

# The exploitation of paid Facebook advertising in a small startup company: case study Prosauna Oy

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**Abstract** 

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This paper examines the new modes of marketing through digital platforms offered by Facebook and Google. Marketing activities have undergone considerable changes through the growth of social media and digitalization. Companies are able to reach a huge audience through Facebook marketing and simultaneously it is considered to be a low cost form of promotion.

The purpose of this thesis is to examine the benefits of the exploitation of paid Facebook advertising and Google AdWords in a small start-up company, Prosauna Oy. Case company is seeking towards growing brand awareness and consequently promote sales and to improve Facebook activities. The research was carried out during spring 2015.

Thesis was conducted as a research and the main method was a case study including data analysis of a planned campaign and an inquiry of clients in the company showroom store. The theoretical framework concentrates in marketing communications and social media marketing with the focus on clarifying the research subject area.

A specific Facebook campaign was planned and executed, in order to do comparative research of how a company may seek more likes in Facebook page, to raise awareness of the brand. In addition an inquiry was conducted to clarify if marketing efforts are generating traffic to the company showroom, in order to discover the effectiveness of Facebook campaign advertising. Google AdWords campaign and advertisement in Helsingin Sanomat were utilized simultaneously and this paper will present the results of the multichannel advertising campaign.

The research indicated that paid Facebook advertising is an efficient way to increase the awareness of the brand and seek for new likers in the company page and hence is a good place for goal oriented activities. In terms of overall marketing communications strategy, Facebook is an advisable and effectual platform to support other business activities, but does not intrinsically generate sales rapidly. This study generated future recommendations for the case company of how to improve current practices and was considered to be beneficial for the company in the future operations.

Laurea-ammattikorkeakoulu Leppävaara Business management Tiivistelmä

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Maksullisen Facebook mainonnan käyttö aloittelevassa pienyrityksessä: tapaustutkimus Prosauna Oy

Vuosi 2015 Sivumäärä 52

Tämä opinnäyte työ havainnollistaa ja tutkii maksullisen Facebook mainonnan sekä hakusanamainonnan (Google AdWords) käyttöä aloittelevassa pienyritysekssä, Prosauna Oy:ssä. Viime aikoina markkinoinnin keinot ja väylät ovat muuttuneet huomattavasti sosiaalisen median kasvun myötä ja digitalisaatio mahdollistaa runsaasti uusia väyliä yrityksen viestin perille saamiseen. Facebook markkinointi tavoittaa valtavan määrän kuluttajia ja on suhteellisen edullinen mainonnan väylä yrityksille.

Tämän tutkimuksen tarkoitus on tutkia maksullisen Facebook mainonnan ja hakusanamainonnan hyötyjä aloittavassa pien yrityksessä. Yhteistyö yritys tavoittelee brändin tunnettuuden kasvattamista sekä siten myynnillistä kasvua Facebookin mainonnan kehittämisen avulla. Tutkimus toteutettiin keväällä 2015.

Opinnäytetyö toteutettiin kvalitatiivisena tutkimuksena jossa pääasiallisena metodina käytettiin tapaustutkimusta. Online mainonnan mahdollistama data käytettiin hyväksi tulosten monitoroinissa sekä tuloksien anaylsoinnissa. Teoreettinen viitekehys keskittyy markkinointiviestintään sekä sosiaalisen median markkinointiin todentaakseen ja selventääkseen tutkimuksen aihealuetta.

Facebook kampanja suuniteltiin ja toteutettiin jotta pystyttiin tekemään vertailevaa tutkimusta yrityksen kapasiteetista nostaa likettäjien määrä Facebook sivustolla ja täten kasvattaa brändin tunnettuutta. Kampanja suuniteltiin tapahtuman ympärille ja se toteutettiin myös mainostamalla Helsingin sanomissa ja samanaikaisesti GoogleAdwordsissä. Yrityksen liiketilassa toteutettiin yksinkertainen kysely vierailijoille, selventääkseen mistä he saivat tiedon yrityksestä ja täten tarkentaakseen mikä markkinointi väylä on viestinyt tehokkaimmin.

# Table of contents

1	Introduction				
	1.1	Background of the company	7		
	1.2	Objectives	8		
2	Theo	pretical framework	9		
3	Mark	eting	9		
	3.1	Digital marketing	9		
		3.1.1 Online advertising	10		
	3.2	Marketing communications	10		
	3.3	Marketing communications mix	11		
		3.3.1 Advertising	11		
		3.3.2 Sales promotion	11		
		3.3.3 Public relations	11		
		3.3.4 Personal selling	12		
		3.3.5 Direct marketing	12		
	3.4	Objectives of marketing communications	12		
	3.5	Developing a marketing communications plan	13		
		3.5.1 SOSTAC-model	13		
		3.5.2 Situation analysis	14		
		3.5.3 Objectives	14		
		3.5.4 Strategy	14		
		3.5.5 Tactics	15		
		3.5.6 Action	15		
		3.5.7 Control	15		
4	Socia	al media	16		
	4.1	Social media marketing	16		
	4.2	Social media as a part of marketing strategy	17		
	4.3	Integrating of social media marketing and traditional marketing	17		
	4.4	Content marketing	18		
5	Face	book	18		
	5.1	Facebook as a core of marketing communications strategy	18		
		5.1.1 Building brand in Facebook	19		
		5.1.2 Customer relationships in Facebook	20		
	5.2	Facebooks paid advertaising	20		
		5.2.1 Monitoring the results	21		
6	Sear	ch engine marketing(SEM)	22		
	6.1	Search engine optimazation (SEO)	22		
	6.2	Search engine advetising (Keywords)	23		

	6.3	Google AdWords			
7	Empir	ical research and methodology25			
8	SWOT-analysis				
	8.1	SWOT-analysis discussion			
		8.1.1 Strengths			
		8.1.2 Weaknesses			
		8.1.3 Opportunities			
		8.1.4 Threaths			
9	SOSTA	AC-review			
	9.1	Situation analysis (Where are we now)			
	9.2	Objectives (Where are we going)			
	9.3	Strategy (How do we get there)			
	9.4	Tactics (How exactly do we get there)			
	9.5	Action (The details of tactics)			
	9.6	Control (Monitoring performance)			
	9.7	Campaign			
	9.8	Advertising channels/campaign plan			
		9.8.1 The Facebook campaign 1: One year anniversary 34			
		9.8.2 Objectives			
		9.8.3 Target group			
		9.8.4 Budget			
		9.8.5 Data analysis results			
	9.9	Inquiry for store visitors			
		9.9.1 Inquiry conclusion			
10	Recon	nmendations for the case company43			
11	Concl	usions			
References					
Illustrations					
Figures					
Table	Tables 52				

#### 1 Introduction

This thesis discusses the growing opportunities offered by Facebook advertising channels for a small startup company: case company Prosauna Oy. The company is a one year old sauna store which offers everything from building a new sauna or renovating existing. The target group of the company consists from professionals to private clients; the company delivers solutions for all prospective needs. Prosauna Oy is aiming to boost their Facebook marketing, in order to grow their brand name and eventually increase sales. The company's marketing budget is limited, thus the main focus in the marketing communications is in Facebook and Google AdWords. In a start-up company the resources are limited even though there is will and innovative plans, time and finance may not enable them, thus the focus is to improve existing marketing applications within the company.

This thesis consists of two sections, theoretical framework presents marketing communications and social media marketing concepts within the context of research question, clarifying the current online marketing resources. Empirical section will address the actual research process from planning a campaign in Facebook and analyzing the results comparing starting point and results and the result of implemented inquiry for store visitors. Thesis is written as a case study, while the author was a part-time employee in the company and had access to internal information; in addition an interview with the CEO of Prosauna was implemented to receive valuable information for the thesis process. Ultimately the thesis will conclude by presenting the research results and hence hand out recommendations for the case company for future use.

#### 1.1 Background of the company

Prosauna Oy is a sauna brand which represents Finish production and which you can recognize from a reindeer reminiscent logo. Prosauna was established in the early 2014 and has a show-room store in Vantaa representing eight model saunas. The company delivers everything necessary from building a sauna, renovating a sauna or decorating a sauna. The foundation for the range comes from own production wood-based products such as; benches, doors and various wooden sauna articles. In addition, Prosauna co-operates and re-sells products from other existing brands for example, Tulikivi, Mondex and Narvi. Additional core services include 3D-planning and modeling and installation service. Personal customer service, quality products and high-class store are distinctive marks for Prosauna Oy.

Prosaunas production factory is located in Eastern-Finland and domesticity is a core value for the company since it enables to advance domestic production and to know where the material and products comes from. Close production also enables the company to react efficiently to real-time needs and wants of the customers, thus the company focusses on custom-made sauna production.

The current marketing strategy of Prosauna consists of social media marketing (Facebook), search engine marketing (SEM), display advertising and traditional marketing. Digital marketing has formed the core of the strategy because of its mechanisms which allow the company to track data in real-time, compared to the traditional marketing, however the overall strategy formulates from combination of digital and traditional marketing. Advertisements have been published in newspapers and in catalogues occasionally.



Illustration1: Prosauna store, Petikko, Vantaa.

#### 1.2 Objectives

Purpose of the thesis is to examine the benefits that a small company can reach through paid Facebook advertising and search engine advertising, Google AdWords with the motive to increase brand awareness. A Facebook campaign is executed, in order to get more followers and likes in Facebook and consequently increase brand awareness. Simultaneously efforts in Google AdWords have been undertaken and both results are analyzed for to be able to compare the influence of the advertising channels. Inquiry at the store will be executed for customers with the purpose to find out how they found out about the Prosauna, in order to find out are the means of marketing communications effectual. The eventual objective is to pro-

vide recommendations how to improve Facebook advertising for the purpose to make it more effectual.

A start-up company's resources are limited concerning marketing budget, hence Facebook marketing has been adopted into marketing strategy as core but the company is not completely satisfied with the results and impacts on business. This paper will concentrate in improving and developing paid Facebook marketing, in order for the company to gain more from its various opportunities. Facebook campaign is planned and executed for to reach more visibility and hence gain awareness of Prosauna.

#### 2 Theoretical framework

The second part of the thesis will provide the substantive knowledge base as guidance to the empirical stage of the thesis. Knowledge base will introduce the essential concepts and theories concerning the subject matter. The outcome of theoretical framework has been conducted from extensive literature review and from various current online resources.

#### 3 Marketing

Marketing is a customer driven function of a business which enables managing profitable customer relationships. The ultimate goal of marketing is to satisfy customer needs and build sustainable customer relationships. With marketing, companies create, communicate and deliver value to target market adding profit. (Kotler & Armstrong 2008, 4-5)

The marketing industry is going through rapid changes caused by the continuous development of technology. Online marketing has become the most used way to deliver promotional messages, in B2C-market and in B2B-market. Companies and marketers have to analyze pedantically, which innovations and platforms are the correct ones to their business activities and hence unite digital marketing techniques with traditional marketing communications used in the company. (Chaffey & Ellis-Chadwick 2012, 7-8)

# 3.1 Digital marketing

Digital marketing is promotion of products and brands in form of electronic media, which enable 24/7-access to consumers globally. The key types of digital media channels consist of: search engine marketing, Online PR, online partnerships, display advertising, opt-in e-mail advertising and social media marketing. The main difference between digital marketing and traditional marketing is that it provides companies with channels and methods which enable analyzing and tracking marketing campaigns and activities. Marketers are able to see what is

working and what is not, typically in real-time. Internet is the channel which is mostly associated with digital marketing, nevertheless there are other ways such as; wireless text messaging, mobile applications, podcasts, electronic billboards and radio channels among others. Digital marketing engender online word of mouth and simultaneously consumers are reaching information about brands and products from their personal social networks. Contemporaneously companies are getting customer information easily and are required to have an insight in their customer audience, because being aware of customer behavior and preferences, companies are more likely to benefit from the online interaction. Digital marketing essentially has simulated and intensified competition as it is cost-effective way of promotion, one has to know the audience better than rivals do. To succeed in digital marketing, companies are required to integrate traditional marketing and digital marketing channels in order to manage customer relationships properly. Active respond and preparedness is essential in aiming to dynamic interaction. The data availability gives an enormous possibility and benefit marketers comprehensively while developing their marketing activities. (Sas institute 2014)

#### 3.1.1 Online advertising

Online advertising is a style of marketing and it utilizes Internet to perform promotional messages to consumers. It involves; email marketing, search engine marketing, social media marketing, web banner advertising and mobile advertising.

Advertising has undergone expressive changes during the last decade and due to technology, the changes are continuous. Online advertising has started a movement towards dialogues, social media concentration, user generated content and various new ways of marketers to communicate with customers. The key benefits of online advertising strive from being able to build brands effectively and raise awareness among large audiences quickly. Advertising efforts online enable companies to market for niche markets rather than mass audiences. (Smith & Zook 2011, 282-283)

#### 3.2 Marketing communications

Marketing communication refers to the tools and channels used to spread the image and message of a company for target audience and potential customers. The recipient internalizes the received message and constitutes a conception of the company. Companies aim to engender dreams and stories around their products when the conceptions of consumers are based on visions and facts. Marketing communications enable companies to form a certain specific image of the company and spread it around in Medias. The audience has several divergent backgrounds and thus every recipient interpret the message within their own customs, own preferences and habits affect the interpretation process. Companies ought to aim to form credi-

ble image, balances with the sent message and action. (Blythe 2006, 2-5: Juholin 2011, 184, 190)

Identifying the specific target group is the most important element of marketing communications. It is often also referred as stakeholders. Typical stakeholders consists of personnel, cooperation partners, customers, financiers, authorities and diverse organizations. Regarding marketing communications, the focus is in customers and co-operation partners. The target group can be formed in various ways and it may change repeatedly with respect to the objectives of the communications. Specifying the target group enables easier planning of communications and the actual message. (Juholin 2011, 88)

# 3.3 Marketing communications mix

Marketing communications mix also known as promotion mix forms of explicit mixture of advertising, sales promotion, public relations, personal selling and direct-marketing tools which the company utilizes in order to communicating customer value and building beneficial customer relationships. Promotion mix operates as a primary communication activity within a company but simultaneously there are various other tools communicating for buyers, such as design, price and selling points. Promotion mix should be integrated in the marketing mix in order to reach greatest communication effect. Following segments will introduce the concepts of marketing communication mix summarily.

#### 3.3.1 Advertising

Form of marketing communications and any paid form of non-personal proposal and promotion of ideas, products or services by a recognizable underwriter, for example; broadcast, print and Internet. With advertising efforts, a marketer may reach a huge audience globally and it can be repeated and renewed continuously. (Kotler & Armstrong 2008, 424)

#### 3.3.2 Sales promotion

Sales promotion represents the core segment of marketing communications mix. It includes short term incentives to push the purchase or sale to occur, for example; discounts coupons, displays and demonstrations. Sales promotions pursue to reach brand changers whom are seeking the lowest price, value and premiums. Promotion is a way to increase sales and scrape customers from competitive brands. (Kotler & Armstrong 2008, 469)

#### 3.3.3 Public relations

Public relations (PR) are used to make desirable relations with the company's publics by retaining prosperous publicity, building up a desirable company image, for example through special events, press releases and Web page. Many companies have their own department for public relations which monitor people's attitudes towards the brand and aims to build and strengthen the image among its audience. Efforts towards PR are considered to be a good channel to build brand and is beneficial when adapted to the overall strategy of a company. (Kotler & Armstrong 2008, 441)

#### 3.3.4 Personal selling

Personal selling occurs and takes place when seller and potential customer interact and communicate. Seller adapts selling style according to the needs and wants of the customer. A successful customer relationship can be built through personal selling, the seller has to seek to listen and build trust between the parties, in order to build a long-term beneficial customer relationship. Personal selling is an essential success factor for companies, though it is considered to be expensive and time consuming. Personal selling creates value for the customer through personal interaction and relationship building process. Salespersons are responsible for selling and they deliver and promote the company image through their communication skills and selling style. (Kotler & Armstrong 2011, 424)

# 3.3.5 Direct marketing

Direct communication connects with specifically targeted individuals to conserve instant response and nurture durable customer relationships, for example through catalogues, Internet, online marketing and mobile marketing. Direct marketing efforts are targeted to s specific individuals rather than a wide target audience. Interactive messages are send in order to engage consumer into a one to one interaction and hence customer relationships are built with personal touch, directly from the marketer to the consumer. The customer seeks information and is in control in the situation. (Kotler & Armstrong 2011, 424)

# 3.4 Objectives of marketing communications

Marketing communications strategies have been under rapid changes during the last decade. Mass marketing has been devolved towards more focused marketing styles, designed to build and retain closer relationships with consumers, in more precisely narrowed groups, segmented marketing. Technology enables specific customer information availability and hence marketers are able to monitor and keep track of changing customer needs. Marketing communication channels have extended rapidly and marketers may invest in multiple channels with separate budgets, therefore it is essential for companies to focus on integrating their market-

ing communications, through integration the company's various communication channels deliver a clear, consistent and compelling message concerning the company and its products and services. Integration of marketing communications is a process in which company advance multiple steps which all contributes value to the final result. (Kotler & Armstrong 2008, 399-400; Forbes 2013)



Illustration 2: Integration of online and offline activities

Marketing communications is a multi-stage process, starting from analyzing the current situation and creating concrete objectives. Marketing communications aims to support the entire strategy of a company and assist in reaching the goals. It is important to set specific objectives for marketing communications in order to measure the impacts and develop it further. The objectives often form of effecting customer attitudes, raising company's brand awareness, sales promotion and raising the conspicuousness of the company. (Lahtinen & Isoviita 2004, 120; Juholin 2011, 101-102)

# 3.5 Developing a marketing communications plan

This paper will use SOSTAC model in order to reflect the process of developing a marketing communications plan.

#### 3.5.1 SOSTAC-model

SOSTAC-model is a planning system used in creating marketing communications plans, it was intruded in early 1990's by PR Smith and it offers a systematic way to plan marketing communications. The model provides an outline for holistic plan to be built in a company; it is a simple structure for managers to retrieve core components of marketing communications plan. Philip Kotler has acknowledged the simplicity and usability of this approach in planning of operations. (Smith & Zook 2011, 226)

The model represents strategy which integrates diverse communication tools required in planning. SOSTAC is built up from different components including; situation, objectives, strategy, tactics, action and control.

#### 3.5.2 Situation analysis

The first stage of SOSTAC-modelling is current situation in the company. Situation analysis is required in order to start planning the marketing communications and it is thought as the most important stage of planning. The analysis reviews the performance within the company, including sales, market share and competition.

Situation clearing clarifies the current target market and its features and takes into consideration possible changes in target market, will it be widened or narrowed to specific objectives. The overall market has to be examined and the company's status among its competitors. The company is required to realize the status in the market and hence concentrate in own specific competitive advantage, adopting the most vital elements in the marketing communications, which work the best. Upcoming market trends are examined in order to provide most current supply for the needs of consumers. SWOT analysis is not needed in this model; the concentration is mainly in strengths and weaknesses. A crucial aspect in situation analysis is to center the market and consider how it is segmented, who represent the most suitable and profitable segment. (PR Smith 2014)

#### 3.5.3 Objectives

Following stage is to clarify objectives which give direction for the upcoming strategy. Situation analysis enables the creation of objectives which guide the direction towards where the company desires to go. Clearly defined objectives support operations and assist managers in planning. Objectives are characterized as SMART; specific, measurable, actionable, and realistic and time specific. Marketing and marketing communication objectives need to be handled as separate tasks as marketing goals refer to sales and market share rather than communication objectives serve more detailed segments of marketing communications. (Smith & Zook 2011, 233-234)

# 3.5.4 Strategy

Strategy formation defines the ways how objectives are going to be achieved. Careful consideration and analysis is required when developing a marketing communications strategy. A properly defined strategy is truly beneficial for the company and should not be undermined.

It is recommended that companies formulate various strategies in order to find and choose the best prospective strategy. Strategic preparation for activities defines the stages of getting to the point where aimed to reach. (Smith & Zook 2011, 235)

#### 3.5.5 Tactics

Tactics are concerned with features of strategy, they explain what veritably occur and in what vicinity. During this stage of planning, communication tools are defined and selected, concerning for instance; PR and advertising. (PR Smith 2014)

#### 3.5.6 Action

Action stage implements the features presented by tactics. Action requires detailed and specific project plan in order to take place. It represents the stage when planned activities occur and all parties are required to deliver in schedule and within budget. During the stage, it is vital to prepare the company for contingencies; problems may occur during business operations and preparation assists in the situation. Internal communication concerning the acts prepares the organization for the implementation process of activities. (PR Smith 2014)

#### 3.5.7 Control

Control systems are required in order to monitor measure and control the performance of ongoing activities and campaigns. It is vital to terminate campaigns which are not delivering outcomes. Currently in online marketing the technology enables sincerely specific information of the reach of marketing communications and companies are able to monitor results in real time. (Smith & Zook 2011, 240)



Figure 1: Stages of SOSTAC-model

#### 4 Social media

Social media stands for mass communication occurring in Web, where the user of social media can be either the sender, or the recipient. The platforms of social media enable diverse communication relationships globally by allowing sharing of content and social networking. Continuous development of technology creates new innovations and opportunities for companies and individuals to advantage from social media, new platforms and applications are emerging constantly.

# 4.1 Social media marketing

Social media marketing consists of any aspect of direct or indirect marketing activities which are used to increase brand awareness, recognition, recall and action for a brand, business, product or a person and is performed using the tools of the social Web. (Gunelius 2011, 10)

Due to the development of Internet, businesses have had to change existing traditional models and communication styles. Social media has been build up by a mixture of developing technology and business and Internet is nowadays the easiest way to reach consumers. Social media is a social community and also a channel for news and advertisements; it is available day and night and has globally changed social interaction and free time. It is required that companies adapt social media marketing strategy into their strategy and are present in social media. Company page in Facebook is the most important tool for companies in Facebook marketing. Effective social media marketing requires listening, understanding and participation in order to add value and build relationships in Web. It is crucial to understand the difference from traditional marketing, social media marketing is a two-way conversation where a company is required to react promptly and interact with consumers. Social media marketing offers the opportunity that your customers can spread the word of your product. (Gunelius 2011, 3-4)

Being online is the easiest way to reach consumers nowadays. There are over one billion users of social media services globally. For companies, social media allows access to consumer's lives and they are able to reach specific consumer information from web. Thus companies need to associate themselves in online channels and communities and execute marketing communications there. Social media is in active use among companies in Finland, 38% of companies use social media and the main reason for 83% of the companies is the pursuing towards image development and product marketing. 1/3 of the companies told that they have a clear action plan in social media. (Tilastokeskus 2013)

The emergence of social media was rapid and extensive and some marketers and companies assume that it is a passing phenomenon and thus are not investing into it, assuming it is not profitable target. Statistics though have shown that social media is a beneficial channel for companies, according to Hubspot; 92% of marketers in 2014 argue that social media marketing was important for their business operations, with 80% showing that their attempts increased traffic into their company websites. Simultaneously, according to Social media examiner, 97% of all marketers are currently involved with social media and 85% of them are not sure which tools to use, in order to benefit. (Forbes 2014)

# 4.2 Social media as a part of marketing strategy

Social media marketing has become a high priority for various companies, because it has shown that brand visibility in social media may effectively affect consumer attitudes and feelings concerning the product or brand name and hence affect purchasing decisions among people's social networks through public recommendations. (Wood 2010, 181)

Presence and interaction in social media should be planed carefully and implemented with clear focus. Devotion to your target audience and to the company page is vital in order to accomplish satisfactory presence. Clear objectives of the utilization of social media are required for companies, prior to the action happen. Social media is essential tactic in marketing strategy nowadays and ought to be integrated into to the overall marketing strategy of a company, however often still treated as a separate function. Applying social media content, the gaze ought to be looking towards the future in order to convert the social media objectives into actual action, such as converting brand awareness into purchase intent among consumers. Companies should adapt clarified policies and explicate personnel roles in social media marketing, creating own tools for in-house social media production and a focused monitoring system for realization of how the action has contributed into business activities. Understanding social media as an essential component of the overall marketing strategy will improve efficiency and bring out benefits for the overall marketing objectives. (Forbes 2014)

# 4.3 Integrating of social media marketing and traditional marketing

Integrating social media marketing activities with traditional marketing activities is essential in order to reach the full potential of overall marketing operations. Integrated marketing plan in which one element complement other is required for the purpose that all marketing efforts simultaneously communicate a consistent brand image. If there is a lack of integration between messages, consumers may be confused and receive mixed signals. Both social media and traditional marketing tactics should work jointly and hence brand messages are sent both

ways effectively. Cross-promotion enables different marketing channels to promote one another, for example, a company may promote its social media channels in its print advertisements or company blog may direct readers to the company Facebook page or vice versa. (Gunelius 2011, 203-207)

#### 4.4 Content marketing

"Content marketing is a strategic marketing approach focused on creating and distributing valuable, relevant and consistent content to attract and retain a clearly defined audience, and ultimately, to drive profitable customer action." (Content marketing institute, 2015) It is vital that companies, who are active in social media marketing, deliver valuable quality messages in order to enhance customer behavior. The communication core should be in delivering something valuable for the audience, not selling or interrupting. Content marketing delivers added value for the customer and hence aims to enhancing the audience.

#### 5 Facebook

Facebook is the biggest social networking service and community in the world, with over 1, 3 billion users and 600 million active users globally. It was launched in early 2004 and since has gone through an enormous growth and development and continues to innovate continuously, Facebook employs today over 3000 people. In the beginning, Facebook was in the usage of Harvard students, but from 2006 it was launched for everyone. (Facebook 2014)

Facebooks growth and influence has proven that it is not a passing phenomenon, it is steering the business world with endless opportunities. Companies and organizations, no matter what size, are offered an opportunity to capture attention, build relationships and promote brand with potential customer selection. Facebook is a channel in which companies may direct traffic to their company websites or interact more closely than ever with its audience, it enables real-time problem solving and information sharing and thus is a vital customer service channel. After creating online presence in Facebook by setting up a company page, it is crucial to be present and define clear targets and goals for Facebook marketing. (Porterfield, Khare & Vahl 2011, 7, 8, 16)

#### 5.1 Facebook as a core of marketing communications strategy

The growth of Facebook has overturned the field marketing communications and various companies have adopted the service as a crucial part of marketing strategy. It is a convenient and low-cost platform to join and hence it is easy for companies to set up company pages, although companies should be prepared and planned how the page will be used as a marketing

tool for the business. In-house preparation among personnel and goal setting is essential if wanting to gain from the utilization. Using Facebook as a core of marketing strategy, company has to be active. Continuous interaction and presence with good quality content are one of the keys to successful Facebook marketing. (Ramon 2013, 3)

Marketing communications style in Facebook is a dialogue between the company and consumers, not a direct selling channel. Through Facebook, companies are able to create added value for consumers by means of information sharing and thus the more interaction occurs, the bigger audience it may accomplish and hence be able to promote brand awareness. Designing and sharing of unique and high quality content the company ensures to arouse the interest of new potential followers and likers. (Juslen 2013, 13)

Interaction within the company Facebook page is important if it is expected to be successful. Asking questions or organizing competitions are ways to take consumers along to your page activity. Promotion campaigns and linked blog posts are also vital ways to draw people into your page and arouse interest. (Ramon 2013, 5)

Facebook marketing is an efficient channel for small start-up companies with limited marketing resources. It enables companies to boost their brand name and expand brand awareness by extending potential customer base. Without financial efforts, Facebook acts as a communication tool with existing followers and companies are able to interact with sharing good content and thereby aim to strengthen the relationship with followers and eventually aim for people to share the posts. Through advertising in Facebook, companies have the opportunity to reach people who yet are not aware of the brand and hence increase brand awareness. Marketing in Facebook is a part of long-term strategy and the actual results are pursued through increasing brand awareness and consequently promoting sales in the future.

# 5.1.1 Building brand in Facebook

Social media and Facebook offer a desirable channel for companies to promote their brands. Brands are not built by companies; they can only promote them whereas it is the consumers who eventually build brands through personal experiences and emotions. The brand building process is a part of long term marketing strategy, and the impacts are shown in the future. Social media is a good platform for brand building, as it is also a part of long term strategy and thus brand building and social media build and strengthen one another. The more your company interacts and socializes in Facebook, the more visibility wills the brand name receive and hence it will spread more effectively. One of the essential rules in sharing content is that you share "shareworthy" content, in order to demonstrate and point out that you are focused in the activities. (Gunelius 2011, 161-163)

Facebook enables companies to share actionable links and photos for their Facebook fans. The aim is to connect people with the brand so that the possibility of them choosing the products and services the company offers, increases and hence brand awareness increases. (Facebook, 2015) The ultimate goal is to enhance word of mouth marketing by inspiring the audience to share the posts with them own networks.

# 5.1.2 Customer relationships in Facebook

Companies are eager to increase the amount of likes in a company Facebook page and widening the reached audience but it is essential to be able to build relationships with the social media fans. Facebook enables two-way dialogue with the company and the potential customer and operates a customer service channel.

#### 5.2 Facebooks paid advertaising

Marketing in Facebook achieves benefits for companies in two ways; customer interaction and direct advertising. Rational advertising combined with valuable content engagement give the most beneficial outcome for marketers. Advertising in Facebook enables companies to reach a large audience with their own target preferences; targeted adverts allow companies to define who they want to reach, where and when. Facebook advertising is considered a beneficial marketing tool for large, medium and small companies to increase their business operations. Advertisements are easy to create and companies determine their budgets individually, depending on the desired reach of the adverts. (Ramon 2013, 84; Facebook 2015)

Facebook advertising enables marketers to find people and show them relevant advertisements that they may want to see, according to the target audiences interests. The advertisements the audience encounter, can be selected according to which kind of information the user shares in own network, for example; current location, age or relationship status. Hence it is easy for marketers to advertise their products and services for their target audience and consequently promote their brand for potential customers. By creating promoted posts in Facebook, companies are able to capture attention of anyone, unlike through the page posts which are shared among the page likers. (Facebook 2015)

The objective of paid advertising in Facebook is to reach and attract new people to like your page and finding information of the company. Advertising is a main source of revenue for Facebook and thus the advertising has been planned to be easy and convenient for the marketer. During the first quarter of 2014, Facebook announced in June 30<sup>th</sup> that its revenue was approximately 2, 9 billion dollars, with a 61% increase to the same period in 2013. The advertising proportion was 2, 68 billion dollars from the total figure. (The Guardian 2014)

Facebook advertisements are positioned in two locations; among user news feed and on the right side of the main page. Whilst visiting someone's profile page, two advertisements are shown on the right side of the page under "Sponsored" feed, whereas on the front page there are seven advertisements. Third type of advertisement is shown on the logout page. (Facebook 2015)

Each company advertising in Facebook plans the budget by themselves. A company specifies the amount which they are willing to pay for each action. There are two opportunities how to define the advert coverage;

- Cost per click (CPC) the company pays when the advertisement is clicked. While creating the advert, the marketer clarifies a maximum worth for a click.
- Cost per impression (CPM) the company pays depending on how large audience sees the advertisement, you are charged every time the advert appears for 1000 users. (Porterfield et al. 2011, 501-503)

Advertising in Facebook is simple, cost-effective and effectual; it allows one of the most targeted marketing channels for companies. In order to crate effectual advertisements, companies are required to set and clarify objectives for the advertisement, what are they actually reaching through it. After objective clarification, decision concerning budget is demanded and defining the timeline for the advertisement, whether it is for a small period or a longer period. The key success factors of Facebook advertising are the ability to follow and monitor the results of a certain advert, in real-time. (Facebook 2015)

#### 5.2.1 Monitoring the results

Facebook advertising enables marketers to view insights to their advertisements and monitor the results whilst the ad campaign is processing. Facebook reports hand out vital data which can be analyzed in order to make more powerful adverts in the future. The ability to reach information on advertisement performance gives companies' benefits, especially when comparing to traditional advertising, where monitoring the outcome of an advertisement is challenging. Analytics give direction for making adjustments continuously. Advertising performance (adverts manager) is a tool where you can see how adverts are performing and find out whether you are reaching the objectives, and if not, making changes is possible. (Facebook 2015)



Figure 2: Facebook page report

# 6 Search engine marketing(SEM)

Search engine marketing is an aspect of online marketing which includes promotion of a website by increasing its visibility in search engine results, through optimization and advertising. Companies may use search engine optimization which strive to adjust and modify the content of website, in order to reach higher ranking in search engine results page. The other way is to use pay per click (PPC) advertising. PPC advertising is represented in this paper with Google AdWords.

#### 6.1 Search engine optimazation (SEO)

Search engine optimization is important for company page, because it increases traffic to the website and with optimized keywords; the visitors are more valuable, because they represent the correct target audience. The higher ranking a company receives in search results, more likely it is going to be found from the results. SEO is vital because the results are long term oriented and high ranking in search engines build up the company brand. When companies are willing to invest money to the optimization, the visitors will appear from the good ranking and are free of charge for the company. (Suomen yrittäjät 2015)

Investments in SEO are beneficial as they enhance the ranking of the company page in the natural search. By being ranked high on the search results is a long-term accomplishment and essentially free for companies, it is recommendable to be pursued. The free linkage to potential customers through their search entries is an effective form of marketing. Advice towards optimizing natural search results according to marketingexperiments.com contains:

- Selecting correct keywords and phrases which offer potential for traffic
- Focusing specific site pages on specific keywords
- Naming site's pages relevantly (Sheehan 2010, 36-37)

# 6.2 Search engine advetising (Keywords)

Search engine advertising represents a service that a company buys from the search engine provider. Advertisements in search engines are shown on the result page for example; above the search results or on the right side of the results. The core success factor of keyword advertising is that the advertisement is shown when the consumer search with keywords the marketer has provided for the advertisement, thereby the consumer is interested in similar services of products and is likely to find the specific company through search engine advertising.

The pricing policy in keyword advertising is based on a pay per click process. The advertiser only pays when the advertisement is clicked through the search engine page. While creating the advertisement, a specific price is determined for each user who is directed to the website. The price fluctuates concerning the amount of bidders for the keyword; the more there are bidders for keyword the higher the click price is.

Keyword advertising guides traffic to company website immediately and thereby is a quick way to increase the amount of site visitors. It is a cost-effective way to reach potential customers as you pay only from the achieved clicks. The measurability benefits the company as they receive data which can be analyzed instantly and through that are able to make immediate changes to the campaigns in order to reach best outcome. (Descom 2015)

#### 6.3 Google AdWords

This paper will represent Google AdWords as the main search engine advertising tool as Google is the most used search engine in the world. (Search engine land, 2015.) Google AdWords is a tool for companies who desire to run advertisements in search engine pages, and especially advertise in the world biggest search engine.

The search engine marketing system Google AdWords offers is a simple and convenient way for companies to improve their marketing strategy, because whilst the advertisements are running, they can be analyzed and monitored in real-time and consequently companies are

able to see what is working and what is not, and react rapidly. The pricing policy in AdWords follows the pay per click principal; the advertiser only pays when a customer clicks the advertisement in search page. The company sets a daily budget for the advertisement and a maximum bid fee for one click. The more a company invests money to the advertising campaign, the better visibility it will reach, however, companies with small budgets will also benefit and reach visibility, Google strives to fulfill the needs no matter what size budget. (Bailyn & Bailyn 2011, 93-95)

Google AdWords benefits companies by enabling them to reach new potential customers and traffic to the company website. It is a good way for start-up companies to increase brand awareness and capture attention to their website offering. Location based advertisements channels people from specific target audience towards your brand and hence reaches the exact people aimed to reach. It enables companies to find the people who are already searching services and products that the company has to offer and thereby company catches more valuable consumers. (Google 2015)

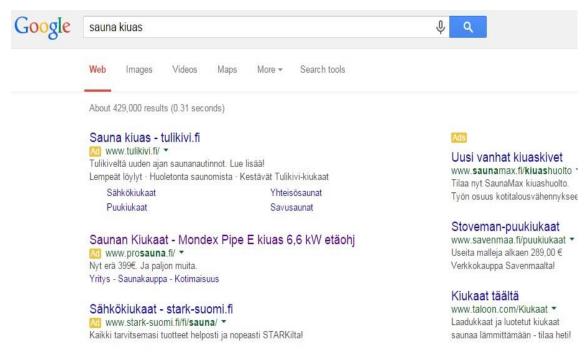


Illustration 3: Google search result page advertisements

# 7 Empirical research and methodology

This paper uses a case study viewpoint and perspective in order to demonstrate and examine results of used methods. Theoretical part of this paper consists of literature review and current online resources, which were used to justify and give a profound surface for empirical part of the thesis. The writer of the thesis is a part-time employee at the case company and hence access to company information was straightforward, information sharing was conducted through discussions at the store premises. The head of marketing communications employee discussed all the main details concerning current situation and how marketing activities are carried out. Case company Prosauna Oy s current marketing communications mix is presented through stages of SOSTAC-model and SWOT-analysis is executed to indicate the starting point of company operations from general perspective.

The core research method in this study is execution of Facebook advertising campaign in order to reach more likes to the company Facebook page and execute a comparative research in Facebook page and to guide people to visit the store. The campaign was conducted simultaneously with Google AdWords utilization and in addition a traditional form of advertising was added to boost traffic to the showroom, through an advertisement in Helsingin Sanomat. To summarize the results of which channel is directing customers to the store, an inquiry was held at the store, during a specific day, to examine which form of advertising was the most successful. The main objective is to increase brand awareness in Facebook by reaching more users to like the company page and mainly to examine which advertising channel is the most beneficial.

Data analysis is utilized from reports offered by Facebook and the inquiry result and is processed and reviewed analytically, in order to conclude results and be able to form improvement suggestions and adjust marketing strategy. With the support of the recommendations this thesis will present, the company can utilize Facebook advertising more effectively and hence adapt the recommended solutions and viewpoints to their marketing strategy in the future.

The validity of the information reported in this thesis is based on extensive literature review and use of current sources of information. Company data and information has been gathered from the entrepreneur of the case company and thus is considered to be accurate. Data enabled by Facebook reports and insights are considered trustworthy, though sporadic errors may occur in tracking of the data. This examination is a case study and the results are not adaptable to other companies.

# 8 SWOT-analysis

In this paper, the SWOT-analysis has been conducted to showcase the overall internal and external factors which affect the business operations; it provides information to understand the business in general from the viewpoint of third party.

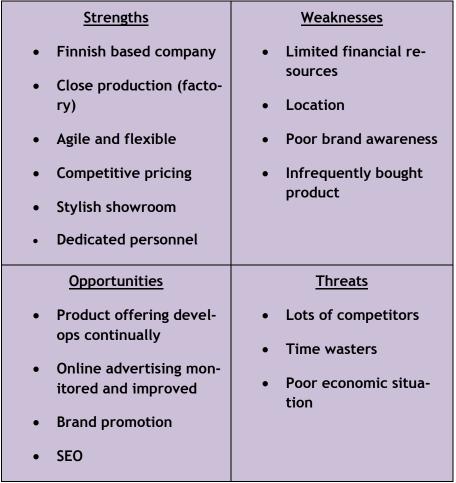


Figure 3: SWOT-analysis

# 8.1 SWOT-analysis discussion

#### 8.1.1 Strengths

Strengths of Prosauna Oy emerge from domesticity and possessing a factory nearby. Close production enables adaptive customer service as the needs and wants can be personalized quickly and products serve exact preferences. The company investigates competitor's prices and promotions constantly and strives to offer competitive prices and bring competitive advantage through additional services compared to rivals.

The showroom is stylish and gives a comprehensive overview to product offering and into the material and color alternatives. The store is planned to represent simplicity and style in order for customers to find their own choices. Lastly the dedication and investment in customer service and sales are key success factor; the employees are flexible and are willing to invest extra efforts and time, in order for the customers to be satisfied and the services and products to be delivered promptly.

#### 8.1.2 Weaknesses

Prosauna Oy is a small start-up company and hence the financial resources are limited to promote the brand. Marketing efforts are not as effective as could be in bigger companies with extensive marketing budgets.

The company is situated in Vantaa, in an area of lots of companies representing building branch and their stores. The location is a remote for random by passers, though it is good as there are builders and professionals doing acquiring for worksites and projects. It is considered that if the company would be located closer to shopping centers and areas of private customers the brand would increase faster as more people would bypass the store. Lastly, the main problem concerning the sauna building business essentially arises from the issue that saunas are built rarely and thereby aren't bought regularly. Customers are critical and may consume lot of time in the decision making process.

#### 8.1.3 Opportunities

Prosauna Oy's product offering develops continually and new products and versions of old products are acquired. New material and colors represent new potential styles and the company aims to present them in the store properly. Seasonal products are also exposed, for example, during summertime, the store offers birch whisks and consequently during Christmas season, there are shampoos and soaps representing Christmas scents.

The company aims to control and measure the results of online advertising and hence accomplish benefits from the opportunities of being able to modify adverts in order to achieve better results. The opportunity nowadays that companies are able to actually see what is working and what is not gives an enormous potential for companies to adopt their efforts and benefit more from them. SEO interpretation is done in the company and it is also acquiring external consultation in order to make it more prompt and enhance the ranking in natural search results.

#### 8.1.4 Threaths

Competition in business is vital, but it creates pressure for entrepreneurs and their activities. Prosauna is a new brand and hence existing brands with extensive sales and customer bases create problems for the business potential.

Sauna planning and building requires extensive amount of planning and creativity and potential customers, store visitors usually ask for offers and they may include 3D-models of their sauna plans. One potential customer may require hours of work without any certainty of the sale to be closed. It is possible that visitors take advantage of the service and use the created model, but will not actually buy services from the provider. These so called time wasters demand lot of work efforts and hence it is a threat for the business and may cause frustration.

#### 9 SOSTAC-review

SOSTAC model is used in this study in order to demonstrate marketing communications plan within the company. The SOSTAC breakdown was realized and analyzed together in a meeting with the CEO of Prosauna in an interview form discussion.

#### 9.1 Situation analysis (Where are we now)

The case company of this study is a small size Start-up Company which began operations on February 2014. The entrepreneur and CEO of the company is head of sales and marketing and is devoted for the business which is common feature in small companies. The key employee in Prosauna Oy is the designer as 3D-modelling and model picture creation is the foundation of planning and executing new saunas and renovating existing. Current situation of Prosauna Oy can be characterized as a stage where the company is adjusting its operations to the market and finding balance in new customer acquisition and in delivering completed orders.

Marketing communications are in a vital role, as the company is seeking to increase brand awareness and acquiring new customers, both traditional forms and online forms of advertising are in use. The company's traditional marketing operations include; occasional advertisements in newspapers and in catalogues, printed brand promotion material and the company's store/showroom is considered to be a marketing advantage and it has been designed to deliver valuable brand message. Online marketing is the core to the marketing strategy, because it's the most active channel of message delivering and content sharing, as it is the most costeffective way for a small business with limited resources.



Illustration 4: Printed promotion material

The company interacts and communicates with its audience in Facebook on a weekly basis and aims to engage people's attention with quality content. The non-paid Facebook communications contains posts concerning Prosaunas showroom, pictures from finished customer saunas, articles related to brand industry, promotions and new product showcasing. The paid Facebook advertising has focused to increase likes in the company page through lotteries and events and delivering promotional offers. The company is not totally satisfied with the results of Facebook advertising and is expecting to receive consultation and improvement recommendations for optimizing the advertising efforts in a way that it would eventually lead to promote brand as well as sales. This paper will latterly go through the stages of planning a Facebook campaign and analyze the results in order to demonstrate the benefits of paid Facebook advertising.



Illustration 5: Prosauna Facebook page outlook

The target group of the company is broad and it is formed of private individuals and professional clients. Sauna culture in Finland is exceptional and according to the Finnish Sauna Society, there are over 3 million saunas in Finland, which is more than there are cars in Finland. (Kaleva 2013) Nowadays builders are building saunas continually into new buildings and hence it is an opportunity to promote Prosauna brand for professionals. The targeted private clients are the core of the target audience and represent the typical clientele. The issue in selling sauna solutions is in the fact that they are long term durable goods, which are bought rarely thus it is essential to attract consumers through high quality brand messages and create trust between the seller and the potential buyer.

Competitors are observed, in order to do competitor analysis and determine the place of the company among rivals. There are various sauna providers with different strategies and hence it is vital to strive to differ and be more attracting compared to the competitors. Prosauna defines its competitive advantage through; close production, elegancy and from ability to respond unique customer needs quickly.

# 9.2 Objectives (Where are we going)

Prosauna Oy is seeking towards growing brand awareness and hereby positioning among its industry and competitors. The company offers holistic services for sauna builders and renovators and it pursues to gain customer loyalty and pass value for consumers continuously. New customer acquisition and customer retention are key elements of the current operations; hence marketing has an effective role in reaching the most essential goals. Current customers are engaged through superior customer service and with competitive pricing, after sales services are important for the company and the employees verify the purchase after construction. Serving customers superiorly is the key for customer retention, positive word of mouth and brand loyalty. In conclusion, the company seeks to increase brand awareness and customer base and consequently promote sales and grow the brand.

# 9.3 Strategy (How do we get there)

New brand breakthrough takes time and specific plan to succeed, Prosauna is seeking to arouse interest by versatile product offering and valuable customer service, the brand represents Finnish quality and has built a high quality brand image, in co-operation with advertising agency. Co-operation with known brands such as; Tulikivi and Risto Matti Ratia certifies the pursued image. Strategic alliances are formed in terms of partnership and continuous networking.

The company invests in agility and seeks to respond in unexpected situations with rapidity and flexibility, by possessing a close production facility the company has the opportunity to answer to unique customer desires. Being agile represents superior customer experiences and providing answers for unexpected wishes. All business operations are processed with accuracy and concentration, with a clear vision of the impact on the whole business strategy. Marketing strategy is adopted into the overall business strategy and marketing is valued and hence investments and automation placed towards it.

The internal factors which influence the strategy are integrated in order to have credibility. Communication among the employees is essential and all parties need to interact properly and hold on to the prearranged timetable and operation plan. In Prosauna Oy the connection to the factory is constant and one of the key elements of successful commerce and hence it is essential to have permanent and flexible contact method in use continually. Lack of integration in business functions can lead to lost clients and reflect a weak image to consumers.

Marketing efforts are planned to engage consumers and increase awareness of the brand. Prosauna Oy aims to attract consumers with participatory processes and events. Value is submitted through additional services and complementary products or services, for example: coffee service, consultation and lotteries.

# 9.4 Tactics (How exactly do we get there)

The marketing activities are planned in detail and utilized in terms of the specified objectives. Prosauna Oy uses both traditional marketing and online marketing. Social media is in a core role and maintained continuously. Traditional form used is advertising in newspapers and catalogues, but is considered to be costly and hence investments are loaded on occasion. Investments in printed advertisements are often built around events and promotions and consumers are attracted to visit the showroom, rather than only promoting the brand.

Facebook marketing enables the company to engage consumers and share value adding content with large audience. Marketing representatives plan and share quality content which accompanies the sauna theme, attempting to arouse interest towards the context of business area. Marketing formula is built from combination of traditional channels and social media channels; online marketing is represented through search engine advertising and both free and paid Facebook advertising. The company strives to integrate both channels in way that they represent purely the brand image and possess the same objectives. Cross-promotion is pursued and planned to occur in future campaigns more precisely. Communication and advertisements will locate in mass mediums and in catalogues; social media will focus on improving and increasing Facebook audience.

#### 9.5 Action (The details of tactics)

Marketing communications campaigns are delivered after the planning process. The marketing procedure is in hands of the marketing planner, but all employees are introduced with the activities, in order to adapt the ultimate objectives of current communications. In Prosauna, campaigns are often allocated towards weekends, as weekends are considered to be most valuable time to interact with consumers, and most of the store visitor's visit during Saturdays. Online advertising is usually executed from the beginning of a week to the end of the week whereas traditional marketing means such as adverts in newspapers are usually executed in the end of the week, with the assumption that consumers would visit the store during the day they have read the advertisement, and additionally remember the brand in the future whilst needing such services.

Action plans differ from campaign to campaign and specifics need to be considered during each campaign planning with the intention to bring value to the current activities and objectives. Internal communication concerning marketing activities is vital and all employees to be informed about latest campaigns and promotions, whilst the communication runs properly within the work organization, the executed message will have more integrated spirit.

#### 9.6 Control (Monitoring performance)

The marketing manager, in this case the CEO of Prosauna delivers the marketing campaigns and monitors to results on a daily base. Facebook advertising and Google AdWords provide specific tracking systems for advertisers and enable make changes according to the results. As the marketing resources are limited it is beneficial for the company to profit from the real-time advert monitoring possibility and consequently enhances the ongoing marketing campaign with editing. Prosauna tracks the results of a certain budget and thereby may increase budgets and click rates during the marketing period.

Online marketing is beneficial for a small company as they are able to benefit from the adaptability of the advertising platform. The purpose of this paper is to study the results of paid campaign and make recommendations for the future usage; the advertising data provides the researcher distinctive information concerning the usability and effectiveness of paid advertising.

# 9.7 Campaign

A multichannel advertising campaign was planned in order to collect data for this study and analyze the results. The results will be examined and analyzed to conclude the campaign value and to give recommendations for future business. The core objective is to improve future campaigns and optimize marketing efforts and budgets in order to benefit more. The company seeks information of what marketing communications work most efficiently.

The campaign planned and executed in this thesis was utilized during February 2015. Advertising plan and resources were built around Prosaunas one year anniversary theme. Online advertising was used through paid Facebook campaign and Google AdWords, traditional form was represented by a newspaper advertisement in Helsingin Sanomat.

Prosauna Oy celebrated one year anniversary at 7.2-8.2.2015 in the store and advertised the event for a wide audience. The company provided various promotions and offers during the weekend and in addition, there was food and drink catering for customers. One attraction offered was self-smoked salmon in the front yard of the store and eventually there was an auction for the smoker used only during the weekend. The objective of the event/campaign was to boost sales and promote brand by offering additional value for consumers through additional valuable services.

#### 9.8 Advertising channels/campaign plan

The anniversary event advertisement was advertised in Facebook and in Helsingin Sanomat, whereas Google AdWords advertising budget was increased from normal level, but the key words correlated to the business area and products as normal. Facebook and AdWords campaign started in the beginning of the event week on 2.2.2015 and continued until the end of the week. The advertisement in Helsingin Sanomat was placed in 7.2.2015 when the event took place at Prosauna. Advertising in newspapers and in Helsingin Sanomat is relatively expensive, whereas the advertising budget for Facebook and AdWords jointly constituted a smaller figure. The advertisement in Helsingin Sanomat totaled 1200€.

# SAUNAKAUPAN VUOSIPÄIVÄT 7-8.2

#### **TARJOUSHINTAAN**

- Narvin, Tulikiven, Mondexin kiukaita
- Saunan lauteita ja ovia
- Kaikki saunajakkarat ja tekstiilit -25%
- Katso kaikki tarjouksemme nettisivuiltamme

#### **TAPAHTUU**

- 10 ensimmäiselle asiakkaalle saunavihta
- Kalan savustusta ja loimutusta
- Kakkukahvit
- Arvotaan 3 kpl 100 € lahjakorttia
- Kota loimusavustin eniten tarjoavalle



Petikontie 1 01720 Vantaa p. 029 0800 890 info@saunapro.fi www.prosauna.fi Ma-pe 10-18 La 10-18 Su 12-18



Illustration 6: Anniversary advertisement in Helsingin Sanomat

# 9.8.1 The Facebook campaign 1: One year anniversary

The advertising campaign in Facebook was introduced from the beginning of the event week. The campaign period was from 2.2.2015-8.2.2015 and efforts were made for people to become aware of the event and hence promote the company comprehensively. Facebook advertising during this period was planned to enhance the amount of likers in Facebook and engage existing ones to the brand.

A lottery was presented in Facebook with the basic idea being: like our page during the present week and we will raffle three winners of 100€ gift cards in 8.2.2015. The lottery was held in 9.2.2015 and three winners were congratulated and announced in Facebook instantly.

The Facebook adverts visually represented the values of the company, displaying Finnish nature and serene ambiance which can be assimilated to the sauna culture. The pictures do not represent traditional advertisements rather give a visual experience simultaneously with details of the upcoming event, promotions and programs. The campaign content consisted of two pictures which subsidized one another.



Illustration 7: Facebook event advertisement photo 1

The first photo from the picture set included information of the promotions and products. The topic sentence in both pictures is the same, representing the anniversary event and the date. The focus on the picture centered in sauna products and adduced brands which are sold in the store.



Illustration 8: Facebook event advertisement photo 2

The following picture contained information about the program of the event, giveaways and lottery held in Facebook. The content was more informative concerning the additional attractiveness of the event from customer point of view and aimed to engage interest to visit the store during the upcoming event.

#### 9.8.2 Objectives

Objective of the campaign in terms of advertising was to spread word concerning the event and promote brand and principally to increase the amount of likers in Facebook. A small start-up company benefits from the amount of likers in their page by the increasing possibility to likers to share their page posts hence the advertising is natural and free of charge. The more likers a company haves, the more likely it is that the brand is promoted naturally. In addition this campaign was used to examine which factors affect the prosperity of paid Facebook advertising, whether to narrow target group or in which time of day is it most effective to share content in Facebook. The results of the campaign summarize the recommendations which should be considered I future usage of advertising in Facebook in order to make more out of it and deliver advisable content, in the right time to right audience and hence gain the potential to benefit the business comprehensively.

#### 9.8.3 Target group

The target audience of Facebook campaign was narrowed down to people living in the metropolitan area of Helsinki. Generally Facebook advertising is targeted for Finnish people all around the country, but during this campaign whilst an event was promoted the geographic features were more narrowed. The targeted age audience is from 18 years to 70 years. The company's customer base is most often represented from couples, families and professional builders and hence the target group is broad and does not narrow anyone out.

Facebook insights enable company to familiarize with the current audience base and get specific information concerning; gender, age and country. The data analysis of the campaign presents the results concerning which age and gender group are the most vital for Prosauna in terms of this campaign and simultaneously gives direction to which age group could the efforts be defined more loudly, in order to reach more outcome from Facebook.



Figure 4: Prosaunas Facebook fan base data

### 9.8.4 Budget

The overall advertising budget for the anniversary event was 1800€. The budget for the paid Facebook advertising campaign totaled 300€ for the period of 2.2-8.2.2015. The given amount was a total sum for the entire campaigning in Facebook and was divided for the whole week. The budget for Google AdWords totaled likewise 300€ and hereby totaled same amount as Facebook advertising. The traditional advertising, an advertisement in Helsingin Sanomat constitutes a majority from the overall budget. The main focus of advertising is commonly in online advertising, but in this campaign a newspaper advertisement was in demand and wanted for the promotional event. The cost for the newspaper advertisement is on high-level and hence it represents the majority of total budget.

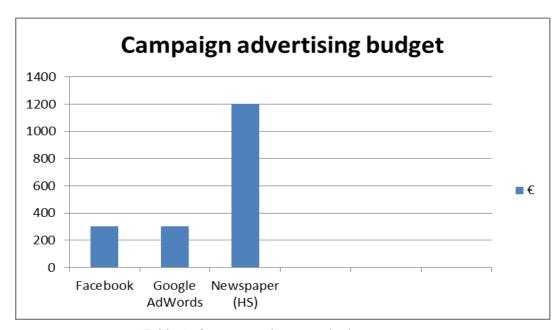


Table 1: Campaign advertising budget

## 9.8.5 Data analysis results

Facebook provides extensive quantity of data in order for companies to monitor and control their campaigns, in real-time and afterwards. Concerned campaign is analyzed through this thesis and was not examined whilst the campaign was currently going on. For to analyze the results of the anniversary campaign, several variables were scoped to make conclusions of the outcome in Facebook.

The aim was to reach new likers to the Facebook page and the amount of likes gathered during the campaign totaled 94. The amount of likes in Prosaunas page in the beginning was 643 and increased to 737likes after the campaign. The cost per like totaled 3, 19€ and is considered to be considerably high. The company is altogether satisfied with the amount of likers, but more effective cost and like level would had been more beneficial and effective. Altogether the campaign lasted for 7 days and reached coverage of 11 960 persons and 21665 impressions were shown. 115 persons made actions concerning the campaign the amount of acts totaled 141.



Illustration 9: Campaign outline

The campaign was addressed for both genders and a wide age range and Facebook insights allowed detail information of which gender and which age group was most engaged with the posts and liked the page. Majority of the likes were performed by male group, aged 35-44 with 36 likes. The second group represented female group in the same age range, 35-44. In addition, females aged 55-64 and males 45-54 actively liked the page. There is a clear downgrade with younger population and to summarize, both genders in age group 18-24 were not overly active as the total of both genders totaled merely 10 likes.

This data provides potential research results for future campaigns, whether to increase the minimum age level in target group in Facebook advertising and potentially reach more results by targeting for older age groups.

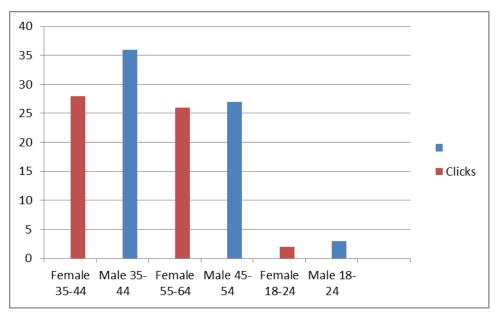


Table 2: Age and gender distribution

There was an explicit difference between the first advertisement picture and the second picture. The first picture which represented the promotional information was weak in terms of action compared to the following picture, in which the giveaways and event information was shared. The first advertisement picture collected 19 page likes and was clicked 46 times hence the click percent totaled 0,795%. The cost originated from the picture during the campaign was 79, 89€ in total.

The following advertisement represented the majority of the likes and costs; it collected 76 page likes and was clicked 193 times and thereby the click percent totaled 1,216%. The expenses were certainly higher and the cost originated through this advertisement totaled 220, 11€. There is a distinct difference between these two advertisements and clearly the content of the advertisement influenced the audience and page likes were made through the advert which generated direct information concerning the lottery and opportunity to win gift card by liking the company page.

The total quantity of likes was divided between the weekdays and there were two peak days in which likes were generated the most. The figure below indicates that Wednesday the 4<sup>th</sup> of February was the most successful day for the campaign and second place peak day is Saturday the 7<sup>th</sup> of February. Monday and Sunday demonstrate the lowest level of outcome in the campaign and indicate that future campaigns could be optimized for specific days or cut down for

example, Sunday. Cost per click during Sunday was also high, 1, 64 compared to for example, Monday when the cost per click was 0, 76. The overall cost for Sunday was 39, 32 and high, hence the amount of likes totaled only 6. On Monday likes were collected 9 and the total cost of the day was 19, 22.

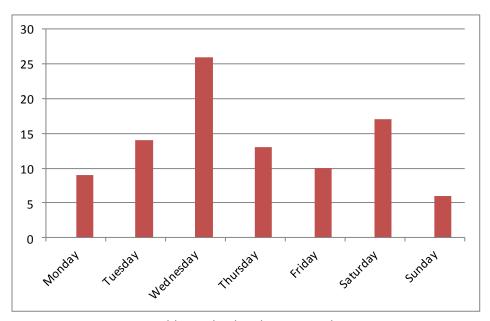


Table 3: Like distribution per day

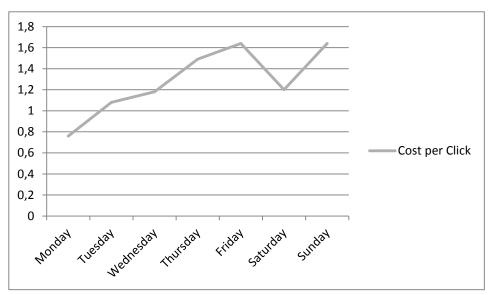


Table 4: Cost per click per day

## 9.9 Inquiry for store visitors

A part of this examination involved an inquiry for store visitors, people whom visited the store during the anniversary event on 7.2.2015. The inquiry was simple and visitors were exclusively asked question concerning how did they end up visit the store during that day. The inquiry was held during Saturday as all marketing communications means had been utilized concerning the event at that time. The visitors were informed that the questioner of the inquiry was conducting a research for degree thesis work and scoped online marketing influences.

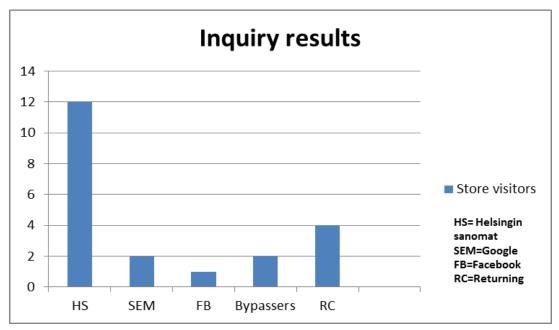


Table 5: Inquiry results

## 9.9.1 Inquiry conclusion

There were in total 21 visitors at the store during 7.2.2015. The personnel were kept occupied as one potential customer may require relatively much time and the comprehensive customer service including consultation and planning is a time consuming process. The store visitors were inquired through which medium they had heard about Prosauna.

The inquiry exposes that majority of the visitors during the event, came through traditional medium, Helsingin sanomat. Over half of the amount had noticed the advertisement in the morning and made a decision to visit the store and attend the event.

2 persons had memorized the brand from Google search and consequently visited the company website as they were searching information concerning sauna stores for their current house building process. 2 persons were by passers which had observed the event sign and hence de-

cided to visit the store. 4 of the customers represented returning customers that had returned to the store to discuss further their existing offers and projects. Lastly, solely one visitor had come through the Facebook advertisement.

Distinctly the investment to the use of traditional medium, Helsingin Sanomat was worth it and was effective and beneficial. With the amount of over half of the visitors turned up through the newspaper advertisement cannot be underrated. Google AdWords investments also seem to be working properly and consumers find the brand through search engines. Paid Facebook advertising results were not straightforwardly transmitted into the store location, rather it kept on raising the awareness in online and increased the amount of likes in Facebook.

There is a slight bias in the inquiry research, as it is impossible to signify whether the advertising channels invalidate one another. The infeasibility in knowing whether one consumer would had encountered the advert through another channel, if for example the newspaper advertisement would not been published. The result provides directional information, but the bias needs to be taken into consideration.

## 10 Recommendations for the case company

The overall advertising campaign eventually generated traffic to the store satisfactorily and increased the amount of likes in the company Facebook page with 94 new likers. This study was conducted in order to examine the results of the campaign and hence speculate and make conclusions for the future campaigns and improving the usage of Facebook in the company.

Since the company was reaching to increase brand awareness, attracting attention in Face-book actualized by coverage in consumer's social media and by being able to accumulate nearly one hundred new potential customers and brand ambassador for Prosauna Oy. The ultimate objective in Facebook is to acquire as many as possible followers and hence gain the opportunity that the audience of the company messages would share the posts with their own social media channels and thereby the natural Facebook results would benefit the company and paid advertising could be reduced. To achieve this goal, it is crucial to monitor the Facebook behavior of target group and engage consumers with shareworthy content.

Timing of advertising and promotional messages may have had an impact on the campaign results and it is beneficial to internalize whether there is a peak time in which it would be more beneficial to post and reach the audience. According to the Facebook insights, the company's existing fan base spend time in Facebook from 8a.m to 22p.m. In-depth analysis of which time of the day is most vital for company advertising would be beneficial in the future. Whether to invest in working hours or after all publish posts during evening hours when consumers are spending their leisure time. Peak time posting could provide more impressions for the advertisement. In addition, the length of advertising campaign could be modified according to the peak days. During the implemented campaign which began on Monday and ended on Sunday, the last day Sunday was considered to be expensive and ineffective in terms of action, compared to the other days. Analysis concerning the timeline of the campaign in terms of weekdays should be considered in the future exploitation.



Illustration 10: Facebook insight when fans read posts

The research displayed that the most vital target group for the campaign was represented by male group aged 35-44 following female group aged 35-44. The lowest interaction was made by male and female aged 18-24. According to these results, the company would benefit by confining the target group in terms of age, the minimum age could be raised and most efforts could be targeted for the most vital and productive age and gender group. By specifying the targeting of campaigns and social media marketing, the company captures the attention of the most beneficial target group and would improve current activities by accomplishing correct target group on a correct time.

The content and visual appearance in the campaign alignment showcased various styles. The online advert pictures represented a different style compared to the newspaper style. Style integration in company's public messages is important and the messages in different mediums should transmit the same message visually. The advertisement in Helsingin Sanomat is clear and explicit whereas the Facebook adverts represented a totally different style and theme. By standardizing the style in every channel, the company send s more quality messages and consumers can recognize the layout and adverts to represent the same brand more effectively.

The Facebook advertisements were fit into two separate adverts from which the other one was clearly more successful in terms of action. Two linked adverts pictures may provide an unclear view and so it could had been more comprehensive advert, if it would had been provided in the form of the HS advertisement and hence fitted into one illustration. In addition, it would be advisable to invest in cross-promotion within the separate advertising channels. The newspaper advertisement could vitally promote the company's social media presence and capture new likers from the traditional medium. By adding only the Facebook logo the advertisement, the audience would be aware of the company's Facebook page. Vice versa, Facebook page could publish posts concerning advertising in separate mediums.

Smartphone users need to be taken into consideration in advertising activities. Smartphones provide a continuous access into internet and into social media applications and consumers are using them all around the world in every time they want. The content and interaction of Facebook posts should be adapted to be easy for smartphone users to be involved. Smartphone friendly company website for example is nowadays a current matter and it should be taken into consideration, although the company would not have an online store website. The company can reach data concerning their audience's smartphone usage and hence consider whether to load investments in offering more smartphone friendly content and interaction.

Engaging content sharing is the key for successful Facebook marketing. By examining the posts of Prosauna Oy within the past year, it was clear that posts which included good-quality pictures where the ones which engaged most. By possessing certain standards for Facebook interaction and posts, the company can aim towards more beneficial interaction with the audience. In addition, the most liked non-paid posts concerned the company's posts about their achievements, for example; a picture posted regarding to a customers completed sauna unit gathered generally over 20likes whereas Facebook post with a link to an article regarding to the industry the likes were on a lower level.

Sostac-planning could be adapted into long-term planning of marketing activities, situations and strategies may change and hence it would be vital to consider the use of Sostac plan regularly. In a small company, the social media marketing may be more impulsive and unplanned and hence a plan which associates the whole working organization could be beneficial as the strategy and action would be more invisible in the organization and the objectives adapted into every employee. Communication of social media objectives and functions in a company is vital and employees whom are able to communicate for example in the company Facebook page are required to have similar standards and visions of the content which will be delivered for the audience.

Facebooks paid advertising in a small start-up company gives an excellent starting-point for increasing brand awareness and gathering potential customers to the company's Facebook channel. Company receives multiple impressions in Facebook with even a low budget in the Facebook advertising. The usage can be low-cost if it is planned properly and objectives are realistic and clear for the advertiser. Facebooks provide s a beneficial control and monitoring system for advertising campaign and enables the company to make changes and adapt the campaign according to the audience's actions. It is a vital opportunity for advertiser as in traditional advertising the actual results and reception of the advertisement is almost impossible to find out. It is advisable to correlate the tracked data and the results into wisdom for future usage of paid form advertising.

Facebook is a place for goal-oriented activities and nowadays it is almost a requirement for companies. It is an advisable place for companies whom seek to increase brand awareness and spread word about the company, but the overall influences to growing the company and boosting the sales do not originate only from Facebook rapidly; the causation of Facebook are long-term activities. Facebook and social media advertising are an important addition and support for overall marketing activities and support the long-term objectives beneficially, but it is difficult to predict the influence in sales.

Start-up companies may reach a huge potential from the Facebook platform and it provides a good groundwork for the rise of the company. Companies should be prepared for social media marketing and have a clear action plan there, everything a company does, reflects the company image; either in good or bad.

Efforts in search engine optimization provide benefits for the company as when achieving a high ranking in the search engine results; it is difficult to drop to the lower search pages. By establishing properly key worded website the company will automatically receive a higher ranking in the search results and hence the use of Google AdWords would not be that vital as the company would possesses a good ranking naturally.

#### 11 Conclusions

This paper presented an extensive theoretical framework for the topic relevancy to justify the matter and present existing theories and concepts concerning the field. Sostac model and SWOT-analysis were used to map out the starting point situation of the case company, in terms of their competitive advantages and marketing strategies, internal information was received from the entrepreneur and CEO of Prosauna Oy. The presumption is that the company knowledge is correct in this study, but the paper acknowledges the illusion brought by the small company information fluctuation as it is possible that the actions and decisions are more irrational in small companies compared to larger company information. Ultimately, a Facebook campaign was planned and implemented with the aim of increasing the company's amount of Facebook likers and promote the brand and increase brand awareness through social media.

The objective of this thesis was to examine potential improvement recommendations for the case company, through implementing a Facebook advertising campaign and simultaneously advertising in Google AdWords and in Helsingin Sanomat. An inquiry was executed for customers visiting the showroom during the campaigned event, in order to solve which medium had captured people most efficiently and initiated them to Prosauna. Based on the results of the multi-channel advertising campaigning the accomplished data was analyzed and investigated to form recommendations for future campaigning and to improve existing Facebook activity.

Facebook advertising allows the advertiser to examine the results of a campaign in real-time and the data was used to investigating the eventual result of the campaign. The results indicated that the case company could potentially narrow down their target group in term of agerange and to consider the campaign timing and duration in terms of cutting down expensive and weak weekday's in future advertising campaign in Facebook. The case company would

benefit from researching their fan base data more in depth and hence delivering on a right time to a correct audience.

All the advertising channels should message and represent same style and image of the brand and hence the company should standardize the content and style of advertisement pictures and include cross-promotion from traditional to digital marketing to gain more advantage. By examining the company's Facebook activity history, it was clear that posts with quality pictures engaged the audience most and gained external shares from recipient's accounts.

The inquiry results indicated the power of traditional advertising, the advertisement in Helsingin Sanomat represented the most influenced medium in terms of store visitors during the campaign event. The result encompasses a bias, as the researcher is not able to realize whether the respondents would had attended the event without the use of advertisement in Helsingin Sanomat, one has to acknowledge the possibility that the information could had overtaken the same audience in other form subsequently.

To summarize, Facebook is an efficient place for a small company with a small marketing budget to spread word about the company and increase the amount of brand awareness as it enables companies to reach an enormous audience quickly and conveniently. The results of Facebook advertising are more visible in long term rather than promoting sales rapidly and hence it is a good place for goal oriented activities and to engage with target audience. Paid Facebook advertising is an advisable addition and support for multi-channel advertising strategy.

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## Illustrations

Illustration 1: Prosauna store, Petikko	88
Illustration 2: Integration of online and offline activities	13
Illustration 3: Google search result page advertisements	24
Illustration 4: Printed promotion material	29
Illustration 5: Prosauna Facebook page outlook	29
Illustration 6: Helsingin Sanomat advertisement	32
Illustration 7: Facebook event advertisement photo 1	35
Illustration 8: Facebook event advertisement photo 2	35
Illustration 9: Campaign outline	38
Illustration 10: When fans read posts	43

# Figures

Figure 1: Stages of Sostac model	15
Figure 2: Facebook page report	22
Figure 3: SWOT analysis matrix	26
Figure 4: Fan base data	37

# Tables

Table 1: Campaign advertising budget	
Table 2: Age and gender distribution	39
Table 3: Like distribution per day	40
Table 4: Cost per click per day	40
Table 5: Inquiry results	41