative, reliable, and high-quality products supported by a complete service package. The NMC Group has an annual turnover of 180 million euros (The NMC Group website).

Nowadays along with the capability to renew the company operations comes the digital communication. Building a functional website for a company is time-consuming and demands a lot of creativity. The structure of a website can be - and usually is - directly related to the success of attracting new customers. The necessity of having an appealing look of the website is certain - the visual side plays a significant role alongside with the structure when trying to gain the customers' interest and purchase power. The advantage that a website has is that it can be used in a versatile way as a tool for information and advertising.

The NMC Group has been emphasizing the importance of the visual part of the website throughout its existence. This year, the NMC Group created an idea to integrate of its foreign subsidiaries' websites to the corporate website in order to enable a common structure and look to all of the subsidiaries. In Finland, NMC is the parent company of two subsidiaries, NMC

Laitila and NMC Termonova Oy. Both of these subsidiaries are situated in the Southern coastal areas of Finland. The websites of these two subsidiaries will also be integrated into the NMC website like the other subsidiaries. My part is to conduct a case study associated with the new integrated website and to take into consideration the ideas and opinions of NMC and the Finnish subsidiaries in order to realize what the actual demands and needs concerning this website are. From the two Finnish subsidiaries I will be focusing on the NMC Termonova Oy due to my history with the company by currently being and previously having been employed by them.

In my opinion, it is really important to keep the Finnish identity and market in mind when integrating the Finnish websites into the new website of the Belgian group. It is necessary to review the current websites of the Finnish subsidiaries and also to learn and understand how these units have tried to attract and serve the local customer base. That will support the creation process of the websites for the purpose of knowing the needs as well as the requirements of the local market. It is very crucial for NMC to understand the differences between customer culture and behaviour.

1.2 The objective of the study and the research questions

The objective of this research project was to theoretically represent the importance of marketing communication in today's web dominated world and see how it affects the marketing strategy of a company in general. It was also important to research the importance of the digital marketing and communication which were also highlighted and mirrored in order to find out the relevance of these concepts to NMC and its Finnish subsidiaries. The knowledge in which I based the research project was mainly theoretical. The knowledge about the company was gained during my working periods at NMC Termonova and through materials given by their representatives.

This case study will also help to identify the various communication methods of NMC and NMC Termonova Oy. Along with the main objectives, it is also very important to theoretically represent the content and significance of corporate and brand identity for an international group. The corporate identity consists of brand philosophy and guidelines which

reflect the strategies and values of an entity. Additionally to the brand related characteristics I must research the theoretical points of views concerning customer behaviour and use them in the creation process.

The main questions in reference to this research project are as following:

- What is the role of marketing communication in today's business?
- How a company can succeed in the highly competitive markets?
- What is an effective marketing strategy?
- What is the significance of digital communication in an international group and its subsidiary?
- What are the key factors of a well formed website?
- What is the significance of brand identity and corporate identity in a company?
- How does brand experience affect the corporate and brand identity?
- What do the Finnish customers want and need from a website?
- How to attract customers in general?
- What is product portfolio and its significance to the NMC marketing strategy?
- What are the elements and messages NMC is trying to present in and send through the website?
- How to implement the needed concepts and values set by the NMC Group to the new country websites and at the same time meet the needs of the Finnish market?
- Is there a need to establish the local home pages within the frame of the corporate home page or should the local home pages be created with established links to the corporate Internet site?

After discussing with the NMC Group representatives I found out that their preference towards the integration of the Finnish websites into the corporate website was certain. Evidently, the goal of this research project was formulated according to this exact need of the NMC group and erasing the need of further researching on this matter.

1.3 Limitations

I will not be taking part in the technical side of the construction of the websites in any way because NMC is responsible for that part completely. My focus will only be on the creative side of the websites in the forms of researching theories, using ideas and the opinions arisen through meetings and my own knowledge. I will also not be part of the intranet and internal communication, while giving my full attention to the communication focused on the extranet and other external issues.

In addition, the NMC Group will use an external agency to translate the new integrated Finnish website. This translation process will not be a part of my responsibilities in any other way than reading through the translations, correcting possible mistakes, suggesting improvements and giving feedback. The final version will be made based on all of the accomplishments made by the participants on the translation process.

1.4 Theory field and the main concepts

The marketing communication theories are used in many different ways during this research project due to its high significance to it. The role of digital communication and marketing is also introduced and analyzed profoundly. There is a vast research done about the concept of hierarchy-of-effects models and especially the AIDA model in detail. The AIDA model is the oldest hierarchy-of-effects model in which first the customer gains information about a product and based on the gained information makes a decision about a possible purchase. In addition, this thesis deals with the response theories: cognitive, affective and conative. These theories are so called effective levels in which a customer behaves in a certain way depending on the level the customer is on.

Additionally, the brand and corporate identity's significance is explored and highlighted. These concepts are highly important when considering the communication with the customers and especially how the customers see the company. Furthermore, the importance of understanding customer behaviour and its various aspects has a significant role in this research project as well and it concludes the theoretical concept segment.

1.5 Research methods

Many different kinds of research methods were used while conducting this research project of which the most important ones were the qualitative research methods. During the research process I took advantage of these research methods by reading through various different books and other printed resources such as the company materials whilst analyzing them thoroughly. Being employed by NMC Termonova Oy gave me a chance to access a lot of useful information and an advantage to observe different aspects of the company in the meantime which included the Finnish customer behaviour and also the marketing and digital communication of the company itself.

The NMC Group began the work for the integrated websites earlier this year. The timetable for processing and finalizing the country specific websites was introduced in the September meeting. By that time, NMC had already done the assortment of all the countries for which it is necessary to have specific translations and websites. Throughout the autumn NMC was in the process of creating and afterwards, translating these new integrated country-specific sites. Likewise, the two Finnish subsidiaries' websites sites are a part of this process as well. My roles as the researcher in the case study was to follow the timetable set by the NMC Group and research as much data as possible in the time given to me.

The NMC Group had set a timetable for the final control and going public with the websites which was at first scheduled for late November or early December this year. Due to some internal issues in NMC the timetable was shifted and no specific date for the completion of this project was given. Therefore, I will still continue having a role in this project after completing this final thesis. The structure of my research project is described on the Table 1.

Date	Topic	Conclusions, ideas
13.8.2009	Discussion about the topic	First steps, ideas, materials
18.8.2009	Meeting with the thesis supervisor	Start of the actual writing process
4.9.2009	Meeting with NMC staff	New ideas about the website, materials, my own role
8.10.2009	Short meeting about the project	Update about the project, new arisen ideas, updating of the topic itself
12.11.2009	Follow up	The progress of the project, feedback
24.11.2009	Final check-ups	Suggestions about improvements, changes etc.

Table 1 *The structure of the meetings related to the case study*

1.5.1 *Qualitative research methods*

The qualitative research methods mean a full set of different interpretative research practices which aim at understanding certain behaviour and the reasons behind it. The challenge in a qualitative research is the fact that it does not have a theory or a paradigm that would be completely its own – the same goes for its methods. Actually, the methods used are mainly the same as in the quantitative research but there are many significant differences between these two research methods. Quantitative research bases its operations on the ideals of positivistic or post positivistic science whereas the qualitative research has its roots from existential phenomenological science philosophy that also deals with hermeneutics. (Metsämuuronen 2006: 88)

The basic concepts of researching in a qualitative way are introduced (Table 2). The theory concept means using a theory in the research process that is relevant and helpful to the research itself. In this research process one example of a helpful theory is the concept of marketing communication. With the help of hypothesis there is a pathway of assessing some

claims and their suitability to a research. Using a methodology is a good and common way to approach a research topic. Methodology is adaptable when it serves a practical research. Finally, the method is a common research technique which is relevant when it combines theory, hypothesis and methodologies (Metsämuuronen 2006: 83).

Concept	Meaning	Relevance
Theory	A set of defining concepts	Practicality
Hypothesis	Testable claims	Suitability
Methodology	A common approach to explore research topics	Practicality
Method	A special research technique	A good suitability with theory, hypothesis and methodology

Table 2 *Basic concepts of qualitative research (Metsämuuronen 2006: 84)*

The qualitative research methods are well adaptable in four different scenarios. The first scenario occurs when the researcher is more interested in the detailed structures of the events rather than focusing on their general division. The second scenario constitutes a situation where it is more interesting to find out structure of the meanings of individual operators that happened in certain events. Next, in the third scenario - a will to research natural situations that cannot be organized as a test or in which nearly all of the influencing factors cannot be controlled - appears. The last scenario is formed of a will to find information about causations related to certain cases, which cannot be researched with the help of a test (Metsämuuronen 2006).

The basic methods in qualitative research are called observation, text analysis, interview and transcription. The observation stage is very important in the qualitative research process because it helps to understand the concept in total. Instead, during the quantitative research process observation is just introductory work, for example, for a research form. As far as text analysis concerns, the qualitative research aims at understanding the categories used by the participants of the concept while the quantitative research counts the categories set by the researcher.

The qualitative research uses open question interviews with selected individuals or groups instead of survey questions (quantitative research) which explains the reasoning behind using qualitative research methods during this research process. In conclusion, the transcription process is rarely used in the quantitative research but it is used in the qualitative research in order to understand how the participants organised their writing or speech (Metsämuuronen 2006). The main reason for using qualitative research methods in during this research project is the objective to understand a phenomenon and finding facts about it. This phenomenon is the integration of the subsidiaries' websites to the corporate website of NMC.

During this research process, I used some other qualitative research methods in a briefer way. One of these methods was concept called phenomenological research which highlights the significance of phenomena and interprets them. This example refers especially to the concept of brand experience due to the fact that this phenomenon affects the customer behaviour which comes from product related stimuli.

Another qualitative research concept in this research project was the Grounded Theory. With the help of this method the theories are formed based on the researchable data not a former study or research (Metsämuuronen 2006). This method was used, for example, when doing research on the NMC website which helped to form new ideas and therefore also my own theories and conclusions on the topics.

1.5.2 Case study – single case study

This final thesis aims to conduct part of it as a case study for a subsidiary of an international group. A case study is an empirical research where the researcher uses diverse knowledge while researching a current case or a functioning person in a certain environment. The problem that arises with this kind of research is that the case can be almost anything: an individual, a group, a department and so on. Therefore, it can be a somehow distinct occurrence or also just a normal, everyday case. The main purpose of a case study is to understand phenomena in a deeper level and to collect versatile information. In addition, the case study often aims at being functional and the results are applied in practice. Moreover,

nearly all of the qualitative research done is actually in the form of a case study (Metsämuuronen 2006).

There are four different alternatives for the case study design (Yin 1997). According to Yin a case study can be conducted as a single-case study or a multiple-case study. These both studies can include a single unit/level of analysis or multiple units/levels of analysis. The case study about NMC is a single case study with multiple levels of analysis, of which an embedded case study design is an example. The single case study also makes it possible to have a greater concentration on the phenomenon itself and its aspects in a deeper level than the multiple case studies do. My aim is to realize how the theoretical insights presented at the earlier stage of this research project affect the various aspects concerning the website.

The argumentation behind using a single case study in this research project is also due to the needs of the client NMC Termonova Oy and its parent company NMC. NMC Termonova Oy had the idea of keeping its website still accessible to the local customers after the NMC Group has publicized its own new integrated website for its foreign subsidiaries. Therefore, in the beginning of this project my role was relatively more significant due to the ideas from NMC Termonova Oy but after the September meeting with the NMC staff changes to my role occurred. NMC felt that it is more relevant to combine all of the websites of the subsidiaries together and integrate them to the corporate website. Consequently, the single case study I was about to conduct was defined as a way to research the theoretical aspects especially about marketing and digital communication and to reflect these aspects to the website information, its design and the presented product information of NMC Termonova Oy and the NMC Group.

Furthermore, the single case study is done to assure the ways of constructing and designing the new integrated website and how it can serve the NMC Group and its subsidiary NMC Termonova in the best interest of both parties. At the same time it is important understand the concepts and follow up the development of the achievements. As mentioned, there are multiple levels to this case study but the main focus of the study is aimed at the website information and the product portfolio levels.

1.5.3 Other methods

In addition to the qualitative research methods, the meetings held with the NMC and NMC Termonova Oy staff are used as research methods as well. I am using the information I gained during the meetings where I observed the materials given to me and from the notes I had made about the dealt issues. It is easy to start to build the basis of my research project on these factors.

1.6 The structure of the thesis

The research process begins with going through the theoretical aspects in relation to marketing communication and marketing in general. The importance of marketing communication in today's economy is emphasized in detail while researching and reflecting some basic marketing concepts. Afterwards, the research proceeds towards exploring the digital communication's different aspects and the importance of the Internet today. Researching the various concepts related to marketing communication in detail which includes, for example, the hierarchy of effects, the brand identity and low and high involvement situations.

The customer behaviour in Finland is also introduced in relation to a company's marketing strategy. Next in line in the research process are the various visual, communication and other aspects related to constructing a website. The company introduction and corporate values are gone through in detail and analyzed with the help of the theories. In conclusion, the case study and its various aspects such as the website information and product portfolio are introduced and analyzed in a deeper level in order to understand the relevance of the theories in practice and their relevance to the case study itself.

2. Theory field and the main concepts

2.1 Theoretical insights to marketing communication

The word communication comes from the Latin word "communis". The aim communication strives to achieve is the formulation of common understanding and impression about something. Hereby, the main aim for marketing communication is to create something common between the salesman and the customer. A company uses marketing communication to inform the customer about product characteristics and benefits. Also, knowing the customer and using the same "langue" is essential in order to form a successful relationship. A company must not forget that communication happens every day, at all times whether aware of it or not. As Vuokko refers to the psychologist and philosopher Paul Watzlawick: "You cannot not communicate" (2003: 11-14).

The task bestowed on advertising when a company is selling its products is to tell the consumers which products and services that company offers, where and how to purchase them and at what cost. The marketing communication is based on the company's marketing strategy, in which a detailed investigation is made of how the success in the competitive market is guaranteed and where to invest in the future. The marketed products or services are productized, which means that a company has done a detailed research on what it will offer for purchase or consumption and having the goal to satisfy the needs and desires of the customers (Vuokko 2003).

A marketing plan and strategy is composed based the marketing mix, ways of marketing and decisions made where to put emphasis on. In order to make successful marketing decisions companies are using the four P's of marketing – *Product, Place, Price and Promotion* which make up the marketing mix (Siukosaari 1997). The Product component refers to physical products and services. The Place component means distribution and the Price the pricing strategy of a company. Finally, the Promotion component includes such marketing decisions as advertising and PR. The successful use of the concept of four P's refers to a strategy through which a company finds a market niche with the help of this concept. All of the marketing mix components have a significant relation to marketing communication.

Distribution is clearly a very important part of a company's operation due to the current market and financial situation. There are various ways of distribution channels, i.e., Internet, e-mail and product deliveries. From the delivery point-of-view, customers expect excellent deliveries therefore the distribution channels must be effective whereas companies aim at saving costs, but this must not be done at the expense of delivering in a less effective way. The product quality should of course be held on a high level especially if the company has made such promises about its products to the customers. The positioning concept means a place in the market which the company has established for its products.

Siukosaari introduces a concept developed by Philip Kotler which introduces a model of a marketing strategy square where customers, competition, communication and distribution all have a balance in between. The example of Procter & Gamble is introduced due to its success with implementing this concept. The company in question is excellent in customer relationships, competitor follow-up and distribution, though lacking skills in marketing communication which its customers forgive due to the excellence in the other areas (1997: 31). NMC does not directly mention its goals to excel in the implementation of the marketing strategy square but to my mind it aims to reach it anyway. Though, due to possible classified information I cannot be sure about the competitor follow-up area as it has not been mentioned at any stage during my employment in the NMC Termonova Oy.

The goal of a marketing strategy is to design the marketing communication of a company, which targets both consumers and retailers (Consumer Agency). The marketing mix has an effect on marketing strategy depending on how significant role it has been given on the strategy point-of-view. During the marketing communication process a customer thinks the offered product or service over – either consciously or unconsciously – and the other possible users of it as well.

A marketing strategy is a long term plan and expected to be effective for many years to come. It is like glue, with which a continuous and distinct message of value is sent to the target markets. It is a way to adapt to changes occurring in the marketing segments while taking into consideration, for example, the on-going competitive situation, messages and media. Utilizing the good sides of every communication characteristics will help to attain a competitive advantage in the market. Through the marketing strategy a company aims at developing a

competitive marketing communication which volume can be turned into a huge advantage in the future (Kotler 2005).

A full marketing communication constitutes of all of the information the company tells about itself, how it functions and how its customers experience it. A company must think about this communication process as a whole and avoid giving conflicting messages to the customers when carrying it out. In other words, the company must keep to the truth and act how it promises to act (Siukosaari 2006). These kinds of procedures contribute to a possibility of a high customer satisfaction and loyalty level.

A very important matter in the customer point-of-view is to actually have the message and information at hand, so that the customer can easily find them, for example, on a company's website. The message must be clearly presented so that the customer does not have to search for it for long. Additionally, it is clear that a company should be presented in a positive manner and in a vast range of media. Likewise, it is very important that a company can be found rather easily in significant search engines (Siukosaari 2006).

Marketing communication is a part of marketing value production process in a significant way because expressing value in general is important (Fig. 1). All of these three stages (choosing the value, production of the value and expressing the value) are linked to each other and all of the decisions made in the three stages are the base of designing the marketing communication of a company. The basic strategic marketing decisions are made at the first, choosing the value, stage: market segmentation, focusing and positioning. Market segmentation includes identifying possible target groups through which a company understands which target groups it needs to focus on and with positioning a company chooses and analyzes the means and concepts in different segments (Vuokko 2003).

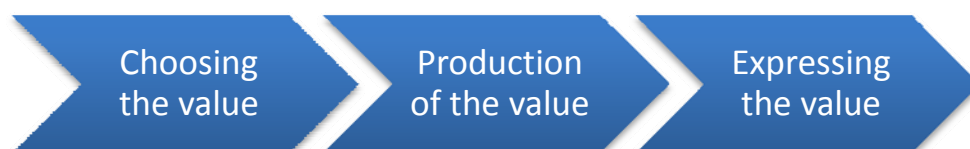


Fig. 1 Value production process (Vuokko 2003: 24)

The value production process defines the key element of marketing communication – what a company wants to be, what it wants to sell, to whom and how. NMC has a strong value production process while it strongly emphasizes its position as a leading company in the development, production and marketing of synthetic foams and how it aims to offer innovative, reliable and high quality products that meet the industry standards. NMC emphasizes its strong distribution channel with its 19 subsidiaries, 11 production sites and having its operations in over 100 countries which also guarantees a high efficiency level. Staying true to these values is a very important factor to NMC.

Moreover, another concept that acts as a key player in a successful marketing strategy is called differentiation. The differentiated markets can have three different aspects in accordance to Philip Kotler. Firstly, he claims that the products can have a difference in a physical way, in their mark or in a relationship level. The physical difference can be a difference in size, in shape or in colour. The products carrying different marks are defined in the logos, their colours and other aspects. The relationship level relates to a deep and satisfying contact established with a company that has provided the customer with information faster and in a better way than the other companies (Kotler 2005).

In order to succeed in today's competitive markets, a company must be very smart and creative - will power alone is not good enough. NMC uses differentiation in the forms of customization in designs and focusing on product research and development. Other differentiation factors are the environmental-friendliness and products being hygienic. A big factor that distinguishes NMC from its competitors is their excellence in a business area called Nomawood where the company is the pioneer at the moment. The floorings offered in this business area are not offered by any other companies in the market. The expertise in Architecture and Design and its vast and unique product offerings has successfully found a niche in the market as well.

2.1.1 Digital marketing and communication

The role of the Internet as a marketing tool has seen a vast rise during the past decade. Nowadays, in the Internet the relationship the customers have with the companies is always seen as a marketing relationship – the customers having the power in their hands while also being used by the power held by the marketers. For the companies, Internet works as an environment for interaction, operation and significance. The customers get familiarized with a so called virtual world of marketing which is available for use around-the-clock. This world offers its customers purchase possibilities, job seekers job opportunities, investor investment targets and at the same time everything being just “a click away” (Aula 2008). This kind of availability of the Internet offers marketers a wide range of possibilities to promote and sell their offerings.

Now when the Internet can be seen as worldwide platform for information available for the ones who want to find it – there is a possibility and need to transmit a lot of information in real time. Additionally, a company could use as a part of their marketing strategy to “listen to” their customers through establishing a feedback form on their website. This enables getting a much closer and private relationship to the customers and giving them a possibility to gain more information exactly related to their specific needs. The digital marketing works well when a company uses a strategy involving innovation, entertainment and enhancing related to the products marketed. (Aula 2008).

<i>Advantages</i>	<i>Disadvantages</i>
<ul style="list-style-type: none"> • Efficiency of finding/accessing information (browsing function) 	<ul style="list-style-type: none"> • Security (too accessible) • Not able to hold in hand/intangible
<ul style="list-style-type: none"> • More sensory stimuli (visual, audio, text) 	<ul style="list-style-type: none"> • Fear of losing information
<ul style="list-style-type: none"> • Compressed storage 	<ul style="list-style-type: none"> • Inhibits imagination/creative thinking
<ul style="list-style-type: none"> • Customisation and manipulation of the written word 	<ul style="list-style-type: none"> • Costs • Physical discomfort (hard on eyes)
<ul style="list-style-type: none"> • Management of information/record keeping 	<ul style="list-style-type: none"> • Impersonal • Need equipment to use

Table 3 *The advantages & disadvantages of electronic media (Morris-Lee 2001)*

Internet has brought many new aspects to the ways of communication and marketing. As seen on the table (Table 3), there are multiple advantages and disadvantages concerning the electronic media. The main advantages to my mind would be the sensory stimuli and the accessibility of information. It feels good to know that there is almost an unlimited amount of information available whenever wanted or needed. For a visual person the Internet offers a treat by having a vast range of stimuli and possibilities to explore many things.

The main disadvantages would be the impersonality of communication and not being able to touch the products. It is somewhat harder for the customers to take contact with the sales force of a company without first meeting or seeing them. Nevertheless, the communication is all the time changing towards a more impersonal approach when the orders are made more often through phone or e-mail without a face-to-face meeting. This kind of change demands effort from both customers and the sales force.

In my opinion, all of the characteristics must be taken into consideration when constructing a new website. The disadvantages must be cleverly and patiently turned into advantages and the advantages must be utilized in the best possible way.

2.1.2 Formulation of a website

Creating a well-constructed website begins with determining the reason why a company wants to establish its presence on the Internet. The commitment level a company is willing to take defines the promotional techniques available. The most basic example is the will to establish marketing collateral or build brand equity by mass exposure. Through this fairly inexpensive process a company has its name on display to as many people as possible and its future development into an interactive site is very possible. A more middle-way approach is to use banners, buttons and graphics to connect the user to the company.

The most complex promotional approach is to use interactivity to encourage greater responses, in ways such as a distribution channel in the form of an internet store or video conferencing over the Internet which is another emerging trend in today's interactive world. The more complex techniques the heavier costs - though afterwards the potential pay-off is higher (van Doren, Fechner & Green-Adelsberger 2000). There are four scenarios that define interactivity of a website which are described on the table below (Table 4).

Scenario no 1	<ul style="list-style-type: none"> - Website only / information - No interactivity - Mass market approach / no focus - No measurability of website effectiveness
Scenario no 2	<ul style="list-style-type: none"> - Website for limited interactivity - E-mail set-up for customer inquiry - Minimal market research - Limited measurability of WWW site effectiveness
Scenario no 3	<ul style="list-style-type: none"> - Full interaction capabilities - Off-line transactions - Banners, buttons and other enhancements - Focused market research capabilities - High measurability of website effectiveness
Scenario no 4	<ul style="list-style-type: none"> - Extensive interaction - Videoconferencing - Full on-line transaction and distribution channel capabilities - Optimal focused market research capabilities with leverage - Optimal measurability of website effectiveness

Table 4 *Promoting on the Internet (van Doren, Fechner & Green-Adelsberger 2000)*

In the case of NMC - the third scenario is the most suitable scenario to describe the promotional strategy. This scenario involves the offering of detailed customer service tools such as on-line help, product instructions, warranty information, on-line customer feedback forms and questionnaires and interactive sessions or chat groups made up of other customers. The NMC website has all of these qualities except of the interactive sessions. The promotional techniques can range from simple banners directing customers to the websites to interactive games that guarantee the customers' attention for longer periods of time. Companies can obtain greater levels of information about the customers through these methods of interaction and they can build customer loyalty in the meantime as well.

The companies using the third scenario are interacting with users on many different levels, but they do not have direct on-line distribution channels for products. Therefore instead, product

retailers or service agents or initial contact for users are introduced on the website for further communication. The main difference between scenarios 2 and 3 is that scenario 3 provides a higher degree of measurability of website effectiveness, depending on how well the site motivates users to respond to questions. This fully interactive website has a potential for a high degree of responsiveness on the part of users and having a high degree of measurability of effectiveness. Focused promotional efforts demand for this kind of interactivity (van Doren, Fechner & Green-Adelsberger 2000).

Briefly, an appealing website is a website that makes use of the possibilities that the Internet offers. For this purpose, the Internet is a huge and tempting opportunity for marketers. It is necessary to take advantage of the vast communication opportunities in order to create the best possible experience for the visiting customers. Along with this, another key point is catching the attention of the customer and afterwards preserving it as well. Additionally, it is very important to make the customer an active doer, but in a simplified manner so that the customer will not get confused or bored while browsing through the website. That is how it is more likely to get the customer to take contact, return to the website or tell about it to someone.

2.1.3 The hierarchy-of-effects models

When creating an interesting website the market and its specific needs must be taken into consideration. Along with progress of the effects of marketing communication and the response theories the hierarchy-of-effects were introduced, according to which the consumers proceed from one effect stair towards a behaviour stair and so on. The traditional hierarchy-of-effects shows the three response theories which are called cognitive, affective and conative. The cognitive response theory means a stage when there is knowledge and conspicuousness a product or a service. The stage where there are opinions and attitudes about a product and a service is part of the affective response theory. Furthermore, in the conative response theory stage there already is action and behaviour involved in the process. In all of the stages these responses can be continuously created, strengthened and changed (Vuokko 2003).

There are of course alternatives to the traditional way of thinking about the HOE models. One alternative is called divergence. This concept refers especially to advertising and the extent to which such elements that are novel, different or unusual include in the ad. There are five different ways of attaining divergence – through originality, flexibility, elaboration, synthesis and artistic value. Originality means such elements that are not common or obvious and surprising or unique. The flexibility factor deals with ideas that are distinctive or which vary from one perspective to another. Some surprising details which complete and branch out basic ideas in order to become more sophisticated and complex constitute elaboration. Synthesis means using ads that mix and bind ideas or objects that are usually not associated with each other in any way. Ads that contain appealing colours and shapes or contain some kind of artistic aspect in the way of verbal impression create artistic value (Smith, Chen & Yang 2001).

In the cognitive stage people learn the first ideas about the company like the name, the services it has to offer and general principles or the technical features of the products, their price and place where to buy the products. The role of marketing communication in this process is to increase the conspicuousness of a product or a service a company has to offer. It is also very important to gain a status for a product where the targeted group recognizes and also remembers it afterwards – a more familiar product feels much safer than an unknown product. Additionally, a customer is more likely return to the familiar product again (Vuokko 2003). The strategy of NMC is to use strong, influential adjectives when describing its products and operations. Additionally, the layout and the colours NMC uses along with the adjectives attempt to signal the familiarity aspect of the products.

As mentioned before the affective response theories mean influences that are related to opinions, preferences or attitudes. This stage is very crucial to a company due to the fact that at this stage the customers are making the decision about whether this product is attractive to them or not and whether they gain something or not from it. The possibility to attain actions from customers afterwards comes from the positive answers to those mentioned thoughts (Vuokko 2003). On the NMC website, the information is presented in a very innovative and impressive way with the help of beautiful pictures and a creative layout which ought to affect the emotions of the customers that visit the website.

The conative response theories area behaviour responses like product experiments, purchases or questionnaires related to the product. The companies usually wish for these kinds of responses because then the customers get even more familiar with the company, products, working methods and the company location in a positive way. Through this process the company gains more contacts and increases sales (Vuokko 2003). NMC has established a feedback and contact form on its website in order to serve its customers in better way. The NMC sales force is also always ready to answer inquiries and provide any further assistance that is needed.

Some basic goals in a company's marketing communication on a cognitive level can be creating conspicuousness about their products or changing perceptions about them. It is also necessary to inform about changes or developments in the company to the customers in order to gain a closer relationship in the long run. In an affective level the goals are creating and strengthening positive images about the products or the willingness to purchase them. By these ways a company would like to emphasize on its positive attributes, for example, social responsibility or creating an image of economically friendly products (Vuokko 2003).

The goals in the conative level are product experiments or trying new alternative products. Through this process a company wants the customers go ahead and try out new products and services it offers, and most importantly, keep on purchasing them in the future. The company can also encourage the customers to try out other company's offerings as a contrary, but this strategy might have high risks but when successfully adapted – outcome can be very beneficial to the company in question (Vuokko 2003: 38). NMC also does marketing on their products by sending product samples to customers so that they can touch them and see whether these samples suit their purposes or not.

When using the HOE models the talk about designing creative ads and product marketing that aim to attract customers is necessary. Using influential and creative ads or other ways of advertising and marketing are more likely to gain a customer's attention and to be recognized by the customer afterwards. The same goes for the ads that are clear and the message sent is understandable. Creativity can also come from a relevance point-of-view in two ways: ad-to-customer relevance and brand-to-customer relevance. Ad-to-customer relevance means an ad that uses something meaningful to customers in the ad – like using a famous song from a

certain decade to attract that generation's attention which listened to that kind of music. Brand-to-customer relevance shows situations where the product is used in circumstances that are familiar to the customers such as using the NMC sitting pad products while watching sports in the bleachers (Smith, Chen & Yang 2001).

While aiming at positive outcomes, some negative ones are bound to come out in the process as well. Some of these outcomes, in accordance Pirjo Vuokko, can be caused by, for example, a wrong interpretation of the message, the source of the message being regarded as suspicious or the form of the message seems to be annoying. Furthermore, it is seen as a better option to have a negative outcome than no outcome at all, because sometimes a negative outcome can cause a positive outcome in the long run (2003). This makes sense because without trying and taking risks, nothing can be gained or no one can succeed. The customers must have experience about a product in order to know it and make their conclusion about it.

The impressions about a product or a company can take effect immediately, in a while or after a long time. (Vuokko 2003: 41). An example of an immediate positive impression about a product could be a situation where a salesman shows a product to a customer in a fair or at a sales visit and the customer decides to buy it directly there. An impression that takes a little longer could come from a similar situation at a fair where the customer sees a product and tries it out but still feels a need to think about the purchase. Though, after a while the customer takes contact with the salesman after thinking about the product and decides to buy it. Finally, a customer can take even a longer time to get a well enough impression about the product, for example, by trying out other products but returns to buy the product in question anyway.

2.1.4 High involvement and low involvement situations

Involvement is described as “personal relevance of a product based on the individual consumer's needs, interest and values” (Park, Lee & Han 2007). When a customer feels that a product is a high involvement product it means that he or she values the ownership or the use of this product. In this case, the marketing communication process of a company is expected to give specific information about the products and provide their expertise. Instead, a low involvement product means relatively little to the customer and usually the product that is the

most available and/or the cheapest one is chosen. This information is also anticipated from marketing communication (Vuokko 2003).

There are rational or emotional reasons behind the fact that a customer sees a product as a high involvement one (Vuokko 2003: 52). NMC products could be considered as high involvement products due to both of these reasons. The rational reasons might be that the customers feel that the products match their utilization needs. A product that is chosen due to emotional reasons is a product that gives pleasure, a good feeling or a good conscience. Taken as an example, a swim belt from NMC can be considered to have the qualities that a customer searches for – support for the spine, assists physical exercising while giving a healthy and good feeling to its user.

High involvement and low involvement products can appear both on a long and short term basis. A product that has been a low involvement one can turn into a high involvement one due to a situational excuse or occurrence (Vuokko 2003). My interpretation about an occurrence like this could be a customer that usually orders and settles for something of a lower quality from the stock that was caused by an error in the production but suddenly he or she has a need to get an order of a product of a higher quality due to an own customer's demand. Vuokko explains this concept further, by saying that this causes a short shift from low to high involvement – when the customer finds it important to make the right choice instead of carrying on the familiar habits (2003).

Furthermore, products can be both high and low involvement ones depending on the purchase situation and no product can be categorized only as having a certain type of involvement. Customers can also be categorized as high and low involvement customers when considering the process of seeing reviews about products. Low involvement customers are more likely to listen to the opinions generally and follow the path others have taken without paying attention to detail. Instead, the high involvement customers are willing and trying to find as much information as possible about the product reviews. They pay attention to the opinions of the other customers but appreciate the facts and figures about the product more (Park, Lee & Han 2007).

The way the two involvement concepts affect the effects and the effect process of marketing communication is described with the help of two different grids, progress of effects-grid and the FCB-grid. The first grid (Fig.2) is a more old-fashioned way to describe the way effects progress in high involvement and low involvement situations. In this grid the high involvement situation is formed first introducing the cognitive stage, then the affective stage and after the conative stage. This means that first the introduction and opinion about the product range before the actual choice is made when at the same time a customer forms preferences about products. Low involvement situations are followed in order cognitive, conative and affective. In this case, the opinion is formed after trying out the product (Vuokko 2003).

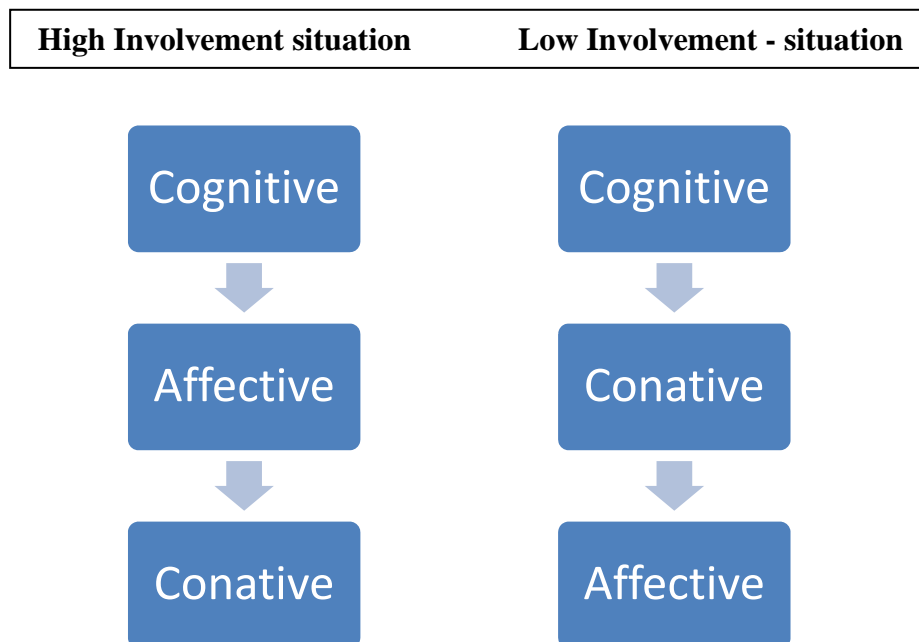


Fig. 2 *The progress of effects grid (Vuokko 2003)*

The FCB-grid (Fig. 3) comes from the abbreviation of advertising agency’s name that invented it. Instead of the creating two separate situations, this grid combines four different decision making situations – where the cognitive – affective – conative stages are described as “learn – feel – do” attributes. This grid also takes into consideration the change from low to

high involvement situation in relation to rational and emotional factors which are described as “think” and “feel” (Vuokko 2003).

The first situation (no. 1) has strong rational dimensions while the order is the traditional cognitive – affective – conative. The marketing communication has therefore an important role in giving exact information. High involvement is seen also in the second situation, but the reasons are emotional instead. The order is affective – cognitive – conative, which means that first a good first impression is received and then afterwards more information is searched for. The role of marketing communication is to give attention to the product’s appearance and market value – to increase the attractiveness of the product (Vuokko 2003).

The third situation deals with low involvement with rational reasons. The product is experienced in the order conative, cognitive and affective; therefore the easiest and most familiar way of finding and getting the product is the demanded. A company must use their marketing communication in the form of informing and reminding the customers about the products in order to get the customers to purchase their products again.

In the last and fourth situation the involvement is still low but this time due to emotional reasons. The order conative, affective and cognitive is followed in this case with a need to purchase a familiar product which is relatively easily accessible and after trying it out; the opinion about whether it gives the pleasure sought after or not is made. The marketing communication process in this case involves keeping the product available and on display – and for the new customers – to create awareness and the willingness to try the product out (Vuokko 2003).

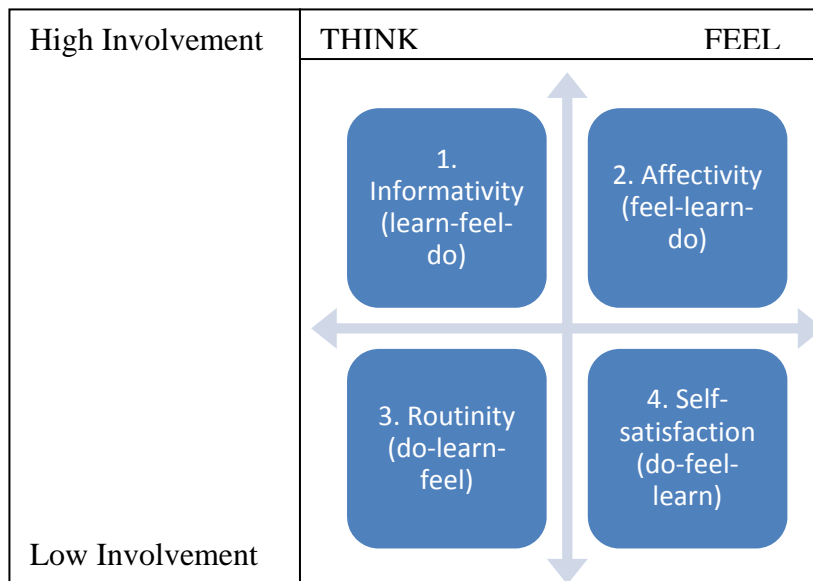


Fig. 3 *The FCB-grid (Vuokko 2003)*

Naturally, NMC strives to excel in all of these situations, but mainly of course aiming at creating a status where most of the products are high involvement products. Different kinds of customers are always a challenge which I have noted during my working periods in NMC Termonova Oy. Sometimes, the calls received are very short and the product needed is not precise and opinions from the sellers were demanded in order to realize the exact product that matches. Furthermore, product samples were asked several times by the customer, which can be both the second and fourth situation in the FCB-grid.

2.1.5 AIDA model

The HOE models are useful in a situation where there is zero knowledge of the product (Smith, Chen & Yang 2001). The oldest and most famous one of the basic hierarchy-of-effects models is the AIDA model (Fig.4). This model consists of four different steps related to customer behaviour towards products which are defined in each letter. The letter A means *Attention* where the first ideas about a product are noticed. The letter I defines *Interest* where the customer already feels interest towards the product. The letter D means "*Desire*" and finally the letter A means *Action*. At the *Desire* stage the customer feels the need to have the product and at the *Action* stage the customer actually makes the purchase. AIDA aims at

creating brand awareness through attention and interest and the key goal of advertising – preserving the customer attention afterwards as well (Smith, Chen & Yang 2001).

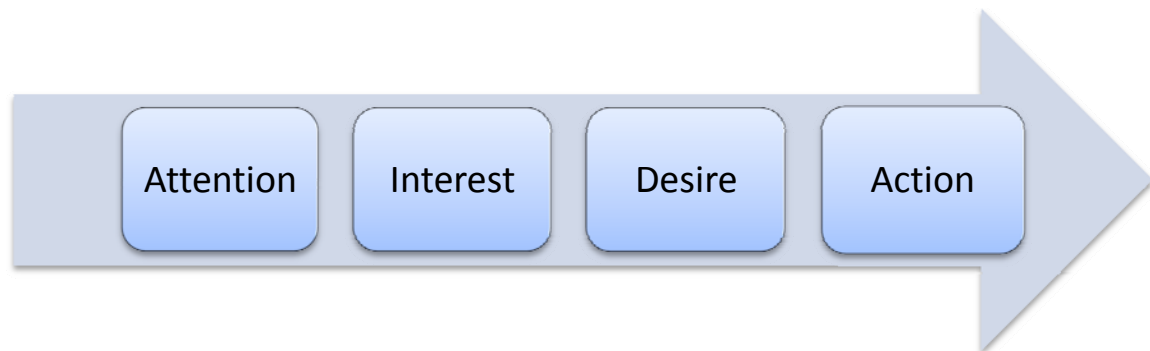


Fig. 4 *The AIDA model (Vuokko 2003)*

The AIDA model is suitable for this research project very well because it takes into consideration the most important element in the marketing communication process - the customer itself - and how to actually get the attention and purchase power of the customer. Nowadays, there has been a new, fifth aspect of this model in order to update it into the AIDAS where the letter S means *Satisfaction* (Vuokko 2003). To my mind this is a good idea when considering the age of this model.

The previously mentioned response theories are shown in the AIDA model through the different stairs. The cognitive stage appears in the *Attention* stair, the affective stage in the *Interest* and *Desire* stairs and the conative stage in the *Action* stair. Cognitive stage is the first impressions about the product – gaining brief information about the product, for example, in the form of hearing or seeing an advertisement. Afterwards, in the *Interest* and *Desire* stages the affective response theory arises when the customer gains the first curiosity after hearing or seeing the advertisement of a product, then feeling interest towards learning more about it and finally, to having the desire to purchase it. The final stage, conative response theory introduces a situation where the customer has gained enough positive attributes and images about the product and therefore is willing to make the final move *Action* and to purchase it (Vuokko 2003).

A problem with the AIDA model arises with the fact that it deals with all of the possible situations as being homogeneous. This means that it is necessary to go through the levels in order - stair by stair - before the lower level can actually develop further. Therefore, some experts argue about the suitability of this model in today's marketing communication. Mainly for this reason, as mentioned before, the model has been updated to AIDAS in order to meet the modern standards and needs of the market (Vuokko 2003).

When using my own interpretation, I could say that the NMC group is actually using the hierarchy-of-effects AIDA model in a large scale when attracting both new and old customers. This can be noticed when browsing through their website – especially when looking at how their products are on view there. NMC uses strong, influential photography, vibrant colours and other visual aids to gain the customers attention. For that same purpose, strong adjectives and other attributes as captions are used. This strategy works well especially for the first two stairs of the AIDA model, the third is also well attempted to achieve to my mind and the fourth one is mostly left in the hands of the customer.

2.1.6 Brand and corporate identity

Brand identity has a very significant role in the marketing communication process as well. According to the book brands are usually used to emphasize symbols and distinctiveness from other products. Therefore, as simply put, a brand is a name, a marking, a symbol, a form or a combination of all these, with the help of which a specific marketer's products or services can be recognized and which will help to distinct them from the offering of the competitors. Due to this, the designing of the brand identity is the key element which helps to attract customers (Vuokko 2003).

The corporate identity of a company is affected by all the offered products, the organisation, services and the factors in relation to the company goals such as vision and mission. Furthermore, the identity is influenced by the current competitive situation, the market environment and the images and perceptions about the company (Malmelin & Hakala 2007). The NMC corporate identity consists of the logo, the colours and where it is presented. Sometimes brands do change and the acquisition of NMC Termonova Oy by the NMC group

brought about many changes for the Finnish subsidiary. Therefore, the identity must be regularly analyzed and if necessary, adapted.



Fig. 5 *NMC group logo*

NMC has a very professional and simple approach when talking about the composition of their logo (Fig.5). This may be caused by an idea from NMC to signal to the customers that they are a reliable and experienced company providing high quality service and products to its customers. While the logo is rather simple, the differentiating factor about it is based on its colour and the presence of the company slogan – *we will succeed together* – on the top of the company's name.

Nowadays, the marking does indeed matter greatly. The marking does not even exist if it is not more than a product without a mark to its target group. Therefore, the brand is the added value which the customer expects to receive and of which he/she is willing to pay more in comparison to the meaningless product without a marking, which however, fulfils the same purpose as the one with the marking. Value is the difference between benefits and costs. Benefits can be functional and emotional and the costs include monetary, time, energy and physical costs (Siukosaari 1997). NMC strives to create added value when concentrating on constant research and development of the products and applications and sustainability - qualities which the company feels that are important to them and to their customers.

Another factor related to brands is a *promise of something*. The marketer uses the brand to give a promise to always guarantee that a product has certain qualities, product advantages and services to offer for the customer (Vuokko 2003). NMC promises its customers to provide long-term, excellent product solutions, professional service and customized designs. These promises are defined in a deeper level depending on the product applications.

The building applications are guaranteed to “offer a customized design and décor for your façade or your living space and convey a sense of belonging and well-being”. The industry and packaging products are “creative and technically demanding foam profiles, sheets and rolls that meet the highest requirements”. Furthermore, the sports and leisure applications promise to “allow high athletic performance and keep you fit”. (The NMC Group website 2009).

Another concept related to the corporate identity is a concept called design management. This means acknowledging the significance of the visual and graphical appearance when creating a company’s image. Design management also aims at creating a graphical publicity image for the company and implementing it on all the levels of the company on a consistent manner. This appearance must be coherent and maintained in a careful manner and developed further in order to keep it up-to-date. Additionally, the design management affects the product portfolio as well. The characteristics of the products must be consistent and in order to support each another. The same applies for the logos, marks, graphical appearance, and typography and colours as well (Siukosaari 1997).

The design management concept seems to be implemented by NMC as well. The products are made of the same foam material and there are many variations of the products available as well. The orange colour which dominates the logo is seen overall on the website, the company brochures, product packaging and so on. These factors complete the brand identity whilst giving it a professional and balanced image.

2.1.6.1 Brands in the world of images

It is claimed that when consumers are searching for, shopping for and consuming brands they are exposed not only to utilitarian product attributes but also to various brand-related stimuli. These are brand identifying factors such as colours, shapes, typefaces, background design elements, slogans, mascots and brand characters. They form a part of the brand design and identity (logo, name), packaging and marketing communications (Web sites, leaflets) and the environments where the brand is marketed or sold (stores, events). The consumer responses resulting from these stimuli are formed under a concept called “brand experience” (Brakus 2009).

Brand is considered as being the experience and a journey of buying stages where the customer gains experience through experimenting products, purchasing and so on. The amount of experience gained depends on the product itself and how it is marketed to the customer. (Crosby & Lunde 2008). When talking about customer behaviour, the article Brand Experience introduces five experience possibilities for the customers which are called sense, feel, think, act, and relate experiences.

The sense experience includes aesthetics and sensory qualities. According to recent research in consumer behaviour the feel experience consists of moods and emotions which can be things such as happiness or unhappiness related towards the brand identity. The imaginative and analytical thinking belong to the think experience level where the customer concentrates on the ideas about the brand. The act experience refers to motor actions and behavioural experiences such as browsing through a website for more information or getting in touch with the brand owner. Finally, the fifth experience possibility, relate, refers to social experiences, such as relating to a reference group (Brakus 2009).

The article Brand Experience presents a claim that the brand-related stimuli evoke experiences but it can also bring about some emotions (e.g., red for Coca-Cola) or intellectual experiences (e.g., when designs use complex patterns). Likewise, although slogans, mascots, and brand characters may create imaginative thoughts, they may also arouse emotions (e.g., “Bibendum,” the Michelin Man) or stimulate actions (e.g., Nike’s “Just Do It”). After completing brand experience scales, the consumers usually are exposed to the stimuli in both short and long-term memory due to the stimuli’s multiplicity (Brakus 2009). This will have a great effect on the future consumer behaviour regarding the company and its brand identity in question.

Clever approaches to create strong images have brought about many success stories in the past. One of them sprang to my mind from a sentence mentioned by Kotler where he spoke about an advertising campaign that uses celebrities with milk moustaches (2005). Instantaneously, I identified this campaign as the popular Got Milk? - campaign. It was launched by the Goodby, Silverstain & Partners in 1998. This advertising agency was hired by the Milk Processor Board in order to create an advertising campaign that would boost the milk consumption in the USA which had been at a decreasing level for a decade before the

campaign was launched. The advertising campaign featured celebrities with a milk moustache and the slogan Got Milk?. This campaign and the other advertisement referring to the importance of drinking milk launched by the MPB were very effective and indeed increased the consumption of milk whilst making drinking it a trend (Got Milk? website).

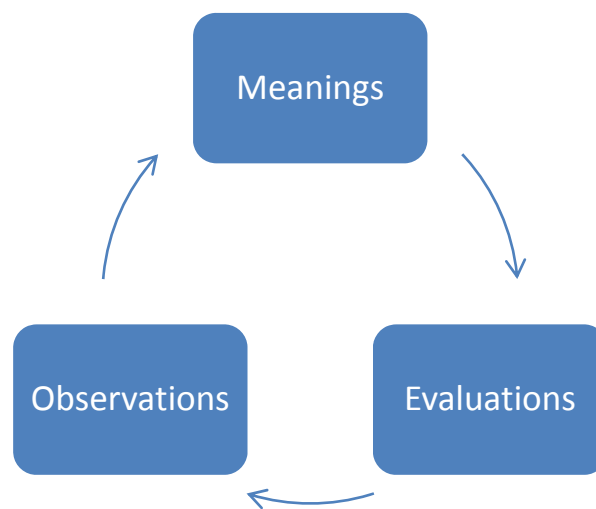


Fig. 6 *The brands in the economy of images (Malmelin & Hakala 2003: 127)*

According to Malmelin and Hakala the formulation of images about products is usually a complex process and the brand capital is based on the economy of images. The factors affecting each other in the economy of images are observations, meanings and evaluations (Fig 6). The model presents the fact how the relationship to the brand develops constantly and the customer is aware of the brand in new environments and in the meantime changing perceptions about it. Besides, the economy of images model is cyclic which means that the formulations of images develop and renew themselves constantly. Therefore, a company must not only take into consideration the current situation about customer perceptions but also realize the continuity of this and invest on the future (2003: 127). This is a good observation about something that might not even be considered by a company and therefore it could create losses, such as, loss of customers in the long run if not noticed.

2.1.6.2 Brand communication

In relation to brand experience the concept of brand communication comes into question. Brand communication means how a brand is perceived by the customers, whether the brand is successfully established and brings earnings. Nowadays, the brand communication is considered through the eyes of the customer as having something behind it – in other words- containing intentionality. Therefore, the customers do expect to “find deeper motivations to the brand itself. Words such as ‘premium’ start to mean ‘standard’ in the eyes of the customer... ‘scientifically proven’ tends to mean anything but.” (Barnham 2008).

Another interesting fact Barnham introduces in his article is the discovery that the actual owner of the brand is no longer the sender of a message after all. The owner is actually the creator behind all of the manifestations that the customers experience. This was a revolutionary change from the fact that previously the brand was relatively synonymous to the brand owner. This positioning of the brand away from the brand owner has come from the realization of the customers regarding the intentionality effect (2008). This kind of implementation of brands leaves the customer room for imagination and a challenge to unveil the hidden agendas behind the brand itself.

2.2 Customer behaviour in general and in Finland

A vital, and usually the most important, part of the marketing strategy of a company is strongly related to customer behaviour due to the fact that customers are indeed one of the key elements affecting a company’s success. Nowadays, there is a surplus of production and a lack of customers. Furthermore, too many companies revolve their operations around products not the customers. That way the companies base their emphasis on the capital and the customers are the last thing on their minds. This can cause the loss of realizing the uniqueness of customers and pushing the products to anyone possible while causing difficulties in the selling process. If a company does not take care of its customers there is always someone else who will. The real, customer based thinking starts from changing the emphasis on customers, then the channels, offers and in the end, the capital matters the least (Kotler 2005).

Customers in general are needed to be nurtured and grown like capital because they are the added-value giving and the most important attribute related to a successful company. The customer decides whether to communicate with the company or not, whereas the company needs the customers in order to survive. Furthermore, it is too often noticed that the companies focus only on getting new customers and do not cherish the old relationships enough. This kind of behaviour might cause losing a significant amount of the old customers in the process of attracting new ones. On the one hand, the golden rule of marketing - to market in a way that you would like others to market products to you - needs to be followed. On the other hand, the well-being of customers must be maintained and a constant high satisfaction level sustained (Kotler 2005).

Along with showing appreciation towards the customer, a company must see an individual in each customer, not a customer in each individual. Therefore, adaptation to marketing communication, selling or other ways of communication should be done on an individual customer basis and not thinking only in a homogeneous way. Fulfilling the specific needs of individual customers will most likely turn out to be beneficial for the company in the long run and will also help to maintain the customer satisfaction on a high level (Kotler, 2005). If I would be the customer and see that I would be treated in a special way by a certain company, I would most likely do business with this company which put such effort in trying to satisfy my needs and requirements.

Another aspect in reference to affecting the customer behaviour is to create a need for the product – to establish something so creative and innovative that the customer really feels a longing after it. These needs can come from occasions such as trends, significant global incidence or just a new innovation. When there is such an occurrence as the current financial crisis, it may create various needs concerning products like a need for lower prices and a secure, familiar and high quality products.

Needs are categorized into either hidden or existing ones. When there is a need for instance, for a lower stress level people seek for ways to get away from the stress causing environment by going on holidays, doing some free time activities like sports or movies or meeting with friends in a relaxing café. The marketers must also be able to somehow predict the upcoming needs of the customers and not only focus their energy in a short-term level (Kotler 2005).

On the customer point-of-view, the method which NMC uses regarding the AIDA model is very influential especially when thinking of the process of attracting new ones. However, the old customers might appreciate a more firm marketing approach sometimes in order to maintain their interest and being satisfied. They also appreciate an easy way to get access to the already familiar products they need and are searching for. The customer satisfaction towards a company is showing a course for the future based on the past experience. (Kotler 2005). Therefore, a company must focus on guarding its old customers and keeping as loyal customer base as possible. Satisfied and loyal customers are willing to pay more for the products offered. NMC Termonova Oy focuses on keeping contact with the loyal customers by doing customer meetings at the location of the customer whether the customer is a national or an international one.

Furthermore, the Finnish customers - both new and old – appreciate a more familiar approach when a company introduces products to them. According to NMC Termonova Oy's sales force, it seems to be a part of the Finnish culture that we Finns, as customers, like to find things easily which are presented in a clear and in informative way. We Finns do not like the fact that things are illustrated or explained in an exaggerated manner. Instead, it is very important to Finnish customers that everything is as simple as possible and the needed information in the fastest and easiest possible way.

Therefore, it is not so important to see fancy pictures and then having to wait for them to load on the website. Some of the NMC group's intention is therefore unnecessary for the Finnish customers and when constructing the Finnish language website the local customer behaviour factor must be taking into consideration as well (The sales force of NMC Termonova Oy 2009).

Another factor about the customer behaviour that I noticed during my working periods in NMC Termonova Oy had to do with the way Finnish customers like to be in contact with the company and its sales force concerning orders. It seems to be so that the Finnish customers like taking contact to the sales force not only by phone and e-mail but also through the contact form on the company's website. Therefore, I feel that there is a great demand for that in the upcoming NMC group's website as well. The NMC group has its own contact form, but it is

targeted at a larger customer base, which can be noted from its more complex format. This might cause confusion within the Finnish customer base, but with the right consultation and information the customers can be familiarized with this new contact form.

2.3 Summary of the theory

Nowadays, the role of marketing communication is very important along with a company's marketing strategy. The strategy must be implemented in a creative and skilful way which brings something new and exciting to the customers as well. Along with the company offerings of a company must provide some kind of an added value in them. Hand in hand with the added value the differentiation of products comes into question. Both of these concepts aim at creating and offering a product that has something unique and special when comparing it to a product offered by a competitor. Therefore, the attention and interest of the customers need to be fished out any old how and cherished.

In addition to the marketing communication the role of the brand and corporate identity of a company is crucial because it signifies the true identity and purpose of the company. The image and brand a company define its success in the markets and in attaining new customers. In fact, brands are meanings and not markings at all – they all signal something in the forms of emotions, actions and images. That is why the message a company wants to send out must be thought through and implemented carefully.

Likewise the brand recognition, both the customer behaviour and satisfaction level have a huge role in a company's successful marketing strategy. Keeping the old customers satisfied and at the same time attracting new ones is vital for the company's future. Good and personal relationship to the customers in general ought to support a success story of a company.

3. Introduction of the company

NMC Termonova Oy is a producer and converter of chemically cross-linked polyethene foam with closed cells. The company is a subsidiary of NMC. The NMC Group is a leading international company in the development, production and marketing of synthetic foams. Its headquarters are located in Eynatten, Belgium. NMC has 19 subsidiaries of which 11 are production plants specializing in various polymer extrusions and foaming technologies. The group has a distribution channel in over 100 countries and an annual turnover of 180 million euros of which the main part comes from Europe. The total number of employees worldwide is roughly 1100 of which in 105 in Finland. NMC established itself in Finland by acquiring NMC Cellfoam Oy in Laitila on January 1, 2006. NMC Cellfoam Oy is the parent company of the Finnish group which also includes its subsidiary NMC Termonova Oy in Inkoo.

3.1 The business areas of NMC

The NMC Group has five different business units, i.e. Nomafoam, Insulation, Architecture & Design, Do It Yourself and Nomawood. Nomafoam includes foam profiles, both standard and custom made for packaging, professional sport, automotive or industry applications. The insulation unit offers insulation products for heating, plumbing, sanitary and refrigeration, as well as for high temperature application fields. Architectural mouldings, covings, cornices, baseboards, chair rails, ceiling centres and columns for interior and exterior design are the product range of Architecture & Design. Do It Yourself is a business unit which has decorative, insulation and toys and leisure products with consumer-oriented packaging and features also including sports. The Nomawood unit offers solid building and sophisticated technology for flooring and innovative combination of material, colour and form for terrace building. (The Corporate Presentation 2009).

NMC Termonova Oy has been a producer and converter of chemically cross-linked polyethene foam with closed cells since 1980. NMC Termonova is a significant manufacturer of PE foam products especially for the fields in industry and construction, and nowadays, increasingly in sports and leisure section as well. After the acquisition in 2006, NMC Termonova has been going through many changes in its operations. One of the most

significant ones is the developing its existing product range to meet the new requirements and standards set by NMC and the industry. This case study is dealing with the current changes the NMC group has been processing this year, which include renewing its website and the websites of its subsidiaries.

3.2 Corporate values

The business strategy that NMC relies on is “first think - then act”. The company focuses on its own core competencies which allow them then to take full advantage of the company's energy in the constant ongoing development of technical and decorative foam technologies. NMC pursues long-term goals such as partnership and investing on research and development. From a logistical point of view, NMC has created itself a European-wide market and positioned itself as a global provider while constantly doing market expansions.

In addition, NMC believes in doing continuous new developments, product improvement and process optimization just to name a few. Three per cent of the NMC Group’s annual turnover is invested in innovations and the development of new products. Visions of today turn into the top products of tomorrow which emphasizes the beliefs of NMC referring to that the future is in foam. In order to meet the needs of the changing markets, NMC is enlarging its technical expertise with specialized foams in system-related fields.

3.3 The corporate guidelines, innovation and vision

According to the company website, the guidelines NMC cherishes are practical innovation, team being the key to the company’s success, sustainability representing the future-oriented attitudes and following social responsibility which means taking into consideration the environment. NMC believes that through innovation, motivation and dedication they can outline the company, the products and the markets while constantly improving services. Being a part of a team is very valuable to NMC – they believe that working together guarantees the success and development of the company. Working as a team is also highlighted through the aim to offer only high quality products in today’s machined production. The people have still

the key role in today's business world when processing orders, doing research about products and making deliveries.

When thinking about the future, NMC believes in following internationally applicable guiding principles in the chemical industry and respecting economic, ecological and social aspects of their corporate activities. They follow the Responsible Care® initiative which is “the chemical industry's global voluntary initiative under which companies, through their national associations, work together to continuously improve their health, safety and environmental performance and to communicate with stakeholders about their products and processes” (Responsible Care website). The NMC Group also feels that it is important to recycle and therefore almost 100 per cent of its foam waste is going to recycling. Furthermore, NMC feels strongly about their responsibility toward the society and the environment.

The vision that NMC follows is: “Continuing to act as a leading international company in the development, production and marketing of synthetic foams by proving with performances that will excite our customers and business partners; make our employees proud and satisfy our shareholders. We will succeed together.” This vision clearly shows the ambition and purposefulness NMC beholds and the significance of practicing the team effort in order to succeed (The NMC Group website).

The NMC product portfolio is vast – ranging from industry products to sports and leisure products and design products. The products are constantly developed further in order to guarantee the continuity of customer satisfaction. Therefore, new innovations are made on a regular basis as well. Additionally, the product portfolio has a great significance for the corporate strategy which will be discussed on a deeper level in the coming chapters.

3.4 Organizational structure

As mentioned before, the NMC group consists of 19 subsidiaries. The NMC group has established itself a Europe-wide network of consolidated companies in addition to a couple subsidiaries outside of Europe. The three figures below describe the business unit organization and the organizational chart (Fig. 7) along with the locations of the consolidated companies (Fig. 8).

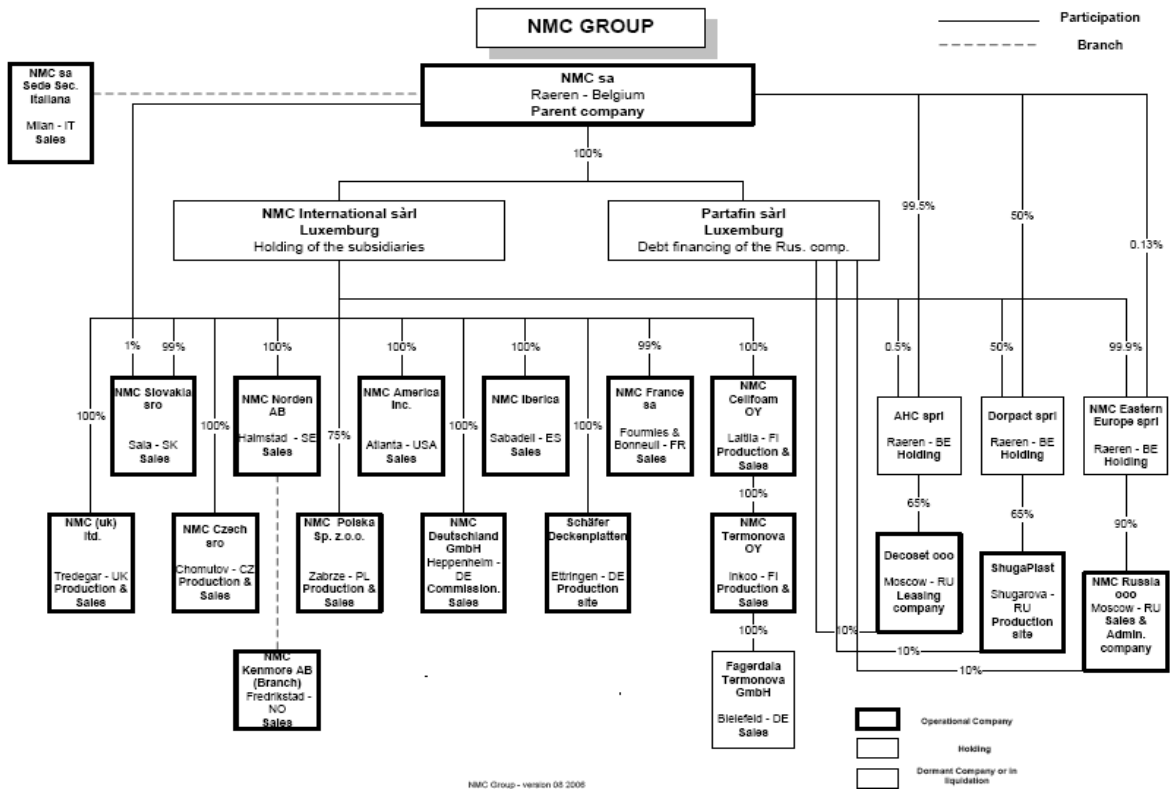


Fig. 7 Organigramm from 2006

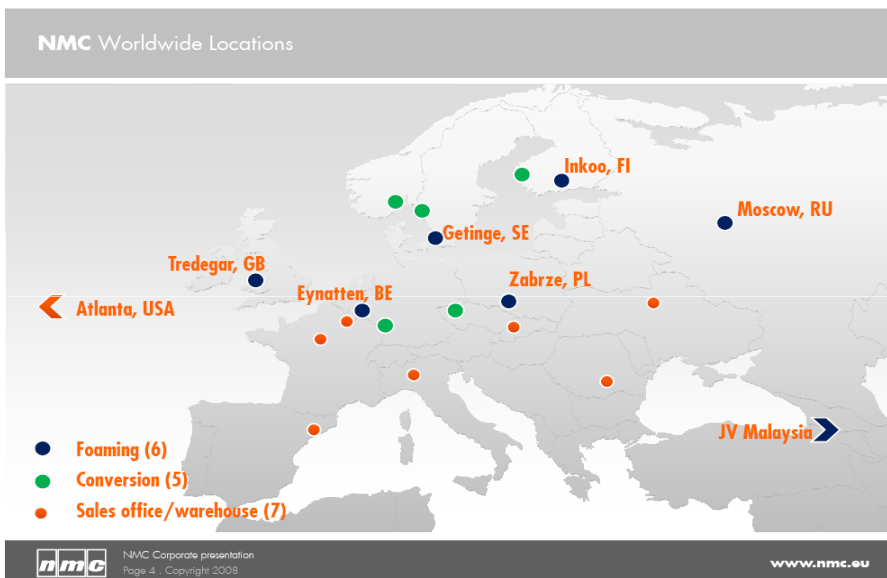


Fig. 8 Worldwide locations map 2008

4. Development work

This research project began with an introduction of the topic and the case study in August 13, 2009 in Inkoo in the premises of NMC Termonova Oy. This first meeting was with the representative of NMC Termonova, Magnus Sjöblom who works as a Purchase and Export Manager in the company. The meeting consisted of introducing the actual concept of the research project and needs of the company. The company representative received provided me with various documents and reports concerning the company and the NMC group, for example, a company presentation of NMC and a report about the its new corporate design guidelines. With the help of these materials, it was easy to begin writing the first draft of the project and constructing my own ideas.

The next and the most informative meeting took place on September 4, 2009 in Inkoo. Present in this meeting were two representatives from the NMC Termonova Oy, the CEO, Matti Kaarnakari and the Purchase and Export Manager, Magnus Sjöblom and two representatives from NMC, Bertrand Baur and Laurence Mennicken. This full-day meeting gave a deeper insight on the requirements and the needs of the Belgian group related to their new website and the integrated websites of the subsidiaries. In their opinion, it is important to integrate the subsidiaries' websites into their own websites due to the set management principles. These require all of the subsidiaries to be combined in the same area on the group website while being country specific.

After hearing the opinions regarding the website and the research process, I studied the NMC corporate, NMC Termonova Oy and the NMC Cellfoam Oy websites in order to discover new information related to all of these companies with the help of the gained knowledge from the held meetings. Afterwards, it was more comfortable to continue analyzing the material and create ideas and assumptions related to the case study. Furthermore, NMC Termonova Oy provided me with many materials in the forms of company reports and presentations which were studied and analyzed thoroughly. Naturally, the NMC website was a good source for relevant information as well.

As defined at the earlier stage of this research project when defining a single case study, this project about the NMC Group and its subsidiaries constituted of finding out new aspects

related to the companies and their operations. One of the key ideas was to research even further how NMC markets its offerings and realize their marketing strategy in a deeper level. This case study also went through the different factors concerning the NMC website, the formulation of it and the product portfolio of this company. All of these attributes are explained in a deeper level in the following chapters.

4.1 General website information

The new integrated website work is for the time being still progressing. Based on the meetings and the materials given to me, all of the websites of the subsidiaries will be created based on the structure set by NMC and integrated to the corporate site. This is due to the fact that NMC does not want the new websites to differ from one another too much. The purpose is to create a common pathway for information from the subsidiaries in order to serve the whole NMC customer base in a more professional and compact way.

Nevertheless, the websites will be translated depending on the country into the country's official languages and the languages which the market of the subsidiary requires. Therefore, the NMC Group and the Finnish subsidiaries think it is important to have the Finnish site translated at least into Finnish, Swedish and English. Further translation into German, due to Germany's importance to the Finnish markets, could occur later on (September meeting 2009).

4.2 Product information

The NMC Group offers a wide range of products. The approach of NMC to its product information on the website is very creative and imaginative. It is a part of NMC strategy to offer pleasing, beautiful and protective products. These attributes mean offering high quality and innovative products for everyday life.

According to the meeting in September, NMC emphasizes the importance of showing their corporate values through visual aids, such as through the pictures of the products on the website. For NMC it is really important to visualize everything and at the same time being

able to create images to the customers' minds. The aim is to affect the emotions before the intellect of the customers. The NMC products are presented as references to different adjectives, which according to NMC, signal the message what the company wants to send out and visualize the product characteristics as well. The NMC representatives introduced some of these adjectives which refer in their minds to their own products shown on their website. Two examples of these adjectives presented were the adjective "protect" illustrated by a picture of a helmet and the adjective "future-oriented" which was described through pictures of things that move like cars, planes etc.

Additionally, NMC presented in the meeting a concept on which it bases the layout of the product images shown on the website. This concept consists of three different aspects: space, close-up of a product and person. The space aspect refers to the layout of the page, for example, by adding images and using colours that make the page look wider. The close-up of a product refers to the possibility to click on the picture in order to gain better sight of the picture.

Next, the human aspect is clearly highlighted by NMC as a reference to products as well. A customer can see where this product can be used in practice. This is a good approach due to the picture of a lifelike situation which the customers can relate to. The picture below shows a situation where a woman is lying on the Nomawood flooring. In my opinion, NMC is trying to transmit certain kind of message in the forms of adjectives and attributes to the customers in reference to the product. To my mind, this would be such things as comfort, delight and relaxation whilst using the product along with the practicality of using the floor as a place to lie on if wanted.

The picture below (Fig. 10) describes the product advantages and characteristics in the business unit Nomawood. This is also a good example in order to show the utilization of different kinds of adjectives with which NMC is trying to attract and gain the attention of the customers. To my mind, these pictures create many positive thoughts about the products in general. When looking at them I feel comfort and a certain sense of trust towards the products. The way that NMC plays with the images and colours shows me the creativity and clever marketing that the company possesses. The colouring in image is very soothing and appealing due to its lightness.

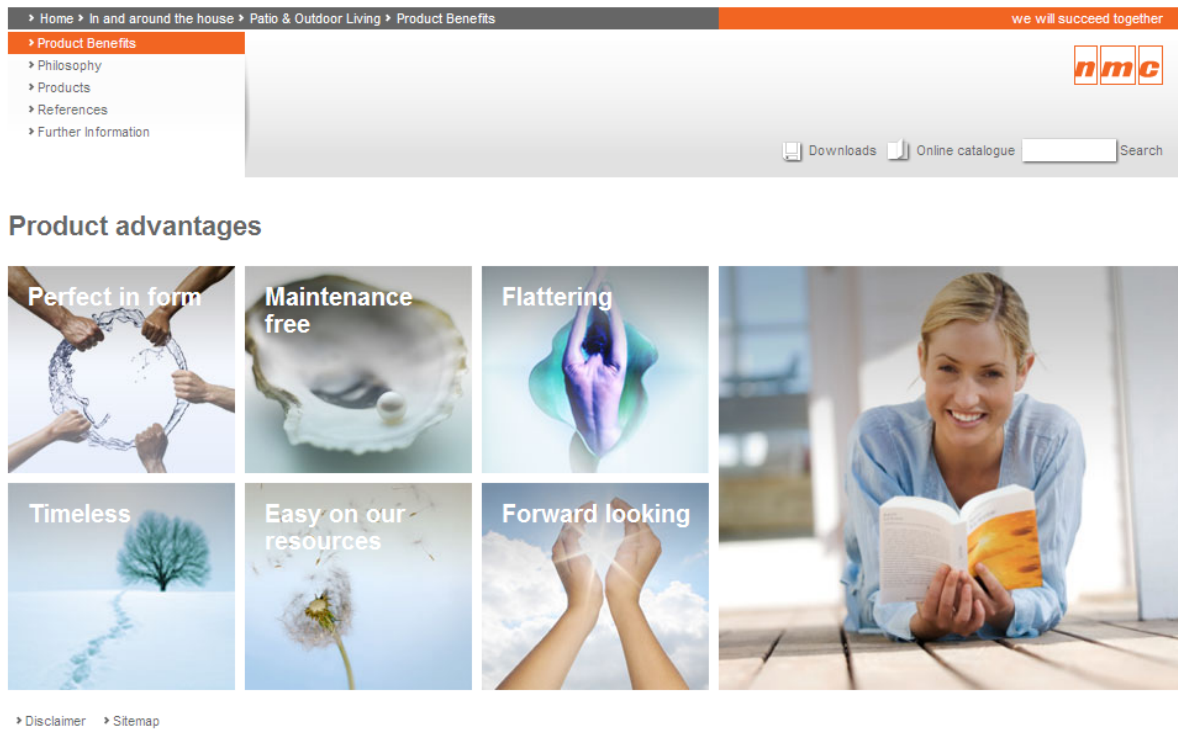


Fig. 9 *Product benefits in the business unit Nomawood (The NMC website)*

Additionally, NMC has categorized the products in two parts; technical and design products. The technical products are presented in grey colour which NMC feels relates to aluminium. This colour, to their mind, is a technical colour while being calmer and more soothing colour. Their objective is to market these products as high-tech, along with a twist of design and relaxation to balance the technical approach.

The other category, the design products, is presented mainly focusing warmer and lighter colours, which reflects a more romantic atmosphere. According to them, these colours appeal to the customers who are especially interested exactly in those kinds of products (The September meeting 2009). The same goes for the leisure products on the picture below (Fig. 11) – they are presented in light colours in a happy atmosphere – something that surely appeals to customers who are especially looking for those kinds of products.



COMFY®



Fig. 10 *Leisure Products (The NMC website)*

The approach aimed to reach when integrating the Finnish website into the corporate website is to import the values NMC has together with the needs of the Finnish market. It is really challenging to meet those needs of the both parties in a satisfactory level due to, for example, cultural and customer behaviour differences. One other important factor is to import the specialized products NMC Termonova Oy has to offer. It is very crucial not to forget the customer base in Finland when making the decisions how to present the information on that integrated website (The September meeting 2009).

According to the September meeting, all of the components concerning the products must be shown through the country specific websites in the similar form as in the main site. Some alteration and changes are possible, but the preference is to keep the form set by the NMC group. The NMC Termonova Oy local sales force feels the need to have some alteration on the layout of the product information part of the integrated website. One of the suggested alterations is the fact how the products are presented based on the customer behaviour in Finland. The NMC Termonova Oy staff feels it is important to keep a more simplified version

of the products on the integrated website, as the Finnish customers feel it is important to find all the information necessary as soon as easy and as fast as possible.

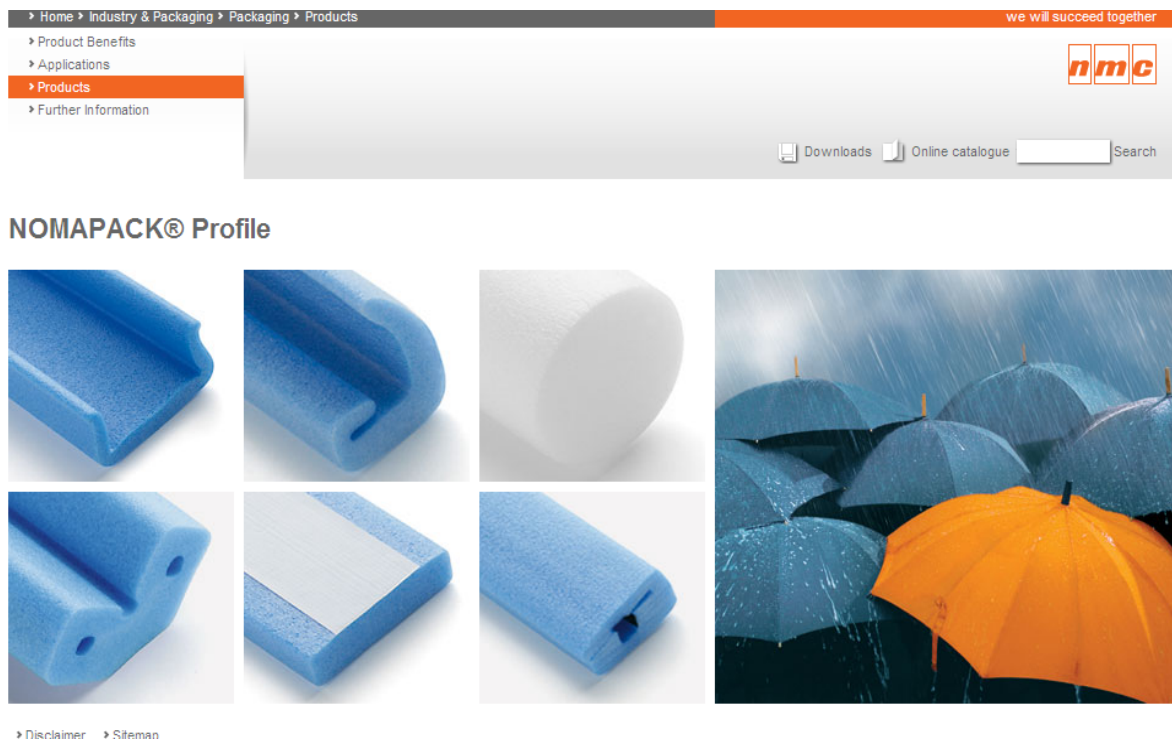


Fig. 11 *The product information of the packaging products*

This figure (Fig. 12) describes the packaging products and solutions for customers and it was generally viewed in the September meeting. It was presented as a good example of an easy way for the customers to find products and information about them. Although, the NMC Termonova Oy sales force feels that there is a need for showing more detailed product information in this section in the Finnish language website.

On the corporate website, a customer can click on one of the six pictures and the text box shown in the figure below (Fig. 13) appears to the right side. The NMC Group thinks that this feature is a good approach in order to show what a specific product has to offer and how it can be used. A picture of an application possibility is also shown on the right side of the text box. Though, the Finnish sales force thinks this is a good way of presenting in general, but they also feel that the products could be introduced in greater depth.

NOMAPACK® Profile



[Disclaimer](#) > [Sitemap](#)

Fig. 12

Nomapack products

5. Conclusion

Today's marketing communication deals with a situation where the boundaries between nations are gone and the global culture of communication flourishes. Additionally, we are living in a world where the customers have the power and the companies fight for getting their attention. Therefore, a need for skilful communication and effective use of the vast communication channels of today is highly advisable. A company's success is directly related to an effectively implemented marketing strategy and communication. This means creating, for example, a strong corporate identity, finding the niche market and not forgetting the importance of establishing good communication networks. Even though communication is not everything, nothing can function without it.

Various points arose during this the case study about the NMC website and its marketing communication. The main focus was naturally related to the formulation of the integrated NMC website and how its vast possibilities and aspects structure and benefit the company's digital communication process. Other key facts to point out are the display of the company product portfolio on the website and its relevance to the different ways of communication. The customer behaviour and its significance to the website design are also very relevant to the topic.

Nowadays, communicating in and through the Internet has a great significance. Creating a functional and well-constructed website is very complex and demands creativity, knowledge and ambition from a company. An impressive website catches the customer's eye at first but a more important point about a website is to find the information easily and rapidly. Combining the attractiveness and high level of accessibility to information on a website captivates the customers more successfully. The NMC Group deals with the challenges of marketing communication and the website design in the same way as any other company today. Nevertheless, NMC tries to boost the digital communication of the company through the establishment of the integrated website including its subsidiaries.

The NMC brand and corporate identity along with the brand experience play a significant role in the ways the company communicates. The necessity of establishing a strong, influential brand and corporate identity is immense as these concepts determine how the company and its

operations are seen through the eyes of the customer. The sense of experience and professional operations is what the companies strive to attain as their corporate identity. The concept of brand experience and the ways customers see the brand today need to be taken into consideration in a deeper level as well. The messages and the experiences a company wants to send through its products and brands must be carefully thought through. The customers are the key to a company's success - without them the brand, the company and its operations do not even exist.

The cultural aspects of the NMC subsidiaries had a great significance to the way of creating the new integrated website as well due to, for example, customer behaviour differences between countries. The problems that might arise afterwards relate to the facts if the customers can actually find the desired information and products fast and easily enough. The Finnish customers demand and keep coming back if there is a vast accessibility of information and therefore do not need magnificent layouts and pictures in order to attract them.

Naturally, during this research project there were moments of success and challenges. One major setback occurred after the first major meeting held by the NMC Group and NMC Termonova Oy in Inkoo in September. Before the meeting my role regarding the research project was mainly defined by NMC Termonova Oy due to the uncertainty of what the NMC Group actually is planning. The original plan included keeping the NMC Termonova website even though the new integrated NMC website for all of the subsidiaries is going to be published. Nevertheless, the plan changed after the meeting and it also redefined my role. Luckily there was only a little bit extra and unnecessary research that I had done before the meeting.

The main aim after redefining the research project was to concentrate on finding out as much as possible about the company, its operations and the website. Another challenge was related to the timetabling which was also mentioned earlier in the section with the same name. NMC took relatively little contact to its Finnish subsidiaries and I did not receive as much information as I had hoped for. That is why the theoretical insights do have a more significant role in this research project than expected. Otherwise, the project proceeded quite well and in schedule. I was pleased with the amount of interesting information and theories

available. The outcomes were good in general and they leave a good basis to build future research on.

One key point for the future of the NMC Group regarding this research project is to continue researching and following up the development and possible changes in the customer behaviour. This is an essential step especially after the transformation from the separate national websites to the common, integrated website is made. NMC needs to keep a constant check up in order to meet the changing standards and requirements of the customers.

The NMC Group and its Finnish subsidiaries will be continuing their cooperation on this integrated website project. The work for the translation of the new integrated websites will still be underway in the beginning of next year despite the plans of completing the process by the end of this year. My role will most likely still continue after the completion of this research project in the forms of small assignments related to the translation and product information.

6. References

Printed references

Aula, Pekka, Matikanen Janne, & Villi, Mikko. *Verkkoviestintä*. Yliopistopaino. Helsinki. 2008

Kotler, Philip. *Markkinoinnin avaimet*. Gummerus Kirjapaino Oy. Jyväskylä 2005. 205 pages.

Malmelin, Nando & Hakala, Jukka. *Radikaali brändi*. Talentum Media Oy. Helsinki 2007. 208 pages.

Metsämuuronen, Jari. *Laadullisen tutkimuksen käsikirja*. Gummerus Kirjapaino Oy. Jyväskylä 2006. 750 pages.

Siukosaari, Asko. *Markkinointiviestinnän johtaminen*. Wsoy. Porvoo 1997. 336 pages.

Vuokko, Pirjo. *Markkinointiviestintä – merkitys, vaikutus ja keinot*. Wsoy. Porvoo 2003. 335 pages.

Yin, RK. *Case study research*. Design and methods (2nd edition). Applied social research methods series, Vol. 5. Sage Publications, US. 1994.

Electrical references

Business Source Premier. *Brand Experience: What Is It? How Is It Measured? Does It Affect Loyalty?* Journal of Marketing. Brakus, J. Joseph, Schmitt, Bernd H. & Zarantonello, Lia. 2009. Retrieved on November 3, 2009.

<http://search.ebscohost.com/login.aspx?direct=true&db=buh&AN=37255121&site=ehost-live>

Business Source Premier. *Customer experience or Communication?* Crosby, Lawrence A. & Lunde, Brian S. Marketing Management. 2008. Retrieved November 30, 2009.
<http://search.ebscohost.com/login.aspx?direct=true&db=buh&AN=34280602&site=ehost-live>

Business Source Premier. *Instantiation – reframing brand communication.* Barnham, Chris. International Journal of Market Research. 2008. Retrieved November 30, 2009.
<http://web.ebscohost.com/ehost/pdf?vid=7&hid=105&sid=13f21d9e-8ad8-494f-98ad-b89c305eff9c%40sessionmgr110>

Business Source Premier. *Promotional strategies on the World Wide Web.* Journal of Marketing Communications. Van Doren, Doris C., Fechner, Deborah L. & Green-Adelsberger, Kathy. 2000. Retrieved on November 3, 2009.
<http://search.ebscohost.com/login.aspx?direct=true&db=buh&AN=3960652&site=ehost-live>

Business Source Premier. *The Effect of Online Consumer Reviews on Consumer Purchasing Intention: The Moderating Role of Involvement.* International Journal of Electronic Commerce. Park, Do-Hyung, Lee, Jumin & Han, Ingoo. 2007. Retrieved on December 1, 2009.
<http://search.ebscohost.com/login.aspx?direct=true&db=buh&AN=25895402&site=ehost-live>

Consumer Agency. *Marketing Communication.* Retrieved on November 1, 2009.
<http://www.kuluttajavirasto.fi/en-GB/>

The Got Milk? website. Retrieved November 24, 2009. <http://www.gotmilk.com/>

The NMC Group website. Retrieved on a constant basis. <http://www.nmc.eu>

ProQuest. *The impact of advertising creativity on the hierarchy of effects.* Smith, Robert. E., Chen, Jiemiao & Yang, Xiaojing. Journal of Advertising. 2008. Retrieved on December 2, 2009.
<http://proquest.umi.com/pqdweb?did=1627323711&sid=1&Fmt=3&clientId=29517&RQT=309&VName=PQD>

ProQuest. *The new marketing: All media, all of the time*. James Morris-Lee. 2001. Retrieved on November 3, 2009.

<http://proquest.umi.com/pqdweb?did=1215273541&sid=1&Fmt=2&clientId=29517&RQT=309&VName=PQD>

Responsible Care website. <http://www.responsiblecare.org/page.asp?p=6341&l=1>

Other resources

Meeting notes. The NMC group & NMC Termonova, September 4, 2009

The Annual Report 2008. The NMC Group.

The Corporate Presentation. The NMC Group.